

## OFFICE OF PRICE ADMINISTRATION

The legislative clerk read the nomination of Chester Bowles to be Administrator.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

## POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and, without objection, the President will be notified forthwith.

Mr. BARKLEY. I ask that the President be immediately notified of the confirmation of the nomination of Chester Bowles.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

## RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 18 minutes p. m.) the Senate took a recess until tomorrow, Friday, November 5, 1943, at 11 o'clock a. m.

## CONFIRMATIONS

Executive nominations confirmed by the Senate November 4 (legislative day of October 25), 1943:

## OFFICE OF PRICE ADMINISTRATION

Chester Bowles, to be Administrator, Office of Price Administration.

## POSTMASTERS

## CALIFORNIA

Mae M. Bunyard, Lost Hills.  
Harland G. Cox, South Laguna.  
Berenice Wilson, Tehachapi.

## INDIANA

John P. Mack, Elwood.  
Pearl J. Lockhart, Fowler.

## MAINE

Herman W. Crockett, North Haven.  
Aubrey E. Kenney, Sebago Lake.

## NEBRASKA

Joyce Hubbard, Ashby.  
Claude J. Wright, Aurora.  
Alma E. Rumsey, Bancroft.  
Fred C. Buhk, Beemer.  
Lulu M. Kennedy, Bradshaw.  
Clair Grimes, Chambers.  
Hjalmar A. Swanson, Clay Center.  
Ferdinand S. Bogner, Crofton.  
Inez G. Britt, Doniphan.  
C. Arthur Scism, Edgar.  
Helen W. Schneider, Elmwood.  
Frances C. Rotherham, Ewing.  
Jephtha D. Bishop, Gibbon.  
Thomas A. Siefken, Harvard.  
Charles Hynek, Humboldt.  
Ray M. Guilford, Marquette.  
Minnie M. Mason, Salem.  
John J. Burns, Scotia.  
Elta Evans, Shubert.  
Eric Fredrickson, Wakefield.  
William Stuart Campbell, Waterloo.  
Orley E. McCallum, Wauneta.

## NEW MEXICO

Melvin O. Shockey, Mountainair.

## NORTH DAKOTA

Arthur E. Bean, Donnybrook.

## OKLAHOMA

Louis M. Pace, Wilburton.

## VIRGINIA

Joseph B. Murden, Londonbridge.  
William G. Gwinn, Rich Creek.

## HOUSE OF REPRESENTATIVES

THURSDAY, NOVEMBER 4, 1943

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou Sovereign God of the Universe, under the canopy of Thy greatness and goodness, we gather in faith and humility, praying that we may be girded with wisdom and strength for all our duties and responsibilities.

Grant that this may be a day of unclouded vision for our President, our Speaker, and the Members of Congress as they courageously consecrate themselves to the tasks that challenge the investment of our noblest manhood and womanhood.

We pray that Thy special blessing and benediction may be given unto all who have gone forth to serve our country and the cause of freedom. May Thy protecting arms of love be around those whom they have left behind.

Fill our souls with a passionate longing for that glorious time when the kingdom of righteousness and peace shall be established everywhere.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Tuesday, November 2, 1943, was read and approved.

## THE PUBLIC HEALTH SERVICE

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 400) for the organization and functions of the Public Health Service, with a Senate amendment to a House amendment thereto and agree to the Senate amendment.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendment.

The Clerk reported the title of the bill and the Senate amendment, as follows:

SEC. 8 (a) (1) following the words: "burial payments in the event of death, 6 months' pay (and allowances)"—strike out the words "and allowances."

2. SEC. 10, following the words: "Army, Navy, or Coast Guard, shall receive 6 months' pay (and allowances)"—strike out the words "and allowances."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. This merely cuts out the words "and allowances."

Mr. BULWINKLE. That is all. They should never have been in there.

Mr. MARTIN of Massachusetts. Is there any other change?

Mr. BULWINKLE. No.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendments.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

## AMENDING NAVAL RESERVE ACT OF 1938

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2859) to amend the Naval Reserve Act of 1938, as amended, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk reported the title of the bill and the Senate amendments as follows:

Page 2, strike out lines 7 to 15 inclusive.

Page 2, line 23, after "dependents", insert "and the children of such members shall not be considered dependents unless their father is dead or they are in fact dependent on their mother for their chief support."

Page 2, strike out all after line 24 over to and including line 4 on page 3 and insert: "SEC. 2. The act entitled 'An act to provide for the appointment of female physicians and surgeons in the Medical Corps of the Army and Navy,' approved April 16, 1943 (Public Law 38, 78th Cong.), is hereby amended by inserting before the period at the end thereof the following: 'Provided, That female physicians and surgeons appointed in the Medical Corps of the Naval Reserve shall be restricted to the performance of shore duty within the continental United States only and shall not be assigned to duty on board vessels of the Navy or in combat aircraft.'"

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. This is merely restricting the activities of the WAVES overseas.

Mr. VINSON of Georgia. Mr. Speaker, this bill was passed by the House last summer. It went to the Senate, and was passed by the Senate a few days ago. It relates to the WAVES. The Senate amendment does not permit them to go abroad. The bill as it passed the House permitted that, but the Senate amendment restricts them to duty in this country and I am asking the House to accept this Senate amendment.

Mr. MARTIN of Massachusetts. Is that the only change?

Mr. VINSON of Georgia. The other change deals with the question of dependency. The Senate added an amendment that the children of a WAVE had to be actually dependent upon her to receive the benefits provided for dependents, and that a husband could not be dependent upon his wife who is a WAVE. Then the other amendment is that female doctors could not go outside of the country or serve on naval vessels or in combat aircraft.

Mr. HARNESS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. HARNESS of Indiana. Does not the provision relating to the allowance for the wife of a soldier, where the wife is a WAVE, conflict with the allowance bill that we passed the other day?

Mr. VINSON of Georgia. Not at all. This relates to dependents of a WAVE, and provides that the husband of a WAVE shall not be considered a dependent. The husband of a WAVE is not dependent upon the WAVE, but the children of such a WAVE shall not be considered dependents unless their father is dead, and they are in fact dependent upon their mother for their chief support.

Mr. HARNESS of Indiana. Is the gentleman certain that this does not conflict with the bill that we passed?

Mr. VINSON of Georgia. So far as I know, it does not conflict.

Mr. COLE of New York. Mr. Speaker, I reserve the right to object. Does the restriction in respect to female doctors apply also to female nurses in the Navy?

Mr. VINSON of Georgia. It deals only with the medical corps of the Navy.

Mr. COLE of New York. Then it applies to female nurses?

Mr. VINSON of Georgia. It says female physicians and surgeons. It applies only to the doctors and not to the nurses.

Mr. COLE of New York. Then the nurses may go abroad?

Mr. VINSON of Georgia. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendments.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

#### EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include some information received from the Budget Bureau.

The SPEAKER. Is there objection?

There was no objection.

#### PRESS RELEASES, MOSCOW CONFERENCE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing I report favorably a privileged resolution (H. Res. 341), authorizing that the State Department press releases containing the declaration providing for the prosecution of the present war which was signed at the conference held at Moscow, Russia, together with other papers relating thereto be printed as a House document.

The Clerk read the resolution, as follows:

*Resolved*, That the press releases of the Department of State containing the declaration providing for the prosecution of the present war to the complete subjugation of our respective enemies and for an eventual international organization for the maintenance of peace, which was signed at the conference held at Moscow, Russia, by the Foreign Secretaries of the United States, Great Britain, and the Soviet Union, and the Chinese Ambassador at Moscow, together

with the Anglo-Soviet-American communique; the declarations regarding Italy and Austria issued by the three Foreign Secretaries at Moscow, and the declaration by President Roosevelt, Prime Minister Churchill, and Premier Stalin regarding atrocities, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### WASTE OF FOOD, EQUIPMENT, ETC., IN THE ARMED FORCES

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and extend my remarks by printing an order issued aboard one of our naval vessels.

The SPEAKER. Is there objection?

There was no objection.

[Mr. WOODRUFF of Michigan addressed the House. His remarks appear in the Appendix.]

#### PHILADELPHIA ELECTIONS

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Speaker, the implausible impracticalists of the New Deal failed to fasten their foolish fantasies on Philadelphia last Tuesday.

The repudiation of outside meddling in the affairs of a city which prefers to govern itself was all the more pointed in view of the effort to save the New Deal machine ticket by a last-minute letter from the President; "too little, too late."

The only new Democratic success in more than twoscore candidacies was a councilmanic seat wrested from a soldier absent on active duty. If there is to be any rejoicing over that one lone success, the politicians who beat a soldier had better get their cheering done before the soldiers come back.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

#### EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a speech I made to the Vermont State Grange at Burlington recently.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORD. I ask unanimous consent to extend my remarks and include an article appearing in yesterday's Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to extend my remarks and include a telegram to the gentleman from North Carolina [Mr. BULWINKLE] signed by officials of 13 air lines.

The SPEAKER. Is there objection?

There was no objection.

#### CORDELL HULL AND THE MOSCOW CONFERENCE

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the Appendix by

including therein two tributes to Secretary Hull.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LUTHER A. JOHNSON addressed the House. His remarks appear in the Appendix.]

#### BEET-SUGAR PROGRAM

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, on the 1st of October, Mr. Marvin Jones, War Food Administrator, advised the people in my State that a program relative to sugar beets would be offered. Again, on October 20, a promise was made. There has been no order up to the present time. H. R. 3477, a bill now pending in this Congress, recently reported out of the Committee on Banking and Currency, dealing with subsidies, must be passed first. I was told this morning by two departments which I called that we could expect no answer to the sugar-beet program until this bill is disposed of one way or the other. Here we are in the planting season, beyond the planting season, and we have to wait until we dispose of this legislation before my people will know what crops they can plant.

I urge upon this House that this bill be placed before this body for consideration as soon as possible.

The SPEAKER. The time of the gentleman from California has expired.

#### COMMITTEE ON AGRICULTURE

Mr. KLEBERG. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may be permitted to sit during general debate this afternoon.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### EXTENSION OF REMARKS

Mr. HARNESS of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record and to include therein a letter addressed to the gentleman from North Carolina [Mr. DOUGHTON], chairman of the Committee on Ways and Means.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a table from the Department of Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### HARTFORD, CONN., ELECTS A REPUBLICAN MAYOR

Mr. MILLER of Connecticut. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.



Mr. MILLER of Connecticut. Mr. Speaker, 3 weeks ago I reported to the House the results of the town elections in Connecticut. At that time I expressed the hope that on November 3 I would be able to report that Hartford, the capital city of Connecticut, was in the Republican column for the first time in 10 years. Today it is my pleasure to advise you that Hartford has elected Hon. William H. Mortensen as Republican mayor of Hartford, along with a Republican board of aldermen.

The Hartford election is of interest to many Members of the House because of the part played by our former colleague, Mr. Herman Kopplemann. Mr. Kopplemann urged the election of a Democratic mayor to put a smile on the face of the President the morning after the election. He even claimed that the defeat of his candidate would affect adversely the unity of the United Nations.

Compared to the returns from New York, New Jersey, and Kentucky, a local election in Hartford may seem unimportant. I trust that the smile will soon be restored to the face of the President and that his coattails can be pressed back into shape after the weight they have carried for the past few weeks; and, more important than that, that the United Nations will be able to carry on the war effort successfully, despite the fact that Hartford has a Republican mayor.

Of more than passing interest to the Members of the House is the fact that the C. I. O.'s joint action committee supported every defeated Democratic candidate.

#### EXTENSION OF REMARKS

Mr. AUCHINCLOSS. Mr. Speaker, in the unavoidable detention of my colleague the gentleman from Missouri [Mr. ARNOLD], I request that he be permitted to extend his own remarks in the RECORD and to include therein an address made by Mr. Wendell Willkie recently in St. Louis. The gentleman from Missouri has received word from the Public Printer that this will take two and one-half pages of the RECORD and cost \$112. With this estimate of cost from the Public Printer, I renew the request.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I think I will object, Mr. Speaker, until the gentleman from Missouri [Mr. ARNOLD] can be here. I wish to ask him some questions about this bill. For the time being, I object.

The SPEAKER. Objection is heard.

#### WASTE OF PAPER BY GOVERNMENT AGENCIES

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Speaker, I hold in my hand numerous complaints from school boards in Pennsylvania to the effect they are unable to get sufficient paper for the children in the public schools; yet here is an example of waste-

fulness in the O. P. A.: For instance, for every 100 gallons of gasoline, two sheets of paper are used for the application, and two envelopes, one for mailing the application and one for mailing the coupons. One sheet of gummed paper is used. One sheet of paper is used between two gummed sheets, one sheet on which one coupon is pasted.

Each applicant receives on an average 50 gallons of gasoline. So for every 100 gallons of gasoline sold in my county 10 sheets of paper are used and 4 envelopes. For the 26,000,000 gallons of gasoline sold in my county each year it requires 2,600,000 sheets of paper and 520,000 envelopes.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

#### EXTENSION OF REMARKS

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on Monday next, after the disposition of the legislative business of the day and other special orders, I may address the House for 20 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### JOINT RATES OF FREIGHT FORWARDERS AND COMMON CARRIERS BY MOTOR VEHICLE

Mr. LEA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3366) to amend section 409 of the Interstate Commerce Act relating to joint rates of freight forwarders and common carriers by motor vehicle.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from California tell us why a bill of this magnitude should be taken up by unanimous consent?

Mr. LEA. I shall be pleased to. As the freight forwarders existed before the Freight Forwarder Act was passed they commonly used joint rates with motor carriers for the delivery of their freight. The Freight Forwarders Act prohibited the use of joint rates after 18 months following the passage of the act. Because of the war situation the assembly and distribution rates provided for by the bill in lieu of joint rates have not been established generally and the present right to use joint rates expiring on the 16th of this month it is very desirable—and all the agencies concerned I think agree on it—that the time should be extended.

The bill under consideration proposes to extend the time for the use of joint rates 18 months. If this extension is not made by the 16th of November it will greatly disarrange the present practice in moving less-than-carload freight.

Mr. MARTIN of Massachusetts. This is a unanimous report from the Committee on Interstate and Foreign Commerce?

Mr. LEA. It is; yes.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc., That section 409 of the Interstate Commerce Act, as amended, is amended by striking out the words "18 months" wherever they appear therein and inserting in lieu thereof the words "42 months."*

SEC. 2. Paragraph (4) of the proviso contained in subsection (a) of such section 409 is amended to read as follows:

"(4) No new or additional joint rate or charge may be established under authority of this section for service from any point of origin to any point of destination with respect to any particular commodity or class of traffic unless at least one rate or charge for service from such point of origin to such point of destination with respect to such commodity or class of traffic, established by an individual freight forwarder or by a freight forwarder jointly with a common carrier by motor vehicle, is already lawfully in effect; but for purposes of this paragraph the making of a change in a joint rate or charge which has been established, or which has become effective pursuant to this section, shall not be deemed to constitute the establishment of a new or additional joint rate or charge."

With the following committee amendment:

Page 1, line 6, strike out "forty-two months" and insert "thirty-six months."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### HOOR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

#### EXTENSION OF REMARKS

Mr. BEALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address by the Honorable Howard W. Jackson, former mayor of Baltimore, Md.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. BEALL]?

There was no objection.

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make this afternoon and to include two letters and one statement compiled by myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. ENGEL]?

There was no objection.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include an editorial from the Clarion Republican.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GAVIN]?

There was no objection.

[Mr. GAVIN addressed the House. His remarks appear in the Appendix.]

Mr. POULSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD and to include therein a resolution.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. POULSON]?

There was no objection.

[Mr. POULSON addressed the House. His remarks appear in the Appendix.]

#### EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. CURTIS]?

There was no objection.

#### REAL DEMOCRACY

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. CURTIS]?

There was no objection.

Mr. CURTIS. Mr. Speaker, it seems to me that the liberty-loving people of the world will take great hope in the elections that have been held in America. We have demonstrated that in the midst of a war we can hold elections, change officials, and still carry on. We have shown to the world that liberty consists not alone in choosing your own officials but in removing them as well.

I wish to make an announcement, Mr. Speaker, of a rumor that has now been confirmed. The gentlemen in the Press Gallery assure me that it is true that the Democrats carried Mississippi. The ability of some people to withstand punishment merits our admiration and we are reminded of those words of the Scripture, "How long, O Lord, how long."

#### EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short editorial and a radio address delivered by me on November 2.

The SPEAKER pro tempore (Mr. THOMAS of Texas). Is there objection to

the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

Mr. CARLSON of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include a statement by Beardsley Ruml on post-war plans.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas [Mr. CARLSON]?

There was no objection.

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include therein an editorial from the Baltimore News-Post of Tuesday, November 2, 1943.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

#### THE FALLACIES AND FALSE PROMISES OF THE NEW DEAL

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SMITH]?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, it would seem the people in all walks of life are beginning to realize in an effective fashion the fallacies and false promises of the New Deal.

They see the waste and extravagance for which they must pay in one way or another. They see rationing, regimentation, and exorbitant taxes extending indefinitely into the future after the war. They see that free labor, free enterprise, initiative, and opportunity are being destroyed. They see a giant Federal bureaucracy devouring their substance. They see labor, agriculture, and industry being placed in the same kind of political strait jacket that prevails among the dictatorships of Europe.

With the illusory promise of the "four freedoms" for the whole world, our people see that their own basic freedom, the right of every person to keep what he produces, is being destroyed.

They see the administration giving the United States away to foreign countries. In the name of international cooperation and everlasting peace they see the promotion of foreign schemes to bleed the United States.

#### JOHN L. LEWIS AND THE UNITED MINE WORKERS

Mr. POAGE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. POAGE]?

There was no objection.

Mr. POAGE. Mr. Speaker, appeasement which many of us had supposed died with 3,000 American boys at Pearl Harbor, marches on as the official policy of the Government of the United States today. John L. Lewis and his United Mine Workers have been responsible for the loss of more needed steel and other

supplies since Pearl Harbor than was the treacherous Japanese attack, and the delays in delivery of supplies growing out of the recurrent coal strikes have probably resulted in the loss of more American lives than were lost on December 7, 1941. We are properly fighting Japan to the death, but we are rewarding John L. Lewis with a wage increase which the War Labor Board held just a few days ago to be unreasonable and inflationary.

From this day forward, let no apologist for subsidies tell this House that fair prices for farm products would be inflationary until they explain this blackmail.

Mr. Speaker, I have never condoned any appeasement policy at home or abroad. Particularly do I resent the practice of paying tribute to any hijacker who holds a gun at our industrial heart in time of war. I have no criticism of paying coal miners a fair wage. I think coal miners, farmers, white-collar workers, all should receive a fair income, but I do not think that any group should be allowed to get an increase in income by tying up our war effort. These coal miners have exhibited a callous disregard for the welfare of the Nation. They are today being rewarded for their unpatriotic acts. Let it be remembered that this is being done without the consent of Congress. Let it also be remembered that it is in behalf of the very beneficiaries of this ill-gotten gain that we are now told that the farmer should not be allowed to receive a fair price in the market place for his products. Is it not in behalf of this group that we are told that we must sell War bonds in order to pay subsidies to reduce the cost of food? Mr. Speaker, no nation can long endure if it deals unfairly with the masses of its people in order to bestow special favors on well-organized minorities.

#### EXTENSION OF REMARKS

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### PERMISSION TO ADDRESS THE HOUSE

Mr. BALDWIN of New York. Mr. Speaker, I ask unanimous consent that today, following the legislative program of the day and any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

#### EXTENSION OF REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make today and include therein certain extracts from committee hearings and a Senate committee report, certain data furnished by agencies covered by the deficiency bill,



a survey sponsored by the Office of War Information, and certain newspaper comment.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(Mr. LAMBERTSON asked and was given permission to extend his own remarks in the RECORD.)

#### PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

Mr. AUCHINCLOSS. I object, Mr. Speaker.

#### FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION BILL, 1944

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 3598) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes (Rept. No. 822), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. TABER. Mr. Speaker, I reserve all points of order on the bill, and I ask unanimous consent that I be permitted to file a minority report and that it be printed with the majority report.

The **SPEAKER**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I 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 H. R. 3598; and pending that motion, may I ask the gentleman from New York (Mr. TABER) if we cannot reach an agreement on time for general debate?

Mr. TABER. I feel that this is quite an important bill and that we should have at least all day to debate it. If we have all day today to debate it, we might be able to complete the reading of it tomorrow, in view of the fact that the House is to meet at 11 o'clock tomorrow.

Mr. CANNON of Missouri. Then, Mr. Speaker, I ask unanimous consent that general debate continue throughout the day, that the first paragraph of the bill be read before the Committee rises today, and that general debate be equally divided and controlled by the gentleman from New York (Mr. TABER) and myself.

The **SPEAKER**. Is there objection to the request of the gentleman from Missouri?

Mr. WILSON. Reserving the right to object, Mr. Speaker, will the chairman of the committee explain why a supply of copies of this bill is not available to the Members during this debate?

Mr. CANNON of Missouri. The usual provisions have been made to supply

Members with copies of the bill. The gentleman can secure copies at the desk.

Mr. WILSON. I have just been informed that only two or three copies are available for the Members, and we have not been able to obtain copies of this bill until today and have not had a chance to study it and the appropriations and the validity of the appropriations. Therefore, I am inclined to object to the request of the gentleman until copies of the bill are made available for the Members of the House.

Mr. COCHRAN. Will the gentleman withhold that objection?

Mr. WILSON. I will withhold it for the time being, Mr. Speaker.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I wish to say that in my objection a while ago to the gentleman from New Jersey (Mr. AUCHINCLOSS) inserting Wendell Willkie's political propaganda, or campaign oratory, in the RECORD at Government expense, in the name of the gentleman from Missouri (Mr. ARNOLD), I was not trying to be capricious.

The gentleman from Missouri (Mr. ARNOLD) is not here, and he and the gentleman from New Jersey being the only two remaining Willkie advocates in the House, I thought they should both be present to join in the request, while the Willkie political obsequies are being held as a result of his being put out of the running for the Republican nomination for President day before yesterday, when Governor Dewey stepped out in front and took the flag away from him.

I do not object to putting material in the RECORD that is of vital interest to the American people, but to put in the RECORD a campaign speech of Wendell L. Willkie at the expense of the Federal Government, as announced by the gentleman from New Jersey, is something else; and I want both of his supporters in the House to be here and take responsibility for it.

Mr. MARTIN of Massachusetts. Mr. Speaker, I demand the regular order.

Mr. RANKIN. I have no objection to the request of the gentleman from Missouri (Mr. CANNON) for unanimous consent.

The **SPEAKER**. The regular order is demanded.

Is there objection to the request of the gentleman from Missouri?

Mr. WILSON. I withdraw my objection, Mr. Speaker.

There was no objection.

The **SPEAKER**. The question is on the motion offered by the gentleman from Missouri.

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 consideration of the bill H. R. 4598, with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The **CHAIRMAN**. The Chair recognizes the gentleman from Missouri (Mr. CANNON).

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. If the gentleman will permit me to make a preliminary statement, I shall then be glad to yield.

Mr. WILSON. How does the gentleman account for the fact that we have no minority report?

The **CHAIRMAN**. The gentleman from Missouri has declined to yield until he makes a preliminary statement.

Mr. WILSON. Mr. Chairman, I make the point of order that a quorum is not present.

The **CHAIRMAN**. The Chair will count. [After counting.] Ninety-seven Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 151]

Andrews	Griffiths	O'Brien, Ill.
Barrett	Hall	O'Brien, Mich.
Barry	Leonard W.	O'Connor
Bates, Ky.	Halleck	O'Leary
Bates, Mass.	Harless, Ariz.	O'Neal
Bolton	Hart	O'Toole
Boren	Hartley	Outland
Bradley, Pa.	Heffernan	Peterson, Ga.
Brehm	Hendricks	Pracht
Brooks	Hess	Rees, Kans.
Butler	Hoeven	Robinson, Utah
Byrne	Hollifield	Robison, Ky.
Cannon, Fla.	Holmes, Mass.	Rogers, Calif.
Case	Izac	Russell
Celler	Jackson	Sabath
Chapman	Jennings	Scanlon
Chenoweth	Johnson	Schuetz
Costello	Calvin D.	Schwabe
Courtney	Johnson	Sheridan
Crawford	J. Leroy	Short
Cullen	Jones	Sikes
Davis	Kean	Simpson, Ill.
Dawson	Kee	Slawter
Dewey	Keefe	Smith, Maine
Dies	Kelley	Smith, Va.
Dingell	Kennedy	Smith, W. Va.
Doughton	Kerr	Somers, N. Y.
Douglas	Kilburn	Spence
Durham	Kirwan	Starnes, Ala.
Elston, Ohio	LeFevre	Stearns
Fay	Luce	Stewart
Feighan	McGranery	Sumner, Ill.
Fernandez	McGregor	Sumners, Tex.
Fish	McKenzie	Sundstrom
Fitzpatrick	McLean	Taylor
Flannagan	McMurray	Thomas, N. J.
Fogarty	Maas	Treadway
Folger	Madden	Troutman
Fulmer	Marcantonio	Vinecent, Ky.
Furlong	Martin, Iowa	Voorhis, Calif.
Gale	May	Vorris, Ohio
Gallagher	Merritt	Wadsworth
Gearhart	Miller, Mo.	Weiss
Gerlach	Monroney	Wene
Gifford	Morrison, La.	West
Gillie	Mott	White
Gore	Mruk	Winstead
Graham	Myers	Wolverton, N. J.
Green	Newsome	
Gregory	Norton	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 3598, and finding itself without a quorum, he had directed the roll to be called, when 285 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The **SPEAKER**. The Committee will resume its sitting.

The **CHAIRMAN**. The Chair recognizes the gentleman from Missouri (Mr. CANNON).

Mr. WILSON. Mr. Chairman, will the gentleman from Missouri yield?

Mr. CANNON of Missouri. I trust the gentleman from Indiana will permit me to complete my statement. I shall then be glad to yield to any Member of the House.

Mr. WILSON. Then the gentleman refuses to yield at this time?

Mr. CANNON of Missouri. I shall be glad to yield as soon as I have concluded my statement.

Mr. WILSON. Then, Mr. Chairman, I make the point of order against further consideration of the bill on the ground that it has not been printed and presented to the House, and that the majority hearings have not been printed and presented to the House 24 hours ahead of the time when the bill is called up. Further, the minority views have not been printed.

The CHAIRMAN. The point of order comes too late. The House has already committed the bill to the Committee of the Whole House on the state of the Union and the bill is now properly before the Committee for its consideration. The point of order does not lie at this time.

Mr. WILSON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Indiana makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-seven Members present—a quorum.

Mr. CANNON of Missouri. Mr. Chairman, the committee presents today the first supplemental national defense appropriation bill, for 1944. The bill marks a milestone in the history of congressional appropriations in that it reduces the estimates on which the bill is predicated by 82 percent, the most drastic reduction that has ever been made in any general appropriation bill in the history of the committee or of the House. This reduction is in keeping with the policy of drastic reduction and rigid economy which the committee has followed since the beginning of the war. Before the summer recess in this session, Budget estimates were reduced by \$1,395,000,000. In this bill we make a record in reduction below the Budget estimates never made before in the history of this or any other parliamentary body in the history of the world. Credit for this is due both the majority and the minority members of the committee who have been largely in agreement on all appropriation bills reported since the beginning of the war. It is only here and there that there has been some difference of opinion on isolated items—and that is true of this bill. All members of the committee on both sides of the table are in complete accord on the provisions of this bill with the exception of one or two items.

The bill is unusual in another respect. The committee submits in reporting the bill the most voluminous and comprehensive report ever submitted within my knowledge.

Of all the innumerable reports prepared by the clerk of the committee, Mr. Marc Sheild—and they are legion—this is not only the longest, but may well be considered his masterpiece. Mr.

Sheild came to the service of the committee in 1908. He has been with the committee something over 35 years. He has served for more than one-third of a century, for more than a generation—has served "sans peur et sans reproche"—without fear and without reproach. I believe I can say considerably that Marc Sheild knows more about Government budgets than any other living man. In my opinion he knows more about parliamentary budgets and procedure in their consideration than any man who has ever served the Congress in any capacity. I trust the Members will read the report with care. I am certain they will read it with interest. It is in effect, a textbook, not only on this bill, but on the war effort generally. I am glad to have this opportunity to express for the committee our appreciation of Mr. Sheild, one of the keymen of the Government. His comprehensive knowledge of appropriation affairs is exceeded only by his indefatigable industry.

The committee reports this bill, in consonance with its considered policy of submitting one bill between the adjournment for the summer recess and the opening of the second session of the Congress. It is not the intention of the committee to submit another general bill until the second session. That means that no further bill of this character can become a law prior to the approximate period from March 1 to March 15.

If other estimates require consideration, and are of sufficient importance, they will be considered in separate bills.

Already we have an estimate of this character pending in the committee; an estimate for an appropriation of \$35,000,000 and unexpended balances, for farm labor supply, which the committee expects to bring out as a separate resolution before the holidays.

This bill has been a very difficult bill. The committee has had it under consideration for 6 weeks. Four weeks we have conducted continuous hearings on the departmental estimates. Much of the testimony has necessarily been off the record, but we submit to you a well considered, carefully prepared bill, dealing almost entirely with the war effort. Ninety-eight and one-half percent of the funds dealt with in this bill are directly connected with and directly in promotion of the war program. Only 1½ percent are nonwar items, and even some of them, on a strict interpretation, have an indirect connection with the prosecution of the war.

I will take up the salient items in the order in which they appear in the bill. The Office of War Information receives the full Budget estimate of \$5,000,000. This money is to be used only in connection with actual or projected military operations. It is to be expended on the other side of the water in the immediate theater of the war. Its importance can hardly be overemphasized. From the earliest time military textbooks have recognized the importance of the psychological phase of warfare, the value of the use of propaganda to encourage friends and discourage enemies, as it has always

been recognized as one of the vital agencies of warfare, as essential as gunpowder. And in this war, it is the undisputed and emphatic testimony of the commanders directly in charge of the war front that the use of funds for such purposes has brought about the surrender of the enemy, who otherwise would have had to have been dislodged at a heavy wastage of life and matériel and after long and critical delay. The expenditure of funds for this purpose has saved American lives and brought the war that much nearer to an early and successful conclusion.

Our forces have won notable victories in this war. There is no campaign in the history of the Republic in which, handicapped by such lack of preparation, taken so completely by surprise, American arms have won so consistently and so continuously as in this war—and against three of the greatest military powers of the earth. The striking feature of the war is that there have been no great debacles; no disastrous catastrophes; no instances in which we have suffered a material defeat or sustained the loss of large troop units. Never has a war been prosecuted with such credit and with such consistent success on every war front.

But the war is not over.

We are now at the crisis. And if the enemy maintains morale, the heaviest losses are yet ahead. If there ever was a time when we should employ every resource at our command that time is now. For us to deny funds for so effective a weapon at this time would be equivalent to denying planes or tanks or any other tested agency of warfare.

Hitler has, if his plans are not interfered with, a potential plan under which he is in position to swing 80 divisions against our Italian front. Eighty divisions of crack troops, well-equipped veterans—the finest fighting force that the world has ever seen. We must meet them with fewer men and at the disadvantage of having recently taken our position and of being thousands of miles from our base. Under such circumstances, who would deny the men at the front a weapon which our commanders have agreed unanimously has already brought in the entire Italian Fleet without firing a gun, the surrender of German and Italian units in Tunisia, Sicily, and Italy, and saved, according to this testimony, the lives of thousands of American soldiers, sailors, and marines? It is unthinkable.

In addition, we have positive assurance that a new front will be opened in the near future. That drive must be preceded by extensive propaganda. The way must be cleared. Friends in occupied territory must be notified and encouraged. The enemy must be apprised of the peril of their situation, and every effort made to prevail upon them to yield without the bloodshed and carnage of war.

This \$5,000,000 is but a drop in the bucket as compared with the other vast expenditures of war, and yet is calculated, under assurances given to the committee by the military authorities, fresh from the field of battle, to secure



results which cannot be effected by divisions of troops and fleets of ships.

We also recommend an appropriation here for the War Manpower Commission. Manpower is one of the serious problems of the war. Armed forces are estimated to require 2,000,000 more men in this fiscal year; war munition industries another 2,000,000 men, or a total of 4,000,000. We estimate we will be able to get 2,600,000 of those from other non-agricultural industries, leaving a shortage of 1,400,000 which must be made up. The proposition to appropriate this money is to make that additional manpower available.

The net addition of this number of workers is slightly in excess of the net addition formerly estimated. The serious problems with respect to manpower, however, in addition to securing additional workers, is the proper distribution of that manpower, the proper referral to the critical industries needing it, the problem of keeping manpower already employed in essential industry from leaving that employment for less essential employment, and the greatest of all difficulties—that of intensive utilization of manpower already employed to avoid waste both in human labor and in the cost of munitions for the Government. This latter problem the committee regards as the most important and necessitous situation facing the Commission and the various committees and agencies cooperating with it.

The Commission has cataloged 72 labor market areas in the United States as critical from the standpoint of acute shortage of workers compared with 31 such areas 9 months ago. Typical critical situations outlined to the committee by Chairman McNutt comprise a need on the west coast within the next 6 months of almost a half million workers to meet the needs of industry and the armed forces, of which 200,000 are estimated to be necessary to be brought in from other parts of the country, 65,000 workers estimated for this month in Detroit, 15,500 in Baltimore, and 29,000 in Buffalo. These are cited as typical examples of the situations occurring in lesser degree in the 72 critical areas.

Maximum utilization of existing manpower resources in existing war plants is receiving the attention of the Commission. The additional funds provided by the bill will contribute materially to enable it to intensify its efforts in assisting industries to make the best use of labor already employed before additional forces are supplied.

We provide for the War Shipping Administration to use \$2,350,000 more for administration. The War Shipping Administration operates and repairs practically all of the American merchant tonnage and also supplies repairs for lend-lease tonnage of Allied nations which make our ports. Under the present system we have very little control over the repair contractors, because no one can tell until they get upon the ship and complete the job, what the repair cost is going to be. The annual repair bill of this tonnage, including alterations, recondi-

tioning, and war damage, is approximately \$500,000,000. Approximately 550 vessels are in a repair status each week. The work is performed in some 83 major repair yards in the United States and much of it is rush work the extent of which is often indeterminate until damages have been ascertained. Repairs are made under a master agreement which is jointly used by the Army, Navy, and Maritime Commission. The agreement is not much more than a schedule of rates and charges to be paid by these agencies, based upon their audits of contractors' costs for other jobs, and officials admit that cost of Government repair jobs on ships under war conditions is at the mercy of the contractors except for provisions to exercise the right of recapture of excess profits, renegotiation, and change of rates based upon determination of costs of similar jobs by the same yard.

The War Shipping Administration has proposed the recruitment and training of a force of examiners to be stationed on each vessel under repair to check material and labor costs while the jobs are under way. Such a force contemplated two men for each ship during the period of repair, based on some 550 ships constantly under repair, allowing for extra shifts, leaves of absence, and so forth, a total of more than 5,000 such examiners at a cost of \$4,950,000 for this fiscal year and \$12,500,000 for a full year.

The committee is much impressed with the savings estimated to result from the establishment of such a procedure, placed by Vice Chairman Douglas at \$40,000,000 to \$50,000,000 a year. The program of recruitment and training of such a large force with the fiscal year so well advanced seemed to the committee impossible of accomplishment and upon re-study and revision of the plan, provision has been made for salaries and expenses of a force of 1,500, at a cost of \$2,350,000 for this year. Some personnel has already been recruited and trained and is at work and has shown results.

The matter of Federal personnel is a matter of particular interest because at this time we hear constant allegations that the departments are overstaffed and that there is excessive Government employment. The peak of civil service employment reached 3,300,000 last June. There was a net decrease of 24,223 in July and the War Department in August reduced approximately 145,000. There will have to be increases on account of some war activities and there will be reductions in others. The Commission is now estimating that the employment will stabilize at an average of 3,200,000 for the fiscal year, which, if realized, means that with employment at the beginning of the year at around 3,300,000 it must reduce to below 3,200,000 before the end of the year to attain that average.

The committee has examined personnel requirements in connection with this bill and has eliminated wherever possible and shortened the period of employment in other cases.

The Lanham Act authorized appropriations for national war housing to the extent of \$1,500,000,000. We have already made appropriations of \$1,300,000,000. The proposition submitted for this bill was to provide the other \$200,000,000. The committee, assailed by charges of overbuilding, thought best to hold the appropriation down to \$50,000,000, which, with the \$10,000,000 unexpended balance, would provide \$60,000,000, with assurances that at any time additional funds were shown to be immediately necessary, consideration would be given to estimates for any additional amounts which might be needed.

Under the item for the Veterans' Administration, we had requests for additional bed capacity for 3,950 neuropsychiatric patients from both wars, the last war and this war. We allowed the full amount of \$10,356,000 because the load is very heavy and is increasing and undoubtedly will continue to increase, and additional facilities must be provided from time to time. Patients admitted to veterans' hospitals as veterans of World War No. 2 already total 7,149, and the number is increasing rapidly, a total of 1,476 coming from the armed forces in the month of July. A classification of the total of 7,149 by months commencing in March 1942, and divided between neuropsychiatric, tubercular, and general cases, is listed on page 69 of the hearing. These data are cumulative to the end of last August and show that 1,550, or 22 percent, are tubercular cases, 1,945, or 27 percent, are general cases, and 3,650, or 51 percent, are neuropsychiatric cases.

It is evident that additional construction will be required from time to time for hospitalization of World War No. 2 veterans. The expanding load of veterans of both wars is being given continuous study by the Federal Board for Hospitalization with a view to future construction, having in mind the many beds in service hospitals which may be surplus to the needs of those agencies at the conclusion of the war and bearing in mind the fact that certain of those recently constructed facilities are being designed for post-war use by the Veterans' Administration.

An estimate for the Farm Security Administration was submitted providing appropriations for both administration and loans. Consideration of the estimate was complicated by the fact that there had been some controversy over a similar item in the regular supply bill last spring. It will be recalled that at that time this committee collided wholly unintentionally with other committees of the House which objected to our exercising jurisdiction and making appropriations without authorizations of law. Unfortunately there is no law authorizing appropriations for Farm Security, but in view of the fact that the committee had been accustomed to bringing in appropriations for this purpose every year in the regular agricultural appropriation bill or relief bill, the committee, in conformity with the custom followed ever since the Farm Security Administration has been established, brought in an appropriation for that purpose in the



regular supply bill. As usual, we went before the Committee on Rules to ask for a rule to permit its consideration, but other committees of the House appeared before the Committee on Rules in opposition and objected to the rule's being granted. It was not granted, and, of course, and over the protest of the Committee on Appropriations, the item went out on a point of order. We had taken for granted that in the meantime authorization would be provided, but when the estimate came in this time we found ourselves in exactly the same position without legislative authorization to report the appropriation.

Mr. WILSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. WILSON. Mr. Chairman, in view of the fact that for the past week I have been trying to get a copy of this bill or to find out something in regard to what was in the bill, but have been unable to do so or to get any idea of any appropriation in the bill before 12 o'clock today in order to study the appropriations asked for, and in view of the fact that bills were not made available for Members of the House even at 12 o'clock today, yet this committee is coming in here asking for a great deal of money, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-three Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 152]		
Andrews	Gearhart	Marcantonio
Baldwin, Md.	Gerlach	Martin, Iowa
Barrett	Gifford	Merritt
Barry	Gillie	Miller, Mo.
Bates, Ky.	Gore	Monroney
Bates, Mass.	Graham	Morrison, La.
Bolton	Granger	Mott
Bonner	Green	Mruk
Boren	Gregory	Myers
Bradley, Pa.	Griffiths	Newsome
Brehm	Hall	Norton
Brooks	Leonard W.	O'Brien, Ill.
Buckley	Halleck	O'Brien, Mich.
Burgin	Hart	O'Brien, N. Y.
Butler	Hartley	O'Connor
Byrne	Heffernan	O'Konski
Cannon, Fla.	Hendricks	O'Leary
Case	Hess	O'Neal
Celler	Hoeven	O'Toole
Chapman	Holifield	Outland
Chenoweth	Holmes, Mass.	Peterson, Ga.
Chipperfield	Izak	Philbin
Compton	Jackson	Piumley
Costello	Jennings	Pracht
Crawford	Johnson	Rees, Kans.
Cullen	J. Leroy	Robison, Ky.
Dawson	Jones	Rogers, Calif.
Dies	Kean	Sabath
Dingell	Kee	Scanlon
Doughton	Keefe	Schuetz
Douglas	Kefauver	Schwabe
Durham	Kelley	Sheridan
Elston, Ohio	Kerr	Short
Fay	Kilburn	Sikes
Feighan	King	Simpson, Pa.
Fernandez	Klein	Slaughter
Fish	LaFollette	Smith, Me.
Fitzpatrick	LeCompte	Smith, Va.
Flannagan	McGranery	Smith, W. Va.
Fogarty	McGregor	Somers, N. Y.
Folger	McKenzie	Spence
Ford	McLean	Starnes, Ala.
Furlong	McMurray	Steagall
Gale	Maas	Sundstrom
Gallagher	Madden	Thomas, N. J.

Treadway  
Troutman  
Vincent, Ky.  
Vorys, Ohio

Wadsworth  
Weiss  
Wene  
West

Wiley  
Winstead  
Wolverton, N. J.  
Zimmerman

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill H. R. 3598, and finding itself without a quorum, he directed the roll to be called, when 285 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

Mr. CANNON of Missouri. Mr. Chairman, the Bureau of the Public Debt has a heavy burden. The amounts recommended comprise \$1,300,000 for salaries and expenses, \$45,000 for printing and binding, and \$48,100,000 under the permanent appropriation "Expenses of loans," totaling \$49,445,000. The items should all be considered as a group as their application relates to the same problem, namely, preparing, issuing, selling, redeeming, and otherwise servicing the entire public-debt operation of the Government. The original allowance for this service for the fiscal year 1944 was based upon estimates of appropriations formulated in the latter part of the calendar year 1942. The 1944 appropriation on that basis is \$57,600,000. It was predicated upon the sale of 147,600,000 pieces of bonds and the redemption of 20,800,000 pieces. The revised estimate of 1944 business is based upon the issuance of 490,000,000 pieces and the redemption of 60,000,000. This enormous quantity will more than double the business of 1943 for which the expenses of loans appropriation required \$68,000,000 for the issuance of 227,300,000 pieces sold and 26,200,000 pieces redeemed. The public bond sales for the present fiscal year are estimated at \$45,000,000,000.

All of the money for the public debt service, with the exception of \$5,800,000, was asked for printing, handling, issuing, redeeming, and otherwise servicing the debt. The \$5,800,000 was for the War Finance Division, which is engaged in the promotion of bond sales through the paid and volunteer War Savings Staff. There has been previously allocated to the War Savings Division a total of \$8,690,718 and the addition of \$5,800,000 would bring the amount for the entire year to \$14,490,718. While this appears to be a large sum, it should be considered in the light of the projected sale of approximately \$45,000,000,000 in this fiscal year. Of this amount there has already been sold approximately \$19,000,000,000 and additional drives are contemplated in January and June. The personnel of the War Finance Division in the Department and in the State organizations as recruited for the Second Bond drive totaled 1,890 full-time regular personnel, 842 temporary employees, 717 serving on a per diem or "when actually employed" basis, and 1,535 on a \$1-a-year basis. This force is directing the effort and being sup-

plemented by a volunteer organization of some 5,000,000 people.

A large amount of free service is donated in addition to that of volunteers. Free advertising by radio, newspapers, magazines, outdoor advertising, and card space has aggregated more than \$200,000,000 in value since May 1, 1941.

Another agency that is carrying a heavy burden and a rapidly accelerating program is the Bureau of Internal Revenue. The Current Tax Payment Act which was passed here a few months ago has increased its work very greatly. The main feature of the Current Tax Payment Act of 1943 changed the method of collection of income taxes by providing withholding at the source and the placing of income taxpayers on a current basis of paying such taxes instead of the former procedure of paying the tax in the year following that in which the income was earned and the tax liability incurred. The change has proven generally satisfactory to the public. It has, however, placed a much greater burden upon the tax collection organization, particularly during the transition period requiring the inauguration of new methods and the recruitment and training of new personnel. An enormous volume of returns and other documents have to be handled by the Bureau, particularly those involved in the returns by withholding agents—employers withholding tax from employees' pay—and the estimated returns required to be filed by taxpayers in the year of current income in advance of the regular return required to be filed in the year following.

Some idea of this volume of paper work and accounting can be gained from a comparison of tax returns for the years 1942 and 1943. During the fiscal year 1943, 57,300,000 tax returns and statements were received by collectors of internal revenue. During the fiscal year 1944—July 1, 1943, to June 30, 1944; the withholding tax became effective July 1, 1943—the estimated returns are 111,500,000, divided approximately as follows:

Ninety-four million five hundred thousand income-tax returns, consisting of 54,500,000 income-tax returns; 30,000,000 estimated returns and declarations; 10,000,000 returns from employers withholding taxes from employees for the Government—quarterly returns from 2,500,000 employers; 9,500,000 employment-tax returns; 5,250,000 miscellaneous-tax returns; 1,500,000 special-tax returns.

The amount estimated to be withheld in the current fiscal year under the withholding tax is approximately \$7,000,000,000 and on a full-year basis approximately \$8,500,000,000. The cash collections are paid to the Government monthly, returns of collections are made quarterly, and annually the employer must furnish the Government and each employee from whom tax has been withheld—approximately 51,000,000—a statement of the amount of tax so withheld from each person.

Another feature of the new method of collection is that involved in making of



refunds. Under the law persons overpaying taxes either by paying them on the estimated basis in advance or through the withholding method are entitled to have any excess payment, as divulged by the final return, refunded. The Bureau estimates that approximately \$400,000,000 will need to be refunded to about 16,000,000 individuals. The average of these refunds, it will be noted, is \$25 and while the sums seem small it is important to every taxpayer who will expect a prompt return of the amount due.

The only other item which might be of interest is that for the Navy Department for supplementing the naval stock fund.

The naval stock fund is a working fund for the procurement of supplies, materials, and equipment in the main common to two or more bureaus of the Navy. Until recently it included materials and equipment in connection with shipbuilding operations, but these have now been excluded. The procedure involved consists in procurement of required supplies and equipment from the stock fund and carrying it as inventory in the naval stock account until drawn by the using bureau, and then reimbursing the fund by transfer from bureau appropriations. The extensive increase in the number of naval units, both vessels and stations, has required very heavy inventory, so that material and equipment would be available for use when and where needed. The necessity for additional funds at this time arises from the fact that there was disclosed a bookkeeping deficit as of last May, the last evaluation date, of approximately \$553,000,000. The new amount in the bill will eliminate the deficit and provide additional working capital of approximately \$200,000,000. Reimbursement from bureaus is a slow process, approximately \$400,000,000 being normally in transit between bureau funds and the stock fund. No loss has been incurred as might be indicated by the deficiency. Procurements have been made by drawing funds under the Navy's general account of advances and their value is included in the naval stock fund as inventory. The committee has approved a provision in the Budget estimate, concurred in by the Navy Department, to limit the value of the stock in inventory and the outstanding unpaid procurement obligations to a total of \$2,250,000,000 after June 30, 1944. This provision is designed to prevent accumulation of excess inventory and should have a salutary effect in that direction if it can be administered effectively.

The request of \$750,000,000 in direct appropriation for addition to the naval stock fund is met by eliminating the direct appropriation and substituting therefor a like amount by transfer from the appropriation "Ordnance and ordnance stores, Navy, 1944." The effect of this transfer is to reduce the obligating authority of the Navy under one appropriation and increase it under another without any net increase in the drain on the Treasury.

The Secretary of the Navy has advised the committee that a surplus exists in ordnance appropriations due to changes in procurement and savings since the

original appropriations were programmed earlier in the calendar year, and that this transfer can be made and still leave the Bureau of Ordnance adequate funds to meet present and anticipated requirements during the remainder of the fiscal year.

Mr. Chairman, there has been a great deal of discussion recently in the newspapers, over the radio, and elsewhere, about the expenditures for this fiscal year. The Budget which came in last January placed expenditures for this fiscal year, that is, cash withdrawals from the Treasury, in the fiscal year ending June 30 next, at a total of \$104,000,000,000, ninety-seven billion of which was estimated for war activities, \$3,000,000,000 for interest on the public debt, and four billion for other activities of Government denominated "nonwar." These expenditure estimates were reviewed again in July of this year and on August 1 the President issued a summation of the 1944 Budget and the total of one hundred and four billion, with some minor changes in categories, was reaffirmed as an estimate with the ninety-seven billion for war activities standing without change.

This \$97,000,000,000 total is in five items:

War Department.....	\$62,000,000,000
Navy Department.....	24,000,000,000
Maritime Commission.....	4,300,000,000
War Shipping Administration.....	1,900,000,000
All other.....	4,800,000,000

Discussion of these estimated expenditures, recently, indicate that some feel that they can be cut down. I can find no one in authority now who will say that this \$97,000,000,000 of war expenditures will not be attained in this fiscal year. The year is only one-third gone, 4 months have elapsed, 8 remain. It is true that our expenditures in these first 4 months for war activities have totaled approximately \$28,000,000,000 or an average of \$7,000,000,000 per month. It is also true that our production is rising, our armed forces are increasing, and the battle areas are enlarging and intensifying. It is my opinion that the expenditure rate per month will rise on the basis of normal expectancy if no adverse factors are encountered in connection with our plans. It might turn out at the end of the year to be \$5,000,000,000 or even \$10,000,000,000 less than the \$97,000,000,000. I would incline to the belief that it would be less than the estimate rather than more. Granting that it might be \$10,000,000,000 less than the \$97,000,000,000 estimate, I would say that a miraculous job of estimating expenditures had been done. The \$97,000,000,000 figure was first published in January 1943. It was based upon data that were long in assembly before that time late in 1942. The \$97,000,000,000 is for a spending period which began July 1, 1943, and ends June 30, 1944. The period over which the estimate stretches, therefore, is 18 months or more from the date of the projection of the estimate until the time of withdrawal from the Treasury of the last dollar under that estimate. Never before in history has such a projection

been made of spending for such a vast enterprise, for so long a period, and on such an extensive scale. If the estimate should prove too high when the year ends it will, in my opinion, not be more than 5 to 10 percent too high. A variance of even as much as 10 percent under the circumstances would be truly remarkable and the fact that it is on the "long" side instead of on the "short" side is likewise satisfactory. It is proving to be a most unusual "looking" into the future so far as predictions of war spending are concerned. If the war continues and if our pace is maintained, the forecast may prove to be better than is now indicated. In any event great credit is due to everyone who had a part in making it.

We also hear comment that the Army and Navy have excess funds, that they cannot use what they have, and that we have overappropriated. The committee has heard these assertions. The fiscal year is still new, the war grows in its fury, and programs and plans of military and naval authorities have to be shifted from time to time to meet the action in the war theaters. Those changes require shifts in production oftentimes that must be speedily made. The committee is mindful of this situation. It has recently instituted a study of Army and Navy funds, obligations, and programming. That survey will be conducted by the Subcommittee on Military Appropriations under the chairmanship of the gentleman from Pennsylvania, Representative SNYDER, in relation to Army funds, and by the Subcommittee on Naval Appropriations under the chairmanship of the gentleman from California, Representative SHEPPARD, with respect to naval funds. Those subcommittees will obtain the facts, check the situations, and programs, and I think we can rest assured that departmental cooperation and advice will make the survey a helpful one all around. One thing can be certain—the committee and Congress do not want to interfere with or impede any necessary project or expenditure deemed by the military and naval authorities as essential for their conduct of the war. I believe clarity and mutual helpfulness will come from these studies.

War and Navy funds may indicate unobligated balances at this time. Only one-third of the fiscal year is gone, and obligations and commitments are being made every day. The funds are for the entire year and will continue to be obligated every day from now until next June 30. The committee is going to ascertain the facts, keep in touch with the situation, and if action is justified, not prejudicial to the war effort, the committee will consider it.

In this connection, I wish to submit to the Committee a tabulation of Federal expenditures and the trend in Federal expenditures since the fiscal year 1939, from 1939 down to 1944, estimating the total 1944 expenditures at this time. The Bureau of the Budget has prepared a graph, copies of which are available at the bill table. Members may obtain copies there. The chart cannot go in the RECORD, but I will insert the following table, which gives the data in tabular form:

Federal "war" and "nonwar" expenditures (excluding Government corporations and trust accounts) for fiscal years 1939-44  
(In millions)

Classification	1939	1940	1941	1942	1943 <sup>1</sup>	1944 <sup>2</sup>
War activities.....	\$1,250.7	\$1,710.4	\$6,301.0	\$26,011.1	\$72,108.9	\$97,000.0
Interest on the public debt.....	940.5	1,040.9	1,110.7	1,260.1	1,808.2	2,700.0
<b>OTHER ACTIVITIES ("NONWAR")</b>						
<b>RELATIVELY FIXED COMMITMENTS</b>						
Refunds of customs and Internal revenue.....	67.9	91.1	89.6	94.4	79.1	261.2
Veterans' pensions and insurance.....	457.0	449.5	459.3	448.0	487.6	764.2
Social security and highway grants:						
Social security grants.....	324.8	359.5	418.5	471.2	470.4	457.3
Highway grants.....	160.0	153.3	165.9	149.1	82.8	69.0
Total, social security and highway grants.....	484.8	512.8	584.4	620.3	553.2	526.3
Other fixed commitments:						
Railroad retirement—payment to trust account.....	107.1	120.7	124.4	140.8	214.8	262.7
Government employees' retirement funds—United States' share.....	75.1	87.2	92.7	102.9	107.3	177.3
Permanent appropriations:						
Customs earmarked to encourage agricultural consumption and export (sec. 32, act of Aug. 24, 1935).....	210.5	73.0	93.8	85.2	92.5	84.0
Other permanent appropriations.....	28.9	33.7	42.8	52.5	78.5	95.4
Miscellaneous grants and contributions.....	110.2	95.5	106.6	96.5	103.3	106.2
Total other fixed commitments.....	531.8	410.1	460.3	477.9	596.4	725.6
Total relatively fixed commitments.....	1,541.5	1,463.5	1,593.6	1,640.6	1,716.3	2,377.3
<b>RELATIVELY CONTROLLABLE ITEMS</b>						
Work relief and aids to youth:						
Work relief.....	2,612.5	1,861.4	1,438.2	937.3	317.8	21.9
Aids to youth.....	368.5	377.8	347.3	250.5	17.9	
Total work relief and aids to youth.....	2,981.0	2,239.2	1,785.5	1,187.8	335.7	21.9
Aids to agriculture (excluding fixed commitments):						
Conservation and use of agricultural land resources.....	477.9	605.1	465.1	473.7	458.1	395.3
Parity payments.....		215.0	183.9	191.0	202.7	156.0
Other aids to agriculture.....	252.4	398.7	84.8	267.5	203.5	93.1
Total, aids to agriculture.....	730.3	1,218.8	564.2	932.2	864.3	644.1
General public works (excluding highway grants):						
Rivers and harbor work and flood control.....	146.4	161.9	165.5	153.0	150.3	129.2
T. V. A., Bonneville, and Reclamation.....	90.4	130.1	146.6	239.6	188.6	137.2
Other public works.....	85.7	95.5	95.0	78.0	54.4	31.4
Total, general public works.....	322.5	387.5	407.1	470.6	393.3	297.8
Departments and establishments (not included above):						
Legislative establishment.....	22.0	23.1	24.2	27.3	26.7	28.3
The Judiciary.....	9.4	11.0	11.4	11.5	12.0	12.1
Executive Office of the President.....	2.4	2.7	2.9	2.3	2.6	2.1
Independent establishments.....	264.2	286.0	49.1	278.5	305.1	331.7
District of Columbia—United States share.....	5.0	6.0	6.0	6.0	6.0	6.0
Cabinet departments:						
Department of Agriculture.....	180.2	176.6	185.5	126.5	118.0	140.6
Department of Commerce.....	51.4	69.9	71.5	57.6	61.8	56.1
Department of the Interior.....	127.9	82.4	70.3	63.7	55.9	58.7
Department of Justice.....	46.9	52.6	56.7	64.0	63.2	64.0
Department of Labor.....	6.0	9.9	12.6	11.5	10.8	9.1
Department of State.....	16.8	21.8	20.4	26.3	32.0	29.6
Treasury Department.....	109.4	108.3	129.2	134.2	178.9	177.3
War Department—nonmilitary functions.....	59.4	75.6	78.6	67.1	70.6	79.1
Post Office Department—deficiency.....	39.6	42.0	30.1	17.7	8.6	
Total Cabinet departments.....	637.6	639.1	654.9	568.6	599.8	614.5
Total departments and establishments.....	940.6	937.9	948.5	894.2	952.2	904.7
Total relatively controllable items.....	4,974.4	4,783.4	3,705.3	3,484.8	2,545.5	1,958.5
Total "nonwar" expenditures.....	6,515.9	6,246.9	5,298.9	5,125.4	4,261.8	4,335.8
Grand total expenditures.....	8,707.1	8,998.2	12,710.6	32,396.6	78,178.9	104,035.8

<sup>1</sup> Preliminary, subject to minor final adjustments.

<sup>2</sup> Estimated, Aug. 1, 1943.

<sup>3</sup> A minus item due to return of \$315,000,000 of surplus funds by Government corporations.

The chart and the accompanying tabulation deal only with expenditures of the general and special accounts of the Federal Government in the fiscal years 1939-44; the figures exclude operations of Government corporations and expenditures of trust funds. The table covers all three broad categories of Federal expenditure—two of them, war activities and interest, in summary annual totals, and the third, other activities—nonwar—in some detail. The chart portrays only the nonwar part of the table.

#### WAR ACTIVITIES AND INTEREST ON THE PUBLIC DEBT

The first line of the table shows the violent recent upswing of war expenditures to \$97,000,000,000 estimated for the current year. This total omits Government corporation net outlays estimated at \$3,000,000,000. The war expenditures are restricted to items labeled "national defense" or "war activities" in the statutory appropriation language or obviously made for such purposes. The expenditures of almost every Federal

agency are divided between "war" and "nonwar."

The second line of the table shows interest payments, which have risen from around \$1,000,000,000 in fiscal year 1939 and 1940 to \$2,700,000,000 estimated for this year. This great increase, of course, reflects the huge volume of war financing since Pearl Harbor, but interest payments have not gone up as rapidly as the debt. The average interest cost on new borrowing is now less than 2 percent; the net cost is even lower because income from new issues is fully taxable.

#### OTHER ACTIVITIES, NONWAR

The remainder of the table presents all other expenditures in some detail. As the President has indicated on several occasions, this residue is improperly called nonwar expenditures, since all activities of the Federal Government have been reoriented to the war effort. The so-called nonwar expenditures include many items directly associated with the war program, but so closely identified with regular peacetime activities that any detailed segregation would arouse endless debate over the formula for making the separation. Hence, the adjective "nonwar" is consistently shown in quotation marks.

#### TOTAL NONWAR EXPENDITURES

The top line of the chart shows the steady decline in total nonwar expenditures. Since the fiscal year 1939 they have dropped from \$6,500,000,000 to \$4,300,000,000, or 33 percent. The 1939 total was a peak, although it had been exceeded in 1936, when there were heavy adjusted-compensation payments to war veterans.

The slight rise in the current year does not mean that the economy wave has ended. The increase is occasioned entirely by much heavier tax refunds on account of tax overpayments under the current Tax Payment Act and the Revenue Act of 1942. Such refunds are treated as an expenditure item, but could just as logically be deducted from revenues. If they were, the first dotted line would be the topmost line of this chart, and it would be clear that the downward trend continues in 1944.

Not only has the total of nonwar expenditures gone down substantially, but an increasing part of the remainder is actually directed to war work or occasioned by war activities. The so-called nonwar expenditures this year include very nearly a billion dollars for a few major items closely and obviously related to the war. These are enumerated later.

#### RELATIVELY FIXED COMMITMENTS

The reduction in the nonwar total has been achieved in spite of a large and growing volume of expenditure for relatively fixed prior commitments, that is, for items which are not subject to substantial reduction through current administrative control or even through Congressional action on appropriations. The payments are made according to fixed statutory formula or contractual arrangements, or their change would otherwise require substantive legislation and revision of moral, if not legal, obligations.

These fixed commitments, plotted in the upper portions of the chart,



amounted to \$1,500,000,000 in 1939. Factors such as this year's sharp advances in payments for veterans and for tax refunds have pushed them upward to a total approaching \$2,400,000,000. The fixed items made up less than a fourth of all the nonwar expenditures in 1939. Now they comprise well over half of a total which itself has been cut drastically.

#### VETERANS' PENSIONS AND INSURANCE

The outstanding relatively fixed item is veterans' pensions and insurance—excluding administrative costs. At \$764,000,000 for 1944, this is 68 percent above the average amount for the three pre-war fiscal years, 1939-1941.

#### SOCIAL SECURITY AND HIGHWAY GRANTS

On the chart, social security and highway grants to States are combined to keep the presentation simple. Of the social security grants, the biggest category, old-age assistance, is now nearly 55 percent above 1939; aid to dependent children has doubled; aid to the blind has advanced more than 50 percent. These increases are somewhat offset by lower grants for unemployment compensation administration because of improved employment conditions.

Grants for highways have declined sharply. During the war, such grants are being made only for work necessary for war transportation purposes.

#### OTHER FIXED COMMITMENTS

The rise in the remaining fixed commitments, brought together in one band on the chart, is largely because of increased appropriations to retirement trust funds. Two kinds of retirement funds are included—those for Government employees and those for railroad employees.

Contributions to the railroad retirement fund have risen steadily and substantially, in line with the receipts from special taxes for this purpose. The item might logically be excluded entirely in measuring Government expenditures.

Appropriations to the Government Employees' Retirement Fund, on the other hand, are met from general revenues. The recent increase reflects to some extent the wartime rise in Federal employment, but more especially it represents current payment of a larger share of the accumulating Government obligation.

This residual category of fixed commitments includes various permanent appropriations. One of these provides for spending 30 percent of customs revenue on programs to encourage consumption and exportation of agricultural commodities—programs which now emphasize consumption among low-income groups and the leveling off of seasonal or local gluts of the market for various commodities.

Other permanent appropriations comprise a variety of items, such as grants to colleges of agriculture and mechanic arts and for vocational education. The largest present item is expenses of loans, covering administration and management of the public debt. This cost has risen with the amount of borrowing, particularly the wide sale of bonds in small denominations.

Also included in fixed commitments are miscellaneous grants and contributions. Chief of these are payments to sugar producers under the Sugar Act of 1937, payments to reduce interest rates on farm mortgages, and annual contributions of the Federal Public Housing Authority to local housing authorities.

#### RELATIVELY CONTROLLABLE ITEMS

The four remaining categories, shown below the middle heavy line of the chart, are relatively controllable items in contrast with the relatively fixed commitments. The table gives details.

Less than \$2,000,000,000 of Federal Government expenditures this year are for relatively controllable items. The comparable total in 1939 was two and one-half times as much. Many items are now at a bedrock minimum.

#### WORK RELIEF AND AIDS TO YOUTH

Reemployment has permitted elimination of work relief and aids to youth, with attendant huge expenditure reductions from \$2,981,000,000 in 1939 to a very small liquidating expense in 1944.

#### AIDS TO AGRICULTURE

Although a few aids to agriculture are included among fixed commitments, most of these aids are shown as controllable items. The controllable items rose to a peak exceeding \$1,000,000,000 in the fiscal year 1940. The total this year is estimated at \$644,000,000, after substantial reductions in parity payments, payments for the conservation and use of agricultural land resources, and miscellaneous aids.

#### GENERAL PUBLIC WORKS

Expenditures this year for general public works—other than highway grants already noted—have dropped sharply below their peak of 2 years ago when the program comprised huge multiple-purpose construction projects at Central Valley, Bonneville, Grand Coulee, and in the Tennessee Valley, flood control works, river and harbor improvements, and reclamation projects to provide water for thousands of acres of unused lands in the West.

Many projects which were suspended early in the war to release critical materials have had to be resumed in order to provide additional hydroelectric power, arable land, and navigable waterways.

#### DEPARTMENTS AND ESTABLISHMENTS

The category, "Departments and establishments," comprises expenditures for all activities of the Government not included in items already reviewed. This includes the legislative establishment and the judiciary as well as the Cabinet departments and independent establishments. As the chart shows, the total fluctuated between narrow limits, slightly below a billion dollars during 1939-44. As will be demonstrated later, this comparative stability of the total obscures extensive readjustments to war requirements.

Legislative establishment: The legislative establishment includes the Government Printing Office, Library of Congress, and Architect of the Capitol, as well as the two Houses of the Congress

itself. The wartime increase has been mainly in the legislative printing costs of the Government Printing Office. Expenditures of the legislative branch are classified entirely as nonwar items.

Independent establishments: The 5-year increase of \$68,000,000 for independent establishments is concentrated in four agencies: The Veterans' Administration, Federal Security Agency, General Accounting Office, and National Advisory Committee for Aeronautics. All four increases are intimately related to the war effort.

Cabinet departments: Total nonwar expenditures of Cabinet departments are somewhat lower now than before the war. The major reduction is in the Interior Department, where nonwar expenditures in 1944 are less than half the comparable expenditures of 1939. Agriculture Department expenditures, apart from agricultural aids, are down \$40,000,000. The Post Office deficiency has been eliminated.

On the other hand, Treasury Department expenditures in the "relatively controllable" category have increased by \$68,000,000, predominantly in the Bureau of Internal Revenue and the fiscal services.

The Bureau of Internal Revenue, with less than twice the administrative costs of 1939, is now collecting more than seven times as much revenue from a great many more individual taxpayers. The war has added innumerable complications to tax administration, for example, special treatment of servicemen. The cost of the fiscal services has doubled since 1939, even omitting most of the expenditures of the Bureau of Public Debt because these are covered by a permanent appropriation included among fixed commitments. Foreign funds control is a totally new nonwar activity nonexistent 5 years ago.

War Department expenditures for nonmilitary functions, exclusive of general public works, have advanced one-third since 1939. Most of the increase is for maintaining and operating the Panama Canal, and for sanitation and government of the Canal Zone. Operating expenditures for navigation and flood control are believed to be at the minimum necessary for war transportation and to protect completed works.

The four remaining Cabinet departments—Justice, State, Commerce, Labor—have shown in each case some increase in nonwar expenditures exclusive of general public works and permanent appropriations. Detailed examination reveals direct connections between the increase of spending and enlarged needs or new conditions created by the war.

#### WAR ASPECTS OF NONWAR EXPENDITURES

The preceding sections cover all categories shown in the chart and table. This section elaborates an earlier statement that almost a billion dollars of the nonwar expenditures for 1944 are for major items closely and obviously related to the war.

All expenditures of the Veterans' Administration are considered nonwar. Actually, about \$313,000,000 this year are

occasioned by the present war directly, including \$250,000,000 appropriated to the National Service Life Insurance fund, as well as Army and Navy pensions in cases arising out of the present war, war losses under the old system of Government life insurance, and the increase in hospital and administrative costs.

Wartime developments have added more than \$380,000,000 to Treasury Department expenses. This includes increases in tax refunds, the costs of collecting taxes and administering debt, and other fiscal operations.

The General Accounting Office has had an increase of some \$21,000,000. Appropriations to the railroad retirement fund have increased by \$138,000,000 over the pre-war level.

The few items enumerated, with several smaller ones of the same general character, account for 22 percent of so-called nonwar expenditures of the fiscal year 1944.

These are wartime increases or new items for activities clearly related to the war. They do not reflect the more numerous instances in which the nonwar expenditures have been cut below pre-war levels and the remaining services devoted wholly or predominantly to a changed objective—the winning of the war. For example, the National Park Service still operates, but with expenditures reduced sharply, and the parks are used for military convalescents. The Office of Education, with reduced expenditures, is used to marshal the Nation's educational resources in support of the war effort.

#### CONCLUSION

In summary, the major facts presented above and the major conclusions to be derived from these facts are as follows:

So-called nonwar expenditures of the Federal Government have been cut sharply from \$6,500,000,000 in the fiscal year 1939 to \$4,500,000,000 in the present fiscal year. But this comparison does not begin to measure the depth of the real cut because, first, a large part of present nonwar expenditures is actually for war purposes or occasioned by war activities; and, second, a greatly increased part of the total is for relatively fixed commitments which are not subject to substantial current reduction through either administrative control or congressional action on appropriations.

Corrected to exclude the clearest war items, nonwar expenditures in this fiscal year are nearer \$3,300,000,000 than \$4,300,000,000. In other words, the real total of nonwar expenditures this year is only about half that of 1939.

Considered in terms of the relatively controllable items alone, there has been a reduction in nonwar expenditures from nearly \$5,000,000,000 in 1939 to less than \$2,000,000,000 this year.

But even this residue of expenditures—whether defined in terms of nonwar expenditures with clear war items deducted, or whether defined in terms of the more controllable items—cannot be thought of as unrelated to the war effort. The bedrock minimum of so-called nonwar expenditures includes activity after

activity which has been fully reoriented to war. Agencies which show a decrease in expenditures also show a complete change in either the nature or the purpose of their services.

The facts demonstrate conclusively that nonwar expenditures have been cut sharply, that over half of the remainder cannot be cut much deeper without modifying existing commitments or revising basic legislation, and that the rest is down to bedrock in terms of both programs and their execution. In any event, it is important to remember that nonwar expenditures are now a very small part of total expenditures—less than 4 cents of every Federal dollar spent—and their volume has been greatly diminished in the face of war necessities.

I now yield to the gentleman from Indiana [Mr. WILSON].

Mr. WILSON. Mr. Chairman, I asked the question in view of the fact that I have been trying for several days to find out what was going to be in this appropriation bill. I was told that the committee was pledged to secrecy, and, therefore, could not reveal any of the amounts of the items included in the bill. I could not get a copy of the bill until I came to the House today when the bill was offered on the floor of the House. Then there was the further fact that when we came here there were only three copies that were available. I understand there has been a gentleman's agreement that no appropriation bill shall be brought to the House until it is in the hands of the Members for 24 hours, and in view of the fact that there have been no minority views issued or authorized to be prepared until today, why was the bill brought out to the House today?

Mr. CANNON of Missouri. The gentleman is aware that through the 150 years of the history of the House we have developed a system of procedure, as stated by the Parliamentarian of the House in his preface to the manual, to be the most efficient system of parliamentary procedure extant in any parliament in the world.

The Committee on Appropriations has followed in every detail the procedure of the House in reporting the pending bill. In conformity with that procedure the bill and report were delivered to members of the committee yesterday.

Mr. WILSON. Members of the Appropriations Committee?

Mr. CANNON of Missouri. Yes; the members of the Appropriations Committee. On Saturday the hearings were made available to any Member of the House who might call for them.

Mr. WILSON. Well, I beg to differ with the gentleman. I called and asked for the bill and was told yesterday and this morning, and also day before yesterday, that I could not have a copy of the bill until it was offered on the floor. I called your office.

Mr. CANNON of Missouri. The gentleman did not talk to me, of course.

Mr. WILSON. No; you were not there.

Mr. CANNON of Missouri. I do not know to whom the gentleman talked, but

everyone knows, and anyone could have told him, the hearings were available last Saturday.

Mr. WILSON. I am speaking of the report on the bill.

Mr. CANNON of Missouri. If the gentleman will consult members of the committee or any of his colleagues on his own side, I am certain they will give him any information he may require.

Mr. WILSON. A further inquiry. Are there any copies of the bill available to anyone yet?

Mr. CANNON of Missouri. Anyone may have a copy of the bill. The gentleman says three were available when he entered the Chamber. If he wants more the clerks will be glad to supply them.

Mr. WILSON. I understand there are no copies available at this time. There is only the committee print available.

Mr. CANNON of Missouri. The committee print and the subsequent editions are identical. The gentleman says three were on the table when he entered.

Mr. WILSON. I was mistaken. There were no copies available.

Mr. Chairman, I make the point of order that there is no quorum present.

Mr. RABAUT. There is the Clerk holding copies in his hand if anyone wants a copy.

Mr. CANNON of Missouri. The Clerk there is holding an armful within 20 feet of the gentleman. He may help himself.

Mr. WILSON. Those are not copies of the bill. Those are copies of the committee print. I insist on the point of order, Mr. Chairman.

Mr. CANNON of Missouri. They are identical word for word, and comma for comma.

The CHAIRMAN. The gentleman from Indiana makes the point of order that a quorum is not present. The Chair will count.

Mr. TABER. Would the gentleman reserve his point of order for a moment and yield to me?

Mr. WILSON. I do not yield to the gentleman from New York.

The CHAIRMAN [after counting]. One hundred and eight Members are present, a quorum.

The gentleman from Missouri is recognized.

Mr. CANNON of Missouri. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. I was interested in the remarks of the gentleman regarding the diminution of nonwar expenditures of the Government. I think it would be interesting if the gentleman would give us a statement regarding what he regards as nonwar expenditures. In other words, would the appropriation for the Office of Price Administration and for the various national war agencies be regarded as war expenditures?

Mr. CANNON of Missouri. Yes, they are. I would say that there is in this item of nonwar expenditures practically \$1,000,000,000 that should be considered as connected with the war. So that this item, instead of being \$4,336,000 should be \$3,336,000, because they are indirectly connected with the war. But, in order



to avoid any controversy or any debate about the matter, we have included in war expenditures only those things that were directly and immediately connected with the war. We have not included in that category anything about which there could be any question as to whether they were war or nonwar expenditures.

The CHAIRMAN. The gentleman from Missouri has consumed 1 hour.

The gentleman from New York [Mr. TABER] is recognized.

Mr. TABER. Mr. Chairman, just before I start on what I intended to say, I would like to call attention to the fact that notwithstanding the estimates of the Bureau of the Budget as to the amount that will be spent, the expenditures for the first quarter showed just a little under \$22,500,000,000 and that the rate of expenditure through the month of October, insofar as the Treasury statements have appeared, shows a continuance of about that same rate of seven and one-half billion dollars per month. That means an annual expenditure in the fiscal year 1944 of \$90,000,000,000 and not \$104,000,000,000.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. TABER. In a moment when I get these facts out. That conforms to the statement that was given to us by the Chairman of the War Production Board as to what the possibilities were for governmental expenditures, and shows that the Budget estimates, in my opinion, are not based upon a careful analysis of the situation. I am just expressing that for what it is worth. I do not believe they will run \$104,000,000,000.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. The gentleman catalogs \$7,000,000,000 for war expenditures. That includes \$3,000,000,000 for the public debt, which, of course, is not classified as war expenditure.

Mr. TABER. On the other hand, it is a governmental expenditure.

Mr. CANNON of Missouri. The expenditure estimate consists of \$104,000,000,000, \$97,000,000,000 for war expenditures, \$4,000,000,000 for nonwar expenditures, and, of course, \$3,000,000,000 on the public debt, which is largely the product of war expenditures.

Mr. TABER. The fact is that the operations of the Treasury over the first 3 months and almost the fourth, as far as the returns show, indicate that the expenditure is going along at the rate of \$90,000,000,000 instead of \$104,000,000,000 altogether. I have based my idea that it would run 90 upon accomplished facts and upon a very careful study of the situation. I have been surprised that my own idea has been borne out more nearly than the Budget estimate, but that has been the situation, and I do not think we should be deceived by the Budget into a false position with reference to the probable expenditures.

I have noticed one thing in connection with this chart, that they have included an enormous amount of figures that are controllable in uncontrollable items and

that it is nothing but a jumble. It is not, in my opinion, a credit to the Bureau of the Budget. There are a few things I wish to say with reference to the present situation.

Mr. CANNON of Missouri. Mr. Chairman, would the gentleman specify the controllable items listed as uncontrollable?

Mr. TABER. Certainly; refund of customs and internal revenue, an item that is based entirely upon the war operations and the fact that goods are coming in here to be manufactured which go out; it is not a regular item.

Mr. CANNON of Missouri. I trust the gentleman is not taking the position that we do not have to refund it. These are matters over which we have no control. We must pay the money back. There is no alternative.

Mr. TABER. But it is not a fixed item; it is not an item that is going along.

Mr. CANNON of Missouri. It could not possibly be further beyond control.

Mr. TABER. It is variable from year to year. As soon as the war effort is over, that is out; it is purely a war-effort item.

Mr. CANNON of Missouri. But it is beyond our control. We have no choice but to pay it.

Mr. TABER. That may be in that sense, but not in the sense that it is not a war expenditure nor that it is an item of law set up there regardless of what might happen in the future.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANNON of Missouri. What about veterans and social security? Does the gentleman consider them as controllable or uncontrollable?

Mr. TABER. The veterans' item is very much variable. It is not an item that can be reduced beyond what the demands are figured out on an actuarial basis.

Mr. CANNON of Missouri. But can we reduce it?

Mr. TABER. While you cannot reduce the appropriation below what it figures, you can reduce it to the point of the figure.

Mr. CANNON of Missouri. A soldier entitled to a pension must be taken care of. It is an obligation we cannot avoid—and would not avoid if we could.

Mr. TABER. Oh, certainly; I am not disputing that.

Mr. CANNON of Missouri. A man entitled to an old-age pension is entitled to his allowance. The gentleman would not repudiate that?

Mr. TABER. I am trying to show the gentleman the ones. I did not call off the veterans' items; that is one that I did not except.

Mr. CANNON of Missouri. Then what are they?

Mr. TABER. What are they? I started to tell the gentleman, but he interrupted me.

Mr. CANNON of Missouri. I should be glad to have the gentleman cite the controllable items listed as uncontrollable.

Mr. TABER. Here is one of \$106,000,000 for miscellaneous grants and contributions.

Here is another: Customs earmarked to encourage agricultural consumption, \$84,000,000.

Here we have highway grants, and on top of that—

Mr. CANNON of Missouri. All of them fixed by law.

Mr. TABER. Oh, no.

Mr. CANNON of Missouri. And no way to reduce them.

Mr. TABER. Oh, no; those things are very largely controllable.

Mr. CANNON of Missouri. The customs duties under the law must be set aside for the purpose. We have no alternative; they are not controllable.

Mr. TABER. They have been controlled many times by the appropriation bills in the past and therefore I assume they are controllable. Maybe what has been cannot be again; but I really believe that it can be again. Now, I want to say a few words about conditions in general.

Mr. CANNON of Missouri. I take it, then, that the gentleman intends in the future to bring in legislation to reduce these amounts—legislation which would render them controllable. That is the only way they can be controlled.

Mr. TABER. I have given the gentleman a direct and positive answer with reference to these. Agriculture, this \$84,000,000 customs item—the gentleman himself has brought in here appropriation bills where those were controlled.

Mr. CANNON of Missouri. The gentleman says they can be controlled. They cannot be subject to control unless he changes the law.

Mr. TABER. The gentleman has specifically appropriated funds out of that particular item for a specific purpose and he has proved it is a controllable item. I do not need to go beyond the gentleman himself and the way he has handled his own agricultural bill to establish that.

Now, I am going to talk for a few minutes about what there is in this bill and some other things.

America today is on trial. Our troops are bearing the brunt of this trial on the field of battle and our sailors upon the high seas, and our fliers in the air.

When these men come home after the war is over, they are going to demand an accounting of those of us who are at home. They are going to want to know what the man in a position of responsibility did. They are going to want to know whether he kept the faith; whether he did a good job, or a rotten job. They are going to find out whether the President did a good job and they are going to judge the situation by whether or not the President put in power men whom he had a right to trust; men who had a record of ability and of character.

They are going to want to know whether the Congress was careful about the things that it did; whether it appropriated money that was not needed for foolish things; whether it kept as much of a rein over the Executive as it should keep; whether it stood up and fought

for the things that were right; and not only whether it provided the things that were needed, but whether it had the courage to expose and criticize the failures of the administration so that the administration might have an opportunity to correct them or so that it might force their correction itself by legislation.

I am going to mention some of the situations that are plaguing America today; some of the situations that are going to result in unparalleled disaster if they are permitted to continue; and some of the problems that we are now facing.

We all know about the tax bills. We all know about the size of the military appropriations. We all know about many things which so far we have not spoken about perhaps as plainly as we should.

Perhaps the most glaring total failure of the administration has been the O. P. A. Mr. Henderson, the first Director, loaded the O. P. A. up with a group of people whose sole object was to wreck the national economy, to destroy private business, and to establish socialism. The place was filled up with long-haired professors with no business experience, and with impractical young lawyers known as the smart boys, who knew how to get out regulations that neither they nor anyone else could understand, and whose ability to keep things in a state of utter confusion was the natural outgrowth of their total inexperience.

After Mr. Henderson's operations had aroused such antagonism that the people would stand no more, Prentiss Brown, a former United States Senator from Michigan, and a former Member of this House, was put in. He failed because he did not have the courage to fire the long-haired professors and the oily-tongued young lawyers.

Chester Bowles has now succeeded Prentiss Brown. He will fail unless he immediately gets rid of that crowd of highbinders.

I am going to give you a few illustrations of the way they have operated:

First. For 6 months after they knew that their operations were illegal they have continued to mess up the cattle situation and attempted to keep in force illegal orders. As a result they have wiped out most of the small butchers and put them out of business. The result is that in many of the smaller communities the people get no meat.

Together with the War Food Administration they have fixed the price of corn at \$1.07 in Chicago, and the result is that the dairy farmers in the Northeast are being forced out of business. At the present time the dairy farmer cannot operate his plant and sell his milk for \$3.25 a hundredweight in New York, even with a 50-cent subsidy which this outfit has provided.

In the first place, he cannot get the feed even if he has the money to buy it. In the second place, he cannot operate his farm and break even where he has to buy a part of his feed. If a farmer has dairy cattle and also has the feed for them on his own farm, he can make more money by selling anything in the nature of feed, except the corn, than he

can by increasing his milk production operations. And what is the result? It is that dairy farmer after dairy farmer is going out of business. I have one small community in mind. It formerly used 1,000 quarts of milk a day. Three farms went out of business, two as a result of fires and the third as a result of the farmer selling his herd because he could not break even. Today that community has available 200 quarts of milk a day and only those families with sick people and babies are able to procure milk at all. All through my district they are fast getting into that same situation. As near as I can figure, 30 percent of the dairy farmers are unable to carry their herds through until the next pasture time in the spring, and they will be obliged to send their animals to the slaughterhouse and go out of business. Even the Secretary of the Treasury has announced that he is auctioning off his cattle down on the Hudson on the 1st of December because his dairy farm can no longer operate at a profit.

It is absolutely impossible to procure a price which will permit these people to continue in business from the War Food Administration and the Office of Price Administration. The subsidy business is used as a subterfuge to keep the price down and to force the farmer out of business just as the small slaughterhouse people were forced out by the illegal operations of the O. P. A. in connection with beef and cattle.

The object of this group which Mr. Bowles has so far failed to fire is the wrecking of the national economy and the destruction of our independent farmers. Their action can be interpreted in no other way. They conducted a campaign in these two organizations to persuade the farmer to raise more meat animals and more dairy cattle and now they have reached the point where they have not the corn, wheat, and oats and barley enough to take care of more than two-thirds of the animals that they now have on the farms. The result is that the dairy cattle are producing less because they are unable to give them the kind of feed they ought to have. The farmers who buy feed are also obliged to market pigs that weigh from 65 to 100 pounds when it is uneconomical to sell them weighing less than 175 to 200 pounds, and in a good many places it is absolutely impossible to find any market for the meat animals at all. The farmers are told by the O. P. A. that if they cannot market them, they must keep them on the farm and feed them. They will not permit them to butcher the animals and in that way much feed is wasted.

Second. After 4 or 5 weeks of very strenuous congressional pressure the War Food Administration and the O. P. A. finally fixed the price of No. 1 apples, but not until after the picking season was well advanced. It created difficulty in marketing the apples. Then the O. P. A. and the War Food Administration froze all of the No. 2 apples for the canners, but they did not fix the price that the canners should pay for the raw apples nor the price that the canners

might receive for their canned apples and jellies. The result was that the canners were unable to operate. They did not dare rely upon the promise of the O. P. A. and the War Food Administration to be fair, because they had had experience last summer with the bean and pea pack where the O. P. A. fixed the price for the canners at less than the cost of production without allowing any profit. Another result was that the farmers have been able to pick only the No. 2 apples which they could place in containers that they had on hand and have been unable to deliver them to the processors for canning. This is the most foolish method of operating that anyone could imagine and the only possible solution is that the O. P. A. and War Food Administration are deliberately trying to wreck the food system in the country.

These items that I have cited with reference to the O. P. A. are just two or three out of many of the attempts that these people have made in wartime to wreck the economy of the country.

Next we are going to have a proposal for some such dishonest outfit as the Farm Security Administration to take over the management of our farms. This would undoubtedly cut the agriculture production of this country in two.

I wish to call attention now to the operations of the War Manpower Commission. I do not know as much about that situation as I do about the O. P. A., but I do know this: That they talk about a manpower shortage in localities where the manufacturer or the shipyard builder all over the country has been hogging the labor market and keeping on his pay roll thousands and thousands of people who are not needed. This situation was shown up with reference to Dallas, Tex., by the Truman committee in the Senate. It was shown up along the whole west coast by the gentleman from California [Mr. SHEPPARD]. It exists all along the east coast and at factory after factory, and it exists especially in those communities where housing projects have been asked by the Housing Authority. It is a situation that exists wherever we have cost-plus contracts and wherever we have in our procurement services a spirit of slackness. The War Manpower Commission is not doing its job when it permits those things to go along. It is not meeting its responsibility to the people of the United States and to the war effort. Before it is too late, I am warning this organization that the Congress is going to demand and expect results of it. It is time for them to become alert and to do their job.

Undoubtedly the War Manpower Commission has a big job on its hands, but it will not get the job done unless it takes a different and more thorough attitude of handling its work.

Perhaps one of the most outstanding cases where an official has failed to do his job has been in connection with the foreign rehabilitation program. The President has insisted on putting people in charge of this set-up whose record will not bear the light of day.

There is Charles B. Baldwin, better known as "Beanie," who was the head of



the Farm Security Administration, who made a total failure of it. This was thoroughly brought out before the Byrd committee and the hearings have been published. Such a record of waste and extravagance and total irresponsibility never has been equalled in the annals of government. Then the President has appointed Charles "Pardon Me" Polletti, the former Governor of New York State, to a position of high responsibility in connection with this work and he has appointed James M. Landis, the former head of the Office of Civilian Defense, notorious as an incompetent. I wonder if the President feels that the appointment of these three incompetents was a bid for bipartisan support of this so-called rehabilitation program? If we are going to have that kind of thing, we ought to have it honest and effectively administered and the best men we can find for that job.

The British are accustomed to pick the best men that they can find for that sort of job. As a result, my information is, that practically all of the burden of handling this situation is being carried by the British and we have no representation to look after the expenditure of the enormous funds that have been entrusted to this organization. I feel that this is a matter that the returning soldier is going to ask the President about.

The Office of War Information was a stench when it was being administered by Archibald MacLeish under the title of "Office of Facts and Figures." It has continued a stench under the administration of Eimer Davis.

The Domestic Branch was so apparently a stench and so dangerous to the war effort that this Congress in July wiped out the major portion of the appropriation for the Domestic Branch. They were still left with more money than they needed and that continued to keep them in trouble.

Within the past 2 weeks they have sent out to 239 Negro papers, pictures of the President and the President's wife to be used in spreading political propaganda throughout the Nation. They have propagandized the Negro from O. W. I. with an established Negro photographer going around to take pictures. They have told the Negro they have programmed 88,000 houses for him under the Housing Administration. The trouble with their propaganda has been that the Negro is smart enough to know where houses have been built for him in the communities where he is hauled in to work at the war effort and he knows while they have put up some in places where they were not needed they have put up none to speak of where they were needed.

At the present time there is an outfit in the War Department to take care of foreign propaganda and the propaganda in the military territory. It is headed up by Maj. Gen. Fred Osborn, who is the son of William Church Osborn, former Chairman of the Democratic Committee. They have direct charge of the foreign propaganda that has to do with the war effort. For instance, General McClure, who is referred to in the committee re-

port, has charge of the propaganda in Algiers, north Africa, and Italy. He has had some men assigned to him out of the Office of War Information to work with him, but the Office of War Information is not in charge of that propaganda. I think it is only fair that we should tell the Congress just what the facts are and not permit it to be deceived.

Here is the picture with reference to the appropriation for the Office of War Information. We have appropriated already \$29,000,000 for the Office of War Information, Foreign Branch, for the fiscal year 1944. Up to the end of September, the first quarter, they have spent \$6,200,000. Four times \$6,200,000, according to my arithmetic, equals \$24,800,000, leaving a balance available to increase their operations for the rest of the fiscal year of \$4,200,000. That means they could boost the expenditures at the rate of \$1,400,000 a quarter.

It does not make sense to me, when they have only 1,700 in the foreign service—that is outside of continental United States—operating on their real foreign work, and 3,765 positions set up inside continental United States, and having such a margin of funds available with which to increase their operations, to have them come in here and ask for \$5,000,000 more than was allowed in the bill last year.

The Foreign Branch was cut just a little—they were given over \$29,000,000 to spend. In the first 3 months they have spent \$6,200,000, or at the rate of \$24,800,000 a year, indicating that they have about \$4,000,000 of unobligated funds which they can use to increase their operations in foreign fields.

They have been guilty of enormous waste. A Budget estimate of \$5,000,000 has been submitted for the war activities of this organization. They have 3,765 employees in the foreign-service outfit, most of whom are totally incompetent and are fooling their time away all day long. There is no executive head of the organization. They have gotten out campaign buttons to boom the President for a fourth term and distributed them amongst the soldiers. They have gotten out long articles glorifying Mrs. Roosevelt which they have distributed all over Europe where they would get into the hands of our troops. I have a copy of one of the releases in my hand at the moment—six pages long, single spaced. There is no need for this additional appropriation.

They have been running absolutely wild and building all sorts of short-wave stations and we are told by everybody who comes near the situation that the British organizations are the ones that are doing all the work, although we have 10 or 15 times the people over there as the British have. Under those circumstances what we need is effective and vigorous management and reorganization of this set-up and not more money. I am sure that the House will take the proper action on this set-up when it comes to it.

Mr. WILSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety Members are present, not a quorum.

Mr. TABER. Mr. Chairman, I move that the Committee do now rise.

Mr. WOODRUM of Virginia. Mr. Chairman, on that I ask for tellers.

Tellers were ordered, and the Chairman appointed to act as tellers Mr. TABER and Mr. CANNON of Missouri.

The Committee divided; and the tellers reported that there were—ayes 4, noes 79.

So the motion was rejected.

The CHAIRMAN. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Anderson, Calif.	Green	O'Brien, Ill.
Andrews	Gregory	O'Brien, Mich.
Baldwin, Md.	Griffiths	O'Connor
Barrett	Hall	O'Leary
Barry	Leonard W.	O'Neal
Bates, Ky.	Halleck	O'Toole
Eates, Mass.	Harless, Ariz.	Outland
Bolton	Hart	Face
Boren	Hartley	Peterson, Ga.
Bradley, Pa.	Hébert	Pracht
Brehm	Heffernan	Randolph
Brooks	Hendricks	Reece, Tenn.
Buckley	Hees	Rees, Kans.
Butler	Hollifield	Robinson, Utah
Byrne	Holmes, Mass.	Robison, Ky.
Cannon, Fla.	Izac	Rowan
Celler	Jackson	Sabath
Chapman	Jenkins	Scanlon
Chenoweth	Jennings	Schuetz
Cole, N. Y.	Johnson	Schwabe
Compton	J. Leroy	Shaffer
Costello	Johnson	Sheridan
Crawford	Calvin D.	Short
Cullen	Jones	Sikes
Dawson	Judd	Simpson, Pa.
Dies	Kean	Slaughter
Dingell	Kee	Smith, Maine
Domengeaux	Keefe	Smith, Va.
Douglas	Kelley	Smith, W. Va.
Durham	Kerr	Somers, N. Y.
Elston, Ohio	Kilburn	Spence
Fay	Kleberg	Starnes, Ala.
Feighan	LaFollette	Steagall
Fellows	Lewis, Colo.	Stewart
Fernandez	McGranery	Sundstrom
Fish	McGregor	Taylor
Fitzpatrick	McKenzie	Thomas, N. J.
Flannagan	McLean	Thomas, Tex.
Fogarty	McMurray	Tolan
Folger	Maas	Towe
Ford	Maloney	Troutman
Fullbright	Marcantonio	Vincent, Ky.
Fulmer	Martin, Iowa	Vorys, Ohio
Furlong	Mason	Wadsworth
Gale	May	Weiss
Gallagher	Merritt	Wene
Gearhart	Miller, Mo.	Wheat
Gerlach	Monroney	Whelchel, Ga.
Gifford	Morrison, La.	White
Gillie	Mott	Willey
Gordon	Mruk	Winstead
Gore	Myers	Wolverton, N. J.
Gorski	Newsome	Woodruff, Mich.
Graham	Norton	Worley

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3598, and finding itself without a quorum, he had directed the roll to be called, when 268 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

Mr. LUDLOW. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I believe the bill before us will be hailed with general satisfaction, if not delight, throughout the length and breadth of this land. I believe it will be an inspiration and a comfort to millions of our people who are expecting Congress to put thumbs down on extravagant, nonessential expenditures and chart a course of rigid economy in the administration of the Government. I cannot imagine any action Congress could take that would be more encouraging to the average taxpayer than the enormous cut our committee has made in this appropriation bill.

I believe that when our people read this bill and ponder over its import they will conclude that Congress is alive to its responsibilities and that they are not looking to Congress in vain. I believe that they will accept it as an earnest of the intention of their lawmakers to trim appropriations to the very bone and to open the way as rapidly as possible to an ultimately balanced nondefense budget, which, in the opinion of thinking persons, is a prerequisite of continued national solvency.

Whether we realize it or not, the people are alive to what is going on in Congress, and they are actuated by a most determined purpose to see that the men and women who represent them here henceforth to the line of economy. The people have an impression that money has been wasted without end; that tax-eating bureaus and agencies have been gorged with funds to the point of the satiation even of their ravenous appetites; that there are hordes of parasites on the Government's pay rolls, and that Congress has pusillanimously surrendered the purse strings by voting entirely too many blank checks to be filled out at the other end of the Avenue. In a plain and unmistakable manner, they are letting us know that the day of reckoning is around the corner. I repeat that I am sure the people will construe the unparalleled action we have taken on this bill by reducing it a billion dollars as evidence that Congress, in harmony with the popular will, is preparing to assert itself and to discharge its constitutional responsibilities, and that is very fine and very gratifying.

A test of public sentiment came to my attention a few days ago when I gave out a statement to the effect that there are two ways of facing the fiscal exigency that confronts the Nation, one way being to increase taxes and the other way to cut expenditures. The impact I received from those who favor the latter alternative was terrific. Another suggestion I made at the same time that all nondefense appropriations be embraced in one appropriation bill and that there be attached to the appropriation bill a tax rider covering the cost, so that Members, when they vote for appropriations, will vote for the taxes necessary to insure payment of the bill, brought an avalanche of letters from businessmen from my city and State approving the economic soundness of the proposal in the warmest terms. Never in our history have the people of America devoted as much attention to national financial

problems as they are devoting at this time. They sense that all is not well, and they want us to find the remedy before the ship of state strikes the rocks. They believe that a strict and unrelenting application of the rule of retrenchment in expenditures will do more than anything else to restore a healthy condition in our national economy.

#### BILL CUT FIVE-SIXTHS

No one can gainsay the fact that the bill before us makes a good start in that direction. The record of performance by the Appropriations Committee on this measure is most extraordinary. The estimates that came to us from the Budget Bureau for inclusion in this bill totaled \$1,196,428,749.32. The bill as it comes to you from the committee carries a total of only \$215,368,442.32. In other words the bill that is brought to the House by the committee is \$981,060,307 below the Budget estimates. A bill that is cut five-sixths in committee, leaving only one-sixth remaining, stands forth in bold outline as immutable proof of the most convincing character that the members of our subcommittee on deficiencies have heard the economy call and that we used sharp pencils in pruning down the estimates. When I say that all of us on the subcommittee—Democrats and Republicans alike—worked together to cut down expenditures and that only on one single solitary point was there a final disagreement, I state a fact which must be impressive to the people of America as to our unity of purpose.

We had weeks of exhaustive hearings; and the great ability, thoroughness, and ingenuity of our chairman, Mr. CANNON, never shone to better advantage than in leading the examination of the witnesses who, day after day, came before us. The hearings in printed form make a pretentious volume of 1,638 printed pages.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to my distinguished colleague from Indiana.

Mr. WILSON. The gentleman from Indiana is making a splendid statement. The people are alive. They are alive to what is going on, and I wonder if the gentleman from Indiana feels that our Hoosiers would approve of bringing in an appropriation bill before the House and asking that it be considered without its having even been printed and the membership knowing anything about what is in it.

Mr. LUDLOW. Oh, I think the procedure in this case is the procedure always followed. I do not know how we can differentiate it from any former procedure. My colleague is one of the most valuable Members of this House and ordinarily I like to follow him, but I am afraid I cannot give him much comfort in this case. I believe we are following the precedents.

Mr. WILSON. This dry rot exists around here, and I do not think this ancestral rheumatism should set a precedent which we ought to follow, especially in the emergency. There are \$2 in this bill for every taxpayer, every man,

woman, and child in the United States, and every boy on the fighting front. We have a public debt of \$148 for every family, and an interest charge of \$37 for every breadwinner of the United States. We should consider these appropriations very carefully before we pass an additional tax of \$2 onto every man, woman, and child in the United States.

Mr. LUDLOW. I hope my colleague has taken notice of the fact that there is not nearly as much in this bill as there was before our committee finished its consideration and applied the pruning knife.

#### CHIPS AND WHETSTONES

The final product in the measure before us is what I would call a chips and whetstones bill—little chips and big chips, little whetstones and big whetstones. In its many items the bill almost embraces the perimeter of the earth, touching many activities and many lands, and is a reminder of how far we have gone and how many new interests we have assumed in this era of our global expansion. The gamut of subjects treated ranges all the way from jeeps to battleships, from prenatal care to salmon fisheries, and from manpower to meteorological phenomena.

I shall not attempt to discuss the provisions of this bill in any orderly or comprehensive way. I could not begin to perform that task half as well as it already has been performed by Chairman CANNON. He has given you the over-all picture. I shall refer only to a few of the details of the items that came before us and our reaction thereto, mainly for the purpose of pointing a moral or two.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I do not think that I have the time to yield. I will not be able to finish in my time.

Mr. BURDICK. Does the gentleman feel that the committee has impaired the efficiency of any Government agency in this bill?

Mr. LUDLOW. I do not think so. I do not think that we have seriously or indeed in any way impaired at all any essential activity.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. TABER. I wonder if the gentleman does not feel that the cut of nearly three-quarters or four-fifths of the sums asked for by the Budget is not at least a partial reflection upon the way that the Budget has been operating? If we cut \$900,000,000 out of a request for \$1,108,000,000, it seems to me at least that it is a partial reflection on the Budget.

Mr. LUDLOW. Of course, the gentleman may feel that way about it, but I do not think so. We are living in most extraordinary times and there are no guideposts or precedents. I think the Budget on the whole does a very good job.

There was submitted to us a deficiency estimate for \$15,000 to set up an organization to find out what the jeeps can do, and I am speaking moderately when I say that it got a cold reception. The war has produced an enormous crop of jeeps and



there is a prospect that the post-war period will open with a princely inheritance of these unprepossessing but highly serviceable vehicles on hand. The theory of the estimate was that an investigation should be made to find out how these jeeps can be used in agricultural work after the war is over. As a starter on this bureaucratic enterprise the Treasury was to be tapped to the tune of \$15,000 to find out what the jeep can do. The way practical-minded JED JOHNSON hopped onto that estimate was a caution. He demanded to know from the Department of Agriculture witness whether this idea was his and the abashed witness acknowledged the soft impeachment and defended himself by saying:

The jeeps have a popular appeal, everybody is interested, everybody is asking us questions about them.

To this the gentleman from Oklahoma replied in his plain, straightforward manner of speaking:

Did it ever occur to you that the eight or ten million boys in uniform, many of whom will have an opportunity to try out jeeps, under every condition and circumstance imaginable, will learn a whole lot more about a jeep than you could possibly have an opportunity to learn? Don't you think that when they come home they will be able to give more information about what a jeep will do than all the information you could acquire behind a mahogany desk or in a laboratory, or even on the streets of Washington?

#### A BAD DREAM

Following the hearing on that jeep investigation estimate I had a bad night. I rolled and I tossed and dreamed that I was writing a poem on jeeps. I jumped out of bed, turned on the electric lights, grabbed a pencil and wrote down, as nearly as I could remember, what came to me in my dream. Here it is:

#### THE JEEP NEEDS NO FEDERAL AID

A wonderful contraption is the Army jeep. It can scoot like lightning, or it can creep. It is the ugly duckling in the automotive field.

But in practical results it pays a big yield. It rides the waves and it tears up the land, And either place it can travel to beat the band.

It runs headways and rearways, on its back and its tummy,

Its performance record is perfect—nothing cheesy or rummy.

Its star is beyond the reach of envy or pelf, As an instrument of service it speaks for itself.

To set up a bureau to see what the jeep can do,

Is a bureaucratic fantasy that is entirely new.

All friends of economy will insist this should not be,

For everybody knows the jeep can do anything but climb a tree!

The jeep appropriation was tossed out of the window in framing the bill and it is now up to the jeep to demonstrate itself. Those who know the jeep best believe it is perfectly capable of doing so, without leaning on the Treasury.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. Briefly.

Mr. CURTIS. I just wanted to congratulate the gentleman upon his literary masterpiece. I think it is splendid, and everyone agrees with me. Did I under-

stand that the Bureau of the Budget approved of this particular item?

Mr. LUDLOW. I am very sorry to have to say that the Budget did.

Mr. CURTIS. Could the gentleman tell me on what basis the Bureau of the Budget makes up its mind about these things.

Mr. LUDLOW. I do not know the mental processes of the Bureau of the Budget.

#### CULTIVATING GOOD OPINION AT \$5,000 PER MAN

Another item which we disapproved, I think very properly, was an estimate of \$45,000 to send nine "cultural relations" officers at an average salary of \$5,000 each, to the Near East, to tell the people of Syria, Turkey, Egypt, Iran, and Iraq what a fine people Americans are and to improve their good opinion of us. It seemed to some of us, at least, that we are going pretty far in world penetration when we take on such an activity as that. While I may have a provincial viewpoint, it seemed to me that instead of spending \$45,000 a year for high-paid personnel to persuade the people of Iraq and Iran that we are "good fellows" I would prefer to spend the money for milk and hospital care for sick babies in this country or for some other worthy enterprise at home. If our purpose is to cultivate the good opinion of the Iraqi and the Iranian, my belief is that they will have a better opinion of our common sense if we have the good judgment to keep out of such activities.

To my mind and speaking for myself alone it seemed to me that the most disquieting aspect of this matter was that such a proposal could emanate from our State Department. I do not know in what bureau of that great Department it had its birth, but I did not believe, and I still do not believe that it comports with the pure Americanism and the straight thinking of Cordell Hull, Secretary of State, and Edward R. Stettinius, the Under Secretary of State, for both of whom I have the most profound respect. I prefer to think that it was another case where an under official took a little too much leash.

#### PLANS OF WORLD-WIDE SCOPE

I was amazed when our questions brought out the contemplated scope of this so-called cultural activity. So far we have no cultural-relations officers outside of the Western Hemisphere. I can understand why, during this period of stress, it is in the interest of hemispheric solidarity for us to have such representatives in some of the Latin-American countries. But here in the estimate before us was the beginning of an expansion to world-wide proportions. In reply to my question "Is this cultural-relations activity to be a global activity all around the world to give people a better idea of the United States?" the witness replied, "It is expected that as the demand for such work arises that it would be carried on in additional countries."

Replying to a question of the gentleman from Massachusetts [Mr. WIGGLESWORTH], the witness said:

We are going into those types of activity which have proven to be best in South America and as the demand in each country arises,

#### THE CAMEL'S NOSE

So it was obvious that this appropriation of \$45,000 was to be only the beginning. It was the camel's nose trying to get under the tent and it was equally certain that before the camel ceased growing it would be a great big camel. It was apparent that if we approved this appropriation we would be putting our imprimatur on a cultural activity of world ramifications whose alimentary requirements would call constantly for more and more tax money in order to keep it in a thriving and growing condition. I think we should remember the fundamental fact that we are only one nation in a world with other nations and that we cannot hope to leaven the whole world at the expense of the American taxpayers who already have about all the burdens they can stand. I do not for a moment question the high patriotic purpose and altruistic motives of the originator of this estimate, whoever he may be, but I think our committee did the right thing and the sensible thing in stopping the expansion of this activity and holding it to the Western Hemisphere.

#### M'NUTT'S PROBLEM PARTIALLY SOLVED

In a few respects, but only in a few, this bill fails to meet my expectations. I thought the Farm Security Administration should be continued because of the information which has come to me of the help it has given in innumerable instances to poor farmers who otherwise, I am afraid, will not be able to get on their feet financially. Paul V. McNutt has given a perfectly admirable accounting of himself in the toughest job ever conferred on mortal man—that of War Manpower Commissioner. I would like to have seen him given some encouragement by full approval of all of his estimates, which I thought were moderate, well-considered, and reasonable. I was especially impressed by the glaring maladjustments in the pay scales of his personnel, as exemplified by the wide differentials in the salaries paid to persons in the same offices, sitting side by side, doing exactly the same kind of work. This condition greatly adds to his administrative difficulties, as there has been a turn-over of more than 100 percent during the last year in the miserably paid personnel he inherited from the State employment offices. It was my privilege to offer a motion in subcommittee which put into this bill the sum of \$1,584,000 to meet the increases which some of the States have recently given to similar personnel, so that these employees of Mr. McNutt are hereafter to be paid at the new State levels. While this mitigates, it does not entirely correct the injustice that is causing Mr. McNutt much distress of mind.

#### OFFICE OF WAR INFORMATION

I have stated that there was only one point on which our subcommittee could not agree. That was in respect to the appropriation for the Office of War Information. We were asked to appropriate \$5,000,000 to carry on the foreign service work of that office during the remainder of the current fiscal year. This would be in addition to the \$24,000,000



heretofore provided for the fiscal year 1944. The \$5,000,000 would be used exclusively for propaganda and political warfare activities overseas. A majority of our subcommittee agreed to allow the amount requested. A minority dissented and the matter now comes to the floor for the determination of the House.

The rapid advance of our victorious armies is constantly opening new fields for propaganda and political warfare work and, in my judgment, it is vitally necessary that the Office of War Information shall have an adequate appropriation in order that its Overseas Branch may keep pace with its rapidly expanding opportunities.

#### WARS NOT WON ENTIRELY BY COLD STEEL

Wars are not won entirely by bullets and cold steel. Propaganda and political warfare may be a great contributing factor in achieving substantial and important victories.

We of the United Nations have two powerful weapons which we can use in winning this war—

First. The weapon of military might.

Second. The weapon of propaganda.

We are making effective use of the former weapon, the weapon of military might. The products of our war factories are on every front. Our men are giving a splendid accounting of themselves in every theater of war.

Of the latter weapon—the weapon of propaganda—we are making no adequate use compared with the possibilities such a weapon really affords. The weapon of military might is limited by manpower, natural resources, and technological equipment. The weapon of propaganda is limited only by the validity of our cause and the range of our ingenuity.

Prisoners captured in the north African and European theaters of war have given eloquent testimony to the value of O. W. I.'s overseas propaganda. In the Tunisian and Sicilian campaigns over 400,000 enemy prisoners were taken and more than 80 percent who were interrogated stated that they were influenced to surrender by broadcasts and leaflets put out by the Office of War Information. Many of these still had leaflets on their persons. One sentence of impelling appeal that ran like a refrain through nearly all of these leaflets was—

Why die for Hitler when you can live for Italy?

In all of these leaflets the idea that the Germans had betrayed Italy was hammered home and this undermining of Italian faith in their Nazi ally had a most devastating effect on Italian morale.

#### WHY FOREIGNERS ARE EMPLOYED BY O. W. I.

During the hearings complaint was made that a great many foreigners are employed by the O. W. I. and inferentially, at least, a question was raised as to the loyalty of these persons to the United States. One has only to scan the list of names printed in the hearings to be convinced that it is true that many of these are nationals of other countries or else are of foreign ancestry. There is no secret about this, however, as it was freely admitted by those who appeared

in support of the estimate. The Office of War Information broadcasts in 35 languages every day, and some days in as many as 48, including dialects. Many American scholars have a knowledge of languages, of course, but as a rule they do not speak well enough over the radio to be clearly understandable to the peoples of foreign countries in their own dialects and tongues. To supply the speaking talent required to meet this demand foreigners are necessarily employed.

#### RUNS GAUNTLET OF FIVE INVESTIGATIONS

But every person who is hired by the Office of War Information has to run the gantlet of a series of grueling investigations, first by the Federal Bureau of Investigation and then by the Civil Service, the intelligence services of the Army and Navy, and finally by O. W. I.'s own security committee. These investigations go into the most intimate details of personal history, affiliations, and habits of the applicants. A person with any taint of guilt of subversiveness could hardly come through that scorching fire of investigations without being exposed. If you will turn to the Congressional Directory and run your eye down the list of names of Members of Congress you will find numerous names of foreign origin, but no one believes that these colleagues of ours are, or possibly could be, subversive. It is hardly fair, therefore, to condemn an employee of O. W. I. just because he may happen to have a foreign name.

#### TESTIMONY OF TOP GENERALS

Who could be better qualified to give testimony on the importance of O. W. I.'s overseas service than the high-ranking generals who are in charge of the military operations in the theaters of war? We had before us Brig. Gen. Robert A. McClure, who joined General Eisenhower's staff in north Africa the middle of last December and was given the assignment to organize a staff section to handle psychological warfare, public relations, and censorship—all three of which activities he has under him at this time. I quote the following colloquy found on page 1253 of the hearings—

Mr. LUDLOW. At the expense probably of being repetitious, I should like to ask you this question because I think it is important and is information we would like to have. I would like to ask General McClure what he thinks of what O. W. I. is doing in reference to its foreign activities—as to its value to the essentials of the service.

General MCCLURE. I can only speak for the north African theater. Their foreign activities there have been very helpful to us, and at the present time we are quite satisfied with them, and we certainly wish them to continue.

Mr. LUDLOW. Would you suffer a great loss if you were deprived of those services?

General MCCLURE. I think we would, sir.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. TABER. The thing I wanted to call attention to is that on pages 1259 and 1260 of the hearings it appears that General McClure was in charge of all those operations, and that the O. W. I. has sim-

ply furnished some help to General McClure, and that the O. W. I. has not charge of them at all.

Mr. LUDLOW. I cannot go back of General McClure's statement.

Mr. TABER. I am calling attention to General McClure's testimony.

Mr. LUDLOW. I cannot go back of his enthusiastic endorsement.

What does General Marshall think of the overseas work of the Office of War Information? I have heard a good many Members of Congress say that General Marshall's opinion of O. W. I. would be very persuasive, if not controlling, with them. Well, what he has to say is found on page 1264 of the hearings:

On November 22, 1942, General Marshall wrote to Mr. Davis and said:

"The efficiency with which the personnel of the Office of War Information cooperated with the War Department in connection with the operation in north Africa contributed directly toward its success, and is deeply appreciated."

On August 30, 1943, General Marshall again wrote to Mr. Davis and said:

"I desire to express my appreciation to the members of your organization for their excellent work in the field of psychological warfare during the Sicilian campaign."

After the fall of Naples, General Eisenhower sent a cable to the Combined Chiefs of Staff in which he paid very high tribute to the work of O. W. I. and the other agencies involved in the Psychological Warfare Branch of his headquarters during the campaign in Tunisia and later in Pantellaria and Sicily and then in the invasion of Italy. General Eisenhower's cable could not be quoted verbatim in the record for code security reasons.

General Eisenhower stated that the psychological warfare unit has made a definite contribution as an integral part of the armed forces in the actual fighting and he looks forward to further valuable contributions by this unit in the battles that are to come.

General Eisenhower emphasized the additional value of "base propaganda" in such regions as north Africa, Sicily, southern Italy, where these propaganda efforts have contributed greatly to the cooperative and friendly attitude of the peoples of those regions. He stated that the propaganda units had worked in closest liaison with the civil administration in north Africa and with the Military Government Section in Sicily and Italy.

#### FIGHTING WITH ONE BARREL

We are fighting the enemy with only one barrel when we fail to make the very best use of all of our propaganda and political warfare facilities and it is difficult for me to understand the opposition to this appropriation to carry on the overseas activities of the Office of War Information. If I could have my way I would double the appropriation for this purpose. We are in the most critical period of the war and propaganda is approaching its maximum usefulness. Large areas are being evacuated and the peoples of those countries need to be cemented in bonds of friendship to America and our allies. More important still, the psychology of the peoples of enemy and neutral countries is at a stage which makes them particularly impressionable to our propaganda advances. If we can crack the morale of enemy peoples and split them away from their rulers by propaganda we will accomplish the equivalent of a whole series of major



victories. We do not gag when it comes to appropriating billions upon billions for the Army and Navy and Lend-Lease.

Let us not refuse the Office of War Information this relatively insignificant amount, less than the cost of one small naval unit, when the opportunities are beckoning and so much can be done toward winning the war by the proper use of propaganda and political warfare. To cripple the foreign activities of the Office of War Information would paralyze one arm of the Government in the prosecution of the war. Believing as I do that the Office of War Information, if given this small appropriation, will contribute to hastening the conclusion of the war and perhaps to saving the lives of many of our precious boys, I refuse to be a party to hamstringing its Overseas Branch.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. WILSON. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WILSON. In view of the fact that it is quite late in the day and that all of the general debate on this bill is drawing near a close, and that no copy of the bill as yet has been presented to Members of this House, I make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman from Indiana makes the point of order that a quorum is not present. The Chair will count. [After counting.] Ninety-six members present—not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 154]

Anderson, N. Mex.	Fish	Keefe
Andresen, August H.	Fitzpatrick	Kelley
Andrews	Fogarty	Kerr
Baldwin, Md.	Folger	Kilburn
Barrett	Ford	Kleberg
Barry	Fulmer	LaFollette
Bates, Ky.	Furlong	Lambertson
Bates, Mass.	Gale	Lewis, Colo.
Bolton	Gallagher	McGranery
Boren	Gavin	McGregor
Bradley, Pa.	Gerlach	McKenzie
Brehm	Gibson	McLean
Brooks	Gifford	McMurray
Buckley	Gillie	Maas
Bulwinkle	Gore	Madden
Burch, Va.	Gossett	Magnuson
Butter	Graham	Maloney
Eyrne	Green	Marcantonio
Cannon, Fla.	Gregory	Martin, Iowa
Capozzoli	Griffiths	Mason
Carter	Hale	May
Case	Hall	Merritt
Ceiler	Leonard W.	Miller, Mo.
Chapman	Halleck	Monroney
Chenoweth	Hart	Morrison, La.
Cole, N. Y.	Hertley	Mott
Costello	Hébert	Mruk
Courtney	Heffernan	Myers
Crawford	Hendricks	Newsome
Cullen	Hess	Norton
Dawson	Hoeven	O'Brien, Ill.
Dies	Holifield	O'Brien, Mich.
Dingell	Holmes, Mass.	O'Brien, N. Y.
Douglas	Izac	O'Connor
Durham	Jackson	O'Konski
Eaton	Jennings	O'Leary
Elmer	Johnson	O'Neal
Elston, Ohio	Calvin D.	O'Toole
Fay	Johnson, Ward	Outland
Feighan	Jones	Peterson, Ga.
Fellows	Kean	Phillips
Fernandez	Kee	Ploeser
		Pracht
		Reece, Tenn.

Reed, Ill.	Sikes	Troutman
Rees, Kans.	Simpson, Pa.	Vincent, Ky.
Robinson, Utah	Slaughter	Vorys, Ohio
Robison, Ky.	Smith, Maine	Wadsworth
Rodgers, Pa.	Smith, Va.	Weiss
Rogers, Calif.	Smith, W. Va.	Wene
Rowan	Somers, N. Y.	Wheat
Sabath	Spence	Whelchel, Ga.
Sadowski	Starnes, Ala.	White
Scanlon	Steagall	Willey
Schuetz	Sundstrom	Winstead
Schwabe	Taylor	Wolverton, N. J.
Shafer	Thomas, N. J.	Zimmerman
Sheridan	Tolan	
Short	Towe	

Thereupon the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3598, the first supplemental national defense appropriation bill, 1944, and finding itself without a quorum, he had directed the roll to be called, when 260 Members answered to their names, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its session.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

BUREAU OF THE BUDGET

Mr. WIGGLESWORTH. Mr. Chairman, the outstanding fact in connection with this bill is the fact that recommendations of the Bureau of the Budget amounting to about \$1,200,000,000 have been reduced to about \$215,000,000. In other words, items aggregating almost a billion dollars have been eliminated by the committee in charge of this bill.

This fact raises squarely the question of whether the Bureau of the Budget is functioning or is not functioning for the purpose for which it was created.

It is not the first time that this question has been raised. I have myself raised the question before on the floor of this House, suggesting congressional investigation.

Some 15 months ago, the subcommittee of the Senate Committee on Appropriations, under the chairmanship of Senator TYDINGS, of Maryland, made a powerful report dealing with this among other questions. You will find that report as Senate Report No. 1554, Seventy-seventh Congress, second session. The report has never received the attention that it deserves in these times of wasteful extravagance, squandering of the people's money, and menacing inflation.

Mr. Chairman, that committee found specifically, among other things, that the Bureau of the Budget had both the authority and the duty to accomplish efficient management in the executive branch of the Government.

Mr. ROWE. Mr. Chairman, will the gentleman yield at that point?

Mr. WIGGLESWORTH. May I continue, and later I will be glad to yield.

That the Bureau of the Budget was failing to perform its mandate under the law.

That certain officials of the Bureau of the Budget had been carrying on discreet but pernicious propaganda to the

effect that there must be greater deficit spending after the war than in the decade preceding it. Three officials in the Bureau of the Budget were specifically named as leading proponents of that philosophy.

The committee further found that the lack of interest or willful avoidance, as it called it, on the part of the Bureau of the Budget in bringing about coordination and efficiency in the executive branch of the Government could only be attributed to the fact that many officials of the Bureau of the Budget were committed, beyond any doubt, to ideologies and theories looking forward to greater governmental expenditures and greater deficits during the post-war period.

It found that if the managers of Government expound the policy that it should always spend more than it receives, the purpose of the law is defeated, and that only an ever-growing, ever-willful, autocratic bureaucracy, resisting every impediment to self-seeking operation, creating, as it does, accompanying bureaucratic power and self-sufficiency could result from such fiscal policies.

It found that the Bureau of the Budget, although set up to keep stringent control over expenditures, and to relate those expenditures to income, was in fact being used to unrelate expenditure to income and to make a policy of mounting debt, not only as a policy desirable now, but as an indefinite policy.

It found that the lack of coordination and efficiency in the executive branch of the Federal Government was due primarily to the fact that the Bureau of the Budget had failed to execute the duty imposed upon it by law.

It recommended to the Senate that it call upon the Committee on Appropriations to make a thorough investigation of the Bureau of the Budget, covering the fitness of its personnel, its methods of operation, its failure to take prompt action looking toward placing the Federal Government on a streamlined, all-out war basis, and whether the Bureau should be made independent of the Executive and responsible only to the Congress.

I commend the report of the Tydings subcommittee to the Congress and to the country.

I urge that its recommendation for a thorough investigation be carried through by this House.

Mr. ROWE. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. ROWE. I am curious, in that I am not familiar with the procedure, as to whether or not any record is made of the transactions of the business between the respective department heads and the agency known as the Bureau of the Budget.

Mr. WIGGLESWORTH. You mean whether a written record is maintained?

Mr. ROWE. That is right.

Mr. WIGGLESWORTH. I am not able to answer the gentleman on that point. I have never seen such a record.

I do not know whether the proceedings are verbal or in writing.

Mr. ROWE. The gentleman does know this, as a member of the committee; has he had an opportunity to look at any record that may have been taken between the heads of the respective departments and the Bureau of the Budget?

Mr. WIGGLESWORTH. No. The only record that the committee normally has before it is the official budget estimate, a small printed document, signed by the President, and such justifications as the individual agency may submit to the committee.

Mr. ROWE. Has that already been approved by the Bureau of the Budget?

Mr. WIGGLESWORTH. The estimate has been approved.

Mr. ROWE. Then what the gentleman receives as a member of the committee, or the committee itself, constitutes the conclusion of the Bureau of the Budget after investigating through its representatives the departments involved.

Mr. WIGGLESWORTH. That is correct. We almost invariably have before us the conclusions of the Bureau of the Budget before taking action.

Mr. ROWE. If the gentleman will please permit me to pursue this thought just a little further, then the committee's final action comes along after it has had hearings of the respective department heads to corroborate what the Bureau of the Budget has given the committee.

Mr. WIGGLESWORTH. The gentleman is correct.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I will yield briefly to my chairman.

Mr. CANNON of Missouri. Is it the intention of the gentleman to insert in connection with this excerpt from the report of the Tydings committee an excerpt from the report of the other Senate committee—the Byrd committee—on the same subject?

Mr. WIGGLESWORTH. I believe the chairman has already taken steps to insert the excerpt in the committee report, if I am not mistaken.

Mr. CANNON of Missouri. Would the gentleman care at this particular time to insert it in connection with his statement?

Mr. WIGGLESWORTH. I believe it is already in the committee report.

Mr. CANNON of Missouri. But it is not in the RECORD.

Mr. WIGGLESWORTH. I should be glad to have the gentleman insert it in his own time, if he will; I would rather not break up my remarks just now.

Mr. Chairman, I had intended to say something about the Solid Fuels Administration for War and the tremendously important coal problem that confronts the Nation and the world at this time.

I had intended to speak briefly about the testimony of the National Labor Relations Board, which is particularly interesting, I think.

I had intended to deal somewhat with the War Manpower Commission's record and the tremendous problem which confronts the Nation in this field of activity.

In view of the fact, however, that the time available for discussion of this important measure has been so greatly curtailed I am going to confine the balance of my remarks to the Office of War Information.

#### OFFICE OF WAR INFORMATION

This agency, Mr. Chairman, has received for its overseas branch during the current fiscal year the sum of \$29,000,000. It now comes before you and requests a further appropriation of \$5,000,000. To my mind this request has not been justified.

The agency's own figures indicate an expenditure during the first 3 months of the fiscal year in enemy, neutral, and Allied countries, of something over \$6,000,000, leaving almost sufficient to meet the additional demand at this time. Its own figures indicate an intention to spend in neutral and Allied countries some \$13,200,000, any part of which can be made available by allocation for use in enemy countries. Its receipts on account of reciprocal lend-lease will add substantially to its available funds.

Mr. Chairman, I want to make my position clear. I disagree with the conclusion reached by my good friend and colleague the gentleman from Indiana [Mr. LUDLOW]. I agree with much that he said but I think that much of what he said had little or nothing to do with the point at issue.

There is not a man on the committee who is not in favor of giving every one of our overseas commanders every dollar that he needs for psychological warfare purposes at the front. No one disputes the value of this work in enemy countries or enemy-occupied countries, so why talk about it.

The point is that there is an enormous expenditure contemplated in other countries overseas, in neutral countries, in Allied countries. For my part I am not sold on the work of the O. W. I. in those countries. For my part, in view of the serious charges made in respect to that work, I am opposed to further funds in respect to neutral countries and Allied countries until the charges have been gone into and thoroughly explored.

It is difficult to appraise the value or lack of value of the work of the O. W. I. in neutral and Allied countries without detailed information. Since April 1 we are told that to north Africa alone O. W. I. has sent almost 8,000,000 publications, 7,500 reels of motion pictures, and nobody knows how many broadcasts. The picture elsewhere does not appear in the record.

There is ample evidence, however, Mr. Chairman, to cast grave doubt on the value of the work done by the O. W. I. in neutral and Allied countries.

Five Members of the United States Senate have recently returned from a world tour very critical of the work of this character which they observed at first hand, notably in Australia, notably in India. The question has been raised

as to whether some of the work done has not been more harmful than helpful.

Serious criticism has been directed at the Ukrainian desk, the Italian desk, the Polish desk, and at the Yugoslav desk.

Serious criticism has been leveled at the publications, campaign buttons, and other items of propaganda produced by O. W. I. I think that the gentleman from Pennsylvania [Mr. DITTER] and the gentleman from Missouri [Mr. BENNETT] will deal with this particular aspect of the matter at greater length in due course.

Very serious criticism has been made of O. W. I. overseas broadcasting.

All of us recall the famous broadcast at the time of the fall of Mussolini. That broadcast, as you will remember, through the mouth of a nonexistent commentator described as John Durfee, in the face of specific assurances by Mr. Sherwood to the Congress that all news would be both authentic and on the level, characterized King Victor Emmanuel as a little "moronic King" and Marshal Badoglio as a "high-ranking Fascist," an insult to many Italian people. It attempted to create the impression that the change of government in Italy was considered of no concern by the American people. It surely must have tended to embarrass General Eisenhower in his negotiations and to prejudice high State Department policy without authority.

Mr. BUSBEY. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Illinois.

Mr. BUSBEY. Does the gentleman have any facts to back the statement that James Warburg was responsible for that particular broadcast regarding the "moronic King"?

Mr. WIGGLESWORTH. The gentleman from New York [Mr. TABER] asked Mr. Sherwood in the hearings that specific question. Mr. Sherwood evaded the question.

Under leave to extend my remarks, Mr. Chairman, I include at this point as a part of my remarks the very able article by Arthur Krock appearing in this connection in the New York Times of July 31, 1943:

#### CONGRESS REACTION LIKELY (By Arthur Krock)

WASHINGTON, July 31.—Of the \$27,000,000 which the Office of War Information in June asked Congress to appropriate for its overseas department, \$24,000,000 was granted, although the domestic departments of O. W. I., which sought \$8,000,000, were reduced to \$2,700,000. The much more favorable treatment received by the overseas department was founded on these reasons:

Congress knew a great deal at first hand about the blunders and partisanly motivated activities of the domestic branch and felt it could safely cut down O. W. I.'s opportunities to do these things without interfering, or being reasonably accused of interfering, with the vigorous prosecution of the war. But Congress knew of the overseas operations only what it was told by O. W. I. witnesses before the Appropriations Committee; it was impressed by the story of a leaflet dropped in great quantities among Italian groups, urging them to surrender and announcing that the leaflet could be used as a safe-conduct pass; and, because the overseas branch works in the



war zones, Congress feared that military setbacks might be blamed on its parsimony.

Moreover, Members do not hear the short-wave broadcasts and are obliged to rely on what O. W. I. tells them. But the committee members, after listening to Robert E. Sherwood, head of the division, were especially led to give this branch the benefit of their doubts by a minute description of the care with which the broadcasts are prepared, checked, and steadily subject to daily and weekly directives on foreign policy, and by this statement made by Mr. Sherwood:

"[Our] the news must be authentic, it must be on the level because the honor and integrity of the United States are at stake. If we lie, then America is a liar. Enemy propagandists, the world's champion liars, have been compelled to learn the strength of the strategy of truth. They have learned the force of the ancient truism that truth is mighty and shall prevail."

#### THE ITALIAN EPISODE

The episode of last Sunday night, after the fall of Mussolini, does not conform to this and other parts of the portrait of the Overseas Division that was painted before the committees, and the trustful attitude of Congress in June is not likely to obtain in September.

It was disclosed that, instead of keeping its news authentic and on the level, Mr. Sherwood's division deliberately invented an independent news commentator whom it called John Durfee. From his nonexistent mouth and out of his composite office brain came the views on events and policies of O. W. I. itself, represented abroad (even to our allies) as those of an unofficial, real person, writing for a free press. On previous occasions these views have been closer to the Moscow than the Washington-London line.

It was disclosed that, despite the regulations described by Mr. Sherwood, his division could and did recklessly launch its own foreign policy without the approval of any high official, including himself, into a most critical situation, affecting the lives of our troops, the length of the war, and the repute of the American Government.

What happened was this:

A press commentator—actually existent, but a doctrinaire representing no views but his own—came to a hasty judgment on the meaning of the fall of Mussolini and rushed to the radio soon afterward to express them. In effect they were that the change of government in Italy meant nothing save that fascism had put on a false face with which to cozen the Allies. King Victor Emmanuel was styled the moronic little king and Marshal Badoglio was assailed as a high-ranking Fascist.

#### OTHER OPINIONS AVAILABLE

Though the comments of better-informed speakers and editors were abundantly available, the Overseas Division broadcast this viewpoint as typical of American public opinion. And once again it chose an inveterate critic of the President's and Mr. Hull's foreign policy. Then O. W. I. brought to the microphone its own private Charlie McCarthy, John Durfee, and quoted him as saying that in this country the fall of Mussolini was not regarded as a matter of great importance. These views, put forth officially for 2 days by the propaganda agency of the Government, were more heavily weighted with apparent official sanction to foreign listeners by the introduction: "This is the voice of America."

At this same time the press of the entire articulate world was dealing with the changes in Italy as events of first consequence. The statesmen of this country and Great Britain and General Eisenhower in north Africa were standing by for developments leading to the unconditional surrender of the Italians through their accredited spokesmen. These

happened to be the very King and Marshal against whom the O. W. I. was channeling abuse as typical American public opinion through the official voice of America. Statements made later in the week by the President, the British Prime Minister, and General Eisenhower made it clear that they would enter into surrender parleys with the King and the Marshal.

#### THREEFOLD MISCHIEF

The mischief of what O. W. I.'s overseas division did, therefore, was threefold. It incited criticism of any negotiations by the Government with Victor Emmanuel and Badoglio from those whose outcries against the President's Vichy policy and General Eisenhower's expedient arrangement with the late Admiral Darlan imperiled our arms in north Africa. It made a chart of high policy without the slightest authority from those in charge of that. It manufactured public opinion.

The President sternly rebuked the overseas division of O. W. I., saying that there had been no prior consultation with himself, Secretary of State Hull, or even Mr. Sherwood, that the broadcast should never have been made, and that Mr. Sherwood was engaged in vigorous reprimand. This dispelled the faint hope of some friendly persons that O. W. I., aware—as it should have been—of the problems before the new Italian regime of getting the Germans out of Italy and their troops and workmen back from Hitlerized Europe, was subtly making a protective cover for the King and Badoglio on instructions of the architects of our foreign and military policy.

#### PENITENT AT FIRST

At first the responsible O. W. I. officials were penitent. Mr. Sherwood said "We won't be caught off the beam again." James P. Warburg and Joseph Barnes, of the New York office, assumed the blame. But in a short time Mr. Sherwood was heard complaining that vain efforts had been made to get in touch with directing officials "on a summer Sunday night," an implication that the high command was off the job, when, instead, it was observing that caution which O. W. I. should have. And so far there have been no resignations.

In the opinion of this correspondent, there should be a number of them, voluntary or required, and for several reasons. There is no good administrative excuse for an organization that rushes into such an adventure without every check and authority, including that of a chief who at all times has access to the President. The device of "John Durfee" was official and known to all concerned, and it was violating Mr. Sherwood's rescript before the committees when he made it. Those administrators of the foreign propaganda division who are not confused, or deliberate undercutters of the State Department, are incompetent. Competent management, such as several other experienced and responsible persons could give, exists in plenty outside the O. W. I.

It has been stated repeatedly that material broadcast overseas by the O. W. I. at the taxpayer's expense has been sheer communism. It is difficult to establish to what extent this is true without a thoroughgoing investigation of the broadcasting work of the agency.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. WIGGLESWORTH. Mr. Chairman, I call as witnesses in this connection the American Federation of Labor

and the Congress of Industrial Organizations. I refer specifically to an article appearing recently in the World-Telegram. The gentleman from New York [Mr. FISH] put the article in the CONGRESSIONAL RECORD, and you will find it in the RECORD of Tuesday, October 12, 1943. I shall not reinsert it, but here is the original of that article. You will notice the headlines. The leading headline is "Unions label O. W. I. radio program communism."

That article very briefly asserts that the American Federation of Labor and the Congress of Industrial Organizations made a joint protest over 10 months ago to Elmer Davis to the effect that the O. W. I. overseas branch had been regularly broadcasting Communist propaganda in its daily short-wave radio programs.

It states further that after months of futile negotiation the A. F. of L. and C. I. O. liquidated their labor short-wave bureau set up to collect nonfactual news to be turned over to O. W. I. as broadcast material.

It states further that the reason for closing the bureau, as they informed Mr. Davis late in August, was that they could reach no basis of agreement with O. W. I. in eliminating the alleged Communist influence, and, therefore, the labor short wave could no longer perform a useful function.

The article states finally that they acted after Joseph Barnes, one of Mr. Davis' top men in the O. W. I. Overseas Branch, assigned to the O. W. I. labor desk a man whom the A. F. of L. and C. I. O. considered entirely unsatisfactory because of his association with the Communist faction in American labor.

These are serious charges.

There are many other charges, Mr. Chairman, but time does not permit detailed discussion of them. It has been charged, for instance, that O. W. I. has attempted to control the personnel and the program content of all foreign broadcast stations in this country. It has been charged that their zeal for censorship went so far as to forbid the Polish Ministry of Information in this country from broadcasting a statement by the Polish Foreign Minister simply because the Minister included a statement to the effect that the Polish Government stands firm for the integrity of Polish territory.

All of us are familiar with the recent lecture tour of the mayor of Portland, Oreg., and others to let the English people see what typical Americans are like. I have here the comment of Donald Mackenzie, writing from London, in which he says that the announcement of this project provided the British with one of the best laughs of the war. I also have the comment of Frank Kent, in which he expresses the view that undoubtedly the intentions of O. W. I. were highly patriotic and noble, but that there ought to have been someone somewhere in the organization to point out its silliness and exercise a little judgment.



Under leave to extend my remarks, I include these comments:

[From the Washington Times-Herald of July, 10, 1943]

**O. W. I. Wows 'Em in London With Plan To Exhibit Yanks**

(By Donald Mackenzie)

LONDON, July 9.—Some master mind in Washington's O. W. I. has provided the British with one of their best laughs of the war. This gentleman plans—according to an official hand-out here—to send a party of typical Americans to tour Britain and let Englishmen see what they're like.

Still rocking under the impact of this startling bulletin, your correspondent picked at random an inquiring photographer's panel out of the London telephone book to see what the typical Briton thought of this bit of lend-lease.

**PROBLEM FOR DAVIS**

All wanted to know first how Elmer Davis' boys would catalog the tens of thousands of young men walking about this country now and for the last year or so, wearing khaki uniforms with insignia bearing the letters "U. S." on the lapels.

When those questioned were convinced that this inquiring reporter wasn't a bit of it, they suggested that some lucky Yanks were in for a sweet junket and that it was a pity some clever guy up at the British Ministry of Information didn't get a brain wave like that and go through the telephone book with a pin, picking a galaxy of typical Englishmen with, of course, a balanced number of ash blondes, for exhibition in the United States.

Miss Myra Burton, of Hamilton Court, Edgeware Road, London, who is going out nowadays with a gob from San Diego, Calif., said her boy friend was a typical enough Yank and suited her fine. She said she could just picture his face when she slipped him the glad tidings that he might be asked to risk his life conveying this picnic party across the Atlantic. And who was going to pick the types—Orson Welles, John Powers, or Joe Doakes?

**ZOOT SUIT QUESTION**

John Flowers, of Nell Gwynne Apartments, Chelsea, wanted to know if the O. W. I. party would be wearing zoot suits, cowboy chaps, or Indian blankets, and, if not, how were its members to be recognized? Would they wear a sash emblazoned "I am an American," or have cards in their hats as all reporters simply must have in the American movies? Or would an exhibit from the land of plenty be posted in each West End cocktail bar buying good-will whiskies at a dollar a nip on the cuff while the suckers at home weighed in with their weekly 20 percent (withheld) and kept the party going?

Mrs. Fred Barnes, whose husband is in the fruit business in High Street, Putney, said she wouldn't mind seeing some real Georgia peaches—not the edible kind we are just now getting here at \$3 each under lend-lease or something—but she supposed they would not come under the heading of typical Americans. Or would they?

A party of enlisted men, asked to comment, said: "These guys just think up the dingiest things, don't they? Yeah, we'd like to see this bunch of typical Americans come over—wearing uniforms."

[From the Washington Evening Star of October 8, 1943]

**THE GREAT GAME OF POLITICS**

(By Frank R. Kent)

In a letter to Senator BYRD, Mr. Elmer Davis, head of the O. W. I., justifies sending to England a small army of lady and gentle-

men orators with the statement that there is a great demand over there for American speakers to "interpret" America to the British. The London O. W. I. officials assert that the objective of these speakers is to "stir reciprocal enthusiasm for an accelerated war effort."

The first account of the way in which Mr. Davis' "carefully chosen" orators are interpreting America and stirring reciprocal enthusiasm was given by the London correspondent of the Baltimore Sun, Mr. Thomas O'Neill, who reported the initial speech of Mayor Earl Riley, of Portland, Oreg., just arrived in England, fresh from the home of O. W. I. Briefly, Mr. O'Neill reports the chief points made by Mr. Riley as these—that Portland is one of the three great world centers of rose culture; that nearly one-third of all American ship production comes from Portland; that everybody loves everybody else in Portland; that flashlight bulbs and batteries are more plentiful in London than in Portland.

**HOME-TOWN SPEECH**

In addition, the mayor declared that all energies in Portland are bent upon a quick conclusion of the war of the Atlantic so that Britain and America can get on with the war against Japan. He then pointed out that Portland submits to rigid restrictions on clothing, food, and fuel; that Portland is now host to the war workers from the South and West, and these workers have boosted the city's population by 50 percent; that when he gets back to Portland, in December, roses will be growing right beside his porch.

This is the speech which he is repeating in all parts of the British Isles on a 6 weeks' tour. One can imagine the enthusiasm which his inspiring words must have aroused among the British journalists to whom they were addressed. Particularly, one can imagine how they who for 4 years have lived under a relentless and complete black-out were stirred by the news of Portland's dim-out. And with what emotion they heard of the noble manner in which Portland bears up under meatless days and the cruel cuffless-trouser regulation.

Seriously speaking, when it is considered that Mayor Riley, though regarded as a star, is only one of a large group of these American speakers whom the O. W. I. is sending to England, it is not surprising that those who feel the vital need of a permanent British-American alliance should be somewhat concerned.

**CAUSE FOR IRRITATION**

At this time to unloose upon England a flood of such interpretive American oratory does not seem the best way to cement friendship and promote understanding—at least, if Mayor Riley's oratory is typical of the output. On the contrary it is possible that what really will be promoted is friction and irritation.

Exactly who conceived this bright idea has not been revealed, but it is pretty certain that the British acquiesced in but did not originate it. It is, of course, natural for the British to agree to almost any suggestion made by our officials, but if, as alleged, the British information authorities really made a demand of this kind, then they must feel like kicking themselves pretty hard now.

Undoubtedly, the intentions of those responsible for this O. W. I. project are highly patriotic and noble—but there ought to have been someone somewhere in the organization to point out its silliness and to exercise a little judgment.

After considering the speech of Mayor Riley, one is inclined to shudder at the thought that he has a dozen and more colleagues over there, exuding the same sort of stuff. The

one comforting reflection is that if British-American relations can stand this they can stand practically anything.

There is one other matter I would like to refer to hurriedly. Although it is not the responsibility of the Overseas Branch of the O. W. I., it is an O. W. I. responsibility and is typical of some of the things that the agency has embarked upon. I refer to the well-known questionnaires sent out last August to the Polish-American people of this country.

The sending of this questionnaire infuriated many of our American citizens of Polish descent, as I can testify. Mr. Davis says he is unable to state what the purpose was. Mr. Davis says he is unable to see what possible good the questionnaire could have done. He says it was done for another agency, which agency he prefers to keep off the record.

The best estimate that I can make in reading the questionnaire is that it was designed to place those interrogated in the uncomfortable position of appearing either anti-American or pro-Russian. I confess that to me the whole project appears to have been a sheer waste of time and the taxpayers' money.

I am informed there was another similar questionnaire sent to another racial group in this country.

Mr. BUSBEY. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Illinois.

Mr. BUSBEY. Regarding that questionnaire sent to the Polish-American citizens of this country, did not the instructions on that questionnaire specifically state that the agents circulating that questionnaire were to tell the people in interviewing them that it was a particular study made at the request of the Office of War Information? That is on the first page of the questionnaire.

Mr. WIGGLESWORTH. I have a copy of the questionnaire and the instructions here. On page 1 of the instructions appears the following sentence:

If anyone asks what will be done with the results, tell them that this particular study is being made at the request of the Office of War Information.

Mr. RABAUT. Will the gentleman yield for a question?

Mr. WIGGLESWORTH. I yield briefly.

Mr. RABAUT. I notice that the gentleman has used these expressions: "It has been charged," "It has been said," "It is alleged," and "Headlines, biggest laugh of the war." Who is charging this? Who is alleging it? What are the facts and what are they alleging? Does the gentleman make the charge, or who is making the charge, and what charge is being made? I am speaking particularly of the reference to Communists.

Mr. WIGGLESWORTH. I am going to deal with that at greater length, if the gentleman will permit. I think if the gentleman has followed me closely he will see that I have stated that in view of the charges which have been made I



am opposed to further funds being appropriated for operation in Allied and neutral countries until those charges are thoroughly gone into. I think I have detailed very specifically charges that are typical of what I have in mind.

Mr. RABAUT. I have great respect for the gentleman. It would certainly affect me a lot if I figured that he was making any of these charges. However, I have noticed particularly that he never has said, "I make this charge," and the gentleman has heard all of the testimony.

Mr. WIGGLESWORTH. I have given the authority in each instance, and I think the record will speak for itself.

Before concluding, Mr. Chairman, I wish to say a word on the subject to which the distinguished gentleman from Michigan has just referred. I refer to the personnel carried on the rolls of the Office of War Information. The testimony of the agency in June was to the effect that there were no less than 417 aliens on the rolls of the Office of War Information. The testimony today is that that number has increased to 486. Many of these aliens were refugees from abroad, were obtained through a private corporation known as Short-wave Research, Inc., an organization created to circumvent the law, an organization which received over half a million dollars from Uncle Sam, an organization which took 10 percent for its own services, paying the bulk of the balance in salaries to refugees and others, and turning over on liquidation the sum of about \$30,000, to so-called charities in this country, such as the Friends of German Freedom, probably without authority.

It has been repeatedly charged, Mr. Chairman, that there are included on the rolls of the Office of War Information people of extremely radical backgrounds, activities, or associations, who should not be on the rolls of the Federal Government, particularly in confidential positions.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TABER. Mr. Chairman, I yield 8 additional minutes to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. May I point out that the record in June indicated that there were no less than 1,235 people on the rolls of O. W. I. who had not been investigated for loyalty by the Civil Service Commission. The record today indicates that the number of those who have not been investigated is not 1,235, but 1,729. The Civil Service Commission advise that 78 people have been removed from the rolls of O. W. I. on their recommendation, either for lack of loyalty or lack of proper moral or physical standards.

Mr. RABAUT. May I ask the gentleman how many were removed for lack of loyalty?

Mr. WIGGLESWORTH. I cannot break the number down as to the three categories.

Mr. RABAUT. The gentleman does not have the number of those who were discharged for lack of loyalty?

Mr. WIGGLESWORTH. The number is 78 for lack of loyalty or lack of required moral or physical standards.

Mr. RABAUT. I think in justice to the House they ought to be divided.

Mr. WIGGLESWORTH. I have stated to the gentleman the exact facts as given me by the Civil Service Commission.

Mr. RABAUT. The gentleman talks about this arrangement. The original arrangement was made with Colonel Donovan.

Mr. WIGGLESWORTH. Mr. Chairman, I must decline to yield further. My time is very short.

In the June hearings I brought to the attention of O. W. I. the names of 45 specific individuals in respect to whom information had come to me leading me to feel that their qualifications should be thoroughly examined. The record today indicates that 15 of those individuals have been removed from the rolls, 3 of them, incidentally, by transfer to other agencies of the Government, that 15 have been cleared, that 15 are still on the waiting list, so to speak, not having been investigated, despite the fact that I brought the matter to the attention of the agency some 4 months ago.

I do not want to go into names at this time. I do not say that the representations made to the members of this committee are true or are false. In order to give the House and the country some idea, however, of the character of the information which has come from time to time to members of this committee from sources believed to be reliable, I may say that it has been represented that among those who have been eliminated from the rolls of this agency are a former Vienna Communist, a former officer in Mussolini's army, an employee formerly expelled from another country by reason of his communistic views, an employee affiliated closely with Communist front organizations, a former contributor to the Daily Worker and other Communist front organizations, a Hungarian Communist, a German Communist, another employee with Communist front affiliations, a contributor to the New Masses, a well-known fellow traveler, and a participant in the May Day parade carrying the banner of the coordinating committee.

It has further been represented, whether rightly or wrongly I do not know, that among those now on the rolls of this agency who have not yet been investigated are a well-known fellow traveler with a conviction for embezzlement against him, an Austrian Communist who has indulged in Communist intrigues in both Europe and America, another employee with Communist-front affiliations, a notorious Polish Communist, a moral degenerate, a contributor to the Daily Worker, a fellow traveler, a German Communist, one in whose home was found a lot of Communist literature, a Hungarian formerly a member of the Communist Party in Czechoslovakia, a fellow traveler, a refugee fined for smuggling gold, a Soviet agent who worked for the Soviet in the Baltics, said to have forged press credentials, an employee with a Communist

record in Europe, an employee with a Communist background and falsified citizenship status, an Italian refugee with a Communist background, a former editor of a Communist newspaper, and a Communist agent speaking no English.

Mr. Chairman, these are but examples. I repeat that I have named no names and make no assertion that these charges are true or untrue; I do say, however, that where there is so much smoke there is apt to be fire. I do say that there has been an interminable delay in investigating certain of the cases which have been brought to the attention of O. W. I. I do say that in my opinion the O. W. I. owes it to itself and to America to see that these investigations are completed at the earliest possible moment and that its house is in order.

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Briefly.

Mr. KENNEDY. Can the gentleman tell us whether or not any of these men on the pay roll of the O. W. I. have been recommended or endorsed by a Member of this House or of the Senate?

Mr. WIGGLESWORTH. I cannot give the gentleman that information.

Mr. KENNEDY. Is there any way that we can find out who did endorse these people for these confidential positions?

Mr. WIGGLESWORTH. Perhaps the gentleman can find out from the agency better than I can.

In conclusion, Mr. Chairman, I call attention to the fact that the Senators who have returned from their world tour recently have indicated an intention to go thoroughly into this matter of the work of the O. W. I. in countries abroad other than enemy and enemy-occupied countries. I sincerely hope that this will be done and that it will be done promptly, so that we may have the facts before us and be able to see the picture as a whole. The record of O. W. I. to date is far from satisfactory.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, I asked a question of the last speaker, the gentleman from Massachusetts [Mr. WIGGLESWORTH], how many names of men there were who were guilty of disloyalty or charged with disloyalty. I have here a letter, excerpts of which later I shall ask to put into the Record, where it says the gentleman was notified there were six who were declared ineligible because of disloyalty.

Extract from a letter of November 3, 1943, from Mr. Elmer Davis, Director of the Office of War Information, to Chairman CANNON, of the House Committee on Appropriations:

I understand, also, that Mr. WIGGLESWORTH asked the Commission for the number of cases in which employees of the O. W. I. had been held ineligible. The Commissioner reported 37 such cases. In response to a request from Mr. WIGGLESWORTH for the number of persons held ineligible because of questionable loyalty, we submitted for the transcript of the hearings a list of 6 such

cases. We have checked with the Commission and ascertained that of the 37 which they reported only 6 were declared ineligible because of disloyalty; the others having been held ineligible for some other reason. The apparent discrepancy between our report and that submitted to Mr. WIGGLESWORTH by the Commission is due evidently to the fact that Mr. WIGGLESWORTH phrased his question to the Commission in a different way from the question he put to us.

The gentlemen on the minority side have had placed in the hearings names, other than Anglo-Saxon names, for no apparent reason, as follows—page 1295:

Mr. TABER. Now, I would like to ask several questions of different types. I have a list of people here whom I would like to know whether or not they are employed by your organization; and, if so, what their position is and what their present salary is:

Maria D. Blasio; Maurice English; Bill Strickler; Robert Lopez; Premo Raddi; Vito Magli; Nicolo Chiaromonte; Pio Sterbini; a woman named Talamo Padovano; a person named Squadra; another one named Brunelli; another one named Fubini; Anna Maria Granatti; Gunzbourg; Ettore Rava; Sylvio Minciotto; Giuseppe Lupis; Edward Wintermiz; Peter Levi, also known as Levi Sandy, also known as Sardi; Orello Natoli; Louis Navara; Elmer Baccanelli; and C. Corte.

The CHAIRMAN. Is the gentleman giving both the first and the last names there?

Mr. TABER. Wherever I could.

The CHAIRMAN. Of course, I take for granted it would be very difficult, unless you have the complete name, to locate them. Are the names, as given by Mr. Taber, sufficiently explicit for you to locate them in your files?

Mr. HAMBLET. Yes.

Mr. WOODRUM. Do you recognize any of them as people who work for you?

Mr. SHERWOOD. I recognize two or three.

Mr. BARNES. The most of them are working for us in the Italian language section in New York.

The CHAIRMAN. Now, what information does the gentleman want?

Mr. TABER. Whether or not these people were currently employed by O. W. I., in what capacity, and at what salary.

The CHAIRMAN. Without objection, that will be furnished for the record.

(The matter referred to is as follows:)

"Gerbi, Juliano, staff announcer, \$3,800.

"English, Maurice, Chief, Italian Section, \$5,600.

"Giovannola, Luigi, script editor, \$3,800.

"Lopez, Robert, terminated September 30, 1943.

"Raddi, Primo, assistant script editor, \$2,600.

"Chiaromonte, Nicolo, terminated August 26, 1943.

"Sterbini, Pio, assistant language editor, \$2,600.

"Talamo, Anna Maria, senior translator, \$2,000.

"Padovano, Georgio, script editor, \$3,800.

"Squadra, Enrico, associate script editor, \$3,200.

"Brunelli, Gilbert, associate script editor, \$3,200.

"Fubini, Elsa, assistant script editor, \$2,600 (on leave).

"Granata, Yole, junior script editor, \$2,000.

"Gunzberg, Jules, assistant script editor, \$2,600.

"Rava, Ettore, associate announcer, \$3,200.

"Minciotto, Silvio, staff announcer, \$3,800.

"Lupis, G., terminated March 8, 1943.

"Wintermiz, Edward, associate script editor, \$3,200.

"Maurio, Levi, script editor, \$3,200.

"Natoli, Aurelio, purchase order script writer (\$10 per script).

"Navarra, Louis, assistant script editor, \$2,600.

"Baccanelli, Elma, senior translator, \$2,000.

"Corte, Clelia, senior translator, \$2,000.

"Magli, Vito, military furlough, February 1, 1943.

"New York Office of Control:

"DeBlasio, Maria, control editor (CAF-11), \$3,800.

"Stricker, Bill, control editor (CAF-7), \$2,600."

Mr. Chairman, the gentleman from Massachusetts says he will quote no names. I am anxious to quote a few of these foreign names today, and I call them with reverence. They are as follows:

Harry F. Belobraidich, Orlando H. Romano, Robert Zatzke, Stanley Bocianowski, Alfio Benevenuti, Max Bernstein, John Bielanski, Erich Rennhack, Robert Poschke, Francis Cychosz, Lawrence Schuberg, Benedick Lemanski, Veikko Leivo, Theodore Figurski, Frank Idziak, Edward Juskowski, Herman Keller, Edward Kowalewski, Leonard Kowalski, Edward Lewandowski, Clarence Lipke, John Pennazoli, Stanley Romanowski, Eli Simantz, Alphonse Brzozowski, Rudolph Olesnevich, Stanley Czarnecki, Earl Petrimoulx.

Now, prepare to bow your heads. These are the names of those who have given their all in battle. If you had nothing else against them but their names, then withdraw some of this talk that is going on in this room, for it cries to shame, and thousands of others with similar names will have a golden star in the window of some of the humble homes of this Nation for having given not words but their all for America. Let us get serious and drop some of the hate for some individual at the price—the supreme price—of human life.

I want to talk now about this short-wave matter. The Shortwave Research, Inc., was used by the Coordinator of Information, Colonel Donovan, usually very highly respected over there and elsewhere. So, if you want to know when it started, that is when it started—primarily as an economy for the Government—since it permitted them to secure foreign-language talent on a piecemeal basis before its output was large enough to warrant language staffs, especially in minor languages. This war is not being fought in the English language, nor in English countries only. Get that in your mind. There are 35 fronts and several languages, and you cannot walk in with a half-baked idiom.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RABAUT. I say that you cannot walk in with a half-baked idiom, nor with some peculiar twist to your pronunciation. This service of the O. W. I. has had the approval of the commanding generals at the front. Every member of the O. W. I. has had an investigation.

Mr. WIGGLESWORTH. Oh, no.

Mr. RABAUT. Yes, he has had a preliminary investigation. I say he has. He has had an investigation by the F. B. I., and an investigation by the intelligence departments of the Army and of the Navy and he has had an investi-

gation by their own intelligence department. Oh, he has not had a final investigation by the Civil Service. Do you want the war to stop and wait until somebody catches up with these fellows? We are moving. But there has been an investigation—all words to the contrary notwithstanding. So you have the intelligence bureau of the Army, the intelligence bureau of the Navy, the F. B. I. investigation of these people, and the Civil Service, but we must yield to the supreme investigation of someone in the House who does not like Elmer Davis. That is all there is in this thing, that is all and nothing else. The Army wants them, the Navy wants them, General Marshall has approved them in an open letter which you can find right there in the report. Other officials have praised them. They said, "We want more of them. They are doing a grand job." But some there are who do not like Elmer Davis. So, this service will all have to go out the window, regardless.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in response to the suggestion of the gentleman from Massachusetts [Mr. WIGGLESWORTH], that in connection with his citation to the report of a Senate committee I include an excerpt on the same subject from another Senate committee. I include the following quotation from Senate Document No. 152 of the Seventy-seventh Congress, a report from the Byrd committee:

Of course, the committee does not claim sole credit for these reductions. Some of the agencies themselves have cooperated in bringing them about. The Budget Bureau has worked diligently in reducing nonessential expenditures and paring down Budget recommendations. Many Members of Congress, as individuals and as members of committees, have made invaluable contributions. And, of course, Congress has been the final authority.

The Byrd committee, consisting of six Members from the House and six from the Senate, after exhaustive hearings reported that the Bureau of the Budget had not only cooperated effectively in the economy program but had worked diligently in reducing expenditures.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. WILSON].

Mr. RABAUT. Mr. Chairman, I make the point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count.

Mr. RABAUT. Mr. Chairman, I withdraw the point of order.

The CHAIRMAN. The gentleman from Indiana [Mr. WILSON] is recognized.

Mr. WILSON. Mr. Chairman, during my tenure of office as a Member of this body, I have seen bill after bill rammed, jammed, and steam-rolled through the processes of legislation by the present administration. However, what has happened here today is a rank disgrace to the country. The very method of presenting this appropriation bill is an insult to our honesty.



The administration is asking for, even demanding, approval for an appropriation bill calling for more than \$215,000,000 to be added to the heavy load of the people of this country. As a representative of those people, I have been trying for 2 solid days to find out what is listed in that bill as calling for any part or all of that money. I was able to learn absolutely nothing, because the members of the committee were sworn to strict secrecy. I was told that copies of the bill would be available to Members when the House was called to order today, and that piece of legislation presented to them for vote.

When the bill was brought up today, I found that no copies of the bill in question were available for Members and that there are only three copies of the full committee print to be had. Not a copy of the minority report is available; in fact, the minority report was not even authorized for printing until this morning. I personally resent being asked to cast a vote in blind confidence.

Is there a man in this House who would dare to try to defend his position to his constituency if he voted in favor of such a bill?

Do any of you represent a group of American citizens stupid enough to send you back to the House of Representatives if you would cast a vote for a bill, any bill, sight unseen?

I can tell you here and now that they do not "raise 'em" that dumb in southern Indiana! We know what we buy out there, and if we do not know, we do not buy. I would think that all of us could read the trend of the times after yesterday's election returns. Maybe it has not soaked in yet that the people are sick and tired and mad and tough about the clipping that Washington seems bent on dishing out to them.

Gentlemen, I will not, I flatly refuse, to spend \$2 from the pockets of every man, woman, and child in this country and to take \$2 from the pay of every soldier, sailor, and marine in uniform, without knowing what the money is to be spent for. Our people are already staggering under a national debt of fantastic proportions, not to mention the \$148 to be paid in interest by every taxpayer on his share of the obligation when it reaches \$300,000,000,000. At this rate, in a couple of years the interest chargeable will be approximately 2 hours of his pay per day just to keep up the interest on our debts. I not only will not, I cannot vote for this bill. The past black record of the administration in money matters has failed to inspire that kind of confidence in me.

I realize that some of you are afraid to vote your conscience because the "boss" would not like it. I want it straight in the RECORD now that my boss would like it, and I am bossed only by the voiced sentiment of the people of the Ninth District of Indiana. As long as I deserve to represent my employers in the Halls of Congress, I will buy no "pigs in pokes" with their hard-earned money.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield.

Mr. CANNON of Missouri. Is the gentleman voting against the bill because it is a reduction of 82 percent of the Budget estimate, or is he voting against it because it saves a billion dollars? Is the gentleman voting against it because it provides beds for the wounded soldiers?

Mr. WILSON. Is the gentleman attempting to justify this appropriation bill simply because they asked for a billion dollars and you are giving them \$225,000,000 only? Suppose they had asked for a hundred billion, then you could have boasted of cutting them down to two-tenths of 1 percent. Mr. Chairman, how can I know what is in the bill when it has not even been printed? Does the gentleman mean to infer that I should blindly support any appropriation?

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Chairman, I was surprised with the tactics resorted to by my distinguished friend from Michigan [Mr. RABAUT] in his attack by innuendo on the gentleman from Massachusetts [Mr. WIGGLESWORTH]. I resent and I believe every fair-minded man in the House resents the type of attack that the gentleman from Michigan [Mr. RABAUT] launched against the gentleman from Massachusetts [Mr. WIGGLESWORTH].

At no time during the course of the remarks of the gentleman from Massachusetts [Mr. WIGGLESWORTH] was there the slightest suggestion that those against whom he directed criticism were the subject of his critical approach by reason of their names. At no time did he either by direct statement or innuendo evidence any prejudice, bias, or ill will against any man because of his name. He very properly called into question individuals who had been on the roll of O. W. I. and who were under suspicion by reason of the reports of a committee of the House or from other authentic sources.

It seems to me that a cause must be a losing cause when resort must be had to the waving of the name of men who have given their all in service as a means of protecting those whom the F. B. I. and other organizations have thus far failed to clear. I have always taken the position that no defense is better than a palpably poor one.

If any of the observations that I have made about my friend the gentleman from Massachusetts [Mr. WIGGLESWORTH] have been an exaggeration or a misstatement of fact, I will yield, and I will accept correction. In the absence of such correction, I shall assume that there is agreement that the indictment I have drawn of the unwarranted attack upon the gentleman from Massachusetts, who commands the respect and affection of all, was without foundation.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Yes; I yield.

Mr. RABAUT. I opened my remarks by saying no names were mentioned here, but that I wished to mention those

names. Moreover, the gentleman has been present at the hearings—

Mr. DITTER. Now I am yielding for a question.

Mr. RABAUT. All right. I will give you the question. The gentleman did not yield for a question when he started.

Mr. DITTER. I will yield for a denial of the indictment that I have drawn.

Mr. RABAUT. Well, I just deny it.

Mr. DITTER. Now I would like to hear the amplification of the defense.

Mr. RABAUT. You may prove your indictment.

Mr. DITTER. When a matter is self-evident, the production of evidence to prove a point is simply a waste of time.

I repeat what I said before: There was no foundation for the tactics resorted to by the gentleman from Michigan when he implied that the gentleman from Massachusetts was critical of anyone because of their name or ancestry.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. DITTER. Yes; I yield.

Mr. RABAUT. Take a look at the hearings, page 1295, and see what the gentleman thinks about those names and the questions that were asked about them—pages 1295 and 1296, and the questions asked. A number of these names were spoken in committee.

Mr. DITTER. I do not have the hearings before me but I shall say this now—

Mr. RABAUT. I will give the gentleman a copy.

Mr. DITTER. I do not need it. My confidence in the gentleman from Massachusetts prompts me to make the declaration that no matter what the hearings may show as to names, he bears no ill will, no prejudice, no bias, no intolerance in his heart against any man by reason of his name. That he very properly continues to criticize the employment of persons by Government agencies whose loyalty to the United States has not been definitely established.

Were I to yield to temptation at the moment I would recount the happenings of the last few days. It is probable that my friend from Michigan would not have resorted to the tactics that he did were he in a less disturbed state of mind. I know my friend from Massachusetts will excuse him, and I certainly will excuse him because I know my friend from Michigan would never have gone to the lengths which he did had he not been disturbed and distressed over the results of last Tuesday's elections. With that usual charity which the minority has always shown to the shortcomings of the majority, and speaking for my distinguished friend from Massachusetts, I forgive my friend from Michigan. The sorry effort which he made, I know, was due entirely to his disturbed state of mind as he read the election returns.

According to the latest figures as I have them, I believe Kentucky is safely on the right side of the ledger with not only the governorship but with other State offices in the Republican column. If my friend from Michigan can find any comfort in them, I volunteer the information to him that the New Deal has

been rejected in Kentucky by a majority of better than 8,000.

Mr. RABAUT. May I offer some solace to the gentleman from Pennsylvania?

Mr. DITTER. I have not yielded at this point.

Mr. RABAUT. I am going to ask the gentleman to yield.

Mr. DITTER. Well, I must be charitable to my friend in his distress. I yield.

Mr. RABAUT. I am sorry to see the gentleman bring politics into something as serious as this, but since he has, I want to recite to him four lines I ran across:

Born for the universe,  
So narrow his mind!  
And to party gave up  
What was meant for mankind.

I would not want to inject that at this time, but that is what the gentleman is trying to inject upon me.

Mr. DITTER. My friend from Michigan has served a long time in the House. He has established a reputation. If he is attempting at this time to put on either a pontifical air or a robe of righteousness to impress anyone in the House or in the galleries with a nonpartisan approach, I would suggest that he be natural. Neither the pontifical air nor the robe of righteousness become him.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question at that point?

Mr. DITTER. I yield to my friend.

Mr. TABER. The question which was referred to on page 1295 of the hearings was asked by me. I feel, therefore, that I should call attention to the fact that many of those names were of people who were not doing a good job according to the evidence that I had and were not very loyal to the United States. I do not believe, and I should like to have the gentleman from Michigan realize, that reading a list of those who have served in the armed forces is any excuse or any cover-up for another group of people who happen to have somewhat similar names who do not meet that extent of devotion.

Mr. RABAUT. The gentleman mentioned my name. Will he yield to me?

Mr. DITTER. The gentleman from New York, of course, cannot yield.

Mr. RABAUT. No; I am asking the gentleman from Pennsylvania if he will yield.

Mr. DITTER. In fairness to the gentleman from Michigan I will yield.

Mr. RABAUT. I thank the gentleman from Pennsylvania.

Mr. DITTER. Mr. Chairman, I wonder if I could interject at the moment that this is all coming out of my time.

Mr. RABAUT. I appreciate the gentleman's yielding.

Mr. Chairman, I wish to say to the gentleman from New York [Mr. TABER] that in asking these questions, in setting forth these names that he did on page 1295, what was his purpose outside of just reciting the names?

What charges does the gentleman make against them?

Mr. TABER. It is all in the record.

Mr. RABAUT. There is nothing in this record except a list of these names.

Mr. TABER. Oh, yes. There is the job they hold and their salary. I wanted them so they could be pointed out on occasion, just what they were being paid and so forth.

Mr. RABAUT. And what was the information that the gentleman wanted?

Mr. TABER. I wanted to know the type of job and the amount of money that was being paid to these people and what their position was.

Mr. RABAUT. All people with foreign names, were they not?

Mr. TABER. Oh, no.

Mr. RABAUT. Yes, they were. Read the list.

Mr. TABER. One of them was Maurice English.

Mr. RABAUT. One of them. There are quite a few names there that got in here by error then.

Mr. TABER. If a group of people with foreign names is in a position where they are not rendering service or where they are not doing a job or stand up to the rack, they cannot be covered up nor that situation justified by reading the names of boys who have inherited foreign names and who serve in the Army.

Mr. RABAUT. That was not suggested at that time. I wonder if the gentleman from Pennsylvania would permit me to put the list of names in the Record at this point?

Mr. DITTER. I hope my distinguished friend from Michigan will not overstep the bounds of propriety. If he cares to have those names publicized, I suggest that he use his own time.

Mr. RABAUT. I thank the gentleman. I will put them in in my own time.

Mr. DIRKSEN. Will the gentleman yield?

Mr. DITTER. I yield to my friend from Illinois.

Mr. DIRKSEN. For the purpose of keeping the record straight, let me suggest to the gentleman from Michigan that it has been only a few months since this floor resounded with an attack on what we deemed to be the disloyalty of certain people and their names were Watson and Lovett. There was not any distinction as to names. The only measuring rod we used was their loyalty to this Government.

Mr. RABAUT. Will the gentleman yield to me inasmuch as the gentleman referred to me?

Mr. DITTER. There is a limit beyond which human endurance cannot go.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. DITTER. I yield to my friend from New York.

Mr. MARCANTONIO. I thank the gentleman from Pennsylvania. I would like to make this observation: Reference has been made here to foreign names. I would like to have any Member of the House define what is a foreign name and what is an American name, with the exception of the American Indian names.

Mr. DITTER. I am so happy to know that my distinguished friend from New York supports the position I take. That is exactly the point I make. I feel it was so unfortunate for the gentleman

from Michigan to take this matter of foreign names and inject them. It tends to show an intolerance and a lack of understanding of America's mission. I thank the gentleman from New York for his confirmation of the position I take.

Mr. ROWE. Will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Ohio.

Mr. ROWE. The gentleman from New York has stated my question exactly. Removed just one generation, one side of my family came from across the sea and I resent any statements about foreign names. I would like to have it defined.

Mr. DITTER. Now, let us get away from seriousness for a moment. It is a late hour and we need a bit of pleasantry. Since we are talking about names and O. W. I., and as we think of the Bergens that may be abroad at the other end of Pennsylvania Avenue, I want to call the attention of the Members of the House to the fact that Charlie McCarthy is on the rolls of O. W. I. I have it here before me. He is included with the personnel list. According to this Charlie McCarthy is getting \$2,328.84 a year.

Mr. RAMEY. You mean of taxpayers' money?

Mr. DITTER. Of taxpayers' money, yes. I would suggest in fairness to the taxpayer, that the gentleman from Michigan or some other courageous soul on the majority side now tell the taxpayers who the Bergen is that talks through this mouthpiece of Charlie McCarthy? I might suggest who they are. Some of us on this side of the aisle are rather suspicious. We would like the suspicion removed by a frank admission of who the Bergens are.

Mr. Chairman, we have under consideration the O. W. I. foreign service, not its domestic branch. I have in my hand a bundle of releases prepared by O. W. I. for distribution to the foreign correspondents in New York. These are but a few of the many, many, many documents that are ground out by the printing presses of O. W. I. Time will not permit me to go into all of the questionable and criticizable quotes but I want to ask in all fairness of those on the majority side, whether they feel it is good taste to send to the foreign correspondents a release called "New South Rises in the United States"? Mark you, this is submitted to a group of foreign correspondents so that they in turn can take it as is or build a story around it for the consumption of the folks on the other side.

I want to ask those men who still believe in the fine traditions of the South, who still believe that the South has a contribution to make to this Nation of ours, whether you are proud of a declaration in this new South release by which it is charged that the South is still retarded by the aftermath of feudalism. I repeat, by the aftermath of feudalism. To me the suggestion of feudalism as ever having been a part of our way of life is extremely distasteful to me. I rebel against the very idea. Feudalism has nothing in common with the chivalry of



the South—with the courageous independence of the southerner.

To charge that we are retarded by the aftermaths of feudalism, and to tell that to the people of every nation in the world shows an incompetence which cannot be explained or excused. O. W. I. is boasting to other people that the remnants of feudalism persist here. Shame on it all.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I am not yielding.

This is written by a well-known American author and editor who lived in Richmond, Va. All well and good; but I still question whether the war effort is going to be furthered by having the folks over there told that any of us, whether we come from the South or the North, from the East or the West, are retarded by the aftermaths of feudalism.

My distinguished chairman feels that I had forgotten that this is in the record. I had been reluctant to mention it because I did not want to give it any more advertising; but since he has forced it upon me, since he has forcibly thrust it in your face, this whole article is in the hearings. There are other things beside the retardation of a feudal ancestry. I quote from this O. W. I. release:

With slave labor, the planter's family lived as feudal barons.

Where is the man from Georgia, where is the man from Virginia, where is the man from the Carolinas who wants to have it spread abroad in Europe, Africa, and Asia, as a part of O. W. I.'s money-spending scheme, that we are living in the aftermaths of feudalism?

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. DITTER. No; not at the moment, if my distinguished friend will be patient for a moment.

No; that is not what I want to see sent to the far corners of the earth.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Pennsylvania.

Mr. DITTER. I want to see go to the far corners of the earth the story that I love to think about, of strong men and courageous women.

Is the story of America's mission so lacking in interest that resort must be had to a recital of feudal survival?

Feudalism? No; we have nothing of feudalism here. I am opposed to a foreign policy on the part of an agency that feels that one thin dollar should be spent for either the preparation or the dissemination of material such as this. I challenge every southern Member to denounce this unwarranted reflection on their people.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DITTER. No; I do not yield.

"Working Woman of the White House." My friends on this side will be interested to learn that here are six pages about the First Lady of the land. I may not agree with the First Lady of the land

in her political philosophy, but I do say that she stands for something that has challenged the affection of many people.

I could go on with all of these releases. In this foreign release foreigners are told we are "Galluped" into elections. It is not what people think, it is what Gallup says, according to this three-page brochure. That is money wasted. And let those who say that the \$5,000,000 is for the carrying on of psychological warfare place a value on psychology of this kind. Remember, part of the \$5,000,000 now requested by O. W. I. is to be used for the psychology of feudalism and the Gallumping of elections. Who can justify such needless expenditures?

I want to say just a word about Marshall Field's villa in passing. You all know about the training centers we have established for the Army, the Navy, and the Marine Corps. We have a new one. O. W. I., not to be outdone, not wanting the Army to be a step ahead, or the Navy, or the Marine Corps, decided that it needed its own peculiar training center, so they went over into Long Island, lovely spot that it is, and found Marshall Field's villa. It is a retreat for O. W. I. psychology. It is a retreat for pay rolling favorites. It is a retreat of waste and extravagance.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield at that point?

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. DITTER. May I have 1 minute so I can yield to the chairman?

Mr. TABER. Mr. Chairman, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. DITTER. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. The gentleman is aware, I take for granted, that none of the material he has discussed has any connection whatever with this appropriation?

Mr. DITTER. I quite disagree with the chairman.

Mr. CANNON of Missouri. None of the \$5,000,000 we propose to appropriate here has anything to do with this, because that will be used on the other side and has no connection with the domestic situation.

I also wonder if the gentleman objects to the statement in the article to which he refers that if there ever was a medieval, feudal condition existing in the South it has long since disappeared, and that it existed in the far-distant past.

I should also like to know if the gentleman is aware of the fact that the man who wrote this article was not on the Office of War Information pay roll at all, he was not on the Government pay roll in any respect. The gentleman doubtless is aware of the fact that O. W. I. did take every opportunity to extol and sing the praises of the gallant women in Corregidor.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 minutes.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. DITTER. No, I do not yield now. I must answer the chairman of the committee.

Mr. MAGNUSON. Will the gentleman yield after that?

Mr. DITTER. I take issue with the chairman of the committee and the statement he makes, that this \$5,000,000 has nothing to do with this item. This item before us is for foreign service, \$5,000,000. The papers which I read from were prepared in New York for foreign distribution. Aside from that, any agency of the Government that shows such poor judgment as to use one penny from Uncle Sam's coffers for the distribution of material of that kind, does not merit the confidence of Congress. I quite agree that this article was prepared by somebody else, but I definitely know that Government money was used for the preparation and distribution of the article, and I know that it has the imprint of O. W. I. on it. Doubtless if I had the opportunity to examine more of these effusions, I could find others that might be just as subject to criticism. The gentleman says, whether I know it or not, that we do know things moved out of this feudalism. I deny that we were ever in the grip of a feudalism.

I do not believe that we were ever feudal in our make-up. As a northerner I refute the charge that the South was a feudal territory. I deny the charge that we are still retarded by the aftermath of feudalism. If the majority wants to put its stamp of approval on material of that kind, if you want it known back in your districts that you are approving an agency that tells the world that we here are retarded by feudalism, then follow the lead of the distinguished gentleman from Missouri [Mr. CANNON] who apparently approves the article. I do not condone it. I resent it. I deny it. In my opinion it brands O. W. I. as inefficient and entirely lacking in good judgment.

I now yield to the gentleman from Washington.

Mr. MAGNUSON. Mr. Chairman, I find it in the hearings and I ask whether this is correct. I would like to know who is the head of the Outpost Division of the O. W. I. Is it not agreed that the head of this division is Mr. Linnen, and several others connected with Time magazine. My observation of Time magazine is that it has been a pretty accurate recorder of facts in this Nation.

Mr. DITTER. Am I to assume that my friend puts his stamp of approval on the charge that we are still retarded by the aftermath of feudalism?

Mr. MAGNUSON. I have not read the whole article.

Mr. DITTER. Read it.

Mr. MAGNUSON. I shall be glad to.

Mr. DITTER. But irrespective of the text, does my friend approve it? I certainly hope that he will not be led into an admission of that kind. The great West does not want to say that America is still retarded by the aftermath of feudalism.

Mr. MAGNUSON. I want to say that I know some of these gentlemen.

Mr. DITTER. Undoubtedly some of these gentlemen are splendid gentlemen, and able to carry on the work.

Mr. MAGNUSON. Has the gentleman any explanation for it? These are gentlemen who have charge of it.

Mr. DITTER. I think of the agency itself because of its purpose. Its motive was to build a gigantic machine rather than to build an efficient organization.

The action of the majority in approving the request for an additional \$5,000,000 for the Office of War Information provides a glaring example of New Deal economy in Government. It brings into sharp relief the difference between form and substance. It shows a total disregard of the penalty imposed upon the taxpayer as a result of mismanagement and the flagrant abuses of power by an arbitrary and defiant Federal agency bent upon the exploitation of an unsuspecting public. It indicates that the blanket approval of the requests of Federal agencies for funds, regardless of their justifiableness or their real value and regardless of the burdensome load which they saddle on the taxpayer, is the majority's conception of its duty. No better signpost of the road plotted by the majority for the future welfare of our people can be found than its surrender to the demands of an agency which has heretofore violated the confidence of the people by stooping to the distribution of political propaganda under the guise of war information.

The advocacy of economy in Government, to be of any value, must be something more than an idle gesture—something more than a window dressing—something far more substantial than the hypocritical beating of the breast or the shedding of crocodile tears. It must have the courage and the common honesty to strike and strike hard at extravagances and wastes—at mismanagement and maladministration—at the excessive and unconscionable padding of the public pay roll. The operations of O. W. I. have nothing in common with economy in government. The two are as far apart as the poles. An examination of the personnel of O. W. I. establishes beyond the shadow of a doubt that its chief ambition has been to build a machine which would make its claim for fame solely on the number of employees that it could take under its wings. Nothing could be more crippling and demoralizing, nothing could be a more fatal blow to the war effort than the majority's blanket approval of O. W. I.'s latest raid on the pockets of the taxpayers.

Every impartial observer is aware of the frantic efforts being made by the majority to impress upon the people its support of economy measures. Without doubt, the events of the last few days have materially intensified the desire of the majority to appear as champions of economy. Ballots were cast and their significance cannot be lightly tossed aside. The concern of the majority for the welfare of the taxpayer, even though long delayed, is a wholesome sign. It will be welcomed by every man and woman who is struggling to make both ends

meet after the tax collector has been satisfied. The tragedy, however, is that the majority in approving the present request of O. W. I. for an additional \$5,000,000 is dissipating the high hopes which have been stirred by professions and promises. Here, right at hand, the majority has the opportunity to implement the demands of the people for economy in government by reducing the exorbitant request of O. W. I. for funds which have not been justified and which are not needed.

The weakness of the justification of O. W. I. is palpably apparent when one contemplates the lengths to which it has gone to prove its case. Mindful of the criticism directed against it when it last appeared for an appropriation before the Congress, O. W. I. decided to buttress its claims by calling on the War Department for support. In opposing the present request for funds, I do not underestimate the value of a psychological warfare waged on the battle fronts. It can be of inestimable value. But, this in itself does not mean that an unlimited amount of money should be placed at the disposal of O. W. I. for this purpose. An army may have an ample supply of ammunition for possible targets and every dollar needed to make such ammunition should be provided. But, would this mean that the army should be encouraged to shoot aimlessly and without purpose and with no regard for value, round after round of ammunition into the air—shooting just for the joy of spending ammunition or of hearing the explosions? And that is exactly what O. W. I. has been doing—wantonly wasting money and effort.

I am confident that funds are now available for a very substantial part of the project in the foreign field which has been approved by the War Department. A very small addition to the funds for O. W. I. will be more than ample to carry on this work. But there is no justification for the raid on the taxpayers' pockets, such as that now urged by the majority. Our task is to be economy-minded in deed as well as in word.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I trust every member of the committee will read the article to which the gentleman has referred. It makes no reflection on the South. On the contrary, it pays a very high tribute to the men and women of the South, both in the Civil War and in this war. It is an old adage that you can prove anything from the Bible by choosing a sentence at random. The gentleman seeks to condemn the article by quoting one word. Of course, the purpose is to divert attention from the real issue presented by it. What is the issue here? American commanders, newly back from the front, tell us—and you will find their testimony in both the hearings and the report—that this activity is saving the lives of American soldiers, and tends to shorten the war. Yet the gentleman quotes one sentence—one word—from an obscure article—out of

the flood of effective literature daily issued by the American Government, and devotes half an hour to a discussion of its effect at home upon the South rather than on the Asiatic area, in which it was used—and from which we have had none but the most favorable reports. He entirely overlooks the testimony of United States Army and naval officers, cited in the record, to the effect that the expenditure of this money in the past has saved the lives of American soldiers and contributed favorably to the war effort.

Mr. DITTER. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. I will take 1 more minute to yield to the gentleman from Pennsylvania.

Mr. DITTER. Mr. Chairman, it had been my impression that the gentleman from Missouri had so completely sold this Army endorsement, parading the generals, from General Marshall on down, that any effort on my part would be surplusage and futile.

Mr. CANNON of Missouri. Mr. Chairman, I yield to "General" DITTER, if he is better qualified to speak on this than General Marshall or General McClure, or the ranking Admiral of the British Navy, who testified that this service had done more in one day in bringing about the surrender of the Italian Fleet than he had been able to accomplish with the entire fleet in 3 years.

Mr. DITTER. Will the gentleman yield for a correction?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. TABER. I yield 2 minutes to the gentleman from Pennsylvania.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 1 more minute, and I yield to the gentleman from Pennsylvania.

Mr. DITTER. I hope the gentleman from Missouri will allow a correction. I much prefer the Navy service to the Army, and if he would make that "Admiral" rather than "General," it would be appreciated.

Mr. CANNON of Missouri. With pleasure.

Mr. DITTER. I would appreciate it more.

Mr. CANNON of Missouri. The gentleman does seem to be much at sea.

I now yield to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. I listened with great interest to the remarks of the gentleman from Pennsylvania [Mr. DITTER] and the thought ran through my mind when he was making such a powerful defense of the alleged attack upon the South, how peculiar his position was today, when through the years I have served with him in the past he has so vigorously condemned the South. The thought that entered my mind was that it would be very interesting if he would take—

Mr. DITTER. Will the gentleman yield?

Mr. McCORMACK. Well, attacked the South.



Mr. DITTER. I hope the majority leader will yield.

Mr. McCORMACK. The thought in my mind is: What were the real motives of the gentleman in his position today?

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. DITTER. Mr. Chairman, that 2 minutes was mine.

I yield myself 1 additional minute.

I should like to ask the majority floor leader whether he can cite at any time any observation of mine which referred in any way to the feudalism or "aftermaths of the feudalism prevailing in the South" or in any other place. If the gentleman can show a citation of mine that gave that impression, then I shall stand corrected.

Mr. McCORMACK. Does the gentleman yield?

Mr. DITTER. Yes, I yield.

Mr. McCORMACK. Did the gentleman get the significance of my observation, that I was rather amused to read his mind when he was undertaking to defend the South against an alleged attack, when I had in mind the position he has consistently taken in the past of—and I used the word "attack" or "condemn"—I will take that out and say, of opposing every piece of legislation in the past 15 years I have been here, that was beneficial to any part of the South?

Mr. DITTER. And should we not follow the suggestion of the majority leader of unity at this time? And the unity that I am urging is that there is no South, no North, no East, no West and that we should not parade the suggestion of disunity to the other nations of the world.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. DITTER. Mr. Chairman, I shall retire.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, I wish to talk on this appropriation bill from just a little different angle than any from which it has been approached. There has been much discussion here today regarding the loyalty of certain people on the pay roll of O. W. I., and reference has been made to Communists. I should like at the outset to say that we ought to get firmly planted in our minds what a Communist might be. Many people are under the erroneous impression that a Communist is only a Communist when he holds a red card in the Communist Party. Nothing could be further from the truth. Whether or not a man is a Communist depends entirely on the ideology to which he subscribes, and it is a trick and part of the game of the Communists—the so-called intelligentsia, liberals, and left-wingers of this country—to attempt to smear anyone who has the courage to take issue with communism in the United States, and he is immediately labeled as a Fascist. What they really mean when they call a man a Fascist is that he is against com-

munist. I am against communism, I am against fascism, and I am against nazi-ism.

It is a ridiculous thing for the Appropriations Committee to come before this body and ask us to pass this appropriation bill, particularly in regard to the O. W. I., with such limited information as reported in the hearings before the subcommittee. I say that for this reason: I read the hearings pertaining to the O. W. I. on the first appropriation bill. I have read the hearings on this particular bill before us. What do I find? The only men who appeared before the committee to testify were men from the Office of War Information, the very men who were asking for this appropriation. The only man outside of O. W. I. who appeared was General McClure, who happened to be in Washington at the time. Not one single man was called before the committee who had the evidence on what the O. W. I. is doing, and the way in which they are working with the Communist groups in foreign countries as well as the United States.

Reference has been made here today regarding the letters from General Marshall and General Eisenhower, as to the value of O. W. I. The questions I would like for any member of the Appropriations Committee to answer are these: Under what circumstances were those letters submitted and furnished? Did someone ask them to prepare those letters especially for the record? Or did they do it of their own free will and accord?

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The gentleman will note that almost without exception those wires from General Marshall and the others referred to in respect to work done in this or that campaign on the actual fighting front had nothing to do with whatever they, the O. W. I., may be doing now behind the lines in neutral countries or enemy countries.

Mr. BUSBEY. I thank the gentleman for his observation. Reference was made early in this debate to the fact that O. W. I. was given credit for the surrender of the Italian Fleet, because of the feat of a radio engineer in changing the wave length of the transmitter. There is not one iota of evidence in the hearings that the Intelligence Department of the Army could not carry on this work of the O. W. I., and I want to say this for the Record: Since we passed the last appropriation bill for O. W. I. last spring I have made it a point to talk to some of the officers in the Navy and the Army, and without exception the general impression was, "My God, can't Congress get the O. W. I. out of our hair?"

The Members of this House and the people of the United States will never know the truth about the O. W. I. until the President removes the muzzle he has placed on the officers of the Navy and Army, and they feel free to testify before the Appropriations Committee.

Mr. Chairman, the question was raised earlier today from the majority side as to why the names of individuals suspected of being disloyal to the United States and with communistic associations were not named. The only way the Members of this House will ever get information regarding these men in O. W. I. is to authorize a special House committee to investigate them, and bring it out in testimony taken under oath. It is for that reason I have today introduced a resolution asking for the creation of a special committee to investigate the O. W. I., all its personnel, and the work it is doing. No one will ever know the truth about these men in O. W. I. and what they are doing unless and until such an investigation is made.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel it is unfortunate that adequate appreciation cannot be shown for the intelligence work done by the Navy and Army, and does not the gentleman also feel that we should have the strongest and best intelligence forces in both services in the world?

Mr. BUSBEY. I certainly do. I may say that I was on the battle front in the last war and we got along very well without the O. W. I. distributing leaflets or anything else. The intelligence forces of the Army handled it and did a splendid job.

Mr. Chairman, on October 28 I wrote the following letter to the editors of several of the best known foreign language newspapers in this country to ascertain their opinions and experiences with O. W. I.:

On Thursday of next week the House of Representatives will be asked to pass upon appropriations for the Office of War Information. As a Member of the House I am deeply interested in obtaining a detailed estimate of the character of the propaganda carried on by this agency in your native country.

Would you be kind enough to send me as quickly as possible a memorandum on this subject with specific details, names, dates, official texts of broadcasts (with translations), official statements (with translations), etc. I should appreciate also your analysis and opinion regarding the effectiveness of such propaganda among your people.

While I realize that you must have many demands upon your time, I nevertheless would appreciate receiving your reply before Thursday, November 4, when we consider the appropriations for the Office of War Information.

Mr. Chairman, I have the replies from these editors, and in every instance they condemned the activities of the Overseas Branch of O. W. I. especially in respect to the broadcasts to their native countries. In many instances they complained of the apparent cooperation with the Communist elements in their native countries, instead of their governments in exile, which are cooperating with the United Nations for victory.

Mr. KENNEDY. Will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from New York.



Mr. KENNEDY. Would the gentleman mind giving me the names of the papers that replied from New York? Would that be too much trouble?

Mr. BUSBEY. It would not be any trouble, but I am withholding the names at the present time, because I hope the House will pass my resolution to authorize a special committee to investigate O. W. I. and bring these men to Washington to testify under oath.

Mr. Chairman, I have reasons to believe that if a special investigation committee is authorized by the House of Representatives, they will be able to substantiate the following information regarding certain individuals who now are or have recently been in the employ of the Office of War Information:

Barnes, Joseph Fels, Deputy Director, Atlantic Operations, New York office, salary \$8,000 a year. Well known for the past 10 years or more as a writer on the Soviet Union, whose attitude has been consistently favorable.

Carson, Saul, Eastern Press and Radio Division. Reputed alias Frank Leonard. As Saul Carson contributed to the New Masses, Communist magazine, January 26, 1937, page 27; February 15, 1938, page 15; member of the League of American Writers, which was cited as subversive by Attorney General Francis Biddle.

Chi, Kung-Chuan, Overseas Publication Division. Formerly employed by the Communist-controlled China Daily News of New York City. His son, Chao-Ting Chi, has numerous connections with Communist front organizations.

Dale, Edgar, head of Creative Section, salary \$6,500 a year. Supporter of the following Communist front organizations: American Committee for Democracy and Intellectual Freedom, National Emergency Conference for Democratic Rights, Conference on Constitutional Liberties in America.

Eliasberg, George, Eastern Press and Radio Division, salary \$3,800 a year. Arrested in Germany on a charge of kidnaping. Member of the Neu Beginn group, an organization which is frankly revolutionary in its claims and antidemocratic.

Evans, Ernestine, Overseas Publications Division, New York office, former wife of Kenneth Durant, director of Tass, Soviet News Agency. Contributor to the following Communist publications: New Masses and Daily Worker. Former director of the American Society for Cultural Relations With Russia.

Grayson, Mitchell, associate program director, salary \$3,200 a year. Also known as Grespysky and Gresen. Writer for the Daily Worker. Program director for the following Communist-front organizations: American League for Peace and Democracy and Jewish People's Committee. Wife, Hildegard Dyer, listed as a signer of a Communist Party election petition in New York City, 1939-40.

Halsz, Piroška C., senior translator, Hungarian Unit, Program Preparation Division. Writer of Communist songs and poetry for the Hungarian Communist movement led by Bela Kun. Salary, \$2,000 a year.

Hanna, Mrs. Rose Laddon, principal research clerk in charge of subversive files, salary \$2,300 a year. Worked in Moscow for a number of years. Former secretary of the American Russian Institute. Representative in Russia for the Open Road, a travel agency, 1927 to 1935. Member of the Washington Committee for Democratic Action, which has been cited as subversive by the Attorney General.

Kinkead, Robin, Eastern Press and Radio Division, New York office. Writer in Russia in 1929 or 1930. Married to Angela McCann,

twice registered as a Communist Party voter. Beatrice Kinkead, his mother, was a member of the California State Executive Committee of the Communist Party in 1940. J. A. Kinkead, his father, was a member of the Communist Party of California.

Klinesberg, Ohio, eastern press and radio, senior script editor, salary, \$4,600 a year. Signer of statement in defense of the Communist Party in 1941. Lecturer at the School for Democracy, founded by public school teachers ousted for Communist activity in New York City.

Kraber, Tony, eastern press and radio announcer, salary \$3,800 a year. Entertainer for the following Communist front organizations: American League for Peace and Democracy, American Musical Alliance, American Artists School. Member of the executive board of the theater arts committee, popularly known as Stalin's fifth column on Broadway. Member of the League of American Writers, which was cited as subversive by the Attorney General.

Lania, Leo, eastern press and radio division. Real name Lazar Herrmann. Signer of a protest in behalf of Matthias Rakosi, Hungarian Communist. A publicist in the Soviet Union for many years. Editor of the Hungarian Communist paper, Rote Fahne (Red Flag).

Lee, Canada, performer in radio dramatizations. Entertainer at the Lenin memorial meeting (Daily Worker, Jan. 11, 1943, p. 4). Supporter of the American Peace Mobilization which picketed the White House. Active in the theater arts committee. Real name Lionel Canagata. Salary, \$3,800.

Martin, David Stone, artist, Graphic Division. Active in the Tennessee Valley as a Communist. Frances Martin, his brother, was secretary of the Communist Party of Knoxville, Tenn. He attended Communist meetings with his wife, Thelma Martin, also employed by the O. W. I.

McMillan, George, assistant chief of the news bureau, salary \$5,600. Now in the United States Marine Corps but not discharged. Member of the Communist cell in the Federal writers project.

Ray, Nicholas K., eastern press and radio program director, salary \$3,800 a year. Member of the League of American Writers, which was cited as subversive by the Attorney General. Discharged from the W. P. A. community service of Washington, D. C., for communist activity. Also known as Raymond Michelas Juebzke.

Rosenberg, Harold, Eastern Press and Radio. Contributor to the New Masses, a Communist magazine. Writer of revolutionary poetry.

Roskham, Edwin G., photographer. Honorary chairman, May Day committee (Daily Worker, March 22, 1941, p. 5). Member of the Washington Book Shop and the Washington Committee for Democratic Action, both cited as subversive by the Attorney General.

Saxe, Alfred, Eastern Press and Radio Division. Adapter of the play "America Today—Lenin Lives" for the Lenin memorial meeting. (Daily Worker, January 28, 1935, p. 5.) Associated with the following revolutionary theater groups: League of Workers Theaters, Theater of Action, New Theater League. Contributor to the Daily Worker, April 19, 1938, page 6; May 11, 1941, page 7.

Lerner, Irving, chief film editor, salary \$5,600 a year. Contributor to the Daily Worker on films: August 14, 1933, page 5; August 15, 1933, page 5; August 23, 1933, page 6; August 28, 1933, page 5; and many other issues. Contributor to the New Masses, June 19, 1934, page 29. Supporter of the following Communist-controlled fronts in the theater field: League of Workers Theaters, Workers Film and Photo League.

Gebert, Boleslaw K., broadcaster to Poland in October or November 1942. Otherwise known as Bill K. Gebert, member of the National Committee of the Communist Party.

In further substantiation of my contention concerning the Communist complex of the Office of War Information, I wish to state that the July 15, 1943, edition of the Daily Worker, the official newspaper of the Communist Party of the United States, on page 7 devotes three columns to an article entitled "We Need the O. W. I."

Mr. Chairman, I now show you a poster put out by O. W. I. At the top of the poster it says, "Strong in the strength of the Lord, we who fight the people's cause will never stop until that cause is won."

On the poster is a picture of an arm with a wrench and another arm with a gun, and another arm with another wrench, showing the Communist interpretation that the only ones who are doing anything in this war effort are the soldiers and labor. I cannot give too much praise for the wonderful work of our men at the battle front, and also labor on the home front in producing munitions of war. Management and capital might be contributing something to the war effort, in fact a great deal, in cooperation with labor and the armed forces for victory. No one but a Communist would make such a poster.

This poster, incidentally, was drawn for O. W. I. by one David Stone Martin.

The following record of David Stone Martin is to be found in the executive hearings of the Special Committee on Un-American Activities, pages 659, 664, 676, 684, 686f, 689f, 692ff, 695f, 701, 706, 709, 711, 714, 716, 721ff, 724ff, 733f, 739, 743, 1006, 1014, 1024f, 1029, 1042, 1269, 1274, 1285, 1290, 1294.

Various witnesses employed in the Tennessee Valley Authority testified as follows regarding David Stone Martin: That he attended meetings of the Communist Party held in Knoxville, Tenn.; that he was employed in the graphic arts division of T. V. A.; that Francis Martin, a brother, was secretary of the Communist Party of Knox County, Tenn.; that meetings of the Communist Party were held at the home of David Stone Martin at 3006 Wimpole Street, Knoxville, Tenn., as well as meetings of the American League for Peace and Democracy; that David Stone Martin distributed Communist literature to proselytize other employees of the T. V. A.; that employees of the T. V. A. were solicited for the Communist Party at the home of David Stone Martin, 3006 Wimpole Street, Knoxville, Tenn.; that some meetings of the Communist Party in Knoxville, Tenn., attended by David Stone Martin, were held on T. V. A. property; that Thelma Martin, wife of David Stone Martin, attended Communist Party meetings in Knoxville; that David Stone Martin at times displayed a picture he had made of Stalin; that David Stone Martin was in charge of distributing Communist Party membership books to applicants; that Martin was an enthusiastic supporter of Harry Bridges; that Martin's home was also used for meetings of the Knoxville Committee for Spanish Democracy, a Communist-front organization; that Martin published and was active in the publication of White Collar, organ of the United Federal Workers of America, a Communist-controlled union; that Communist Party literature was stored at his home, 3006 Wimpole Street.



TESTIMONY OF DAVID STONE MARTIN, JULY 17, 1940

That he knew his brother Francis Martin to be an avowed Communist; that he is in sympathy with parts of the Communist Party program; that he lived at 3006 Wimpole Street; that he attended meetings of the Communist Party; that he received the Daily Worker and the New Masses; that he attended a meeting addressed by Earl Browder; that he knows Paul Crouch, Communist Party southern organizer; that he did illustrations for a Communist magazine published by Crouch called the New South; that he lived at the same address with his brother Francis for a time and that Communist literature was stored there.

Resigned voluntarily April 29, 1943.

The gentleman from Massachusetts [Mr. WIGGLESWORTH] mentioned the questionnaire sent out to the Polish-American people of this country. The Poles who are not affiliated with a communistic organization resent this questionnaire very much.

Mr. Chairman, I inserted in the Appendix of the Record today an editorial appearing in the Baltimore News-Post of November 2, entitled "Are the Reds Running the O. W. I.?"

I now show you a photostat copy of the Daily Worker of October 21, 1943, and call your particular attention to the article entitled "Whitey, the O. W. I.'s Typical Youth, Comes Back From the Missing." This article goes on to state that Whitey addressed the Young Communists convention in New York on October 17, 1943. This young man goes by the name of Whitey Goodfriend, and is a member of Local No. 43 of the Marine and Shipyard Workers of America, C. I. O. An award of this kind is a disgrace, and an insult to the millions of outstanding, loyal, patriotic youth of the United States. This is just another one of many things that should be investigated by a special House committee.

I also wish to call your attention to another copy of the Daily Worker of Thursday, July 15, 1943, where there appears a three-column article entitled "We Need the O. W. I." Yes; believe me, the Communists do need the O. W. I. because so many of its activities are so helpful to their cause.

Mr. CANNON of Missouri. Will the gentleman yield? In what respect is O. W. I. going along with communism?

Mr. BUSBEY. I will yield to the gentleman in just a minute.

Mr. CANNON of Missouri. I would like to have that information. That is the first intimation I have had to that effect. There is nothing in the hearings on the subject.

Mr. BUSBEY. I wonder if it has any particular significance that in the last few days various officials of the O. W. I. have been going around the country talking to meetings of newspaper men and women, trying to get their story over just before this appropriation bill was to be considered by the House. For instance, Robert Sherwood and Percy Winner, of the O. W. I. staff, had a meeting with the National Press Women's Club at the Willard Hotel here in Washington last week.

Mr. Ferdinand Kuhn, Deputy Director of the Overseas Branch of O. W. I., spoke before the West Virginia Journalism

Conference at Morgantown, W. Va., October 29.

Elmer Davis, Director of O. W. I., spoke in New York before the Overseas Press Club on October 27. I have in my hand United Press releases regarding the situation on the front where General Mihailovich is fighting that have been suppressed. These releases do not go out on the air nor do they go out on the wires, because they are playing down General Mihailovich in favor of the so-called partisan group that is closely associated with the Communist group in that sector.

Here is a situation in which you should be interested. Alan Cranston, Chief of the Foreign Language Division of O. W. I., according to Common Ground, which is the official organ of the Common Council for American Unity, edited by Louis Adamic, is a member of the staff of the Common Council for American Unity. Let us look at the record of Louis Adamic for a minute, because he is a rather important individual in this picture. He attacks General Mihailovich, who has the support of the United Nations. He is associated with many Communist-controlled front organizations, and many of his writings condemn the Government of the United States while he eulogizes the Government of the Soviet Union.

Alan Cranston, the Chief of the Foreign Language Division of O. W. I., had an article in Common Ground the summer of 1941 opposing the alien registration bill, which in the minds of many was a very necessary war measure. He came out in support of the Communist, Harry Bridges. His article, in many respects, parallels the program of the Communist Party.

I hold in my hand a letter on the stationery of the Common Council for American Unity. The members of the Committee on Appropriations may be interested in this one paragraph written by Read Lewis, executive director, soliciting funds for the Common Council for American Unity:

When Mr. Elmer Davis appeared before Congress to appeal for continuing funds for the O. W. I., he displayed a photographic montage of one of his releases that had appeared in newspapers published in 27 different languages. Ninety percent of those clippings were directly traceable to our organization which had translated and sent out the original story to each foreign-language press.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. JOHNSON].

#### A RECORD FOR ECONOMY

Mr. JOHNSON of Oklahoma. Mr. Chairman, before entering a general discussion of the pending bill, known as the first supplemental national defense appropriation bill for 1944, reported today by the Committee on Appropriations, let me say that the Deficiency Subcommittee which considered this bill held daily hearings for approximately 1 month. During those extended hearings many witnesses appeared before our

subcommittee and gave much valuable information both on and off the record. The printed hearings cover some 1,638 pages. The gentleman from Missouri, Chairman CANNON, who spoke earlier today, mentioned the fine spirit of cooperation that existed at all times between the minority and the majority members of the subcommittee considering the multiplicity of the Budget estimates, not only for the Army and the Navy but also for many other departments and agencies of the Federal Government. I am delighted to concur in that statement, although speeches of some members of our committee this afternoon would leave the impression that there was everything but cooperation and unanimity on the part of members of the committee.

I am sure that Members will understand that the Deficiency Subcommittee on Appropriations does not handle any of the regular annual appropriations for any of the permanent departments or agencies of the Federal Government, but only those deficiency or supplemental appropriations arising from time to time as the necessity or alleged necessity may call for. Thus we have endeavored to impress on heads of departments who appear before this particular subcommittee that they must show beyond the peradventure of a doubt that any supplemental request made by them is for an emergency that could not be foreseen at the time the regular annual appropriation bill was being considered.

Some departmental heads, I regret to say, in their anxiety to secure additional appropriations, have evidently attempted to create "emergencies," where, in fact, the committee was strongly of the opinion that no actual emergency existed.

As a glaring example of one so-called emergency item that the committee was called upon to grant was a request for \$15,000 by the Department of Agriculture to investigate jeeps. The very suggestion sounds absurd on the face of it and appears more absurd when one reads the hearings before our committee. With millions of young men in the service, many of whom were driving jeeps under all weather conditions, through all kinds of roads and areas where there are no roads, over hills, valleys, and through swamps, in deep sand and mud, for representatives of the Department of Agriculture to convince themselves that such an item was an emergency is positively astounding. To give one an idea of that request, I quote from the hearings:

Mr. SALTER. We are asking for this supplemental appropriation of \$15,000 to determine the value of the jeep for agricultural work as a substitute for tractor power.

Mr. JOHNSON of Oklahoma. Mr. Salter, how long have you been with the Department of Agriculture?

Mr. SALTER. Since October 1, 1941.

Mr. JOHNSON of Oklahoma. Have you ever appeared before this committee before?

Mr. SALTER. I have not.

Mr. JOHNSON of Oklahoma. And, on your first appearance, you ask this committee, seriously, to appropriate \$15,000 to investigate jeeps?

Mr. SALTER. That is right, sir.

Mr. JOHNSON of Oklahoma. Is this your own idea or the brain child of somebody else?

Mr. SALTER. It was not my idea.



Mr. JOHNSON of Oklahoma. Whose idea was it? Can you tell this committee, either on or off the record, who in your Department or elsewhere had such a fool idea as this?

Mr. SALTER. The need for this work was first brought to my attention by Mr. Boyd, acting head of the Agricultural Engineering Division.

Mr. JOHNSON of Oklahoma. Let me ask Mr. Boyd. How long have you been with the Department of Agriculture?

Mr. BOYD. Well, I have been here a long time. I came just after the war.

Mr. JOHNSON of Oklahoma. Was the idea of investigating jeeps yours?

Mr. BOYD. The jeeps have a popular appeal, everybody is interested, everybody is asking us questions about it. Everybody is asking, "What are they good for, what can they do, what can we expect to get out of the jeep in the way of power unit, that will help us over the gap while manufacturers are changing over from war production to tractors?"

Mr. JOHNSON of Oklahoma. Did it ever occur to you that with the eight or ten million boys in uniform, many of whom will have an opportunity to try out jeeps, under every condition and circumstance imaginable, that they will learn a whole of a lot more about a jeep than you could possibly have an opportunity to learn? Don't you think that when they come home they will be able to give more information about what a jeep will do than all the information you could acquire behind a mahogany desk or in a laboratory, or even on the streets of Washington? Do you in fact know anything at all about a jeep?

Mr. LUDLOW. It will do everything except climb a tree, I think.

Of course, it is needless for me to add that the committee did not regard this request for funds as an emergency, even though I am ashamed to say that they had a Budget estimate for same, and, therefore, did not make the appropriation available.

Still another example:

A representative of the National Park Service appeared before the committee in support of another so-called emergency. Our committee was asked to appropriate \$10,000 to move the bronze statue of Sir William Blackstone about 200 feet from where it now stands in the lobby of the Court of Appeals Building in Washington. Some \$5,000 was to be expended in polishing off a piece of granite on which the statue was to be placed and a thousand dollars was included for the ceremonies. The gentlemen sponsoring this proposal evidently have not found out that we are at war, a desperate war, a long, hard, uphill fight, the result of which will determine the lives and liberties of our children and our children's children for generations to come. The appropriation was disallowed. The following is an excerpt from the testimony with reference to this item:

The CHAIRMAN. Suppose you give us at this point a break-down of the proposed expenditure of the \$10,000 fund.

Mr. GILLAN. Yes, sir. The foundation would be \$1,000, the pedestal, in polished granite, would be \$5,000, the preparation and development of the ground surrounding it would be \$3,000, and the cost of its dedication ceremonies would be \$1,000.

Mr. JOHNSON of Oklahoma. This bronze statue is now in the Court of Appeals Building in Washington?

Mr. GILLAN. Yes, sir.

Mr. JOHNSON of Oklahoma. You propose to move it only a few feet to a spot in Judiciary Square?

Mr. GILLAN. The Court of Appeals Building is in Judiciary Square.

Mr. JOHNSON of Oklahoma. How far would you have to move it?

Mr. GILLAN. Two hundred feet. It would be taken out of the building and erected in the open.

Mr. JOHNSON of Oklahoma. Then this proposal is to move the bronze statue out in the open rather than leave it inside, where it could be protected from the elements?

Mr. GILLAN. The statue is too large for the building. It has an appropriate setting in the building, but has no base at all. It would be very inappropriate to leave the complete statue there.

Mr. JOHNSON of Oklahoma. Well, evidently someone thought it fit into its present surroundings or else it would not have been placed there.

\* \* \* Now, getting back to the Blackstone memorial, do you think it would seriously impair the war effort to let this thing wait for the duration?

Mr. GILLAN. I would say no.

Mr. JOHNSON of Oklahoma. You think then that the learned judges as well as other citizens, including the taxpayers of the Nation, might be able to struggle along for another year or two without moving the bronze statue of the great Blackstone a couple of hundred feet, at the expense of \$10,000?

Mr. GILLAN. Yes, sir.

Mr. JOHNSON of Oklahoma. Well, for my part, it will remain where it is. Let's leave this white elephant on the inside. I think that is all at this time, Mr. Chairman.

The Budget requests as compared with the amount recommended by the committee speak more effectively than anything I might say at this time. Here are the figures: The total Budget request for direct appropriations amounted to \$1,108,828,749.32. The amount recommended for direct appropriations by your committee was \$167,268,444.32, a reduction of \$941,560,305. If we include, in addition to those direct appropriations, other obligating authority proposed by the Budget we find a grand total of \$1,196,428,749.32 proposed by the Budget estimates, and \$215,368,444.32 recommended by the committee, a reduction in the estimates totaling \$981,060,305.

It is needless for me to say to Members that this is almost an unheard of slash in any bill ever to be presented to this House. I do not recall during my rather extended service here of any bill which has been cut to the extent of over 80 percent below the Budget estimates. That is what this bill proposes to do. A few months ago I brought the Interior bill for the fiscal year 1944 slashed approximately \$120,000,000 below what the Department had operated on during the previous fiscal year. The House showed its appreciation of that brand of slashing by passing the annual Interior Department appropriation bill in the record-breaking time of about 3 hours. But here is a bill slashed \$981,000,000 below the Budget estimates, out of a total of \$1,196,428,749.32. Let me suggest that this bill ought to be passed unanimously and in record time.

Of course, I have no illusions about this bill passing both Houses and becoming a law slashed as it is today. The fact is that chambers of commerce, business-

men and citizens generally are attempting economy in a general way, and I am frank to confess that the only telegrams I have received today in connection with the pending appropriation bill have urged not further cuts but millions of dollars additional in appropriations. For example, several Members of Congress and others appeared before the committee requesting several million dollars for the construction of some twenty-odd airfields, some of which had been begun by the W. P. A. Others had not been started but local towns and cities had voted bonds for those airfields and Members felt that it was the duty of the Federal Government to finish them. I am told that an amendment will be offered for that purpose. Now, there is no question but what these are desirable projects and would be a splendid idea in a post-war program, when aviation really comes into its own. From my viewpoint we cannot have too many well laid out airfields. But the committee felt that the proposal could not be properly called a war emergency, and, therefore, refused to include the appropriation requested. As a result of our action many telegrams have come to our desks criticizing the committee and urging that an amendment be offered on the floor of the House.

So it is quite obvious that by the time this bill gets to the body at the other end of this Capitol there will be sufficient telegrams and pressure brought that there is likely to be millions of dollars added to this bill before it is finally enacted into law. I appeal to Members of this body, however, to hold the lines and not vote to add one single dollar to this bill as it passes the House.

This measure is not altogether to my liking. If I had had my way there would have been a substantial amount in the bill for the Farm Security Administration. Despite its many mistakes in the past, Farm Security has its feet on the ground and is doing a most excellent job. There are only about two phases of the F. S. A. program left—the rehabilitation program and the so-called tenant-purchase program under the Bankhead-Jones Farm Purchase Act. Under the parliamentary situation, however, an amendment would be subject to a point of order because of the fact that there is no substantive law for that worth-while agency of government. I am of the opinion, however, that Members of Congress will have an opportunity to express their approval or disapproval of this agency before this bill is finally enacted into law.

Mr. BURDICK. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. BURDICK. What conclusion does the gentleman draw from those figures? I refer to the saving of \$900,000,000 from the estimates of the Bureau of the Budget.

Mr. JOHNSON of Oklahoma. The conclusion is that the Bureau of the Budget is not infallible. There are some items in this bill that are cut too drastically. One item mentioned is Farm Security, which, against my judgment, was eliminated altogether.



Mr. BURDICK. In other words, both branches can be mistaken.

Mr. JOHNSON of Oklahoma. That is undoubtedly correct.

Mr. WILSON. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Yes.

Mr. WILSON. Does the gentleman feel that the elimination of Farm Security caused the Democrats to lose the election in Kentucky?

Mr. JOHNSON of Oklahoma. Oh, no. And frankly, I am not now concerned with political elections anywhere. There is only one issue that all patriotic Americans are really interested in and that is the winning of the war. All other issues sink into insignificance. Yet, one would think from the tenor of several speeches and general attitude of some here today that nothing is quite as important as the winning of a political election.

Mr. WILSON. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield.

Mr. WILSON. Do you not think the boys on the fighting front have a right to expect us to win the war here at home while they are fighting to win it abroad?

Mr. JOHNSON of Oklahoma. Absolutely. I know that many of our men on the various fighting fronts are sorely disturbed about some conditions on the home front. I agree there are a lot of disturbances on the home front that ought to have been eliminated long ago. I have had a part in helping try to eliminate some of them. The gentleman must bear in mind, however, that there are three branches of government and that Congress cannot exercise the functions of the other branches of government. It is our solemn responsibility to make or refuse to make appropriations. That is the language all departments of government will understand. Let me add further that I offered an amendment to cut \$50,000,000 from one agency of government in the last annual appropriation bill because I felt that it was overstaffed with impractical bureaucrats who did not know what it was all about; they were not doing a very good job on the home front. As a member of the Appropriations Committee I have cut and slashed wherever it was humanly possible to do so in nondefense activities.

Mr. WILSON. I am sure the gentleman will agree with me then that in winning the war at home, since this bill carries a request for \$50,000,000 for housing for war workers, in order to make those workers more comfortable, in order that they may do their job better, then had we not better produce coal to keep the people warm in the houses that we already have? Is that not part of the war at home?

It would not cost us 1 red penny to win that war at home for those boys who are fighting abroad, and keep those houses warm that we already have, that those boys who are working may have comfortable homes in which to live, without spending man-hours and a lot of money and strategic materials in building houses with no coal or oil to heat them.

Mr. JOHNSON of Oklahoma. Now, the gentleman has made a very good

speech. If the gentleman wants to offer an amendment to the housing item that has already been slashed to the tune of \$150,000,000 he may do so. It is obvious, however, that in many of the industrial centers housing is still a real problem. If the gentleman is talking about the trouble we are having in the coal mines, that is a very deplorable situation. My record speaks for itself on that. I voted for an antistrike law long before Pearl Harbor. So I have nothing to apologize for as far as that is concerned. I am glad that the coal strike is ended and I hope it will remain ended.

Mr. WILSON. The fact that this coal is not being produced simply means to me that there were some people at home more interested in winning the elections than they are in mining coal and winning the war.

Mr. JOHNSON of Oklahoma. Well, I do not know just exactly what the gentleman means by saying that there is no coal being produced. I hold no brief for the mine workers but let us be fair even about that. The evidence before the various committees is that coal is being mined in tremendous quantities and must be continued to be in a whale of a lot greater quantities.

Mr. WILSON. There is a lot of coal that is not being produced.

Mr. JOHNSON of Oklahoma. There is always a potential shortage, and it is a deplorable thing that there might be a shortage of coal or fuel of any kind. There is a potential shortage of oil, but the oil men of Oklahoma and Texas and Kansas and California and Illinois are not out on strike. They are not going out on strike, even though they have been denied a fair and reasonable price for crude oil.

Mr. WILSON. That is the war that I referred to.

Mr. JOHNSON of Oklahoma. The gentleman's questions and comments are very interesting but with your kind permission and indulgence I would now like to talk more about this pending bill.

It is my personal intention to offer an amendment to this bill, not to increase it, but to effect a reduction of \$25,000, by eliminating entirely the item to purchase the estate known as Red Hill, all or part of which was once owned by the immortal Patrick Henry. Ordinarily I might not raise any objection to a reasonable amount being appropriated to purchase a few acres of the estate for a memorial to Patrick Henry. But these are not ordinary times and this appropriation has no connection whatever with national defense and the war effort. Members who desire further information concerning this matter would do well to read the testimony of Director Drury of the National Park Service, who disclaimed credit for initiating this appropriation and who told the committee very definitely that the Park Service did not need or desire 960 acres for that purpose. I would also invite Members' attention to the testimony of Mr. Smith, one of the National Park Service appraisers who appeared before the committee and who stated that "if he felt especially rich" he might pay as high as \$25,000 or one-half the sum proposed

to be expended for the property. The following brief excerpt from the hearings is self-explanatory:

Mr. JOHNSON of Oklahoma. You were a member of the committee that made the appraisal?

Mr. SMITH. Yes, sir.

Mr. JOHNSON of Oklahoma. And even though \$100,000 was authorized, you could not conscientiously say to this committee that it was worth half of that money, could you?

Mr. SMITH. No, sir.

Mr. JOHNSON of Oklahoma. Are you sure that it is worth the \$45,000? Do you know anybody who would pay anything like \$45,000, except Uncle Sam?

Mr. SMITH. I would not put my \$45,000 in it.

Mr. JOHNSON of Oklahoma. How much cold cash would you put in that 960-acre tract if you had plenty of money, no debts, and lots of sentiment?

Mr. SMITH. It might be, if I wanted to run along and live there, where Patrick Henry had died—something like that—I might go as high as \$25,000, if I felt especially rich.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the distinguished gentleman from Iowa, who is a member of the Subcommittee on the Interior Department of the Committee on Appropriations, and I am glad to say a very valuable, fair, and hard-working member.

Mr. JENSEN. I thank the gentleman. As I remember, this very question came up in the Interior Subcommittee.

Mr. JOHNSON of Oklahoma. That is correct.

Mr. JENSEN. And the subcommittee put thumbs down on it unanimously.

Mr. JOHNSON of Oklahoma. That is correct. Although our committee refused unanimously to stand for that proposal, we find this same white elephant back once more on our doorstep.

Mr. JENSEN. It is rather disturbing to see this \$25,000 item come back into this bill and be brought on the floor after the Interior Subcommittee has spent considerable time in going into the matter and kicking it out unanimously. And let me say right here that the gentleman from Oklahoma who is now speaking is our chairman and has done a wonderful job in keeping down all unnecessary expenditures and the Subcommittee on the Interior Department is most appreciative of the outstanding work that the gentleman from Oklahoma has done on that committee.

Mr. JOHNSON of Oklahoma. I thank the gentleman most sincerely for his very gracious statement.

I have no doubt that this item will go out of the bill when my amendment is offered to eliminate this appropriation. And it will in no wise change the place in the hearts and minds of the American people, for the respect and admiration of one of America's early patriots and statesmen.

The only item of controversy when we left the committee room that the minority and majority were unable to agree on was for the Office of War Information. I hold no brief for that Office. I never had the pleasure of meeting Elmer Davis until he appeared before the committee a few months ago in support of the O. W. I. I had known, of course, of



his reputation as a responsible and intelligent newspaperman and had listened with interest to his broadcasts as a radio commentator. I have not been in sympathy with some of the policies of the O. W. I. so far as its domestic policies were concerned. I am sure that Members understand that there is no appropriation in this bill for that purpose, that every dollar proposed to be appropriated in this bill is directly or indirectly for its overseas operations. Of course, much of the script and other work is actually being done in the Washington and New York offices.

It is well known by all members of the committee that the gentleman from New York (Mr. TABER), for whom I have great respect, and whom I generally agree with so far as his ideas of economy are concerned, is extremely bitter toward the O. W. I., but frankly, I am somewhat surprised at the outbursts and flank attacks of others. The performance just sounds as if someone has given the attack order. The distinguished gentleman from New York stated repeatedly in the full committee today, in the subcommittee previously, and I believe on the floor of the House this afternoon, that O. W. I. is a menace to the war effort and is hindering rather than helping the war effort. That is a bold statement to make, and I challenge it here and now. If he has any such evidence, let him produce it. Just who in O. W. I. is hindering the war effort? This House has a right to know. If I thought the gentleman from New York was correct in that serious charge, I would join him in his fight to eliminate all funds for O. W. I. But I heard the testimony of high Army officials, in whom I have the utmost confidence, who told the committee, both on and off the record, that the Office of War Information is of vital importance and that it is an essential and important part of the war effort. They went further than that. In answer to a question by a member of the committee these high-ranking Army officers stated that O. W. I. had been responsible for the saving of the lives of our men and boys in the armed forces. To me, that is the test. What does an appropriation of \$5,000,000 amount to as compared with the lives of our brave and gallant soldiers, sailors, and marines? What is the difference whether it be \$5,000,000 or \$50,000,000? If it will have a beneficial effect in shortening the war a single day, the taxpayers of America will not begrudge this appropriation that we are told by those in authority is desperately needed at this time.

Of course, much of the testimony in support of this program was, of necessity, off the record, but if you will examine the hearings and the report you will find letters and statements from General Marshall, General Eisenhower, General Devers, and others warm in their praise of this part of the war effort.

Now the O. W. I. may not be popular on the home front. A long, carefully planned, well-organized, and determined effort has been made to discredit the O. W. I. in the minds of the civilian

population of the United States. No doubt, that effort has succeeded to a certain extent. It may not be popular to defend it, but I tell you, and I weigh my words when I say it, that in my judgment it would be a catastrophe to liquidate that organization as its enemies are bent on doing. If the Germans and the Japanese did not have a propaganda campaign, if they were not spending dollars where we are spending dimes for the same purpose, then there would be some excuse or reason for also eliminating our propaganda phase of warfare, but under modern war conditions propaganda is not only a secret weapon but it is a mighty weapon and must not and cannot be ignored.

No one in the United States can speak with complete accuracy as to the amount of money or the numbers of personnel employed by enemy nations in foreign propaganda. It is apparent, however, that this function of government is considered by the enemy as of more importance than Americans think it. For example, it has been estimated on the best authority available through intelligence sources that Germany at the moment is employing between 50 and 60 high-powered shortwave transmitters, mostly 200 kilowatt. Japan operates 51 high-powered stations. At the moment the United States has a total of 18, to be used both against the Germans in Europe and Africa and the Japanese in the Far East. Most of these are low-powered transmitters. They must be shared with the Office of Coordinator of Inter-American Affairs, which beams information and entertainment programs to the Latin-American Republics. They also are shared by the Special Services Division of the Army, which uses a substantial amount of transmitter time for news and entertainment to American troops serving overseas. In addition, it is painful to note that the United States does not even aspire to match the enemy in this branch of international communications. The total program which will be available, and that only if appropriations are forthcoming—appropriations which have been bitterly fought every step of the way by a minority of this Congress—contemplates only 36 shortwave transmitters, of which only two will be 100 kilowatt and the others 50.

Our allies, the British, take a more practical view of the situation. They have at the moment a total of 36 transmitters averaging 100 kilowatts each.

It has been estimated by competent observers that during the past 5 years, beginning long before the war, the Germans have expended on foreign propaganda not less than two hundred and fifty millions a year in our money. The Japanese have set up a tremendous department of government, headed by officials of full cabinet rank, which, under the name of Greater Eastern Asia Ministry have the single purpose of organizing the peoples of immensely rich and popular part of the world they now occupy against any present or future cooperation with the United States or the United Nations.

Throughout occupied Asia, the study of Japanese language is being enforced in the schools, Japanese culture is stressed on the same scale and with the same intensity of Reichskultur. The theme of "Asia for the Asiatics" is constantly drummed into the native population outside Japan, by radio, by newspaper, films, and publications. The Greater Eastern Asia Ministry finances frequent visits by puppet leaders of the occupied countries to Japan. It finances exchange of students and teachers. It subsidizes every university that is opened and sees to it that every professor is under pressure to be converted to the Greater Eastern Asia sphere of cooperation.

If Elmer Davis is not the man for the job, if he is not doing the kind of job he ought to do, then I would say that he should be fired and let others have that task. But, certainly, there is no rhyme or reason for all this smear campaign emanating from Washington and elsewhere against the Office of War Information. It is clearly a well-organized, deliberate smear campaign against O. W. I. Of course, I am convinced Mr. Davis and his staff are doing an excellent job and I have formed my conclusions after hearing high authority whom I know to be in a position to have the true facts. I have seen the cables and letters, as have other members of the committee.

The clever and astute gentleman from Pennsylvania very dramatically holds up the little white paper and reads not all of it but a paragraph making some disparaging remark about the South and asks if we agreed to that. Suddenly the gentleman from Pennsylvania becomes very solicitous about the welfare of the South. Of course, none of us from the South, West, or elsewhere would agree or condone such reference regardless from whence it comes. The clever gentleman is, of course, evading the real issue. There is one thing that the gentleman from Pennsylvania cannot laugh off or ridicule; neither he nor any of the others who are lambasting O. W. I. can scoff at the evidence of General Eisenhower, General Marshall, General Devers, and the O. K. of General MacArthur. Why do not they scoff at that? They know they dare not do so.

Gentlemen may scoff at the long list of foreign names they place in the CONGRESSIONAL RECORD, but when the generals say they are saving lives, you cannot smile that off, you cannot laugh it out of court. Oh, they put great emphasis on the fact that in the New York office there is a long list of names that do not sound American. They are not good old Irish names or Scotch names like yours or mine, but they are the names of Americans. Somebody said that if you were to read the list of the football teams of some of the universities like Notre Dame, there are several foreign names that may be difficult to pronounce.

Mr. Chairman, I would not stoop to such argument as that. I will tell you why I would not. You might find a list of the war casualties of today, and all of those gallant men who are fighting



and dying for our liberties do not have old Irish, English, or Scotch names. I am frankly surprised and amazed, yes, I am actually ashamed of such so-called argument. Here is the real test I tell you. Is the O. W. I. aiding the war effort on the various foreign fronts? Will it help shorten the war? Or is it hindering the war as has been repeatedly charged.

Mr. BUSBEY. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Illinois.

Mr. BUSBEY. I wonder if the gentleman from Oklahoma would advise us as to just how we can kick these individuals out if they were guilty of these charges?

Mr. JOHNSON of Oklahoma. Well, of course, I realize that is not an easy thing to do, but I would think that with all the ingenuity and wealth of information you gentlemen insinuate that you have, and with that great consuming desire you undoubtedly have to kick all of these gentlemen out, that you could give some authentic facts; that you would be able to do some name calling. General Marshall, in whom the world has confidence, one of the most able military men of his day, would, I am sure, like to have that information. Surely he is entitled to the full facts if any in the Office of War Information, with whom his officers must work, are in fact not loyal Americans. Not only is the War Department entitled to such facts, but so is our great Navy, and then, incidentally, the gentleman could also advise this Committee on Appropriations. Why, you might even give names of any whom you have reason to believe to be disloyal to the F. B. I.

Mr. BUSBEY. The gentleman must know that General Marshall has no authority over these men whatsoever.

Mr. JOHNSON of Oklahoma. Oh, yes; the general has more authority than you think. The moment one of these fellows gets into foreign service the Army has sole authority, and its foreign service is all that is left of O. W. I. There is virtually nothing left of the domestic set-up of O. W. I. Oh, there are men in New York who write stories. Maybe a few of the critics think that the men in O. W. I. ought to rush over to Sicily or Italy or Tunisia and write their propaganda on the typewriters there. But, no, the job is not done that way.

Mr. BUSBEY. I am still trying to find out how you are going to kick these men out.

Mr. JOHNSON of Oklahoma. I have endeavored to tell the gentleman. Incidentally he has suddenly become deeply interested. The gentleman had an opportunity to come before the Committee on Appropriations. It had four long weeks of hearings on this one bill. The fact is, we are in session nearly all the time. The Deficiency Committee has been in session almost every day since September 6, 1939, except for holidays and brief periods during the summer. If the gentleman has any information about any employees to the effect that they are not loyal American

citizens, I will not only join with him but I will go with him to see that they are fully and properly investigated.

Mr. BUSBEY. I would like to call the gentleman's attention to pages 1332 and 1333 of the hearings before the subcommittee, of which the gentleman is a member, where there are listed some names that the committee wanted kicked off last spring and they have not been kicked out yet. There is no report back on them. In many cases they say they cannot kick them off now because they have been in the service of O. W. I. for more than a year.

Mr. JOHNSON of Oklahoma. Is it the gentleman's contention that because out of several hundred people who are engaged in this work there appears to be a few either in the foreign service or elsewhere who have not been able to prove that they are good Americans with good old American names that we should eliminate the foreign activities of O. W. I.? Is that the position of the gentleman? I cannot follow that line of thinking.

Mr. WILSON. Will the gentleman yield?

Mr. JOHNSON of Oklahoma. Well, I have consumed too much time, but I yield once more to the gentleman from Indiana.

Mr. WILSON. Is the Domestic Branch of O. W. I. still in operation?

Mr. JOHNSON of Oklahoma. It is virtually out. This committee eliminated the appropriation of the Domestic Branch of O. W. I. in the last appropriation bill. Frankly I was not satisfied with some phases of domestic policies of O. W. I.

Mr. WILSON. On April 19 I drove up to a housing project in San Francisco. It was raining. Right alongside the curb was stacked a heap of papers done up in bales. I asked, "What is all this about?" They seemed to want to steer me away. I opened up one of the bales and took out a pamphlet of slick paper printed in color pertaining to the relations and the activities of the colored people in these housing projects. I just wonder how that is aiding the war effort. There were 2,000 pounds of slick paper, all printed up in color.

Mr. JOHNSON of Oklahoma. I must confess that I am not familiar with these housing projects except through the information furnished the committee at the various hearings. There are still some areas where housing is a very serious problem.

Mr. WILSON. This is O. W. I. This information was put out by O. W. I.

Mr. JOHNSON of Oklahoma. I do not know what O. W. I. has to do with housing. If it has made mistakes, and no doubt it has made many of them, then those mistakes should be eliminated. I believe that a major part of them have been eliminated, but I go back to my original proposal, regardless of the mistakes they have made, regardless of any white paper that some nincompoop might have written about the South, regardless of any crazy cockeyed philosophy somebody connected with O. W. I.

may have, if the Army officials in authority say that it is an important and vital part of the war effort, if those in authority who are now or have been on the various far-flung battle fronts say it is important and urgently needed, I shall not assume that I know more about how to run the war than do the men who have that grave responsibility. I stand on that proposition and that alone.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman from Oklahoma made mention of someone's writing an article. The gentleman from Pennsylvania [Mr. DITTER] used many hundreds of words and a good many valuable minutes of the time of the House in trying to give the impression not only to the Members of the House but the country at large that this particular article spoke in derogation of the South and that the southern Members of Congress should resent it and all the people from the South should resent it.

I call the attention of the gentleman to the fact that this article in its entirety expressed the utmost praise for the people of the South. That was the entire intent of the article. To prove that, I want to read just three short paragraphs.

Mr. JOHNSON of Oklahoma. All right; that might be very informative.

Mr. EBERHARTER. I think this should go in the RECORD in view of the time the gentleman from Pennsylvania, my good friend and colleague, took, and the impression he tried to give.

When the present international war for the liberties of man came, the South was ahead of the rest of the country in its desire to meet and destroy the world's enemy. Southerners were truly represented by Senator CARTER GLASS, of Virginia, who denounced Adolf Hitler. When the United States armed forces were growing, before entrance into the war, the South led in voluntary enlistments in proportion to population, and now, in actual war, it has a higher percentage of men in the armed services than any other section.

Much of this is explained by their own war. They know what war is. Always they have been of martial traditions, accentuated by their war, which produced their greatest hero, Robert E. Lee, who led the southern armies.

Then, having no great wealth to protect and being largely agricultural, they live closer to things of the heart than of the head. They believe fundamentally in the concept of man's rights, and for them to believe is to act.

This shows that the gentleman from Pennsylvania [Mr. DITTER] used an old trick in picking out one small sentence in order to give a wrong impression to the Members of the House and to this country as to this particular article.

Mr. JOHNSON of Oklahoma. I thank the gentleman for his contribution. I have not seen the white paper. Of course, it is sometimes to the convenience of some people to read just the part of an article or a speech that suits their convenience. But, of course, the charge

as made goes far afield of the real issue involved here today.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman, and then I must yield the floor. I really did not intend to take so much time.

Mr. MUNDT. I was interested in the colloquy the gentleman from Oklahoma had with the gentleman from Illinois about the procedure by which men could be removed from departmental pay rolls if they were found unworthy or unwanted. If I understood the gentleman correctly, I believe he said, "If you find that some of these men are faithless or inefficient or undesirable, if you will report them to the Committee on Appropriations, you will see that they can be kicked off."

I wonder how the gentleman can say that with so much assurance in view of the fact that as to those three gentlemen, Mr. Watson, Mr. Dodd, and Mr. Lovett, the Dies committee recommended that they be kicked off, the Kerr committee recommended that they be kicked off, the Appropriations Committee, including the vote of the chairman of the Appropriations Committee, voted with only one dissenting vote that they be kicked off, the House of Representatives voted that they be kicked off, the United States Senate voted that they be kicked off, and the President signed the bill saying they should be kicked off, and Mr. Ickes put them back on. How are you going to get them off?

Mr. JOHNSON of Oklahoma. The gentleman has made a very interesting statement, but he evidently misunderstood what I said.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I yield to the gentleman from Missouri, the distinguished chairman.

Mr. CANNON of Missouri. The gentleman from South Dakota is just a little bit in error in his facts.

Mr. JOHNSON of Oklahoma. That is what I was about to say.

Mr. CANNON of Missouri. November 15 is the dead line.

Mr. MUNDT. The gentleman is correct that the dead line is November 15, but Secretary Ickes has already said, "I am not going to be bound by those mere Congressmen, I am going to appoint Mr. Lovett to a new position." The appointment has been made.

Mr. CANNON of Missouri. No action has been taken because not until November 15 comes can action be taken. I take it for granted that on that date the action will be in consonance with the enactment of the two Houses of Congress.

Mr. MUNDT. Does the gentleman speak with great confidence in that prediction?

Mr. JOHNSON of Oklahoma. Let me say to the gentleman that the question he raises, even though it is beside the issue, is not at all embarrassing to me. I was one of those who voted to eliminate those three gentlemen from the Federal pay roll.

Mr. MUNDT. I am sure the gentleman was.

Mr. JOHNSON of Oklahoma. One of them happens to be on the pay roll of the Interior Department. That committee has advised the Secretary of the Interior of our action. If an attempt is made to keep one of those gentlemen on the pay roll after the 15th of November, it will be done over the vigorous protest of our committee. I may say further that if it is done or attempted, I think I can speak the sentiment of that committee and of the distinguished gentleman here in front of me representing the minority on that committee, that there will not be any appropriation for the salary of that gentleman next year, even though that is a poor and sloppy way to legislate.

Mr. MUNDT. But the only way we have under the circumstances.

Mr. JOHNSON of Oklahoma. It may be the only way we have; if so I will say to the gentleman that my committee will not run from or dodge the issue. I assume the gentleman understands what I mean.

Mr. MUNDT. I was sure the gentleman would take that position. I know the House and the country are reassured by having that reaffirmation of the gentleman's stand.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. Nothing would please me more than to yield further but I promised myself that I would close after I yielded to the distinguished gentleman from South Dakota.

In conclusion, let me emphasize, Mr. Chairman, that this bill is not altogether to my liking. I would have added some funds that were slashed and would have slashed still further some items in the pending measure if I had written the bill. All in all, however, it is by far the best example of real, practical economy that has been presented to the House by any committee for many years. For any committee to cut and slash a bill more than 80 percent below Budget estimates is a hitherto unheard of accomplishment. May this be only the beginning of further slashes and drastic reductions, especially in nondefense spending in future appropriation measures. The whole country will applaud and sigh a breath of relief at this somewhat belated action.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, I shall take only 2 or 3 minutes, and I do this so that the RECORD will contain it tomorrow. The matter I have in mind is a matter of legislation, a matter of violation of House rules and putting legislation on appropriation bills. However, it is something that has to be done, and has to be done quickly as possible. I have talked to both the majority and the minority sides. The members of my committee have agreed to it, and the matter has been discussed with them. I think the membership of the House ought to be apprised of what we are trying to do tomorrow. When the Japa-

nese took Wake Island they took 1,146 civilian employees as prisoners. They are, so far as we know, prisoners of Japan. They were working on Wake Island in divers capacities all the way from foreman to laborer. The contracts for their employment provided that they would be paid from the time they left continental United States until they returned. The contractor was working under a cost-plus-fixed-fee contract. He is perfectly willing, of course, to pay these men their salaries while they are prisoners, but the Navy Department thinks that, as long as the men are not working and are prisoners of war, that they legally cannot authorize the payment to be attached to the cost plus fixed fee. The Navy realizes their moral obligation. There is no doubt about that. Since the capture of Wake Island they have done this about these employees: They have put these employees under the workmen's compensation law. Under that law they call them longshoremen. It is "getting around the matter," I know, and there are some legal difficulties there. That pays the dependents of these people who are prisoners of war a dribbling amount, which is not sufficient.

In March of this year Congress passed a bill providing that prisoners of war, military and civilian prisoners of war, shall be paid their salaries from the time they are prisoners. I think everybody in the House agrees that if we do not do this now it will be many months before it will be done, and many families are in dire distress. I think it is something that we should do. Many of these men are probably dead. We do not know, but until we find that out we should take care of their families. I shall offer it as an amendment tomorrow. It will be legislation on an appropriation bill, but in view of the circumstances, it is the only thing that we can do. The gentleman from Missouri [Mr. CANNON] and the gentleman from New York [Mr. TABER] and I will discuss the matter with the Budget Bureau tomorrow, as to whether or not the bill, so far as the language is concerned, adequately covers the situation.

Mr. CANNON of Missouri. Does the gentleman's committee approve of this?

Mr. MAGNUSON. Yes. We are all unanimous on it. However, unfortunately half of our committee are at present on the west coast, and we cannot confer with them at this time for the purpose of this bill.

Mr. CANNON of Missouri. So long as the chairman of the committee gives us positive assurance that his committee approves it, I think it would be all right. Of course, we do not feel warranted otherwise in permitting legislation on an appropriation bill.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. Yes.

Mr. JENSEN. Should this amendment be adopted, will these men then be taken off the rolls of Social Security and their families deprived of their benefits under that bill?



Mr. MAGNUSON. Yes. The only reason they are under the workmen's compensation is that there was no way we knew how to take care of them. As a matter of fact, we are calling them longshoremen in order to give their families a dribbling amount, so that they can keep their homes going.

Mr. JENSEN. Certainly I am in favor of taking care of these families, but I am concerned about the fact that I do not want them to be getting their money part from Social Security.

Mr. MAGNUSON. Oh, no. As a matter of fact I discussed this at great length with Admiral Moreell and we are only treating them in the same way as civil-service employees. This amendment does not go as far as it should because there were three or four foremen and some others on Wake Island who were getting \$500 or \$600 a month.

We are going to leave it within the discretion of the Secretary, and there is a limitation that they can only be paid what would be a comparable salary in the community, by the Navy. That is the least we can do for these unfortunate people.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MAGNUSON. I yield.

Mr. COLE of Missouri. Is the contractor who is figuring this on a cost-plus basis out of the picture under your amendment?

Mr. MAGNUSON. Yes, he would be. He is out of the picture now anyway. Of course, he says he would pay it if the Navy would allow him to do it and add it to the cost of his contract, but the contract has never been completed. They were in the midst of making the installation on Wake Island when the Japanese showed up.

Of course, he simply says he would pay it, but the Navy said, "You cannot pay it and add it to your labor cost, because they are not employed." Of course, when those men do come back they would have a right of action anyway against someone. If they brought it against the contractor, he would have a right in equity against the Government, because their contract says they shall be paid from the time they leave continental United States until the time they come back.

Mr. COLE of Missouri. What I wanted to be sure was that the contractor would not be able to figure it in as cost plus.

Mr. MAGNUSON. I am sure the Navy Department will see that that is properly taken care of.

I dislike to bring in legislation on an appropriation bill. I do not see any other way out of it at this time.

The CHAIRMAN. The time of the gentleman from Washington [Mr. MAGNUSON] has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, in view of the fact that this afternoon some of the Members of the House have attempted to becloud the real issue that is before this committee and before this House for decision tomorrow or within

a few days, I want to make a short statement with respect to the very complete and thorough investigation which is made of every employee of the O. W. I. In my statement I will present some facts which I think should convince everybody that there is no issue whatsoever before the House insofar as the personnel of the O. W. I. is concerned. The only issue before the House is whether or not this fund for the waging of psychological warfare should be granted to those people who have done such a wonderful job in the past.

#### LOYALTY OF EMPLOYEES

Mr. Chairman, the Office of War Information employs no one whose loyalty to the Government of the United States is in doubt. Precautions even more elaborate than those required of Federal agencies are taken by O. W. I. to prevent the employment of disloyal persons.

All procedures established by the Civil Service Commission for determining the loyalty of Government employees are followed in O. W. I. No person can be hired without clearance by the Civil Service Commission, following a spot check of his background. If the spot check reveals no reason for rejection, the person is hired pending an intensive investigation by the investigative staff of the Commission. If the intensive inquiry reveals adequate evidence of disloyalty or disloyal tendencies, the Commission recommends the employee's dismissal.

In addition, as a further precaution, the Office of War Information has established an internal security committee under the chairmanship of Rear Admiral Richard P. McCullough, O. W. I. security officer, to examine and pass upon the suitability of any actual or potential employee regarding whom there is even the slightest question of loyalty. This committee has access to the files of all investigative agencies of the Government, including Civil Service, F. B. I., Military and Naval Intelligence.

Of 3,654 employees on September 30, 1934 had been fully investigated; 929 had been given a spot check; and 791 had not been investigated at all. The latter group consists largely of employees who have been in the O. W. I. since its formation, having been previously employed in 1 of the 4 agencies which were merged to create O. W. I. At the time of their employment, no loyalty investigation was required. They are now being investigated as rapidly as the facilities of the Civil Service Commission will permit. All new employees of O. W. I. must now receive a spot-check clearance before they can be hired.

Thus far, out of more than 2,000 employees fully investigated or spot checked, only 6 have been recommended for dismissal by the Civil Service Commission; 9 others have been dismissed on the recommendation of O. W. I.'s own security committee.

The nature of O. W. I.'s personnel can be judged by the results that they produce—and these results are known to the world at large. The scripts prepared by the various Foreign Language Sections of

O. W. I. are broadcast—millions of words a week—on some 24 short-wave transmitters. O. W. I. leaflets in various languages are spread all over Europe and Asia. In fact, more than 70,000,000 of these leaflets were produced for the Tunisian, Sicilian, and Italian campaigns.

The nature of these broadcasts and leaflets, and of the publications, motion pictures, news releases, and so forth, which O. W. I. distributes overseas, are well known to the commanders of our armies in the field and to our diplomatic representatives in all regions where O. W. I. operates.

I submit the question: If O. W. I. were harboring disloyal or subversive elements in its production offices here at home, would not that fact have become apparent long since to our Army and Navy and to our Ambassadors abroad? Would our generals and admirals and Ambassadors tolerate the continuance of propaganda from this country which was not 100-percent American and 100-percent loyal in its spirit and in its content?

Today radio programs prepared by the German Section of O. W. I., the Italian Section of O. W. I., and other foreign-language sections of O. W. I. in their New York office are being rebroadcast to Europe by the powerful transmitters of the B. B. C. in London—they are being rebroadcast by radio transmitters under General Eisenhower's control—the United Nations radio at Algiers, the radio station in Tunis, the Palermo radio in Sicily, the Naples radio in Italy.

Radio broadcasting specialists who have been developed and trained in the O. W. I. New York office are being sent to England at the request of General Devers and to north Africa at the request of General Eisenhower to broadcast direct from those points in German, Italian, French, Yugoslavian, Greek, Dutch, Norwegian, and other languages. If there was any question of loyalty of these men, do you imagine that General Eisenhower or General Devers would request their services in their theaters? Do you imagine that the State Department would issue passports to these men to represent this Government abroad?

I repeat—it is easy to bring all sorts of charges against any servant of this Government—but it is not so easy to support them.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. BENNETT].

Mr. BENNETT of Missouri. Mr. Chairman, I have asked permission to revise and extend my remarks because, due to the lateness of the hour I do not desire to prolong our activity this afternoon. But I want to approach this problem from a little different angle from the way it has been approached today.

Mr. Chairman, we have before us today a request from the Office of War Information for a deficiency appropriation of \$5,000,000. O. W. I. has been provided in recent months with \$29,000,000 for its overseas activity alone. Before voting additional appropriations it would be well for us to see what has been done with money already provided.

I do not believe there is a Member of Congress who would deny the importance of psychological warfare and propaganda in this streamlined era of global war. Personally, I feel that the O. W. I. has done some good work along this line. I have not come to this conclusion by acting on hearsay evidence. I have been curious enough to go down to the offices of O. W. I. and to see for myself what they are doing. It is all too often we are called upon in Congress to vote huge sums of money without sufficient evidence on which to base our action. The mere label that it is "necessary for the war effort" is not sufficient for me. There has been too much monkey business going on under the cloak of that slogan.

At the Office of War Information I found some hard-working, sincere, and able citizens. They are courteous and even supplied me with samples of some of their work. There has been a lot of criticism of the O. W. I. It is not necessary to burn down the barn to get the rats. I hope to continue to support reasonable O. W. I. appropriations as long as the war lasts. However, I have some constructive suggestions to offer. My remarks will be confined largely to the activities of the O. W. I. Overseas Operations Branch which employs over 4,000 people.

#### O. W. I. PROMOTES REVOLUTION

It is my considered judgment that some of the activities of O. W. I. are beyond those intended by Congress when the agency was supplied with its original funds. For instance, there is no useful purpose which will serve the war effort in the activity of O. W. I. distributing literature in neutral countries when that literature tends to promote revolution. Everybody believes in the "four freedoms" but Congress has not said the United States is going to extend those freedoms to the peoples of other lands whether they want them or not. If that is to be our objective we will shortly find ourselves in war with our allies. Yet, the O. W. I. has been going around the world acting on the assumption that Congress has given it a mandate to do just what I assume we do not want it to do.

In some countries of the world, including India, O. W. I. is distributing booklets entitled "Children of the U. S. A." These booklets are very attractively prepared in colors and show how fat and healthy American children are, how many nice things they have to play and work with, and what nice homes most of them have. What is the effect of such literature? One of the Senators who was in India and saw the effect it has had pointed out it was like the kid bragging about a new pair of shoes he has that the other neighborhood kids do not have. Instead of creating friendship it is promoting jealousy and rubbing salt in the wounds. It causes fights. It promotes revolutions against authority which does not provide new shoes for everybody else. What are we trying to do in India? Promote a revolution against the British? The O. W. I. thinks so, to judge by its activity there. It is taking

too literally the provisions of the Atlantic Charter guaranteeing self-government to each nation. The charter is purely a propaganda instrument without relation to reality. Has not O. W. I. heard that Prime Minister Churchill said, "I haven't become the King's first minister to preside over liquidation of the British Empire"? Has not O. W. I. heard that Joe Stalin has frankly indicated his territorial ambitions? Has not O. W. I. heard that President Roosevelt remarked only last week, in discussion of the Moscow Conference, that "We are not quibbling about who is going to run this or that piece of territory"?

On the subject of O. W. I.'s activity in India the following newspaper article by John O'Donnell appearing in the Washington Times-Herald for November 2, 1943, is in point:

Mr. Elmer Davis' Office of War Information has taken up the problem of India in a serious fashion—so serious, in fact, that their broadcasts on F. D. R.'s program of freedom from want to the famine-stricken terrain of Calcutta is causing both irritation on Capitol Hill and a bit of eyebrow raising from Great Britain.

This Thursday the Congress is voting on Elmer's request for an additional \$5,000,000 for its overseas work because O. W. I. has already overspent its budget.

O. W. I. has overspent its budget on such items as 15,000 short-wave receiving sets for India, so that the politically divided millions of that nation could listen to Elmer's overseas broadcasts hired here to preach the doctrine of the "four freedoms."

There seem to be a few flies in the O. W. I. propaganda goose-grease squirted at India. Among the flies are (1) the followers of Gandhi don't quite understand how Elmer's stooges can square their observations with the facts of political life as they observe them from the hoosegow, (2) the British, naturally, honestly, but privately think that both we and they have enough headaches in the world without O. W. I. creating another one by horning into the India political problem without invitation, and (3) it's rather difficult to satisfy the bellies of starving millions with an F. D. R. freedom-from-want radio broadcast, even if it is done in the most expensive Indian dialect that O. W. I. can buy.

The O. W. I. propaganda for India suggested that Elmer's highly paid experts have just been graduated with honors from a refresher course in befuddlement. The grade of propaganda intelligence demonstrated by the \$30,000,000 a year and up organization blazed out when the boys sounded the call:

"Now is the time for O. W. I.'s invasion of India."

The psychological assault on India was launched with posters. And the carefully drawn O. W. I. propaganda poster for India was one that would chill a Christian's blood. There on the crucifix was the Saviour—machine gunned by Nazi and Fascist enemies. It was in O. W. I. language, an "emotional sockeroo."

Unfortunately, after the beautifully colored posters had been printed on very expensive paper, with the intent of inflaming to battle the brain of native India, some smart boy discovered that the posters were to be distributed among 239,000,000 Hindus, 78,000,000 followers of Mohammed, and 13,000,000 Buddhists—none of whom looked upon the crucifix, even presented with O. W. I. art, as a symbol to arouse them to fighting fury.

To most of the millions of India, the crucifix, of course, meant absolutely nothing.

But there were a few ancients among the millions of Indian Mohammedans who recalled a bit of folklore handed down from the distant past, an ancient tale passed from lip to ear through the generations that had something to do with knights who wore this symbol and did their best to knock the brains out of the followers of the Prophet with mace and battle-ax.

The O. W. I. poster was not a thumping success. And neither have been their broadcasts.

#### CAMPAIGN BUTTONS

I am aware that due to several causes the activity of O. W. I. in the novelty line has somewhat decreased. The most important reason for this is that our generals have pointed out this type of activity has not produced such good results. Yet, money appropriated by Congress has actually gone into lapel clips with the President's picture on them. These campaign buttons have been given to troops to distribute to citizens of other lands. I was told by an O. W. I. official that the Arabs beg our troops for these Roosevelt campaign buttons. It is all too obvious. These buttons are distributed for a twofold effect. First, to promote the fourth-term campaign among our troops. Second, to promote the campaign to be first president of the United Nations of the world. I am interested in seeing this Nation sold to other peoples in terms of the Declaration of Independence and the Constitution rather than in terms of any one man.

#### OUR SECRET WEAPONS

I also question the advisability of the O. W. I. distributing pencils, candy bars, soap, paper, mirrors, and so forth. One O. W. I. item which has proved popular among children of foreign lands is John's Book. This book is done in colors and has a pencil attached with which children can color, with blue or red lead, the pictures in the book. Let me quote to you a passage from John's Book:

This little book was thought up by a boy named John. He lives right in the middle of the great United States of America. John's father gave John the pictures which are on the next pages so he could color them, and John asked if copies could be made for his friends all over the world.

Now does not that just sound like the New Deal? Shades of the W. P. A. What a weapon against the blitz. I want to see the kids happy but do not see why the American taxpayers should have had to shell out the \$6,095.85 in taxes and War bond money it took to publish 180,793 of these booklets in the English, African, French, Portuguese, and Spanish languages. John's Book has fluttered down like manna from heaven to the starving peoples of foreign lands. I doubt, however, that it has satisfied their hunger. I doubt if it has scared Hitler very badly. I don't think so much of it as our secret weapon.

Uncle Sam is the No. 1 publisher of the world. The Federal Government now prints more newspapers, magazines, and other periodicals than all the private publishers of any single State put together. The Federal Government now



edits 4 daily papers, 8 weeklies, 8 bi-weeklies, 110 monthlies, and 15 quarterlies. Scores of other periodicals are issued during certain seasons of the year by the Government. Private publishers have suffered what amounts to a 15-percent cut in paper since last year. But there has been no apparent cut in the publications of 2,241 Federal Government agencies.

#### SUPERMAN COMIC BOOKS

Much of the O. W. I. literature is full of political propaganda. I have one O. W. I. booklet, 7 by 10 inches, done on the comic superman book style and devoted exclusively to promoting the political fortunes of the perpetual candidate for reelection to the Presidency. It has 74 cartoons relating to the President on only 10 pages. That must be some kind of a world record. This little campaign booklet cost the taxpayers of this country \$13,951.95 for 561,491 copies, all distributed abroad to our troops and foreigners.

Victory Magazine in each issue carries some propaganda for the New Deal. This is a slick-paper magazine done in the style of Life magazine, only better. It is also exclusively for foreign distribution. The first issue cost our taxpayers \$63,929 for 250,000 copies, which were distributed in the following places: Syria, Egypt, Hawaii, England, Turkey, Spain, north Africa, India, Iraq, North Ireland, Eire, New Zealand, Palestine, Portugal, New Caledonia, Eritrea, Alaska, Madagascar, Iran, French Equatorial Africa, South Africa, Nigeria, Iceland, Australia, and the Gold Coast. The second issue cost \$95,000 for 406,000 copies. The third issue varies a little from the first two in that it is supposed to sell for 10 cents per copy on foreign newsstands in competition with the magazines of our private publishing houses, although thousands have been distributed free. It also contains \$30,000 worth of advertising sold to firms with war contracts. It is not hard to sell this advertising because the firms just add the expense of it to the cost of their product, and John Q. Taxpayer pays for it.

Here are some quotations taken from these magazines, which are illustrated in each issue with several pictures of the fourth-term candidate and his palace guard.

Liberty under God! That is what Franklin D. Roosevelt pledges the United States of America to insure for all the future of all mankind. On the foundation of the "four freedoms," of speech, of worship, from want, and fear, this future will be built and forever maintained.

That is a pretty big promise and binds a lot of Americans for all time to come. It is a promise the people's Representatives in Congress have not authorized the President to make. It is a promise which if made at all should be made by the Nation and not by one man, because it will take more than one man to make it good.

Here is some more modest propaganda from these O. W. I. publications:

There are really two Franklin Delano Roosevelts. There is the forceful war leader of his country in the most perilous period of

its history; a brilliant statesman of great sincerity, of deep perception, and a visionary whose social and economic philosophies once before saved this country in a crisis. The second Roosevelt is a warm-hearted, kindly, and companionable man whose personal charm has won him the love of millions of his loyal countrymen.

I have no objection if the fourth-term candidate wants to picture himself as a Dr. Jekyll and Mr. Hyde, but he ought to campaign at his own expense. Yet, the 1944 Budget calls for six more Victory Magazines at an average cost of \$76,400 per issue, or a total of \$450,000.

The first issue of Victory magazine compares the President, in the tenor of many of his own speeches, to Washington and Lincoln. It pictures both the President and First Lady at home at the same time with Eleanor darnning his socks in a very domestic scene. It quotes Vice President WALLACE speaking to the wife of the Communist Ambassador for the Soviet Union, Madame Litvinov, in these words:

The object of this war is to make sure that everybody in the world has the privilege of drinking a quart of milk a day.

Madame Litvinov is quoted as replying:

Yes; even half a pint.

I do not know anyone in uniform fighting for those objectives. This magazine also pictures the President's political opponents—with their own money—as "reactionaries." It infers that they are small-time Fascists just beyond the reach of indictment. Each edition of this magazine weighs 135 tons. It takes that much space in ships which could be carrying desperately needed weapons of war to our troops.

#### A ONE-MAN WAR

One of these O. W. I. publications, entitled "The Life of Franklin D. Roosevelt, Thirty-second President of the United States of America," makes the following statement:

Millions of people are praying for release from the slavery into which the tyrannical aggressors have bound them. That this yoke will be lifted is the promise of America and its President, Franklin D. Roosevelt.

Then the statement, casting some doubt, by inference of omission, on whether or not America will make its promise good, continues:

Assurance that this promise will be kept may be found in ample measure in his life record.

I am not so sure that investigation would disclose his promises are always kept. In fact, I have trouble remembering any that have been kept. But, the booklet continues:

Franklin Roosevelt is a man who never shirked a task, and will not lose this, the greatest battle of his life.

Well, it is a fortunate thing for the President that he has some country boys from the Sixth Missouri Congressional District who are fighting to make certain that this battle is not lost, although it is by no means the personal battle O. W. I. literature pictures it. This is no one-man war, and no one man or political party will be entitled to credit for winning it.

There is a little O. W. I. magazine similar to Reader's Digest, except that it has about 16 illustrated pages. It is called U. S. A., and is beautifully done in colors. Over \$64,284 has been spent in publication of over 1,203,000 copies of this magazine.

#### SEEDS FOR EVERYBODY BUT AMERICAN FARMERS

Congressmen used to be able to send the farm folk in their districts vegetable seeds. Now that for over 10 years the United States has had the benefit of the New Deal's more abundant life, our farmers no longer get these free seeds. They are being sent abroad by O. W. I. in gaily colored packages. Powdered bouillon is also being sent overseas to citizens of foreign lands. Each package has some of Roosevelt's speeches inside of it. I do not know which will make these foreigners more bilious, the bouillon or the speeches.

#### FREE—ONE-HALF A BATH

If it is necessary for the taxpayers of this country to supply the citizens of foreign lands with bath soap as O. W. I. has been doing, then the soap should be in larger bars than the three-quarter-ounce bars being handed out now. That is not enough for half a bath. And, I am advised those thin 4-inch square sheets of soap paper are not being used for the purpose intended. Even most Americans have never seen soap paper.

#### SOME DOMESTIC ACTIVITY

O. W. I. has a booklet, Battle Stations for All. One hundred and forty thousand copies of this booklet have been distributed in the United States. The booklet criticizes Congress, endorses the work of the War Labor Board, maintenance of membership and check-off, endorses subsidies and is full of New Deal phrases striking at groups opposing the New Deal. It promotes class hate. It gives the impression, also, that the war is between supporters and opponents of the New Deal. This book was the work of O. W. I.'s domestic branch and I only mention it here to show the overseas branch of O. W. I. is not the only branch afflicted with propaganditis.

#### QUESTIONNAIRES

One other activity of O. W. I. in the domestic field might well be referred to here. Just recently O. W. I. took a poll of Polish Americans. It asked nine type-written pages of questions of each individual. The man asking the questions had six pages of instructions to follow. One thousand and thirteen of these forms were used for personal interviews at a cost to our taxpayers of \$3,000. This poll will be most helpful to New Deal orators in 1944 because in certain sections of the country they will know what to say to please their audiences. A questionnaire was also prepared and used on American Slovaks. These questionnaires put those being questioned in a position of either being un-American or pro-Russian. It is a scandalous thing for the Government of the United States to be engaged in.

Another gift distributed by our taxpayers, through O. W. I., to foreigners, is a little rubber stamp with inking pad attached. The recipient can have all



sorts of fun stamping things on the back of his hands, or neck, or some other place, with this gadget.

#### NEW DEAL'S PIGGLY-WIGGLY PLAN

All of this stuff is building up the impression abroad that the United States will supply the world with knick-knacks if the rest of the world will just pitch in and help us win the war. This stuff is creating the impression that this Nation is flowing with milk, honey, vegetable seeds, soap, and pencils and that it is all going to be given away under a plan whereby the United States will become a grocery store run on the Piggly-Wiggly help-yourself basis, to which the peoples of the world will be invited to come and fill their pockets and bellies and return home fattened by the substance of our people. It is global boondoggling. It is the philosophy of the W. P. A. This war cannot be waged as if it were another relief project. But, what can you expect when the same outfit from Harry Hopkins, first W. P. A. Administrator, on down, or up, is running it?

#### FOUR HUNDRED AND EIGHTY-SIX ALIENS ON O. W. I. PAY ROLL

Now, I have said some kindly things about some of the O. W. I. personnel. I have done so in sincerity. But there are 486 aliens on the O. W. I. pay roll, and I regret that I cannot say much in their favor. I regret to have to point out that even the C. I. O. and the A. F. of L. have objected to the communistic affiliations of some of the O. W. I. employees who have been broadcasting to foreign people certain data about the American labor movement which is not in accord with the facts, and material to which no good American can subscribe. Many pledges have been made in the name of the American people in these broadcasts, and no one in Congress knows what they all are. Thousands of broadcasts are beamed each week from the United States to foreign peoples at a cost of millions of dollars.

#### HAVING A WONDERFUL TIME

Mr. Speaker, some of the boys in O. W. I. are having a wonderful time. Three hundred and thirty-one thousand dollars has been provided them for entertainment purposes. If you will read the printed hearings on the O. W. I. appropriation bill, you will find that this fund was justified by O. W. I. officials on the ground it is necessary to wine and dine foreign officials, including the news and radio people, to get them to tell the truth about this country. The boys are also having a wonderful time because there is a fund O. W. I. has set up out of its appropriation under which those upon whom it smiles with favor—professors, labor leaders, and others—can and are being sent to London, and elsewhere, to deliver lectures on the American way of life. The most recent of these lectures reported in the newspapers was one given by a mayor from the west coast of this country who blasted the Congress of the United States in remarks before the London public. The O. W. I. overseas branch is also putting out newsreels, which, like the rest of their stuff, is so carefully concealed from the American

public that not even Congress has seen it. If it is as loaded with political propaganda as the newsreels the O. W. I. domestic branch is putting out here at home in the neighborhood theaters, it must be pretty bad.

In brief, Mr. Chairman, the O. W. I. stinks. Of course, anyone who says so is bound to be smeared as anti-New Deal and, therefore, a Hitler-loving, unpatriotic, carping critic seeking to undermine the Commander in Chief. But the facts must speak. It will not help Hitler, Tojo, and company to make public the facts and thus make possible their correction through the democratic processes of public opinion. It will help Hitler infinitely more to keep these facts secret and permit the war effort to become so rotten at the core that the war will be prolonged and victory will exact a higher price in American blood and treasure. I respectfully submit that Office of War Information can get along without this extra \$5,000,000 by trimming its sails.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Missouri. I yield.

Mr. BUSBEY. Is it not also a fact that the O. W. I. might be engaged in some activities that those generals know nothing about?

Mr. BENNETT of Missouri. Indeed. Those generals have been very general in their reference to the activities of O. W. I.

Mr. CANNON of Missouri. Of course, that would be out of the question, because O. W. I. abroad is under the control of the military officers. They must consult the Chiefs of Staff, who make out the program and who direct the program, and they are at all times under the commanders of the military zone in which the operations are performed.

Mr. WIGGLESWORTH. Will the gentleman yield?

Mr. BENNETT of Missouri. I yield.

Mr. WIGGLESWORTH. The gentleman does not mean to intimate that the personnel in the New York office of the overseas branch is under the military control of General Eisenhower, for instance?

Mr. CANNON of Missouri. Yes. In the Overseas Branch everything is under the direct control of the Army officers. The program must be submitted and it is made up by the Joint Chiefs of Staff. It is at all times under the control of the commander of the military zone.

Mr. WIGGLESWORTH. The gentleman would not leave the impression that General Eisenhower or General Marshall who appeared before our committee has all the information as to what goes on in the New York office?

Mr. CANNON of Missouri. This money is not for the New York office. It is for the overseas branch, every penny of it. It is for the overseas branch. It is all under the supervision of the officers in that area.

Mr. DWORSHAK. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Missouri. I yield.

Mr. DWORSHAK. The chairman of the Committee on Appropriations has indicated that the military leaders in

Europe are in complete accord with the activities of the civilian employees of O. W. I. operating in that theater.

I have in my hand a United Press despatch dated October 24 and bearing a London date line reporting activities of a distinguished representative of O. W. I., the mayor of Portland, Oreg., who proceeded to criticize five Members of the other body because of their report upon their global tour and this distinguished representative of the O. W. I. predicted that President Roosevelt will run again and probably be reelected.

I wonder if the chairman of the Committee on Appropriations would have us infer that the military leaders in Europe approve of such political activities on the part of representatives of O. W. I.

Mr. CANNON of Missouri. In response to the gentleman from Idaho I may say that that man is not a representative of O. W. I. at all and has no connection whatever with it.

Mr. BENNETT of Missouri. Mr. Chairman, I cannot yield further.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Missouri. I yield to the gentleman from South Dakota.

Mr. MUNDT. The gentleman has made a tremendously impressive speech and a very important one. I was intrigued by the fact that the President's agency is distributing rubber stamps throughout the world. I wish that the gentleman, if the limitation of time had not prevented, could have read the legend which goes with it. I wonder if it says, by any chance, that this is the President's idea of a symbol for a perfect parliamentary body.

Mr. BENNETT of Missouri. Apparently they think that, this country having been made into a rubber stamp, the same principle can be extended abroad.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, my good friend and colleague from Missouri who has just spoken betrays an utter misapprehension of the purposes for which this appropriation is made. He also evidences unfamiliarity with the history of our own country and our early experiences in dealing with the Indians.

In going into these foreign countries there are large, illiterate populations. We must deal with them as William Penn and his contemporaries dealt with the Indians. We must assure them of our friendship and win their support. It can best be through the medium of gifts.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I wonder if the chairman does not realize that this terrible waste of money and this vicious propaganda the O. W. I. have put out has destroyed very largely their influence and the effectiveness of what might be done. If they would cut out this foolishness and get down to doing the things they ought to do with the extra \$4,000,000 they will



have in the last 9 months of the year, they would not need any new appropriation.

Mr. CANNON of Missouri. The gentleman's statement does not gibe with the reports from the military leaders in the front-line trenches. The military leaders over there, to whom both gentlemen have referred, have urgently requested this material.

Mr. TABER. Does not the gentleman realize that the military authorities have taken this direct wartime propaganda over themselves, and that the O. W. I. is just delegating men to serve, for instance, in Italy under General McClure, and that the same thing applies everywhere? These people are not carrying the load; they are just a part of the situation.

Mr. CANNON of Missouri. The gentleman is definitely in error there.

Mr. TABER. That is General McClure's testimony.

Mr. CANNON of Missouri. The purpose of this appropriation is to provide the very service the gentleman says somebody else is performing.

The gentleman from Missouri does not understand this item and he is not familiar with early American history. The island of Manhattan was bought and the original owners pacified by just such gifts as these or their equivalent.

Mr. BENNETT of Missouri. I may say to the gentleman I am familiar with current history.

Mr. CANNON of Missouri. When Stanley went into another section of the same continent on his search for Livingstone the largest part of his baggage was made up of this sort of material. In important areas of both Asia and Africa it is today as effective as it was then. We have won over the Arabs in north Africa by such gifts, and likewise the friendship and cooperation of the people of every country into which our troops have penetrated. Not only have we won the friendship of the native peoples by this means but we have familiarized them with the symbol of the American people, the American Nation, the American Army, the American flag, so that when our paratroopers or our commandos, or our airmen land, as soon as they are seen by the natives these symbols are recognized.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield myself 2 additional minutes.

Specialty items are extremely effective propaganda items where literacy is low. Examples of these specialty items are matches, soap, mirrors, sewing kits, soap-paper leaflets, packets of seeds, and so forth.

The United States Government in its conquest of the West made appropriations to buy exactly this sort of material in order to placate the Indian tribes.

Token gifts customarily have been employed to gain the friendliness of native populations in all such areas and acquaint them with American insignia. For example, in Burma, and on the islands of the Pacific, it is extremely important that we acquaint the natives with American symbols to protect Amer-

ican pilots who make forced landings in these areas.

The statement that American officers are not committed to this policy is a mistake. Here are the facts:

At General Stilwell's request there is now in transit an initial order for 2,000 mirrors, 1,000,000 match boxes, 50,000 "firegrams," 5,000 soap cakes, 1,000 sewing kits, and a sample order for 10,000 soap-paper leaflets. Much heavier requests are expected from General Stilwell.

General MacArthur has requested that we ship an initial 2,000,000 papers of matches, 50,000 sewing kits, 500,000 small boxes of cigarettes, and 10,000 mirrors.

The expenditure of this money will win the friendship of both neutral and hostile tribes; it will save American lives and save the expenditure of vastly larger sums, which otherwise must be used for firearms and munitions.

Mr. BENNETT of Missouri. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Missouri.

Mr. BENNETT of Missouri. I will say to the gentleman that I am in agreement with him 100 percent, that we should acquaint the peoples of foreign lands with the things of this Nation.

Mr. CANNON of Missouri. I do not ask the gentleman to be in agreement with me. I ask him to get in agreement with General Stilwell and General MacArthur.

Mr. BENNETT of Missouri. That information does not appear in the hearings.

Mr. CANNON of Missouri. We do not like to publish information of this kind but the gentleman's attitude forces us to. If the gentleman has any doubt about it, I ask him to communicate with Army headquarters.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, if you attempt to analyze any agreements made between this Nation and other nations you run the risk of being called anti-British, anti-Russian, or otherwise antipathetic. That is a form of coercion. It may, to be sure, help decrease the newsprint shortage since it decreases news. Still it results in the hoarding of information concerning blunders which, if uncovered now, might save some lives.

It is the duty of the Congress of the United States to scrutinize the agreement recently made in Russia immediately and thoroughly. It is nothing short of intellectual laziness to assume that other nations, however friendly, put the interest of the globe before the interests of their own countries or that they consider the interests of their own countries identical with the interests of the United States.

It is an old saying that when Uncle Sam starts to a diplomatic conference he begins taking off his hat, coat, necktie, vest, shirt, and so forth. We shall not be

surprised if our distinguished and beloved Secretary of State, Mr. Hull, comes home without his illusions. Trying to cure Europeans of their gory form of machine politics, like trying to cure American cities of their mechanical political chicanery, requires rather more than exotics.

Remember, this is it! This Moscow agreement is what we and our allies are offering the world as our blueprint for the post-war world. This is offered, subject to our approval, as our concept of the brave, new, and better world for which our leaders have told our soldiers they are fighting and, many of them, dying.

This Moscow agreement provides for the forming of another League of Nations. Do we have to go through that again? I had the Congressional Library send me the roll calls on that question last time. The list I had them send me gives the vote on the question whether or not America should adopt without reservation the treaty providing for a League of Nations. It gives the names of the Senators, the names of the States they represented, and the population of each State at the time. Thirty-eight Senators voted for it, 53 voted against it. Only 3 of the Senators who voted for it came from fairly large States, the others came from sparsely populated States. The big bulk of the people were represented by the Senators who voted against it.

Let us hope that this question will not be regurgitated in the Senate until after the war, when we can all say and write what we think. Plenty of disclosures which might pop open the eyes cannot be made until after the war.

An instrument as momentous as the Moscow agreement should at least be consistent with the principles for which the agreement itself says that we are fighting. Even a common, insignificant promissory note between individual citizens is supposed to look fair on its face in order to be negotiable. But take a look at these Moscow documents. A casual glance is enough to make you wonder if it would not have been better if, instead of signing it, the American representative had contracted writer's cramp and come home without signing anything.

For example, one of the documents places emphatic emphasis upon the intention to recognize the independence of Austria if and when Austria shall be liberated. Austria, one recalls, was invaded by Germany. After the invasion Germany held a plebiscite and annexed Austria. Thereupon the State Department immediately, officially, and formally began acting as if Austria were legally part of Germany. The belated recognition in this document that we should not have treated the extermination of Austria as legal is, of course, laudable.

This same document, however, inconsistently and shockingly refrains from mentioning the three Baltic republics, Estonia, Latvia, and Lithuania, which, after the fall of Austria, were invaded and annexed by Russia by means of a plebiscite while the country was under

military occupation in precisely the same manner as that by which Austria was exterminated by Germany.

The United States, moreover, is in a still more embarrassing position with respect to these three republics than it is with respect to Austria, because soon after Russia exterminated the Baltic republics on July 23, 1940, Sumner Welles, speaking in behalf of the United States, issued the following clarion pronouncement to the effect that America would never stand for such violations anywhere in the globe. I quote:

The policy of this Government is universally known. The people of the United States are opposed to predatory activities no matter where they are carried out by the use of force or by the threat of force. They are likewise opposed to any form of intervention on the part of one state, however powerful, in the domestic concerns of any other sovereign state, however weak. This principle constitutes the very foundation upon which the existing relationship between the 21 republics of the new world rests. The United States will continue to stand by these principles in all sections of the globe because of the convictions of the American people that, unless the doctrine in which these principles are inherent once again governs the relations between nations, the rule of reason, justice, or law—in other words the basis of modern civilization itself—cannot be preserved.

A globe-circling, all-time statement like that is a broad statement. Whether or not it did any good to make that statement then, it does no good now to sign an agreement giving the impression we have forgotten that we made it. It makes other allies to whom our diplomats have given promises stop and wonder if promises given them may, when the time comes, be ignored.

Yugoslavia, for example, is our ally. The American Ambassador to Yugoslavia, Mr. Lane, in the spring of 1941 persuaded the citizens of Yugoslavia to depose their pro-Nazi ruler and join the Allies by promising that if they did so the United States would give them Lend-Lease supplies and, in case they were conquered by the Nazis as they seemed certain to be, return their government to power after the war. The Army of Yugoslavia, called the Chetniks, is now fighting under their Minister of War, General Mihailovic, on the side of the Allies. Meanwhile, however, a communistic army called the Partisans has been organized in Yugoslavia under "Tito." The Partisans not only fight the Nazis; they are also waging war against the Chetniks.

Now if America had not signed this Moscow document the official government of Yugoslavia under King Peter might still rely faithfully upon the original promise of America. Unfortunately, however, there is evidence on the face of this document which may cause nations like Yugoslavia to wonder whether they will be able to get the usual justice which, in the past, was considered characteristically American. An example of the kind of justice which is more esoteric than American appears in the document dealing with Nazi atrocities. Though it neglects to mention such memorable

Nazi atrocities as the massacre of Lidice, it does refer to "wholesale killings of Polish officers" by Nazis.

We recall that incident. The first news of the killing of the Polish officers came from the Nazis, who stated that these officers who were against Communism were killed by Russia. The Poles, accusing nobody, merely suggesting that the officers were missing, requested that the International Red Cross at Geneva make an investigation. The Russians protested against the investigation and prevented it. We heard nothing more until these Moscow documents appear stating that the Nazis have killed the Polish officers.

The Moscow document pronouncing this verdict unfortunately, unlike other documents which together constitute the Moscow Agreement, is not signed by any subordinate official but by the President of the United States, the Prime Minister of Great Britain, and Mr. Stalin, head of Russia. Now, should we let our American President be used thus? In America we even, you recall, permitted a handful of Nazi invaders to enjoy complete trials with successive appeals through and including the United States Supreme Court, though I for one feel that in that case too much comfort was given the enemy. We in America do not let any judge or set of judges, where one of the judges is accused of the crime, act as grand jury, trial jury, and judge, who in one proceeding dismisses the charge against one defendant and condemns another.

This, I submit, is a poor time to sign any document which sounds like the debunking of grandiloquence in the beautiful statement of Welles when he truthfully reminded the world in our behalf that America upholds the rule of reason, justice, and law between nations which is the basis of modern civilization and without which civilization cannot be preserved.

The expressions upon the face of the Moscow Agreement are enough to make us want to repudiate it. As one Cabinet member, meeting with three House committees in executive session a few weeks ago remarked, "Unless we are fighting for a better world I do not know why we are fighting. I really don't."

The Congress, having voted the billions of dollars and millions of precious lives now fighting in Europe, has not only a legal but also a moral obligation to investigate the secret commitments which, because they are referred to in this Moscow agreement are legally a corporate part of the agreement. We Americans cannot expect our Secretary of State and our President to withstand foreign pressure to abandon American rights and principles if we continue to sit back and let it seem that nobody in America cares what becomes of American rights and principles.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I did not hang around all day just to speak now, but you had me in a position where

I had to stay, because I am going to make a speech when you get through with this general debate.

In regard to the pending matter, I am sure that unless some of the Members revise their speeches so that they entirely rewrite them, many of them will be ashamed of the Record when they read it tomorrow morning. I have heard more nonsense to the square yard this afternoon in regard to the war effort than I ever thought possible in the greatest deliberative body in the world. There seems to be only one item of contention and that is in respect to the Office of War Information. I think the gentleman from Oklahoma [Mr. JOHNSON] stated the proposition correctly when he stated that if this office is doing a job that satisfies the generals and is saving men's lives, and will help win the war, is not that all there is to it? What is the use of holding up a package of seeds and saying that should not be done? That simply exposes the ignorance of the man who held it up. I have had experience on the western frontier. I have had experience when we had to meet wild tribes, and that is one of the things that is necessary, and that is the reason why General MacArthur calls for fifteen or twenty thousand mirrors. That is a thing that gets any wild tribe. That is the thing that will get any Indian in America—a mirror. Making fun of soap, making fun of sewing kits! Nothing could be more effective among the people of Italy, for example, than to distribute those little packages. My God, if we can only win this war with the degree of intelligence that we have demonstrated this afternoon, we are indeed a great country. That seems to be all there is to this question, and when you come to vote, how many of you are going to vote against this bill? It is said that the Bureau of the Budget recommended over a billion dollars and through the great scrutiny exercised by this committee you have reduced it to \$215,000,000. There is a difference between these two bodies of about a billion dollars. You cannot expect me to say that the committee is right, or that the Bureau of the Budget is all wrong.

It is very possible that this committee may be wrong. It is very possible that the Bureau of the Budget may be wrong, and it is more likely that they both are wrong. I am not going to condemn anybody. I do not have to inject any politics into this thing at all, because I am not serving in this Congress in the interests of the Republican Party or the Democratic Party. I am doing my best to win this war, and I am not putting myself up as any general to tell the people of America how this war should be conducted. I am perfectly willing to take the word of the men at the front, the men who are doing the job. I am going to follow that, because I do not know anything about the conduct of a war. But I know enough to know about what this Office of War Information is doing, to resist any criticism such as was made this afternoon about giving out these little tokens of friendship. Nothing



could be more effective. Suppose the gentleman from Missouri [Mr. BENNETT] was a general in the war over there. Criticizing seeds! My God, the thing that is going to win this war is food, and everybody knows it. If they cannot starve the Chinese people and they can become armed, they will drive the Japs into the ocean. It is a question of food, as with every war in the history of the world. If you can supply these people with just a few seeds, see what that would do. It is a gesture of friendship. It is a thing of value.

I did get some valued information from both the majority and minority leaders on this bill. I listened with attention to the gentleman from Missouri [Mr. CANNON], the gentleman from New York [Mr. TABER], the gentleman from Massachusetts [Mr. WIGGLESWORTH], and the gentleman from Indiana [Mr. LUDLOW], and I thought I was on the way to understanding this bill. But when general debate opened up, filled with politics and the feudal system in the South and everything else, I lost my way. But I have got enough common sense to know that whatever the committee brought out I should vote for it. I do not know any more about running the Appropriations Committee than I do about running this war. I have to depend upon the gentleman from New York, the gentleman from Massachusetts, the gentleman from Missouri, the gentleman from Indiana, just as I depend upon the generals and the admirals in this war. They say that is what we should do. We should vote \$215,000,000. That is what I am going to vote for. I do not see anything more difficult about it than to follow the advice of the men who know.

It is not very often I know much about any subject, but when you come to a subject that I do know something about I trust there are some Members in this Congress who will pay some attention to what I say. But, I do not like this ridicule, making fun of a great effort. This is bringing us nearer to victory. It is simply an exposition of the man's own ignorance in dealing with people under conditions that we meet in Africa and in India.

Now by this time I suppose I have made as big a fool of myself as some of the rest of them and I will stop where I am.

The CHAIRMAN. The time of the gentleman from North Dakota, has expired.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. STOCKMAN].

Mr. STOCKMAN. Mr. Chairman, I have a matter of grave national concern for your consideration. The Japanese in this country, as you know, have been placed in concentration camps since the outbreak of hostilities between the United States and Japan. Many of these are well behaved and take the fortunes of war with good grace. Others do not.

At Tulelake Camp, located in California, approximately 6 miles from the Oregon border, is a segregation center made up of disloyal Japs. Klamath Falls, Oreg., a city of some 20,000 people, is the business center of this area. I was

called on the phone from Klamath Falls on Tuesday afternoon and told of the following disturbing facts:

On Monday afternoon, November 1, at the Japanese concentration camp at Tulelake, there was a demonstration by 7,000 or 8,000 Japs. Mr. Dillon S. Myer, Director of the War Relocation Authority here in Washington, had gone to the camp on an official visit, and the Japs gathered in front of the administration building, at which time a committee of 20 or 25 Japs went in to make certain demands. What these demands were, I do not presently know.

The reports I have received from reliable sources are that the mob held as prisoners the National Director, Dillon S. Myer, officials, civilian employees, including some elderly women and school teachers, about 100 in all, from 1:15 p. m. until about 5 o'clock. Mr. N. C. Wilkinson, farmer at Tulelake, went down to the Jap camp to collect a debt from an employee and to ask for a job on a housing project. The Japs came out and he tried to back up his car and get away, but they succeeded in stopping him, turned his car over and damaged the fenders and headlights. They held him a prisoner, along with the others, until about 5 o'clock, when they were released. I am also distressed to learn that Dr. Reese M. Pedicord, head of the hospital, was beaten up by about 12 Japs. Incidentally, Dr. Pedicord is a good friend of our Surgeon General.

The gentleman from California, Representative ENGLE, in whose district this camp is located, today informed me the Japanese raised the Japanese flag on the pole and it remained flying over this camp the remainder of the day. Also, that Mrs. Wanda Stark, the postmistress at the camp, has reported to the post office authorities in San Francisco that the Japanese have barricaded the post office and up until 11 p. m. last night would allow no mail to come or go. The gentleman from California, Representative ENGLE, and I have been in complete accord and cooperation in our concern of this deplorable situation.

The Army stood at the edge of the camp with its tanks and machine guns lined up, but was not called in to discipline this riotous mob. The project manager denied that there was any unfriendly demonstration of any kind, that they did no intentional damage to automobiles, denied that Dr. Pedicord was attacked, said no one was held a prisoner—no one wanted to leave—and the Army was not called in as it was not necessary.

There are more than 14,000 disloyal Japs interned in this center. Since October 27 they have passively refused to work on a camp-controlled farm of 2,500 acres of foodstuffs planted and cultivated by the Japs interned in this center. The War Relocation Authority is the authority for a statement that the reason for refusing to harvest these crops is that a truck accident, which resulted in the death of an internee and injuries to several others, was seized upon as an excuse for the strike. The officials said they could recognize the strike as being the work of experts, and that the agitation

began soon after an estimated 7,500 disloyal Japanese were brought in a few weeks ago under the segregation plan. They further stated there is no apparent leader or spokesman for the group, who are passively resisting demands to do farm work. There is evidence, however, that intimidation and display of power is being made.

Ray Best, director of the camp, stated that a committee of 8, claiming to represent the entire population of the center, had notified him no further harvest work would be done. The crops grown on this 2,500 acres of farm land, adjacent to this center, were grown for use at the Tulelake Camp and nine other relocation centers. By this strike of the Japanese, it was plainly apparent that they do not wish to aid this country in any way, for by refusing to work, and if the crops are not harvested, it means that food for their use must be produced elsewhere. They are, therefore, proceeding on the theory that anything of a productive nature they do will aid the American war effort. Fourteen thousand people sitting in idleness is very conducive for the production of trouble.

Last April I wrote the Attorney General of the United States about the Japs buying and leasing the rich agricultural lands in Oregon, and asked what jurisdiction or authority the Federal Government had to put a stop to this practice. His undated reply is as follows:

This will acknowledge your letter of April 29, 1943, referring to the letters you have received from your constituents regarding the buying and leasing of lands in Oregon, with particular reference to certain lands in the Owyhee project north of Ontario, Oreg.

This Department has no information relating to this matter. I suggest that you may be able to learn what the situation is by inquiring of the War Relocation Authority.

You will note the vagueness of his response, and no place in his letter does he refer to the serious Japanese problem, but lightly says, "This Department has no information relating to this matter." But I tackled him again, and the result of this blast was an attorney from the Department of Justice was sent down with some figures written on a piece of plain white paper and some verbal information which did not help to solve the problem.

In view of the foregoing facts, and many other events that have occurred of an unsatisfactory nature in these concentration camps, I firmly believe that the War Relocation Authority is no longer able or fitted to attempt control of so dangerous a situation and one so full of international importance.

It is my opinion, and the expression of public sentiment that has come to me shows plainly that in the interest of national safety the supervision of these camps, and most certainly this one, should be immediately placed in the hands of the United States Army, and the Congress should take action at once.

Mr. CRAVENS. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield.

Mr. CRAVENS. I do not mean to say anything against what the gentleman has stated, but we have two camps in Arkan-

sas and have had no such experience as the gentleman relates. Does the gentleman have any ideas as to why there should be the distinction?

Mr. STOCKMAN. I believe the main reason is that this is a concentration of disloyal Japs; Japs singled out from other camps and brought to this one.

Mr. CRAVENS. This is a camp where the disloyal ones have been taken?

Mr. STOCKMAN. Yes.

Mr. CRAVENS. We have had very little trouble with our camps.

Mr. STOCKMAN. These are the disloyal Japs.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. CRAVENS. I yield.

Mr. BUSBEY. If my memory serves me correctly a committee made an investigation of these war relocation camps not so long ago.

Mr. STOCKMAN. I think the Dies committee did.

Mr. BUSBEY. I am wondering if the gentleman has any information as to the report of this particular Tulelake camp?

Mr. STOCKMAN. No, not that I know of particularly on the Tulelake camp.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. STOCKMAN. I yield.

Mr. MUNDT. I was a member of that investigating committee. At the time we made the investigation the program of segregating the disloyal Japanese from the loyal had not gotten under way; they were all intermingled in one camp. The Tulelake camp was the one in which the disloyal Japs were concentrated. The situation developed since the investigation.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask that the Clerk read the first paragraph of the bill.

The Clerk read down to and including page 2, line 2.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Speaker pro tempore, Mr. RAMSPECK, having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 3598) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes, had come to no resolution thereon.

#### GENERAL LEAVE TO EXTEND

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill this afternoon may have 5 days within which to revise and extend their remarks on the bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

#### EXTENSION OF REMARKS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Alabama [Mr. HOBBS] may be allowed to extend his own remarks in the RECORD and to include therein two editorials.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that the gentleman from New York Mr. MARTIN J. KENNEDY, be allowed to extend his own remarks and include therein a radio broadcast he recently made.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BISHOP. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Minnesota [Mr. KNUTSON] may extend his own remarks in the RECORD and include a brief editorial from the Washington Post.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. BUSBEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein certain excerpts from letters and editorials and other material pertinent to the subject on which I spoke.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. PHILLIPS] may be allowed to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. DITTER] may have permission to revise and extend the remarks he made this afternoon and to include therein excerpts from various editorials and articles.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the House today and to insert some excerpts pertinent to the subject which was before the House.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

#### DESIGNATION OF ACTING CLERK OF HOUSE

The SPEAKER pro tempore laid before the House the following communication, which was read:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, D. C., November 4, 1943.  
The Honorable, The SPEAKER,  
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin McGill, an official in my office, to sign any and all papers and do all other

acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III, of the House.

Respectfully yours,

SOUTH TRIMBLE,  
Clerk of the House of Representatives.

#### SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Dakota [Mr. BURDICK] is recognized for 20 minutes.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to include with my remarks the report of the President's emergency board which supports the railroad employees in this difficulty and also to include the concise statement of the position of the railroad employees of this country, so that the people of America will understand just why there is a strike, if one is called.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota [Mr. BURDICK]?

There was no objection.

#### A DEVASTATING STRIKE CAN BE AVERTED

Mr. BURDICK. Mr. Speaker, one of the most devastating strikes in our history can be averted if this Government will act promptly. For many months now the railroad employees of the country have had their petition for an increase in wages shunted about from place to place. They came to an agreement with the railway companies themselves for an increase in wages in the amount of 8 cents per hour. This agreement was approved by the President's emergency board under date of May 24, 1943.

Historically, the Railway Labor Act was passed by Congress and became a law in 1926, it was amended in 1934 and has since stood as the most useful and important law with respect to railway-labor disputes of any labor law on our statute books. For nearly 20 years there has been no railroad strike which has impaired the public service of railroads.

Under this law, whenever a dispute as to wages, hours, and so forth, cannot be settled, the President is authorized to appoint an emergency board to take up that particular matter and adjust it.

There are over 1,000,000 railroad employees concerned in this case. In September 1942 the employees, through their unions, demanded an increase in wages to meet the constantly rising cost of living. Therefore, from September 1942 to the present time, this case remains unsettled and the demands of the workers refused.

I am sure that the leaders of these 15 unions cannot much longer hold their membership in line, and unless action is taken promptly this membership will vote a strike and our transportation system will be tied up and general confusion ensue. Men will not work when they cannot make enough to live and care for their families. The reason they have worked all these months, while their demands have been refused, is because they would be the last to fail the people in our war effort. There comes a time, however, when a condition cannot be endured. That time has arrived when workmen cannot clothe their children and send them to school.



That you may know just how this case has been handled, I will state it in order as it actually took place.

The petition of the 15 unions, embracing more than a million workers, was submitted to the carriers on September 15, 1942. The petition asked for a raise of 20 cents per hour and a minimum of 70 cents per hour for any class of the 73 classes of workers involved. No agreement was reached with the carriers and the services of the National Mediation Board was invoked December 18, 1942. Mediation began on January 7, 1943, and ended January 15, 1943, without an agreement.

On June 20 the unions requested the appointment of an emergency board authorized by the Railway Labor Act. This board was appointed by the President from the national railway labor panel. The emergency board held hearings at Chicago covering a period of 44 days. This board duly filed with the President their report May 24, 1943. This was a 15-page report and recommended, among other things, an increase of 8 cents per hour.

On May 27 the union officials met with the President, and while the unions were disappointed in the small raise granted of 8 cents per hour they yielded to the request of the President to accept the findings of the emergency board. The railroads agreed to the findings. This, then, should have ended the matter. The unions then arranged with the carriers' conference committee to meet in New York on June 24 and formally write the findings of the emergency board into an agreement.

Just the day before this agreement was to be executed the Economic Stabilization Director stepped into the picture. On June 23 he issued the following order:

That the recommendations of the emergency board for a general 8-cent increase in rates of pay of nonoperating men now employed, contained in paragraph 54 of the report of May 24, 1943, shall not become effective.

There the matter stands and I am advised and from such advice allege the fact to be that the Stabilization Director will seek the appointment of a new emergency board that will carry out his wishes. In the meantime the officials of the unions are fast losing control of their membership and there is not a doubt in the world but what a general strike will be voted.

It is apparent that the Stabilization Director rests his case upon the Stabilization Act of October 2, 1942. When we examine this act, there is nothing in the present case which conflicts with that law. While generally wage increases are forbidden there are two notable exceptions. Increases may be made, first, to correct gross injustices, and second, to aid in the effective prosecution of the war.

That we may have the full record in regard to these gross injustices I quote the comparative wage scale of railway workers with other employees in manufacturing. I respectfully refer you to the report of the emergency board of May 24, 1943, and especially to paragraphs

40, 41, 42, 43, 44, 45, 46, 47, 48, and especially to paragraph 43, which reads:

The existence of gross inequities in the compensation of 73 classes of railroad employees is supported by all of the wage findings above.

This board, after 44 days of hearings, with all of the evidence before them, came to this conclusion. But that conclusion has no effect upon the Economic Stabilization Director. This Director has waived aside the purposes of the National Railroad Labor Act, the National Mediation Board, the Emergency Board, and the agreement reached between the unions and the railroads themselves.

If this strike comes, is there any possible chance to fasten the blame upon these million railroad workers? If this strike comes, it is the absolute responsibility of the Government itself acting through the Office of Economic Stabilization and not supported by any law passed by Congress.

Are we acting with a single purpose in this war? Is it possible that we can scatter billions around to every country on earth and at the same time drive our own laborers to a substandard wage scale? Generous abroad but miserly at home does not seem to be found in the "four freedoms."

We either have too many bureaus, departments, agencies, directors, and what have you or we do not have enough. I do not know which. I doubt if anyone else knows. My judgment is that we should make further appointments—one more in particular and that is to create an office big enough to keep all these bureaus and directors in their proper place. What is the use of attempting to carry out orderly processes of government, if we have one director who can ignore our whole system of government under an act of Congress that gives him no such power? After all the Office of Economic Stabilization Director is merely an executive agency, created to aid and assist the President. The Director is responsible to the President, and therefore, the duty of the President to untangle this situation is plain and unequivocal.

I realize the situation of the President. I can imagine what difficult matters he has before him constantly pertaining to the war first of all, and to our own affairs, but perhaps he can find time to round up this loose bunch of directors and potentates and find out what they are doing.

While in this Congress I expect to remain free to speak in behalf of the least of our citizens, regardless of race, religion, or anything else. I want the people of the United States to know what the merits of this railroad-labor case is. I want to do my small part in averting what I consider a serious tie-up in transportation and most dangerous to our war effort. We are in this war to the finish. We have a complete understanding with our allies, so it seems we should have wisdom enough to straighten out our own domestic affairs, and keep all supply lines open to back up our heroic fighting men.

REPORT TO THE PRESIDENT BY THE EMERGENCY BOARD APPOINTED FEBRUARY 20, 1943, PURSUANT TO THE RAILWAY LABOR ACT AND EXECUTIVE ORDERS 9172 AND 9299

TO INVESTIGATE AN UNADJUSTED DISPUTE BETWEEN CERTAIN CARRIERS, INCLUDING RAILROADS, THE RAILWAY EXPRESS AGENCY, REFRIGERATOR-CAR COMPANIES, AND STOCKYARD COMPANIES, AND CERTAIN OF THEIR EMPLOYEES REPRESENTED BY 15 COOPERATING RAILWAY LABOR ORGANIZATIONS, CONCERNING REQUESTS FOR A UNION-SHOP AGREEMENT AND FOR INCREASES IN RATES OF PAY

This dispute involves approximately a million employees and virtually all the railroads in the United States, as well as the Railway Express Agency, five refrigerator-car companies, and two stockyard companies.

All the employees, embracing 73 classes of nonoperating employees on the railroads and a considerable number of groups of employees of the other carriers, were represented by the 15 cooperating railway labor organizations. Each of the carriers involved had an unadjusted dispute with one or more of these labor organizations.

Most of the railroads were represented by the eastern, southeastern, and western carriers' conference committees and had their cases presented jointly, as a group; a number of members of the American Short Line Railroad Association and a few other railroads, the Railway Express Agency, the refrigerator-car companies, and the stockyard companies had their individual cases presented separately.

The demands of the unions were made on or about September 25, 1942. Notices were then served on the various carriers requesting a union-shop agreement and an increase of all wage rates by 20 cents an hour, with no rate to be paid to any employee of less than 70 cents an hour.

After negotiation on the properties, mediation by the National Mediation Board, and failure of the parties to agree to arbitration, this Emergency Board was established to investigate the unadjusted dispute and to report thereon to the President.

Forty-four days were devoted to public hearings. Careful study was given to the testimony, exhibits, arguments, and briefs of the parties. An earnest effort was also made by this Board to settle the dispute.

This report is based on the entire record. A full analysis of the evidence will be submitted in due course.

1. The railroad industry, which constitutes the heart of our transportation system, is indispensable to the effective functioning of our national life, even under normal conditions; in these critical days, the entire war effort of the Government and people of the United States is dependent upon uninterrupted, efficient, and vigorous performance by the railroads.

2. The record of the railroads during the war emergency, including the period of defense activity, has been a magnificent one. Despite the swift and enormous growth in the total traffic burden, the large shift of alternative transport agencies, such as water carriers and air carriers, to direct war services, the restraints upon the use of motor transport springing from the curtailment of the rubber supply, and inability to achieve necessary expansions of railroad equipment and facilities because of shortages of materials and pressures upon manpower, the railroads have performed every task assigned to them and have met every responsibility placed upon them, with unprecedented effectiveness.

3. This outstanding performance of the railroads has been the result of the constructive, self-denying, and patriotic attitudes of both the managements and the men. The managers of the railroads have been alert, enterprising, and resourceful; and as far as



necessary, both independently and in conformity with the suggestions and directions of the Office of Defense Transportation, have subordinated the interests of individual carriers to the needs of the transportation system as a whole, in order to achieve, through all these means, full, efficient, and flexible utilization of all available facilities. The labor force of the railroads has encouraged and supported every reasonable effort in these directions, has increasingly adjusted its working habits and arrangements to the needs of the emergency situation, and has used its skill and industry without stint in the interest of attaining these objectives. Fundamentally, a spirit of cooperation has vitalized the efforts of the managements and the men. Without free and complete and wholehearted cooperation between the carriers and their employees the magnificent record of the railroads, as made thus far, could not have been achieved.

4. It is of the utmost importance that this spirit of cooperation be not impaired. The most severe tests of our war effort and the most grave sacrifices that must be endured still lie ahead, in both the European and the Asiatic spheres of operation. It is unthinkable that the essential services of railroad transportation should be interrupted even in the slightest degree during the war emergency; and we are firmly convinced that the deep sense of duty and responsibility of both parties to this dispute removes such a tragic happening from the realm of possibility. But it is no less imperative that the cooperation required to aid in the effective prosecution of the war, through the exertion of utmost vigor and the achievement of utmost efficiency in the conduct of railroad transportation, be fully maintained and wherever possible further extended. The attainment of such an objective necessitates effective preservation of the morale of the workers in the railroad industry. Every care must be exercised not to weaken or endanger this morale either through indirection or through outright injustice.

5. With antecedents running back as far as 1888, the Railway Labor Act, adopted in 1926 and amended in 1934, has contributed in marked degree to the establishment and maintenance of just, reasonable, and orderly labor relations in the railroad industry. Despite such weaknesses as may have emerged in the practical administration of its provisions, it has constituted an advanced and extraordinarily effective instrument for the implementation of collective bargaining and the settlement of labor controversies.

6. As a result of the influence of this legislation as applied to the rail carriers, railroad wages have maintained a degree of stability, entirely apart from the anti-inflation measures of the war emergency, that has been equaled or surpassed by few industries. Wages on the railroads have moved more slowly, both up and down, than in industry as a whole, and the level of railroad wages, both up and down, has changed more moderately than in other industrial spheres.

7. While there have been numerous labor controversies on the rail lines, continuity of railroad operation has likewise been maintained in outstanding measure. For a period of two decades there has been an almost complete absence of strikes or other interruptions of railroad service. The profound significance of this record can best be appreciated when it is contrasted with the work stoppages in the nonrailroad field that have marred the defense and war effort of the past 3 years.

8. It is a matter of great public concern that the integrity of these orderly processes, with their fruitful results, be safeguarded in every way possible. If railroad employees were to find themselves unjustly penalized because of their reliance upon these orderly

processes or the considerable lapse of time necessarily incident thereto, strong impetus would be given to the disruptive practices which frequently flow from the exertion of economic power or the performance of work in justifiable discontent. The pressures in these directions, springing from the impairment of morale, would be difficult to allay, and the effective prosecution of the war might be seriously obstructed.

9. Such consequences would threaten the maintenance of the stabilization program as well as our productive power as the arsenal of democracy. The stabilizing elements inherent in the established processes of railroad wage determination must be scrupulously conserved; the moderation and restraint of responsible governmental agencies operating under the Railway Labor Act must continue to mold the adjustments in dispute.

10. This Emergency Board was established pursuant to the Railway Labor Act and certain Executive orders. Only one of these orders, Executive Order 9172 of May 22, 1942, antedated the submission of the requests of the employees on September 25, 1942; and this Executive order merely changed the procedures for the establishment of emergency boards, by eliminating the need of taking strike votes or setting strike dates. Executive Order 9299, which first prescribed substantive policies for the guidance of emergency boards, was not issued until February 4, 1943, after the processes of negotiation, mediation, and arbitration in this proceeding had been exhausted and a request had been submitted by the employees for the designation of an emergency board. Executive Order 9328, which imposed far-reaching restrictions upon these earlier policies, was not issued until April 8, 1943, toward the end of the sixth week of hearings in this dispute and after the data in the major wage case had been fully presented. Finally, the policy directive of the Economic Stabilization Director, which constitutes the latest authoritative pronouncement with respect to the wage stabilization program, was not issued until May 12, 1943, after the record in this case had been closed and the proceeding was under consideration by the Board. These changes of rules in the course of the pendency of this proceeding cannot in fairness be completely disregarded in the settlement of an unadjusted dispute.

11. Since this Emergency Board was established to investigate an unadjusted dispute and to report thereon to the President, it is not only its legal right, but its clear duty and affirmative responsibility, to lay before the President all the essential facts of the dispute and to submit to him its considered judgment as to what would constitute a fair and reasonable settlement of the controversy. In these circumstances such general policy restrictions, expressed or implied, as may be involved in the stabilization program do not destroy this right nor relieve the Emergency Board of this duty and responsibility.

12. It is equally clear, on the other hand, that neither the authority nor the obligation to proceed in this manner permits or justifies complete freedom of action on the part of the Emergency Board. The policies prescribed for its guidance by the Stabilization Act and the Executive orders issued pursuant thereto differentiate this Emergency Board from previous boards created exclusively under the Railway Labor Act. The stabilization program constitutes an integral part of its functioning environment, and the relevancy of the stabilization program to the adjustment of the dispute cannot be ignored or minimized.

13. The threat of serious inflation—or, more concretely, the frantic race between wages and prices in relation to mounting living costs—probably constitute the most basic

and the most potentially explosive problem on the home front with which the American people are faced. If the Government's attack upon this problem were to prove of no avail, every element in the population would be subjected to the impact of devastating repercussions, and even the successful prosecution of the war might be gravely endangered. The hosts of labor—with wage levels that would almost inevitably lag behind price changes, and with money savings in a variety of forms that would almost inexorably be dissipated—would be among the severest sufferers. Apparent gains would be transformed into real losses. Collective bargaining would be turned into make-believe. Government intervention would be beset by helplessness.

14. The stabilization program, then, is a matter of vast national importance. It transcends the interests of either the carriers or the employees, and it must necessarily exert a significant influence upon the adjustment of the dispute here involved. It is imperative that the stabilization program be firmly safeguarded, but that it be applied, as intended, to the distinctive circumstances of the unadjusted dispute committed to the determination of the Emergency Board.

15. The Stabilization Act of October 2, 1942, sought to stabilize wages, as far as practicable, on the basis of the levels which existed on September 15, 1942. It did not, however, freeze all wages as of that date. It authorized the President to provide for such adjustments as might be found necessary "to aid in the effective prosecution of the war or to correct gross inequities."

16. The first Executive order issued pursuant to this act, Executive Order 9250 of October 3, 1942, as interpreted by the National War Labor Board, the Commissioner of Internal Revenue, and the Economic Stabilization Director, likewise recognized authority "to correct gross inequities, or to aid in the effective prosecution of the war," in addition to making provision for the correction of maladjustments or inequalities and for the elimination of substandards of living.

17. The first Executive order prescribing policies for the guidance of emergency boards, Executive Order 9299 of February 4, 1943, required that proposed changes affecting wage and salary payments conform with the standards, program, and policies made effective under Executive Order 9250. It thus confirmed once more the propriety of wage adjustments designed to correct gross inequities or to aid in the effective prosecution of the war.

18. Executive Order 9328, which was issued April 8, 1943, and was made applicable to all agencies exercising authority over wage and salary changes, directed that no increases be authorized "except such as are clearly necessary to correct substandards of living," with the proviso, first, that cost-of-living adjustments within the Little Steel formula might still be made, and second, that adjustments incident to promotions, reclassifications, merit increases, or incentive wages might also be made, "provided that such adjustments do not increase the level of production costs appreciably or furnish the basis either to increase prices or to resist otherwise justifiable reductions in prices." But this order also authorized and directed the Economic Stabilization Director "to take such action and to issue such directives . . . as he deems necessary to stabilize the national economy, to maintain and increase production and to aid in the effective prosecution of the war."

19. The policy directive issued by the Economic Stabilization Director on May 12, 1943, for the guidance of the National War Labor Board returned once more to the express provisions of the Stabilization Act and authorized the National War Labor Board "to make



within the existing price structure and within existing levels of production costs, minimum and noninflationary adjustments which are deemed necessary to aid in the effective prosecution of the war or to correct gross inequities." This directive is presumed to reflect the latest authoritative view of the requirements of the stabilization program and to constitute, in addition to the stipulations of the Stabilization Act and the authorizations of the Executive orders previously noted, a relevant and supporting basis for the determinations of the Emergency Board.

20. The wage increases recommended below for the 73 classes of nonoperating railroad employees, on the basis of a careful study and analysis of the entire record, are designed to correct gross inequities and to aid in the effective prosecution of the war. We certify that they conform with the standards prescribed in Executive Order 9250, the general stabilization program made effective thereunder, and with the directives on policy issued by the Economic Stabilization Director thereunder. They are the minimum and noninflationary adjustments necessary for these purposes. They are within the existing price structure; that is, they do not provide a basis for increases in railroad rates or for resistance to justifiable reductions in such rates; and they are within existing levels of production costs; that is, they do not provide a basis for increasing production costs in comparable industries or occupations. The correction of the gross inequities disclosed by the facts of record is indispensable to the effective prosecution of the war.

21. The average earnings of the 73 classes of nonoperating railroad employees involved in this dispute, embracing skilled, semi-skilled, and unskilled workers, as of October 1942, were 73.8 cents an hour. The prevailing minimum wage for these employees is 46 cents an hour.

22. The total number of railroad workers in these 73 classes in October 1942, a month of higher than average employment, was 1,097,180. About one-half of these workers—544,106 or 49.6 percent—received less than 70 cents an hour; 411,684 or 37.5 percent received less than 60 cents an hour; 255,813 or 23.3 percent received less than 55 cents an hour; 160,438 or 14.6 percent received less than 50 cents an hour; 104,269 received the prevailing minimum rate of 46 cents an hour, and 16,871 received less than 46 cents an hour—this bracket of those receiving 46 cents and less comprising more than 11 percent of all the workers.

23. Various crafts or classes of railroad workers involved in this dispute, including, for example, carpenters and machinists, receive sharply lower wage rates than those paid to comparable groups in nonrailroad industries. Even when the high rates paid in swollen war industries and in such seasonal industries as building construction are entirely eliminated, railroad employees still receive substantially lower wage rates than comparable groups of employees in outside industries. The range of these unfavorable differentials is illustrated concretely in the full analysis of the evidence. While the miscellaneous character of the data renders it impossible to arrive at a precise over-all measurement of these differentials, the hourly wage rates in these comparable outside industries, even after the exclusion of the exceptionally high rates, are on the average probably 10 cents higher than in the railroad industry.

24. As of July 1942, more than a quarter (26.2 percent) of all common laborers were paid at starting rates of 75 cents or more per hour. Thus, one out of every four adult male unskilled workers received an entrance rate of pay which was higher than the average hourly earnings of the 73 classes of railroad employees, which include skilled and semi-

skilled workers as well as common laborers. In addition, there has been a general upward trend in wage rates since July 1942 (straight-time average hourly earnings for all manufacturing industries advanced from 80.9 cents in July 1942 to 86.3 cents in February 1943), and this trend has further increased the entrance rates of common labor.

25. On July 16, 1942, in the Little Steel case, the National War Labor Board fixed the minimum rate in the steel industry for common labor at 78 cents per hour, which is substantially in excess of the average hourly earnings of the 73 classes of railroad employees.

26. On a craft or class basis, 40 of the 73 classes of railroad employees, embracing in the aggregate slightly more than 400,000 workers, have not received the full 15 percent increase in straight-time average hourly earnings since January 1941 provided for under the Little Steel formula as a cost-of-living adjustment.

27. The 73 classes of railroad employees have an established 48-hour workweek. If these employees were to be compensated at time and one-half for work in excess of 40 hours per week; that is, on the basis that is being increasingly applied in industry as a whole—and adjustment of 8.33 percent on basic rates of pay would result. This would mean an increase in pay of slightly more than 6 cents an hour, independently of any change in basic rates of pay.

28. It has been generally assumed that by the end of 1940 a period of approximate equilibrium in wage levels and wage structures had been achieved. In point of fact, however, as far as the 73 classes of railroad employees are concerned, data of comparative wage trends disclose the survival, as of that date, of numerous unfavorable differentials. These data deal exclusively with trends—that is, with comparative net increases or decreases over a period of time—and not with absolute wage levels.

29. As compared with 1920, the unfavorable differentials of these railroad employees in 1940 was 14.4 cents per hour on the basis of the wage changes in 24 manufacturing industries and 9.8 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

30. As compared with 1925-29, the unfavorable differentials of these railroad employees in 1940 was 7.1 cents per hour on the basis of the wage changes in 24 manufacturing industries, 3.2 cents per hour on the basis of the wage changes in all manufacturing industries, 4.3 cents per hour on the basis of the wage changes in bituminous coal mining, and 6.9 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

31. As compared with 1936, the unfavorable differentials of these railroad employees in 1940 were 6.2 cents per hour on the basis of the wage changes in 24 manufacturing industries, 5.8 cents per hour on the basis of the wage changes in all manufacturing industries, 3.1 cents per hour on the basis of the wage changes in bituminous coal mining, and 8.2 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

32. Of much greater significance, however, in relation to the existence of gross inequities, are the facts disclosed by comparative wage trends during the years 1941 and 1942. These unfavorable differentials are in addition to those noted above as of the end of 1940. The comparisons are confined to the interval between December 1940 and December 1942.

33. The 73 classes of railroad employees received during this period an increase of 10 cents an hour in basic wage rates. In manufacturing industries the closest approximation of the change in wage rates is the change in straight-time hourly earnings. The in-

crease for all manufacturing industries in straight-time earnings was 19.4 cents per hour, or 9.4 cents more than the rate change for these railroad employees.

34. One-fourth of the factory workers employed in December 1942 were in industries in which straight-time hourly earnings had increased by amounts ranging from 20.1 cents to 33.7 cents between December 1940 and December 1942, as contrasted with the increase of 10 cents for the 73 classes of railroad employees; one-half of these workers were in industries in which the increases ranged from 16.9 cents to 33.7 cents; three-fourths of these workers were in industries in which the increases ranged from 13.1 cents to 33.7 cents.

35. In December 1942 the straight-time hourly earnings in 63 of the 97 manufacturing industries were higher than the corresponding earnings of the 73 classes of railroad employees, and these higher earnings in manufacturing industries prevailed for 69 percent of the factory workers.

36. For the year ending October 1942 the 73 classes of railroad employees received average weekly earnings of \$36.40; the average weekly earnings for factory workers in 25 industries for the year 1942 were \$40.03. The weekly earnings of the railroad employees had increased 21.3 percent over the year 1940; the weekly earnings of the factory employees had increased 40.3 percent over the year 1940. The unfavorable differential of the railroad employees is all the more striking because the average weekly hours of the railroad workers were substantially greater than the average weekly hours of the factory workers.

37. The index of general wage trends, embracing not only manufacturing and non-manufacturing industries but certain other employments, including railroad transportation, discloses that between December 1940 and December 1942 the wage level has increased on the average by 16.7 cents per hour, as compared with the 10-cent hourly increase for the railroad employees.

38. Most of the industries in which comparatively small increases have occurred during this period are industries not primarily affected by ups and downs of business activity and not primarily engaged in meeting wartime demands. Many of the industries with comparatively small increases in wages employ types of workers significantly different from those embraced by the 73 classes of railroad employees—such as the workers in retail trade, for example, which constitutes the largest of the nonmanufacturing industries.

39. During the years 1941 and 1942 the annual earnings of farm laborers increased by 53.0 percent as compared with an increase of 28.5 percent for maintenance-of-way workers on the railroads. Farm labor rates of pay increased during this period by 79.8 percent, as compared with 20.6 percent for the maintenance-of-way workers.

40. The 15 cooperating railway labor organizations have requested an increase of 20 cents an hour in all basic wage rates for the 73 classes of nonoperating employees. They are not seeking to differentiate between these classes of workers, and the record before the Board is not adequate for any differentiation in its recommendations. Such data as have been submitted with respect to particular crafts or classes were merely designed to support, by way of illustration, the general contention that comparative wage levels and comparative wage trends disclose the existence of gross inequities in the compensation of the railroad workers. The only special treatment requested by the labor organizations is that all employees be raised to a minimum of 70 cents an hour; that is, all employees of whatever craft or class now receiving less than 50 cents per hour be given an increase greater than the 20 cents requested for other employees in order to establish a minimum of 70 cents for all.



41. In these circumstances the fact that 40 of the 73 classes of railroad employees have not received the full 15 percent cost-of-living adjustment permitted by the Little Steel formula becomes irrelevant. The wage requests of 1941, like those now before this Board, were part of a concerted movement of the nonoperating employees. The average straight-time hourly earnings of all the 73 classes as of January 1941 must be taken as a base in computing the percentage increase, as a cost-of-living adjustment, which resulted from the 10-cent wage increase of December 1941. On this basis the full 15 percent increase has been made. Not only would any differentiation between the various crafts or classes in this regard run counter to the requests or the desires of the labor organizations and the employees whom they represent, but it would do violence to the Little Steel formula. The Little Steel formula constitutes an integral part of the stabilization program as it now prevails, and the Board is recommending no departure from it.

42. It may well be that the 121,140 railroad employees (about 11 percent of the total) who are now receiving hourly wages of 46 cents or less, or the 160,438 (14.6 percent of the total) who are now receiving hourly wages of less than 50 cents, are entitled to wage increases "clearly necessary to correct substandards of living." There are insurmountable difficulties, however, to the determination, in the midst of war and without opportunity for extensive investigation, of what would constitute a minimum budget for health and decency under the widely diverse circumstances of our far-flung domain. For a Nation-wide industry like the railroads it is virtually impossible to establish a minimum as such, above the prevailing 46-cent minimum, which would not create serious maladjustments in particular localities and occupations and would not tend to endanger the stabilization program. Since these low-paid workers, like all the 73 classes of railroad employees, are the victims of gross inequities in their compensation, as established by an analysis of comparative wage levels and comparative wage trends, a general wage increase is calculated to meet their situation in reasonably satisfactory measure, and without the complicating repercussions that might result from the promulgation of an absolute standard. The minimum wage in the railroad industry will be substantially raised thereby, and percentage-wise the low-paid workers will receive larger increases than the higher-paid workers.

43. The existence of gross inequities in the compensation of the 73 classes of railroad employees is supported by all of the wage findings summarized above. This does not mean, however, that the recommendations of the Board seek to remove all of the differences disclosed, singly or in combination, or that all these types of evidence are accorded equal weight.

44. The 48-hour workweek in the railroad industry, for example, has been referred to as representing a departure from the prevailing method of payment for overtime which operates to the distinct disadvantage of the railroad employees as far as their effective rate of compensation is concerned. There is no demand, however, for the substitution of a 40-hour week for the 48-hour week, with time and one-half for hours worked in excess of 40, and no recommendation is made to this effect. The Board merely recognizes that these railroad employees have not benefited by the wartime trend toward overtime compensation.

45. Similarly, the wage disparities existing prior to the end of 1940, as disclosed by wage trends dating from 1920, 1925-29, and 1936, constitute inequalities which provide

additional support for the findings of gross inequities arrived at independently of these data. The Board deems it contrary to public policy, in the midst of war and in face of the stabilization program, to authorize the elimination or correction, as such, of these more or less firmly established inequalities, and no recommendation is made to this effect.

46. The dominant source of the gross inequities in the compensation of the 73 classes of railroad employees is to be found in the marked accentuation of preexisting wage disparities during the years 1941 and 1942. Prime reliance is being placed upon comparative wage trends from December 1940 to December 1942. All indices point to the creation during this period of very substantial differentials unfavorable to the railroad workers. The comprehensive comparisons, embracing, for example, all manufacturing industries are particularly significant. The wage increases recommended below fall within the range of the differentials there disclosed. These wage increases, moderate in amount, compensate in reasonable measure, in light of the stabilization program, for the lag in railroad wage adjustments that inevitably springs from the requirements of the Railway Labor Act for the orderly settlement of labor controversies in the railroad industry.

47. The year 1942 constituted the peak year in all railroad history with respect to virtually all important aspects of railroad operation—freight traffic, passenger traffic, operating revenues, net railway operating income after taxes, net income after fixed charges. The figures for the first quarter of 1943, insofar as they are available, show sharp increases in all these directions over the corresponding months of 1942. The operating ratio for 1942 was the unusually low one of 61.6; the operating ratio for the 12 months ended February 28, 1943, was further reduced to 60.5. Net railway operating income for the year 1942, after an unprecedented tax bill of \$1,202,443,297, almost two-thirds of which covered income and profit tax accruals, amounted to \$1,480,940,760. Net income for the year 1942, after all fixed charges and including interest accruals on properties that are in receivership or trusteeship, amounted to \$958,880,655. The Interstate Commerce Commission has estimated that class I railroads earned, during the year 1942, 9.94 percent on investment in road and equipment before provision for Federal income and profits taxes, and 6.57 percent after deduction of all railway tax accruals; and that on the value of their properties for rate-making purposes, the class I railroads earned 11.20 percent before provision for Federal income and profits taxes, and 7.40 percent after deduction of all railway tax accruals.

48. On the basis of the straight-time equivalent of the total hours paid for by class I railroads during the year 1942, the cost to the carriers of the wage increases recommended below for the 73 classes of railroad employees, inclusive of pay-roll taxes of 6¼ percent on the increases in wages, is estimated to amount to about \$204,000,000. After making due allowance for the claims of the carriers that their financial showing for 1942 is overstated, and after taking into account the decreases in freight rates that became effective May 15, 1943, it is the considered judgment of this Board that the recommended wage increases do not, under prevailing circumstances, provide a basis for increases in railroad rates or for resistance to justifiable reductions in such rates.

49. The Board gave individual consideration to the case of every railroad that so requested and that furnished information regarding itself. There is no basis for treating these railroads as a group, whether or not they style themselves "short lines." Whether large or small, urban or rural, independently owned or subsidiaries of large railroads or industrial corporations, they all operate where the big railroads also operate.

There is no such difference between the qualifications, occupations, and living conditions of the employees of each of these roads and those of the employees of the big roads as to justify treating them differently. Applying to all railroad employees the same number of cents increase will not eliminate the differentials with which some of the shorter roads have heretofore been favored. The weak financial condition of some of these roads is immaterial to the issues in this case. Regardless of the question of the amount of weight to be given, in a wage dispute, to the financial condition of the railroad industry as a whole, the precarious financial position of any particular carrier is no reason for requiring that its employees be paid less than the employees of other carriers that are in other respects similarly situated. In view of the fact that the Chicago North Shore & Milwaukee Railroad made a contract with the union covering its dining-car employees within 30 days before the demands in the present case were made, it would be inequitable to recommend increases for them in this proceeding; but the Board sees nothing improper in the union negotiating with the railroad for any changes in rates of pay that might be reasonable in the light of the general result in this case. With the exception of this one railroad, the Board concludes that the employees of all the individual railroads before it should be accorded the same treatment as that recommended in this report for the employees of carriers in general.

50. Study and analysis of all testimony, exhibits, and argument bearing upon the dispute between the Railway Express Agency and its employees fail to disclose sufficient grounds for recommending any different adjustment for the employees of the Express Agency than the wage increases recommended below for the 73 classes of railroad employees. In this case, as in that of the railroads, the Board does not seek to alter established differentials. Gross inequities are corrected, in aid of the effective prosecution of the war, primarily on the basis of the unjust wage disparities created during the years 1941 and 1942. The comparative wage data for this period presented above with reference to the railroads are equally applicable to the Railway Express Agency.

51. The refrigerator car companies, all owned by various railroads that are parties to the case, contend that their situation requires special treatment. They are not railroads, but furnish refrigerator cars to the railroads. The occupations and rates of pay of their employees are generally similar to those of comparable crafts and classes of railroad employees. The business of the companies is an integral part of the railroad business. Their employees should be regarded as railroad employees and treated in this case in the same manner as railroad employees are treated. Existing wage differentials will not be disturbed by the recommended wage increases.

52. The Denver Union Stock Yard Co. and the Ogden Union Stockyards Co. do not ask special treatment because they are stockyards but because they had made contracts with the clerks' organization shortly prior to the demands made by the union in the present case, and without contemplating these demands. Under the circumstances disclosed it would be inequitable to recommend increases for these employees in this proceeding. These carriers express a willingness to negotiate with the union regarding any changes in the contracts that might be reasonable in the light of the general result in this case.

53. As to the parties to the dispute, the Board deems itself bound by the certification of the Chairman of the National Railway Labor Panel of all carriers and employees involved in National Mediation Board Case A-1350, as set forth in the designation of this



Emergency Board and its supplement; and the Board's jurisdiction extends to all such employees and carriers, except in the two instances about to be noted. It does not embrace the Iowa Transfer Railway, because there is no evidence that proper notice was served upon that carrier; nor the Toledo, Peoria & Western Railroad, because the Federal Government has the right not to be made a party to this dispute, and has asserted this right through the Director of the Office of Defense Transportation and the Federal manager of that railroad.

54. On the basis of all these findings and in light of all these circumstances, the Board recommends that all the carriers that are parties to this dispute, except those that are specifically excluded above, increase the basic wage rates of their employees represented by one or more of the 15 cooperating railway-labor organizations by 8 cents per hour.

55. The processes of negotiation, mediation, and arbitration in this dispute were concluded January 16, 1943. This Emergency Board was designated February 20, 1943. The intervening period elapsed, through no fault of either party, because of the need of affirming or clarifying the jurisdiction of the National Railway Labor Panel in relation to the National War Labor Board. This Emergency Board recommends, therefore, that the wage increases specified above become effective as of February 1, 1943.

56. The retroactive pay involved in this proceeding, on the basis of the above recommendations, is estimated to amount to about \$68,000,000 up to June 1, 1943, and to about \$85,000,000 up to July 1, 1943. Lump-sum cash disbursements of this character tend to exert a strongly inflationary influence. In the interest of the stabilization program, it is desirable that these accumulated sums be not added to the immediated purchasing power of the workers, in addition to the increases in wages to which they will become currently entitled. The Board recommends, therefore, that all retroactive wages due to these employees shall be paid in United States War Savings bonds, except such balances as amount to less than \$18.75, which shall be paid in cash. All employees who were on the pay rolls of the carriers on February 1, 1943, or who were hired subsequent thereto, and regardless of whether they are now in the employ of the carriers, shall receive the war bonds and/or cash balances to which they are entitled.

57. The request for a union-shop agreement, if granted, would compel the carriers to violate clear provisions of the Railway Labor Act, to proceed in disregard of their no-unreasonable interpretation of the unexpired moratorium agreement against changes in rules, and to acquiesce in the adoption of this policy in the railroad industry without an adequate showing in the record as to its need or utility or implications. The Board, therefore, does not approve the request for a union-shop agreement and recommends its withdrawal by the 15 cooperating railway labor organizations.

Respectfully submitted.

I. L. SHARFMAN, Chairman.  
WALTER T. FISHER.  
JOHN A. FITCH.

REPORT OF CHIEF EXECUTIVES OF 15 COOPERATING RAILWAY LABOR ORGANIZATIONS PARTICIPATING IN MOVEMENT TO SECURE AN INCREASE IN WAGE RATES OF 20 CENTS PER HOUR, NO EMPLOYEE TO BE PAID LESS THAN 70 CENTS PER HOUR, AND A UNION SHOP AGREEMENT

WASHINGTON, D. C.,

Monday, October 25, 1943.

To All Employees Concerned:

GREETING: On or about September 25, 1942, the duly authorized representatives of each of the 15 participating railway labor organizations served notice on substantially all

carriers in the United States where they represented the employees. The pertinent part of this notice read:

"Please accept this as formal notice, served in accordance with the Railway Labor Act as amended, of our desire to execute an agreement as hereinafter stated and to increase all rates of pay for all employees we represent as hereinafter stated, effective October 25, 1942.

"We propose that you agree: that all employees represented by this organization and who are eligible to membership in this organization shall become members in good standing of this organization within 60 days from the date this proposal is accepted and made effective and shall remain members in good standing of this organization as a condition precedent to continued employment: *Provided*, That these conditions shall apply to employees hired after date they are effective, but these employees will be allowed a period of 90 days from the date hired to secure such membership.

"The increase in rates of pay we propose and request is: that all wage rates now in effect be increased 20 cents an hour: *Provided*, That no employee shall be paid a rate of less than 70 cents an hour. Piecework, tonnage, or other methods of payment to be adjusted to give effect to these proposed increases."

This request was progressed in accordance with provisions of the Railway Labor Act. System conferences did not produce agreements. National conferences were held on December 15, 16, and 17, 1942, without an agreement. The services of the National Mediation Board were invoked on December 18, 1942, and on January 7, 1943, mediation began and ended on January 15, 1943, without an agreement. The board thereafter was unable to secure an agreement to arbitrate and terminate its handling of the case on January 16, 1943. The labor organizations on January 20, 1943, requested the appointment of an Emergency Board from the National Railway Labor Board.

On October 2, 1942, Congress passed an act to aid in stabilizing the cost of living. The first paragraph of this act reads:

"Be it enacted, *etc.*, That in order to aid in the effective prosecution of the war, the President is authorized and directed, on or before November 1, 1942, to issue a general order stabilizing prices, wages, and salaries, affecting the cost of living; and, except as otherwise provided in this act, such stabilization shall so far as practicable be on the basis of the levels which existed on September 15, 1942. The President may, except as otherwise provided in this act, thereafter provide for making adjustments with respect to prices, wages, and salaries, to the extent that he finds necessary to aid in the effective prosecution of the war or to correct gross inequities: *Provided*, That no common carrier or other public utility shall make any general increase in its rates or charges which were in effect on September 15, 1942, unless it first gives 30 days notice to the President, or such agency as he may designate, and consents to the timely intervention by such agency before the Federal, State, or municipal authority having jurisdiction to consider such increase."

A further pertinent provision of this law reads:

"The President may suspend the provisions of sections 3 (a) and 3 (c), and clause (1) of section 302 (c), of the Emergency Price Control Act of 1942 to the extent that such sections are inconsistent with the provisions of this act, but he may not under the authority of this act suspend any other law or part thereof."

On October 3, 1942, the President issued Executive Order 9250, notwithstanding the fact that this Executive order provided that

"nothing in this order shall be construed as \* \* \*, affecting the adjustment procedure of the Railway Labor Act." There was serious misunderstanding among Government officials and others as to whether disputes involving wages in the industry subject to the Railway Labor Act were required to be submitted to the War Labor Board. It was not until February 4, 1943, that these misunderstandings were resolved by the issuance by the President of Executive Order 9299. The President had, on May 22, issued Executive Order 9172 creating the National Railway Labor Panel. Pertinent parts of that order read:

"1. There is hereby created, for the duration of the war and 6 months thereafter, a national railway labor panel of nine members, hereinafter referred to as the Panel, to be appointed by the President, and to be qualified as to membership thereon in the same manner as provided in section 10 of the Railway Labor Act for membership on emergency boards. The President shall designate a chairman from the members of the panel and shall fill vacancies thereon as they may occur.

"2. Whenever a dispute between a carrier or carriers and its or their employees concerning changes in rates of pay, rules, or working conditions, or whenever any other dispute not referable to the National Railroad Adjustment Board, is not adjusted or settled under the provisions of sections 5, 6, 7, 8, and 9 of the Railway Labor Act, the duly designated and authorized representatives of employees involved in such dispute may, prior to notice by the National Mediation Board to the President of a threatened interruption to commerce, notify the chairman of the panel of the failure of the parties to adjust the dispute and of their desire to avoid the taking of a strike vote and the setting of a strike date. If, in the judgment of the chairman of the panel, the dispute is such that if unadjusted, even in the absence of a strike vote, it may interfere with the prosecution of the war, he may thereupon select three members of the panel to serve as an emergency board to investigate such dispute and to report thereon to the President. Subject to the provisions of section 10, such board shall have exclusive and final jurisdiction of the dispute and shall make every reasonable effort to settle such dispute."

Taking up now pertinent provisions of Executive Order 9299, issued February 4, 1943, we quote:

"1. No increases in the wage rates or salary of any employee subject to the provisions of the Railway Labor Act, whether granted as a result of voluntary agreement, collective bargaining, conciliation, arbitration, or otherwise, and no decreases in such wage rates or salary, shall be made except in accordance with the provisions of this order: *Provided, however*, That nothing contained in this order or Executive Order No. 9250 shall be construed as affecting the procedure or limiting the jurisdiction of either the National Mediation Board, as defined in the Railway Labor Act, or the National Railway Labor Panel, as defined in Executive Order No. 9172, except as herein specifically set forth.

"4. Emergency boards, whether designated pursuant to the Railway Labor Act, Executive Order No. 9172, or section 3 of this order, in reporting to the President shall certify that their recommendations in regard to any proposed change affecting wage and salary payments conform with the standards prescribed in Executive Order No. 9250, the general stabilization program made effective thereunder, and with the directives on policy issued by the Economic Stabilization Director thereunder.

"5. Copies of the report with recommendations made to the President by any



emergency board under section 4 of this order shall be filed by the Board forthwith with the Economic Stabilization Director, the National War Labor Board, and the Commissioner of Internal Revenue. The Economic Stabilization Director may on behalf of himself or other departments and agencies concerned, report to the President the effect of the recommendations on the general stabilization program. Unless and except to the extent that the Economic Stabilization Director shall otherwise direct, the recommendations of the Emergency Board in regard to proposed changes affecting wages and salary payments shall, upon the expiration of 30 days after the report is filed with the President, become effective."

Following the issuance of this order, the chairman of the national railway labor panel appointed an emergency board on February 20, 1943, composed of Messrs. I. L. Sharfman, chairman; Walter T. Fisher, and John A. Fitch. This board began its hearings in Chicago on March 1, 1943, and they were closed on May 7, 1943. There were 44 days of hearings. There were 6,338 pages of record taken and the parties presented to the board a total of 234 exhibits. Many of these exhibits were voluminous. While these hearings were in progress, the President issued Executive Order 9328 on April 8, 1943. The pertinent sections read:

"2. The National War Labor Board, the Commissioner of Internal Revenue, and other agencies exercising authority conferred by Executive Order No. 9250 or Executive Order 9299 and the regulations issued pursuant thereto over wage or salary increases are directed to authorize no further increase in wages or salaries except such as are clearly necessary to correct substandards of living, provided that nothing herein shall be construed to prevent such agencies from making such wage or salary readjustments as may be deemed appropriate and may not have heretofore been made to compensate, in accordance with the Little Steel formula as heretofore defined by the National War Labor Board, for the rise in the cost of living between January 1, 1941, and May 1, 1942. Nor shall anything herein be construed to prevent such agencies, subject to the general policies and directives of the Economic Stabilization Director, from authorizing reasonable adjustments of wages and salaries in case of promotions, reclassifications, merit increases, incentive wages, or the like, provided that such adjustments do not increase the level of production costs appreciably or furnish the basis either to increase prices or to resist otherwise justifiable reductions in prices.

"5. To provide for the consistent administration of this order and Executive Order No. 9250, and other orders and regulations of similar import and for the effectuation of the purposes of the act of October 2, 1942, the Economic Stabilization Director is authorized to exercise all powers and duties conferred upon the President by that act, and the Economic Stabilization Director is authorized and directed to take such action and to issue such directives under the authority of that act as he deems necessary to stabilize the national economy, to maintain and increase production, and to aid in the effective prosecution of the war. Except insofar as they are inconsistent with this order or except insofar as the Director shall otherwise direct, powers and duties conferred upon the President by the said act and heretofore devolved upon agencies or persons other than the Director shall continue to be exercised and performed by such agencies and persons."

The labor unions vigorously protested this order and the Director of Economic Stabilization on May 12, 1943, issued a policy directive which reads:

"1. In order to provide clear-cut guides and definite limits as a basis for correcting substandards of living, and as a basis for permitting the Board to make within the existing price structure and within existing levels of production costs, minimum and noninflationary adjustments which are deemed necessary to 'aid in the effective prosecution of the war or to correct gross inequities' within the meaning of section 1 of the act of October 2, 1942, the Board is authorized to establish as rapidly as possible, by occupational groups and labor-market areas, the wage-rate brackets embracing all those various rates found to be sound and tested going rates. All the rates within these brackets are to be regarded as stabilized rates not subject to change save as permitted by the Little Steel formula. Except in rare and unusual cases in which the critical needs of war production require the setting of a wage at some point above the minimum of the going wage bracket, the minimum of the going rates within the brackets will be the point beyond which the adjustments mentioned above may not be made. The careful application of these wage-rate brackets to concrete cases within the informed judgment of the War Labor Board will strengthen and reinforce the stabilization line to be held. Maladjustments between wages and the cost of living will be considered by the Board only for the purpose of correcting substandard conditions of living, or determining adjustments within the 15-percent limit of the Little Steel formula. In connection with the approval of wage adjustments necessary to eliminate substandards of living or to give effect to the Little Steel formula or in connection with the adoption of a longer workweek, the Board may approve wage or salary adjustments for workers in immediately interrelated job classifications to the extent required to keep the minimum differentials between immediately interrelated job classifications necessary for the maintenance of productive efficiency.

"2. All wage adjustments made by the Board which may furnish the basis either to increase price ceilings or to resist otherwise justifiable reductions in price ceilings, or if no price ceilings are involved which may increase the production costs above the level prevailing in comparable plants or establishments, shall become effective only if also approved by the Economic Stabilization Director. The Board shall cooperate with the Office of Price Administration or such other agency as the Economic Stabilization Director may designate with a view to supplying the Economic Stabilization Director with the data necessary to judge the effect of any proposed wage adjustment on price ceilings and the levels of production costs."

Because of increased volume of rail business and profits the Interstate Commerce Commission, on April 6, 1943, ordered that the rate increases which they had authorized on March 2, 1942, amounting to approximately 4.8 percent, be suspended for 7½ months from May 15, 1943, to January 1, 1944.

The Emergency Board filed its preliminary report with the President under date of May 24, 1943, and its supplemental report under date of May 29, 1943. These two reports together contained 182 pages. These reports extensively summarized the record made by the parties before the Board, the provisions of applicable laws, Executive orders and directives. We have already widely distributed the report of May 24, 1943, so that it does not appear necessary to reproduce herein all of the report, but we do reproduce certain parts thereof. We quote:

"1. The railroad industry, which constitutes the heart of our transportation system, is indispensable to the effective functioning of our national life, even under normal conditions; in these critical days, the entire war effort of the Government and people of the

United States is dependent upon uninterrupted, efficient, and vigorous performance by the railroads.

"2. The record of the railroads during the war emergency, including the period of defense activity, has been a magnificent one.

"3. This outstanding performance of the railroads has been the result of the constructive, self-denying, and patriotic attitudes of both the managements and the men. \* \* \* Fundamentally, a spirit of cooperation has vitalized the efforts of the managements and the men. Without free and complete and wholehearted cooperation between the carriers and their employees the magnificent record of the railroads, as made thus far, could not have been achieved.

"4. It is of the utmost importance that this spirit of cooperation be not impaired. \* \* \* Every care must be exercised not to weaken or endanger this morale either through indirection or through outright injustice.

"6. As a result of the influence of this legislation as applied to the rail carriers, railroad wages have maintained a degree of stability, entirely apart from the anti-inflation measures of the war emergency, that has been equaled or surpassed by few industries. Wages on the railroads have moved more slowly, both up and down, than in industry as a whole, and the level of railroad wages, both up and down, has changed more moderately than in other industrial spheres.

"8. It is a matter of great public concern that the integrity of these orderly processes, with their fruitful results, be safeguarded in every way possible. If railroad employees were to find themselves unjustly penalized because of their reliance upon these orderly processes or the considerable lapse of time necessarily incident thereto, strong impetus would be given to the disruptive practices which frequently flow from the exertion of economic power or the performance of work in justifiable discontent. The pressures in these directions, springing from the impairment of morale, would be difficult to allay, and the effective prosecution of the war might be seriously obstructed.

"9. \* \* \* The stabilizing elements inherent in the established processes of railroad wage determination must be scrupulously conserved; the moderation and restraint of responsible governmental agencies operating under the Railway Labor Act must continue to mold the adjustments in dispute.

"15. The Stabilization Act of October 2, 1942, sought to stabilize wages, as far as practicable, on the basis of the levels which existed on September 15, 1942. It did not, however, freeze all wages as of that date. It authorized the President to provide for such adjustments as might be found necessary 'to aid in the effective prosecution of the war or to correct gross inequities.'

"17. The first Executive order prescribing policies for the guidance of emergency boards, Executive Order 9299 of February 4, 1943, required that proposed changes affecting wage and salary payments conform with the standards, program, and policies made effective under Executive Order 9250. It thus confirmed once more the propriety of wage adjustments designed to correct gross inequities or to aid in the effective prosecution of the war.

"18. Executive Order 9328, which was issued April 8, 1943, and was made applicable to all agencies exercising authority over wage and salary changes, directed that no increases be authorized 'except such as are clearly necessary to correct substandards of living,' with the proviso, first, that cost-of-living adjustments within the Little Steel formula might still be made; and, second, that adjustments incident to promotions, reclassifications, merit increases, or incentive wages might also be made, 'provided that such adjustments do not increase the level of production



costs appreciably or furnish the basis either to increase prices or to resist otherwise justifiable reductions in prices.' But this order also authorized and directed the Economic Stabilization Director 'to take such action and to issue such directives . . . as he deems necessary to stabilize the national economy, to maintain and increase production, and to aid in the effective prosecution of the war.'

"19. The policy directive issued by the Economic Stabilization Director on May 12, 1943, for the guidance of the National War Labor Board returned once more to the express provisions of the Stabilization Act and authorized the National War Labor Board 'to make within the existing price structure and within existing levels of production costs, minimum and noninflationary adjustments which are deemed necessary to "aid in the effective prosecution of the war or to correct gross inequities." This directive is presumed to reflect the latest authoritative view of the requirements of the stabilization program and to constitute, in addition to the stipulations of the Stabilization Act and the authorizations of the Executive orders previously noted, a relevant and supporting basis for the determinations of the Emergency Board.

"20. The wage increases recommended below for the 73 classes of nonoperating railroad employees, on the basis of a careful study and analysis of the entire record, are designed to correct gross inequities and to aid in the effective prosecution of the war. We certify that they conform with the standards prescribed in Executive Order 9250, the general stabilization program made effective thereunder, and with the directives on policy issued by the Economic Stabilization Director thereunder. They are the minimum and noninflationary adjustments necessary for these purposes. They are within the existing price structure—that is, they do not provide a basis for increases in railroad rates or for resistance to justifiable reductions in such rates; and they are within existing levels of production costs—that is, they do not provide a basis for increasing production costs in comparable industries or occupations. The correction of the gross inequities disclosed by the facts of record is indispensable to the effective prosecution of the war.

"21. The average earnings of the 73 classes of nonoperating railroad employees involved in this dispute, embracing skilled, semi-skilled, and unskilled workers, as of October 1942, were 73.8 cents an hour. The prevailing minimum wage for these employees is 46 cents an hour.

"22. The total number of railroad workers in these 73 classes in October 1942, a month of higher than average employment, was 1,097,180. About one-half of these workers—544,106 or 49.6 percent—received less than 70 cents an hour; 411,684 or 37.5 percent received less than 60 cents an hour; 255,813 or 23.3 percent received less than 55 cents an hour; 160,438 or 14.6 percent received less than 50 cents an hour; 104,269 received the prevailing minimum rate of 46 cents an hour, and 16,871 received less than 46 cents an hour—this bracket of those receiving 46 cents and less comprising more than 11 percent of all the workers.

"25. On July 16, 1942, in the Little Steel case, the National War Labor Board fixed the minimum rate in the steel industry for common labor at 78 cents per hour, which is substantially in excess of the average hourly earnings of the 73 classes of railroad employees.

"26. On a craft or class basis, 40 of the 73 classes of railroad employees, embracing in the aggregate slightly more than 400,000 workers, have not received the full 15 percent increase in straight-time average hourly earnings since January 1941, provided for under the Little Steel formula as a cost-of-living adjustment.

"27. The 73 classes of railroad employees have an established 48-hour workweek. If these employees were to be compensated at time and one-half for work in excess of 40 hours per week—that is, on the basis that is being increasingly applied in industry as a whole—an adjustment of 8.33 percent on basic rates of pay would result. This would mean an increase in pay of slightly more than 6 cents an hour, independently of any change in basic rates of pay.

"28. It has been generally assumed that by the end of 1940 a period of approximate equilibrium in wage levels and wage structures had been achieved. In point of fact, however, as far as the 73 classes of railroad employees are concerned, data of comparative wage trends disclose the survival, as of that date, of numerous unfavorable differentials. These data deal exclusively with trends—that is, with comparative net increases or decreases over a period of time—and not with absolute wage levels.

"29. As compared with 1920, the unfavorable differentials of these railroad employees in 1940 was 14.4 cents per hour on the basis of the wage changes in 24 manufacturing industries and 9.8 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

"30. As compared with 1925–29 the unfavorable differentials of these railroad employees in 1940 was 7.1 cents per hour on the basis of the wage changes in 24 manufacturing industries, 3.2 cents per hour on the basis of the wage changes in all manufacturing industries, 4.3 cents per hour on the basis of the wage changes in bituminous coal mining, and 6.9 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

"31. As compared with 1936, the unfavorable differentials of these railroad employees in 1940 were 6.2 cents per hour on the basis of the wage changes in 24 manufacturing industries, 5.8 cents per hour on the basis of the wage changes in all manufacturing industries, 3.1 cents per hour on the basis of the wage changes in bituminous coal mining, and 8.2 cents per hour on the basis of the wage changes in all manufacturing and nonmanufacturing industries combined.

"32. Of much greater significance, however, in relation to the existence of gross inequities, are the facts disclosed by comparative wage trends during the years 1941 and 1942. These unfavorable differentials are in addition to those noted above as of the end of 1940. The comparisons are confined to the interval between December 1940 and December 1942.

"33. The 73 classes of railroad employees received during this period an increase of 10 cents an hour in basic wage rates, in manufacturing industries the closest approximation of the change in wage rates is the change in straight-time hourly earnings, the increase for all manufacturing industries in straight-time earnings was 19.4 cents per hour, or 9.4 cents more than the rate change for these railroad employees.

"34. One-fourth of the factory workers employed in December 1942 were in industries in which straight-time hourly earnings had increased by amounts ranging from 20.1 cents to 33.7 cents between December 1940 and December 1942, as contrasted with the increase of 10 cents for the 73 classes of railroad employees; one-half of these workers were in industries in which the increases ranged from 16.9 cents to 33.7 cents; three-fourths of these workers were in industries in which the increases ranged from 13.1 cents to 33.7 cents.

"35. In December 1942 the straight time hourly earnings in 63 of the 97 manufacturing industries were higher than the corresponding earnings of the 73 classes of railroad employees, and these higher earnings in manufacturing industries prevailed for 69 percent of the factory workers.

"37. The index of general wage trends, embracing not only manufacturing and non-manufacturing industries but certain other employments, including railroad transportation, discloses that between December 1940 and December 1942 the wage level has increased on the average by 16.7 cents per hour, as compared with the 10-cent hourly increase for the railroad employees.

"39. During the years 1941 and 1942 the annual earnings of farm laborers increased by 53 percent as compared with an increase of 28.5 percent for maintenance-of-way workers on the railroads. Farm labor rates of pay increased during this period by 79.8 percent, as compared with 20.6 percent for the maintenance-of-way workers.

"40. The 15 cooperating railway labor organizations have requested an increase of 20 cents an hour in all basic wage rates for the 73 classes of nonoperating employees. They are not seeking to differentiate between these classes of workers, and the record before the Board is not adequate for any differentiation in its recommendations. Such data as have been submitted with respect to particular crafts or classes were merely designed to support, by way of illustration, the general contention that comparative wage levels and comparative wage trends disclose the existence of gross inequities in the compensation of the railroad workers. The only special treatment requested by the labor organizations is that all employees be raised to a minimum of 70 cents an hour—that is, all employees, of whatever craft or class now receiving less than 50 cents per hour be given an increase greater than the 20 cents requested for other employees in order to establish a minimum of 70 cents for all.

"41. In these circumstances the fact that 40 of the 73 classes of railroad employees have not received the full 15 percent cost-of-living adjustment permitted by the Little Steel formula becomes irrelevant. The wage requests of 1941, like those now before this Board, were part of a concerted movement of the nonoperating employees. The average straight-time hourly earnings of all the 73 classes as of January 1941 must be taken as a base in computing the percentage increase, as a cost-of-living adjustment, which resulted from the 10-cent wage increase of December 1941. On this basis the full 15-percent increase has been made. Not only would any differentiation between the various crafts or classes in this regard run counter to the requests or the desires of the labor organizations and the employees whom they represent, but it would do violence to the Little Steel formula. The Little Steel formula constitutes an integral part of the stabilization program as it now prevails, and the Board is recommending no departure from it.

"42. It may well be that the 121,140 railroad employees—about 11 percent of the total—who are now receiving hourly wages of 46 cents or less, or the 160,438—14.6 percent of the total—who are now receiving hourly wages of less than 50 cents, are entitled to wage increases 'clearly necessary to correct substandards of living.' There are insurmountable difficulties, however, to the determination, in the midst of war and without opportunity for extensive investigation, of what would constitute a minimum budget for health and decency under the widely diverse circumstances of our far-flung domain. For a Nation-wide industry like the railroads it is virtually impossible to establish a minimum as such, above the prevailing 46-cent minimum, which would not create serious maladjustments in particular localities and occupations and would not tend to endanger the stabilization program. Since these low-paid workers, like all the 73 classes of railroad employees, are the victims of gross inequities in their compensation, as established by an analysis of comparative wage levels and comparative wage trends, a general wage in-



crease is calculated to meet their situation in reasonably satisfactory measure, and without the complicating repercussions that might result from the promulgation of an absolute standard. The minimum wage in the railroad industry will be substantially raised thereby, and percentage-wise the low-paid workers will receive larger increases than the higher-paid workers.

"43. The existence of gross inequities in the compensation of the 73 classes of railroad employees is supported by all of the wage findings summarized above. This does not mean, however, that the recommendations of the Board seek to remove all of the differences disclosed, singly or in combination, or that all these types of evidence are accorded equal weight.

"44. The 48-hour workweek in the railroad industry, for example, has been referred to as representing a departure from the prevailing method of payment for overtime which operates to the distinct disadvantage of the railroad employees as far as their effective rate of compensation is concerned. There is no demand, however, for the substitution of a 40-hour week for the 48-hour week, with time and one-half for hours worked in excess of 40, and no recommendation is made to this effect. The Board merely recognizes that these railroad employees have not benefited by the wartime trend toward overtime compensation.

"45. Similarly, the wage disparities existing prior to the end of 1940, as disclosed by wage trends dating from 1920, 1925-29, and 1936, constitute inequalities which provide additional support for the findings of gross inequities arrived at independently of these data. The Board deems it contrary to public policy, in the midst of war and in face of the stabilization program, to authorize the elimination or correction, as such, of these more or less firmly established inequalities, and no recommendation is made to this effect.

"46. The dominant source of the gross inequities in the compensation of the 73 classes of railroad employees is to be found in the marked accentuation of preexisting wage disparities during the years 1941 and 1942. Prime reliance is being placed upon comparative wage trends from December 1940 to December 1942. All indexes point to the creation during this period of very substantial differentials unfavorable to the railroad workers. The comprehensive comparisons, embracing, for example, all manufacturing industries, are particularly significant. The wage increases recommended below fall within the range of the differentials there disclosed. These wage increases, moderate in amount, compensate in reasonable measure, in light of the stabilization program, for the lag in railroad wage adjustments that inevitably springs from the requirements of the Railway Labor Act for the orderly settlement of labor controversies in the railroad industry.

"47. The year 1942 constituted the peak year in all railroad history with respect to virtually all important aspects of railroad operation—freight traffic, passenger traffic, operating revenues, net railway operating income after taxes, net income after fixed charges. The figures for the first quarter of 1943, insofar as they are available, show sharp increases in all these directions over the corresponding months of 1942. The operating ratio for 1942 was the unusually low one of 61.6; the operating ratio for the 12 months ended February 28, 1943, was further reduced to 60.5. Net railway operating income for the year 1942, after an unprecedented tax bill of \$1,202,443,297, almost two-thirds of which covered income and profit tax accruals, amounted to \$1,480,940,760. Net income for the year 1942, after all fixed charges and including interest accruals on properties that

are in receivership or trusteeship, amounted to \$958,860,655. The Interstate Commerce Commission has estimated that class I railroads earned, during the year 1942, 9.94 percent on investment in road and equipment before provision for Federal income and profits taxes, and 6.57 percent after deduction of all railway tax accruals; and that on the value of their properties for rate-making purposes, the class I railroads earned 11.20 percent before provision for Federal income and profits taxes, and 7.40 percent after deduction of all railway tax accruals.

"48. On the basis of the straight-time equivalent of the total hours paid for by class I railroads during the year 1942, the cost to the carriers of the wage increases recommended below for the 73 classes of railroad employees, inclusive of pay-roll taxes of 6¼ percent on the increases in wages, is estimated to amount to about \$204,000,000. After making due allowance for the claims of the carriers that their financial showing for 1942 is overstated, and after taking into account the decreases in freight rates that became effective May 15, 1943, it is the considered judgment of this board that the recommended wage increases do not, under prevailing circumstances, provide a basis for increases in railroad rates or for resistance to justifiable reductions in such rates.

"50. Study and analysis of all testimony, exhibits, and argument bearing upon the dispute between the Railway Express Agency and its employees fail to disclose sufficient grounds for recommending any different adjustment for the employees of the Express Agency than the wage increases recommended below for the 73 classes of railroad employees. In this case, as in that of the railroads, the Board does not seek to alter established differentials. Gross inequities are corrected, in aid of the effective prosecution of the war, primarily on the basis of the unjust wage disparities created during the years 1941 and 1942. The comparative wage data for this period presented above with reference to the railroads are equally applicable to the Railway Express Agency.

"51. The refrigerator car companies, all owned by various railroads that are parties to the case, contend that their situation requires special treatment. They are not railroads, but furnish refrigerator cars to the railroads. The occupations and rates of pay of their employees are generally similar to those of comparable crafts and classes of railroad employees. The business of the companies is an integral part of the railroad business. Their employees should be regarded as railroad employees and treated in this case in the same manner as railroad employees are treated. Existing wage differentials will not be disturbed by the recommended wage increases.

"54. On the basis of all these findings and in light of all these circumstances, the board recommends that all the carriers that are parties to this dispute, except those that are specifically excluded above, increase the basic wage rates of their employees represented by one or more of the 15 cooperating railway labor organizations by 8 cents per hour.

"55. The processes of negotiation, mediation, and arbitration in this dispute were concluded January 16, 1943. This Emergency Board was designated February 20, 1943. The intervening period elapsed, through no fault of either party, because of the need of affirming or clarifying the jurisdiction of the National Railway Labor Panel in relation to the National War Labor Board. This Emergency Board recommends, therefore, that the wage increases specified above become effective as of February 1, 1943.

"56. The retroactive pay involved in this proceeding, on the basis of the above recommendations, is estimated to amount to about

\$63,000,000 up to June 1, 1943, and to about \$85,000,000 up to July 1, 1943. Lump sum cash disbursements of this character tend to exert a strongly inflationary influence. In the interest of the stabilization program, it is desirable that these accumulated sums be not added to the immediate purchasing power of the workers, in addition to the increases in wages to which they will become currently entitled. The Board recommends, therefore, that all retroactive wages due to these employees shall be paid in United States War Savings bonds, except such balances as amount to less than \$18.75, which shall be paid in cash. All employees who were on the pay rolls of the carriers on February 1, 1943, or who were hired subsequent thereto, and regardless of whether they are now in the employ of the carriers, shall receive the War bonds and/or cash balances to which they are entitled.

"57. The request for a union shop agreement, if granted, would compel the carriers to violate clear provisions of the Railway Labor Act, to proceed in disregard of their not unreasonable interpretation of the unexpired moratorium agreement against changes in rules,\* and to acquiesce in the adoption of this policy in the railroad industry without an adequate showing in the record as to its need or utility or implications. The Board, therefore, does not approve the request for a union shop agreement and recommends its withdrawal by the 15 cooperating railway labor organizations."

At conferences on May 27, 1943, between the President and your representatives the President requested the employees to accept the increase in wages recommended by the Board. Your representatives expressed their disappointment over the inadequacy of the Board's recommendations and also pointed out the discrimination against railway employees in the matter of compensation for overtime. However, in view of the national emergency the employees' representatives agreed to accept the recommendations of the Board and the dispute over wages was regarded as closed. Your representatives concluded from these discussions with the President that this discrimination in respect to overtime compensation would in due time be adjusted to our complete satisfaction.

In furtherance of these understandings we made arrangements with the carriers' conference committees for a meeting with them in New York on June 24, 1943, for the purpose of writing the recommendations of the Emergency Board into an agreement. But on June 23, 1943, we were advised that the Economic Stabilization Director, Fred M. Vinson, on June 22, 1943, had issued an order in which he said:

"That the recommendations of the Emergency Board for a general 8-cent increase in rates of pay of the nonoperating men now employed, contained in paragraph 54 of the Report of May 24, 1943, shall not become effective."

He further said that he would issue an opinion within the next 10 days in support of this decision and on June 30, 1943, he addressed the following letter to—

JUNE 30, 1943.

MESSRS. I. L. SHAFMAN, *Chairman*; WALTER T. FISHER, *Member*; JOHN A. FITCH, *Member*; *Emergency Board, National Railway Labor Panel, Washington, D. C.*

GENTLEMEN: I am addressing you as the Emergency Board, appointed February 20, 1943, from the National Railway Labor Panel, to investigate an unadjusted dispute between certain carriers, including railroads, the Railway Express Agency, refrigerator car companies, and stockyard companies, and certain of their employees represented by 15 cooperating railway labor organizations, concerning requests for increases in rates of pay. This



is the memorandum opinion referred to in the order of June 22, 1943, in this case.

That order directs that the recommendation of your Board, for a general increase of 8 cents per hour in the wage rates of non-operating railroad employees, shall not become effective. I do not believe that the proposed award of your Board conforms either to the President's hold-the-line order (No. 9328) or to the directive of May 12, 1943, issued by the Economic Stabilization Director pursuant thereto.

1. There is no overtime issue in this case. No request came before the Board for a change in the existing arrangement for premium payments for overtime. Supplemental Report, page 183.

When the President issued Executive Order No. 9328 (hold-the-line) he stated:

"The only way to hold the line is to stop trying to find justifications for not holding it here or not holding it there. No one straw may break a camel's back, but there is always a last straw. We cannot afford to take further chances in relaxing the line. We already have taken too many."

The Emergency Board bases its award primarily upon the existence of a "gross inequity" allegedly demonstrated by a comparison of the wage rates now paid to the employees here involved with rates paid to other workers deemed generally comparable. In its comparisons, your Board takes account both of specific rates paid at a particular time, and of wage rate trends. (Supplemental Report, pp. 53-70, 170-182, 193, 200-201, Report, pp. 13-15, 1609, 23-24.)

2. As has been stated by the emergency board:

"The threat of serious inflation—or, more concretely, the frantic race between wages and prices in relation to mounting living costs—probably constitute the most basic and the most potentially explosive problem on the home front with which the American people are faced. If the Government's attack upon this problem were to prove of no avail, every element in the population would be subjected to the impact of devastating repercussions, and even the successful prosecution of the war might be gravely endangered. The hosts of labor—with wage levels that would almost inevitably lag behind price changes, and with money savings in a variety of forms that would almost inexorably be dissipated—would be among the severest sufferers. Apparent gains would be transformed into real losses. Collective bargaining would be turned into make-believe. Government intervention would be beset by helplessness.

"The stabilization program, then, is a matter of vast national importance. It transcends the interests of either the carriers or the employees, and it must necessarily exert a significant influence upon the adjustment of the dispute here involved. It is imperative that the stabilization program be firmly safeguarded, but that it be applied, as intended, to the distinctive circumstances of the unadjusted dispute committed to the determination of the emergency board." (Supplemental report, pp. 41-42, Repts. 9, 10, pars. 13, 14.)

The power to correct "gross inequities" is allegedly drawn from the language of the act of October 2, 1942, which permits the adjustment of wages designed "to correct gross inequities or to aid in the effective prosecution of the war." This authority, however, is delegated by the statute to the President, and is vested in other agencies of the Government only as the President may direct or delegate.

The President did not, however, write a blank check. In the hold-the-line order (No. 9328) he provides standards for these adjustments. This order directs the agencies exercising authority under Executive Order No. 9299 (the emergency boards) to approve

no further increases in wages except adjustments—

(1) Clearly necessary to correct substandard conditions of living.

(2) In accordance with the Little Steel formula.

(3) For job reclassifications or merit increases if they do not—

(a) Increase production costs.

(b) Provide a basis for increases in prices.

The hold-the-line order, moreover, authorized the Economic Stabilization Director to exercise all the power conferred upon the President by the act of October 2, 1942. Exercising this power, the Director issued his directive of May 12, 1943, which provided that—

(1) Tested going-rate brackets for recognized categories of employments in various labor markets may be established, and adjustments may be made to the minimum in these brackets;

(2) Maladjustments between wages and the cost of living are to be considered only under

(a) The Little Steel formula.

(b) The correction of substandard conditions of living;

(3) If adjustments are made under (2), then adjustments in immediately interrelated job classifications to keep minimum differentials for productive efficiency may be considered.

Under both the Executive order and the directive, adjustments may be made to those workers who have not received the full benefits of the Little Steel formula. That formula permits appropriate groups of employees to receive 15 percent more in their basic rates of pay than they did in January 1941. The Emergency Board concludes that the 10-cent increase given these workers in December 1941 exhausts all of the increase in pay that is permitted under the Little Steel formula. In its report the Board states:

"In those circumstances the fact that 40 of the 73 classes of railroad employees have not received the full 15 percent cost-of-living adjustment permitted by the Little Steel formula becomes irrelevant. The wage requests of 1941, like those now before this Board, were part of a concerted movement of the nonoperating employees. The average straight-time hourly earnings of all the 73 classes as of January 1941 must be taken as a base in computing the percentage increase, as a cost-of-living adjustment, which resulted from the 10-cent wage increase of December 1941. On this basis the full 15-percent increase has been made. Not only would any differentiation between the various crafts or classes in this regard run counter to the requests or the desires of the labor organizations and the employees whom they represent, but it would do violence to the Little Steel formula. The Little Steel formula constitutes an integral part of the stabilization program as it now prevails, and the Board is recommending no departure from it" (Rept., pp. 20-21, par. 41).

This office considers the above application of the Little Steel formula to this case proper.

It is believed that the Emergency Board has not exhausted the possible applications of other tests recognized in the Executive order and the directive as above outlined. On this record it appears that the substandard test might well be considered. It is recognized that the substandard test is often difficult to apply. If this test is applied, not only must it be decided which rates are to be changed because they promote substandard living conditions, but also it must be decided what adjustments are necessary in the immediately interrelated job classifications to keep the minimum differentials required for productive efficiency. The substandard test must not become futile, however, simply because it is difficult to apply.

It is true that the substandard test generally requires a consideration of local circumstances which bear upon accustomed wage levels. The reason for this general approach to the problem of substandard wages is quite plain. If wage levels were judged by comparison with the financial requirements of a minimum standard of living, a considerable percentage of prevailing wages would be found inadequate. The adjustment of such wages in a general upward direction, tending toward achievement of a national minimum standard of living, is a difficult and complicated process. Too swift an adjustment, particularly in regions and areas subject to general economic disadvantage, might seriously cripple important sectors of a regional or area economy, thereby destroying or materially impairing employment opportunities and the living standards of the very workers whose conditions were sought to be improved.

In ordinary cases, therefore, it is necessary to consider the improvement of substandard living conditions in the light of economic conditions prevailing in a particular region or area. For this reason, it is generally deemed impractical to set a national figure and arbitrarily to determine that any wage below that figure is substandard, even though such a determination might be factually correct.

However, such localized treatment might not always be necessary. A particular industry, a particular segment of an industry, or even a particular employer may call for Nation-wide treatment. This is to say, because of facts peculiar to a particular case, it may be practical to determine that, with reference to a particular industry, all wages paid below a determined level are substandard or should be increased.

Such special treatment has, on occasion, been accorded by the National War Labor Board to the employees of a particular employer or a particular industry. When it has long been the practice, as in the case of the railroad industry, to adjust wage scales by Nation-wide agreements, treatment on a national rather than a regional basis would be especially justified. In such exceptional cases, the substandard test may be adjusted to the national agreement rather than the regional method of treatment.

In view of the particular situation with which the emergency board must deal, I think the board might fairly determine that all workers receiving less than a designated rate per hour are eligible to receive wage adjustments to eliminate substandard living conditions. In view of the difficulty in determining with exactitude which wage rates under a stated rate per hour should be adjusted because they are directly substandard and which rates under that stated rate should be adjusted because they are in immediately interrelated job classifications, I think that the board may be justified in increasing all rates under a stated rate the same number of cents per hour.

Such an adjustment will naturally maintain existing differentials on all job classifications now under that stated rate. Such an adjustment, however, would require some upward revisions in rates for immediately interrelated job classifications above that stated rate. But in accordance with the directive of this office such revisions should be tapered off so as to obviate the need so far as practically feasible for revision in the higher wage brackets. This tapering must be done in a rigorous fashion so as to reflect actually the minimum increase necessary for productive efficiency in the interrelated job classifications and not to reflect a general wage increase under that name. The exact methods and steps in the tapering off process is left to the board to determine on the basis of its study of the interrelated job classification.



Therefore the emergency board may reconsider its recommendation and may make a revised recommendation in conformity with the standards of Executive Order No. 9328 and the directive of May 12, 1943.

Sincerely yours,

FRED M. VINSON,  
Director of Economic Stabilization.

We learned after Director Vinson's order of June 22 that the Carriers' Conference Committees had filed with him on June 9 without our knowledge an extensive brief urging that the recommendations of the board be disapproved. Director Vinson took this arbitrary and capricious action without previous conferences, intimation, or notice, to your representatives, although we understood that this matter was finally disposed of on May 27th by the President of the United States. Following the issuance of Judge Vinson's opinion of June 30, 1943, we discussed the matter with the President of the United States, Mr. James Byrnes, Director of War Mobilization, and Mr. Fred M. Vinson, Director of the Office of Economic Stabilization, endeavoring to preserve the understanding we had with the President. These discussions continued until July 29 when Mr. James Byrnes, representing the President, requested representatives of the carriers and ourselves to meet and reach an agreement. Your representatives agreed to this request with the clear understanding that if an agreement was to be made it must provide for the same amount of increase in wages as recommended by the emergency board, and in keeping with earlier understandings reached with the President, your representatives proceeding upon this understanding together with representatives of the carriers, conferred with Mr. Vinson on August 3 and made necessary arrangements for a meeting on August 6 between the three Carriers' Conference Committees and the Employees' Conference Committee for the purpose of making an agreement.

These meetings were held on August 6 and 7 in Washington, D. C., and an agreement was signed on August 7 providing for a general increase of existing rates of pay of 8 cents per hour retroactive to February 1, 1943, payable in cash. This agreement provides it is "subject to any existing requirements of law" and is in settlement of the disputes growing out of the notice served by the labor organizations on the carriers on or about September 25, 1942, and will remain in effect until changed or modified in accordance with the provisions of the Railway Labor Act, amended.

Although this agreement fully implements the earlier understanding with the President and other Government representatives, they have been unwilling to give formal approval to the agreement and in the absence of such approval the carriers have been unwilling to carry out the terms of the agreement. Government officials do not now object to the granting of an increase which would amount to approximately \$204,000,000 per year, the amount recommended by the Emergency Board, but they have objected to a uniform increase of 8 cents per hour.

These discussions culminated in a conference between your representatives and the President on September 16, 1943, when an understanding was reached.

We understood the President would cooperate with us in securing legislation to dispose of the overtime matter.

The President insisted that the lower paid groups must have a larger increase in wages than those in the higher wage brackets. Therefore an understanding was reached in order to do this and to settle the matter that day that the increase would vary from an amount necessary to establish a 56-cent minimum down to 7 cents per hour increase

to employees in the higher wage brackets, all with the understanding that the intermediate wage increases would be distributed so as to confine the total increase in wages to \$204,000,000 per year.

Pursuant to this understanding we submitted the following scale of intermediate wage increases: Wage rates of 46 cents or less per hour to be increased to 56 cents, the 47-cent rates to be increased by 9 cents per hour, rates of 48 to 75 cents per hour, inclusive, to be increased 8 cents, rates of 76 cents per hour and above to be increased 7 cents; this scale would confine the cost of the wage increase to \$204,000,000 per year.

At the President's request we met Mr. Byrnes later that day and discussed this proposed scale of wage increases with the understanding he would discuss same with Director Vinson, to the end that they would both be informed when they attended a conference which the President was to have with them later that day. We heard nothing further from the President that day but on September 17, 1943, the President's Secretary telephoned us and read a memorandum from the President to the effect that later on the 16th in reviewing the matter with Messrs. Byrnes and Vinson certain matters had come up that had caused the President to conclude to defer further action on our wage case until the Emergency Board which was handling the dispute of the train, engine, and yard service employees, filed its report. This report was filed with the President September 25, 1943, and the Board recommended a general increase for these employees of 4 cents per hour, effective April 1, 1943.

Immediately after this report was filed we began efforts to secure another conference with the President to dispose of our case and conference was held with him on October 12, 1943, when the following letter was presented to the President:

WASHINGTON, D. C., October 12, 1943.

THE PRESIDENT,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: We most respectfully suggest that you now immediately take such action as you feel is necessary to implement the understanding reached between us in our conference on September 16, 1943, in the disposition of the wage adjustment dispute of the more than 1,000,000 nonoperating railway and express employees.

The national welfare and the effective prosecution of the war requires prompt disposition of this matter.

Most respectfully,

E. E. MILLIMAN,  
H. J. CARR,  
A. E. LYON,  
GEO. M. HARRISON,  
B. M. JEWELL,

Committee Representing Fifteen  
Nonoperating Railway Labor Unions.

In this conference we were informed that, since the Emergency Board had recommended an increase of 4 cents per hour for the engine, train, and yard service employees, that part of the understanding of September 16 providing an increase of 7 cents per hour to the employees we represent in the higher wage brackets could not be carried out and that such employees could only be given an increase of 4 cents per hour. This was wholly unacceptable and the President was so advised.

On October 16, 1943, the President issued the following Executive order:

"ESTABLISHING A SPECIAL EMERGENCY BOARD TO REPORT ON THE CLAIMS FOR WAGE ADJUSTMENTS OF NONOPERATING RAILWAY EMPLOYEES"

"Whereas the Director of Economic Stabilization found the report on May 24 and May 29, of the Emergency Board set up to con-

sider the wage adjustment claims of the nonoperating railway employees to be inconsistent with the stabilization program established under the act of October 2, 1942, and the Executive orders issued thereunder, and directed that the claims be reconsidered in light of the opinion filed by him on June 30, 1943, and

"Whereas the Emergency Board originally constituted to consider the claims of the nonoperating railway employees has been dissolved and it is necessary to provide further machinery for adjusting these claims in accordance with the act of October 2, 1942, and the stabilization program established thereunder: Now, therefore, by virtue of the authority vested in me by the Constitution and the Statutes, and particularly by the First War Powers Act, 1941, as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered as follows:

"(1) There is hereby established a special Emergency Board of three members to be selected by me from the National Railway Labor Panel to reconsider the claims for wage adjustments of the nonoperating railway employees, and to recommend to me such wage adjustments which should be made, within the limitations of the act of October 2, 1942, and the Executive orders thereunder, and in conformity with the opinion of the Economic Stabilization Director of June 30, 1943. In making its recommendations to me, the Board may give such consideration as it deems appropriate to the report filed with me on September 25, 1943, by the Emergency Board appointed to consider the claims for wage adjustments of the operating railway employees.

"(2) The parties before the special Emergency Board shall be the same as those included within the recommendation of the Emergency Board which reported to me on May 24 and May 29 in this dispute.

"(3) The Special Emergency Board shall report to me on or before November 15, 1943. Copies of the report shall be filed at the same time with the Economic Stabilization Director, the National War Labor Board, and the Commissioner of Internal Revenue.

"The recommendations of the special Emergency Board in regard to proposed changes affecting wage and salary payments shall become effective 15 days after the date of the filing of its report with me, unless and except to the extent the Economic Stabilization Director otherwise directs.

"FRANKLIN D. ROOSEVELT."

On the same date Mr. Vinson issued an opinion in the case of the Engine, Train and Yard Service Employees, and in that opinion he also discusses our wage case. This opinion reads:

"There is before me the report including the recommendation of the Emergency Board selected from the National Railway Labor Panel on May 21, 1943, in a case involving most of the Nation's railroads and the five transportation brotherhoods. The Board recommends an increase of 32 cents per minimum basic day or 4 cents per hour for the employees involved in the National Mediation Board Case No. A-1400.

"This recommendation is predicated upon the Little Steel formula. That formula permits wage adjustments to the extent of 15 percent over average straight-time hourly earnings on January 1, 1941. These employees received in December 1941 an increase amounting to approximately 10.5 percent. Thus 4.5 percent remains under the permissible limit of Little Steel which figures about 4 cents per hour for these employees.

"As an original proposition the point could well be taken that the Little Steel formula should be applied to the average hourly earnings on January 1, 1941, for both operating



and nonoperating employees. If this were done the increases of December 1941 to both employee groups would practically exhaust the permissible wage adjustments under Little Steel for railway employees. In the nonoperating case, however, as in the case here Little Steel has been figured on the basis of each group. This results in no Little Steel increase to the former, and as stated, 4 cents per hour in the instant case. This will not mean that the operating employees who have higher earnings will receive a wage increase while the nonoperating employees will receive none. Under my opinion of June 30 the nonoperating employees are entitled to a wage adjustment based upon the substandard and interrelated job classification criteria. In determining appropriate rates for interrelated job classification, the Special Emergency Board created by the President to reconsider the nonoperating case in light of my opinion is authorized by the order creating it to take into account the wage increase recommended for the operating employees. The Board consequently should be in a position to see that the adjustments to the nonoperating employees bear a fair relation to the adjustments given to the operating employees.

"Therefore, I will not disapprove the recommendation in this case."

Under the expressed terms of the Executive Order of October 16, 1943, this so-called Emergency Board has not been created under the Railway Labor Act and has not that freedom of judgment to be exercised by a board under the Railroad Labor Act. This Board can only make an advisory report which is required to be in conformity with the opinion of June 30, 1943, of Director Vinson and its recommendations are expressly made subject to disapproval by Director Vinson. We have no reason to expect that any recommendation of this Board, which would meet with the approval of Director Vinson, would provide the basis for any agreement which would be satisfactory to those we represent and acceptable as a substitute for the existing agreement of August 7, 1943.

From the above recital of facts it is clear that these 15 cooperating chief executives have exhausted every reasonable effort to secure an acceptable wage increase for the employees represented. They have secured an agreement with the carriers which is acceptable, but for reasons which are made clear above, the carriers have not yet put this agreement into effect.

Workers in other industries comparable to the railroad employees we represent have received three and in some cases four increases, while in a similar period of time railroad employees have only secured two increases. The increase of 8 cents per hour provided for in the agreement of August 7, 1943, will not increase the rates of pay of the employees we represent over the same period of time by as much as has been granted to comparable workers in other industries.

All these facts have been reported from time to time throughout the period of these proceedings and from this detailed report, it should be clear that we have exerted every effort to satisfactorily dispose of this controversy without responding to the increasing demands of the membership that the chief executives carry out the laws of the organizations and issue a strike ballot. We regret our inability to otherwise adjust the difficulty and have concluded a strike ballot will be issued today, October 25, 1943, to each and every employee involved. The ballot is returnable not later than November 25, 1943.

It is urgently requested and expected that each and every involved employee will cast a vote on the strike ballot so that such procedures as may be necessary to secure a satisfactory settlement of this wage increase dispute may be taken strictly in accordance with the laws of these respective cooperating railway labor organizations.

We regard it as our duty to the employees involved, as well as to the country, to restore and maintain the morale of the employees in the hope of securing satisfactory wage increase. It would be a neglect of our duty if, by failure to take concerted action and to allay growing dissatisfaction, we permitted the interest of the employees and the public interest to be injured by increasing individual discouragement which results in the drifting of large numbers of employees out of the service of this essential war industry and also results in sporadic unauthorized strikes harmful alike to the employees, the carriers, and the effective prosecution of the war.

Fraternally yours,

H. W. Brown, international president, International Association of Machinists; J. A. Franklin, international president, International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America; Roy Horn, general president, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers; L. M. Wicklein, general vice president, Sheet Metal Workers' International Association; J. J. Duffy, international vice president, International Brotherhood of Electrical Workers; Felix H. Knight, general president, Brotherhood Railway of Carmen of America; George Wright, vice president, International Brotherhood of Firemen, Oilers, Helpers, Round House, and Railway Shop Laborers; V. O. Gardner, president, The Order of Railroad Telegraphers; George M. Harrison, grand president, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees; E. E. Millman, president, Brotherhood of Maintenance of Way Employees; A. E. Lyon, grand president, Brotherhood of Railroad Signalmen of America; James J. Delaney, president, National Organization Masters, Mates, and Pilots of America; Samuel J. Hogan, president, National Marine Engineers' Beneficial Association; Jos. P. Ryan, president, International Longshoremen's Association; Edward Flore, general president, Hotel and Restaurant Employees' International Alliance and Bartenders' International League of America; B. M. Jewell, chairman.

#### EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to revise the remarks I made this afternoon and to include therein certain excerpts and tabulations.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. THOMAS of New Jersey (at the request of Mr. CANFIELD), indefinitely, on account of illness.

To Mr. MARTIN of Iowa (at the request of Mr. LECOMPT), for 2 weeks, on account of official business.

#### ADJOURNMENT

Mr. CANNON of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 16 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, November 5, 1943, at 11 o'clock a. m.

#### COMMITTEE HEARINGS

##### COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the subcommittee at 10 a. m. on Tuesday, November 9, 1943, for consideration of H. R. 3140.

##### COMMITTEE ON PATENTS—NOTICE OF POSTPONEMENT OF MEETING

The executive session scheduled for today by the Committee on Patents was postponed until Tuesday, November 9, 1943, in the committee room, 416 House Office Building, at 10:30 a. m. Proposed legislation by the National Patent Planning Commission will be discussed.

##### COMMITTEE ON THE JUDICIARY

Subcommittee No. 2 of the Committee on the Judiciary will conduct hearings on H. R. 786, a bill to amend section 40 of the United States Employees' Compensation Act, as amended (to include chiropractic practitioners) at 10 a. m. on Wednesday, November 10, 1943, in room 346, old House Office Building, Washington, D. C.

##### COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the committee at 10:30 a. m. on Wednesday, November 10, 1943, on H. R. 2522 and 2832.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

897. A letter from the Archivist of the United States, transmitting report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

898. A letter from the Chairman, Securities and Exchange Commission, transmitting a copy of the report submitted to the Director of the Bureau of the Budget with respect to the personnel requirements of the Securities and Exchange Commission for the quarter ending December 31, 1943; to the Committee on the Civil Service.

899. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill for the relief of G. F. Allen, Chief Disbursing Officer, Treasury Department, and for other purposes; to the Committee on Claims.

#### 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. CANNON of Missouri: Committee on Appropriations. H. R. 3598. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1944, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes; without amendment (Rept. No. 822). Referred to the Committee of the Whole House on the state of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 3408. A bill to amend chapter

7 of the Criminal Code; without amendment (Rept. No. 823). Referred to the House Calendar.

Mr. McGEHEE: Committee on Claims. H. R. 3449. A bill to remit claims of the United States on account of overpayments to part-time charwomen in the Bureau of Engraving and Printing, and for other purposes; without amendment (Rept. No. 837). Referred to the Committee of the Whole House on the state of the Union.

Mr. TOLAN: Committee on the Judiciary. House Joint Resolution 177. Joint resolution requesting the President of the United States of America to proclaim Armed Services Honor Day and urging that it be properly observed throughout the Nation; with amendment (Rept. No. 838). Referred to the House Calendar.

#### REPORTS OF COMMITTEES ON PRIVATE 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. PATTON: Committee on Claims. S. 1008. An act for the relief of Gerald G. Woods; without amendment (Rept. No. 824). Referred to the Committee of the Whole House.

Mr. PATTON: Committee on Claims. S. 1169. An act for the relief of Samuel Margolin; with amendment (Rept. No. 825). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 248. A bill for the relief of Louis Courcil; with amendment (Rept. No. 826). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 1220. A bill for the relief of Paul J. Campbell, father of Paul M. Campbell, a minor; with amendment (Rept. No. 827). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 1934. A bill for the relief of Mrs. Donald B. Johnston; with amendment (Rept. No. 828). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on Claims. H. R. 1984. A bill for the relief of Paul Barrere; with amendment (Rept. No. 829). Referred to the Committee of the Whole House.

Mr. CARSON of Ohio: Committee on Claims. H. R. 2075. A bill for the relief of Charles R. Hooper; with amendment (Rept. No. 830). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 2236. A bill for the relief of Roberta Ramsey; with amendment (Rept. No. 831). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2315. A bill for the relief of Ethel Phillips; with amendment (Rept. No. 832). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2440. A bill for the relief of Mrs. Priscilla B. McCarthy; without amendment (Rept. No. 833). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 3039. A bill for the relief of Mrs. C. W. Selby; without amendment (Rept. No. 834). Referred to the Committee of the Whole House.

Mr. ROWAN: Committee on Claims. H. R. 3062. A bill for the relief of the Board of Trustees, Summerville Consolidated School District, Chattooga County, Ga.; without amendment (Rept. No. 835). Referred to the Committee of the Whole House.

Mr. FITTINGER: Committee on Claims. H. R. 3136. A bill for the relief of Hamp Gossett Castle, Lois Juanita Gimble, Margaret

Carrie Yarbrough, and Roy Martin Lyons; without amendment (Rept. No. 836). Referred to the Committee of the Whole House.

#### CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3413) granting a pension to Reuben Evarts, and the same was referred to the Committee on Invalid Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

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

By Mr. KILDAY:

H. R. 3599. A bill to provide that veterans be appointed in the selection of personnel for national cemeteries; to the Committee on Military Affairs.

By Mr. O'HARA:

H. R. 3600. A bill to amend the Declaratory Judgments Act of June 14, 1934, as amended; to the Committee on the Judiciary.

By Mr. ANGELL:

H. R. 3601. A bill to authorize the use of space in the Old Post Office Building in Portland, Oreg., by the State of Oregon for its use as a museum for relics from the battleship Oregon, together with all other historical documents, objects, and relics of Oregon and the old Oregon country held by the State for public display; to the Committee on Public Buildings and Grounds.

By Mr. BLAND:

H. R. 3602. A bill to amend the act making it a misdemeanor to stow away on vessels; to the Committee on the Merchant Marine and Fisheries.

By Mr. SUMNERS of Texas:

H. R. 3603. A bill regulating the commitment of insane persons to veterans' and other United States institutions and making applicable to Federal reservations certain State laws pertaining to administration of estates of decedents, guardianship of minors and insane persons, commitment of insane persons, and for other purposes; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 3604. A bill authorizing the appointment of chaplains as general officers of the Army of the United States; to the Committee on Military Affairs.

By Mr. McGEHEE:

H. R. 3605. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires in tents used as quarters by members of the Twelfth Naval Construction Battalion, Long Island, Alaska, on December 26, 1942, and May 26, 1943, respectively; to the Committee on Claims.

H. R. 3606. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; to the Committee on Claims.

H. R. 3607. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in tent L-76 at the Amphibious Training Base, Camp Bradford, Norfolk, Va., on March 15, 1943; to the Committee on Claims.

By Mr. PRICE:

H. R. 3608. A bill relating to certain overtime compensation of employees of the field service of the Post Office Department; to the Committee on Claims.

By Mr. SPRINGER:

H. R. 3609. A bill to permit the United States to be made a party defendant in cer-

tain cases, and for other purposes; to the Committee on the Judiciary.

By Mr. ROWAN:

H. R. 3610. A bill to provide a program of research, in universities, colleges, and other institutions of higher learning, for the prevention of the pollution of the waters of the United States, to establish the Water Pollution Control and Sewage Utilization Board, and for other purposes; to the Committee on Education.

By Mr. HANCOCK:

H. R. 3611. A bill to authorize the appointment of court reporters in the district courts of the United States, to fix their duties, to provide for their compensation, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDERSON of New Mexico:

H. R. 3612. A bill to amend the provisions of law relating to the use of private vehicles for official travel; to the Committee on Expenditures in the Executive Departments.

By Mr. BELL:

H. J. Res. 183. Joint resolution establishing the Filipino Rehabilitation Commission, defining its powers and duties, and for other purposes; to the Committee on Insular Affairs.

H. J. Res. 184. Joint resolution declaring the policy of the Congress with respect to the independence of the Philippine Islands, and for other purposes; to the Committee on Insular Affairs.

By Mr. O'KONSKI:

H. J. Res. 185. Joint resolution endorsing the Joint Four-Nation Declaration; to the Committee on Foreign Affairs.

By Mr. WELCH:

H. J. Res. 186. Joint resolution to provide for the proper observance of the one hundred and fifty-second anniversary of the adoption of the first 10 amendments to the Constitution known as the Bill of Rights; to the Committee on the Judiciary.

By Mr. SCHIEFLER:

H. Con. Res. 51. Concurrent resolution relative to extending certain social-security benefits to persons in the armed forces; to the Committee on Ways and Means.

By Mr. BURGIN:

H. Res. 42. Resolution expressing appreciation of the House of Representatives of the statesmanlike manner in which the Honorable Cordell Hull represented the United States at the Moscow Conference; to the Committee on Foreign Affairs.

By Mr. MARCANTONIO:

H. Res. 343. Resolution making H. R. 1732, a bill to prohibit discrimination in employment because of race, color, creed, religion, national origin, or citizenship, a special order of business; to the Committee on Rules.

By Mr. BUSBEY:

H. Res. 344. Resolution providing for an investigation of the Office of War Information; to the Committee on Rules.

H. Res. 345. Resolution to provide for expenses of the investigation authorized by House Resolution 344; to the Committee on Accounts.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEALL:

H. R. 3613. A bill to expedite the naturalization of Monica Warfield; to the Committee on Immigration and Naturalization.

H. R. 3614. A bill for the relief of the Queen City Brewing Co.; to the Committee on Claims.

By Mr. BLAND:

H. R. 3615. A bill for the relief of Dorothy Morgan; to the Committee on Claims.

By Mr. GOSSETT:

H. R. 3616. A bill conferring jurisdiction upon the United States District Court for



the Northern District of Texas to hear, determine, and render judgment upon the claims of Fred Lower; to the Committee on Claims.

By Mr. MARTIN of Iowa:

H. R. 3617. A bill for the relief of Lee Thornton and Josephine Thornton; to the Committee on Claims.

By Mr. J. LEROY JOHNSON:

H. R. 3618. A bill to authorize the War Food Administrator to sell and convey to Mrs. Andrew J. Frey, and her heirs, a certain tract of land, situated in the county of San Joaquin, State of California, and for other purposes; to the Committee on the Public Lands.

#### PETITIONS, ETC.

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

3395. By Mr. TALLE: Petition of Grant Cowan and other citizens of Buchanan County, Iowa, urging the enactment of House bill 2082; to the Committee on the Judiciary.

3396. By Mr. REED of Illinois: Petition of Joseph A. Christoffel, of Aurora, Ill., and 23 others, urging enactment of House bill 2082; to the Committee on the Judiciary.

3397. By Mr. HOLMES of Washington: Petition of sundry citizens of St. John, Wash., urging enactment of House bill 2082, to prohibit the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of demobilization; to the Committee on the Judiciary.

3398. By Mr. COFFEE: Petition of F. B. Walker, of Tacoma, Wash., and 112 others, claiming that the war has been used speciously as an excuse for certain citizens to attempt to perpetrate prohibition upon the United States, declaring that prohibition has proved a failure when it was adopted in recent years; and, therefore, insisting that Congress, and especially the congressional delegation from the State of Washington, work and vote against all legislation, under whatever pretext, seeking to bring back prohibition; and further urging strongly that House bill 2082 and Senate bill 890 be permanently laid on the table; to the Committee on the Judiciary.

3399. By Mr. HORAN: Petition of Lucy Campbell, of Wilburn, Wash., favoring passage of all prohibition measures; to the Committee on the Judiciary.

3400. By Mr. BROWN of Ohio: Petition of 31 citizens of Union County, Ohio, favoring passage of House bill 2082, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war; to the Committee on the Judiciary.

3401. By Mr. NORMAN: Petition of O. R. Rockway, of Olympia, Wash., and five others, protesting against the passage of House bill 2082 and Senate bill 860, or any other legislation having as its purpose the reenactment of prohibition by direct or indirect means, for the duration of the war; to the Committee on the Judiciary.

3402. By Mr. GRAHAM: Petition of 32 voters of the city of Butler, Pa., urging the adoption of House Resolution 117 to permit shipment of food to those unfortunate children residing in occupied countries; to the Committee on Foreign Affairs.

3403. Also, petition of 36 members and adherents of the Pulaski (Pa.) Presbyterian Church, urging the passage of all bills now before the House to prohibit the advertisement of alcoholic beverages, to ban beer and liquor sales at military and naval centers, to make it unlawful to furnish alcoholic beverages to anyone in uniform, and to prohibit the manufacture, sale, and transportation of all alcoholic beverages for the duration of the war; to the Committee on the Judiciary.

3404. By Mr. COCHRAN: Petition of Ed. Tossick and 46 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3405. Also, petition of Rudolph C. Egge-mann and 20 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3406. Also, petition of Fred J. Hehner and 20 other St. Louis citizens, protesting against the passage of House bill 2082, which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3407. Also, petition of Edward Wedel and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3408. Also, petition of Conrad Majino and 20 other St. Louis citizens, protesting against the passage of House bill 2082 which seeks to enact prohibition for the period of the war; to the Committee on the Judiciary.

3409. By Mr. KING: Petition of the United Brewery, Cereal, Flour and Soft Drink Workers of America, Local No. 7, Branch 4, Los Angeles, Calif., protesting against the consideration of any and all prohibition measures by Congress; to the Committee on the Judiciary.

3410. Also, petition of the Patman Corporation, El Segundo, Calif., protesting against the enactment of any legislation which would return prohibition; to the Committee on the Judiciary.

3411. Also, resolution of the Railroad Commission of the State of California, opposing House bill No. 3420; to the Committee on Interstate and Foreign Commerce.

3412. Also, resolution of the California Commission on Interstate Cooperation, relative to the Central Valley project; to the Committee on Irrigation and Reclamation.

3413. By Mr. SCHIFFLER: Petition of the West Virginia Motor Truck Association, Inc., Charleston, W. Va., urging the Congress to present a bill freezing the present levels of social security for an additional year; to the Committee on Ways and Means.

3414. By Mr. LEWIS of Ohio: Petition of congregations of the Bellaire, Ohio, churches urging passage of House bill 2082; to the Committee on the Judiciary.

3415. Also, petition of Irene Hendon, of Adena, Ohio, and 69 other citizens of that vicinity, urging passage of House bill 2082; to the Committee on the Judiciary.

3416. Also, petition of Carolyn A. Johnson and 10 other residents of St. Clairsville, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3417. Also, petition of Mary Santrock and 62 other residents of Tippecanoe, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3418. Also, petition of 160 citizens of Bergholz, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3419. Also, petition of Anna A. Robbins and 66 other citizens of Bergholz, Augusta, Stratton, Kensington, Irondale, and Hammonds-ville, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3420. Also, petition of Auta A. Worley and 60 other citizens of Cadiz, Moorefield, and Harrisville, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3421. Also, petition of Mrs. Harold Fisher and 60 other citizens of Belmont, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3422. Also, petition of Gertrude Bowman and 61 other citizens of Columbiana, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3423. Also, petition of Earl L. Kuckuck and 48 other citizens of Martins Ferry, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3424. Also, petition of Robert S. McCutchen and 87 other citizens of Toronto, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3425. Also, petition of Alberta Snyder and 19 other citizens of Conotton and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3426. Also, petition of Pearl McClain and seven other citizens of Scio, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3427. Also, petition of Ida M. Griffith and 16 other citizens of Deersville, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3428. Also, petition of Clark M. Floor, of Washington, D. C., and 46 other citizens of East Palestine, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3429. Also, petition of Floyd Doan and 45 other citizens of Mount Pleasant, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3430. Also, petition of Myrtle L. Johnson and 158 other citizens of St. Clairsville, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3431. Also, petition of Olive McCauley and 52 other citizens of Bowerston, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3432. Also, petition of Mrs. J. E. Boggs and 29 other residents of Carrollton, Ohio, and nearby villages, urging passage of House bill 2082; to the Committee on the Judiciary.

3433. Also, petition of Mrs. Otto W. McCommon and 99 other residents of Shadyside, Ohio, urging passage of House bill 2082; to the Committee on the Judiciary.

3434. By Mr. EATON: Resolution of the New Jersey State Federation of Women's Clubs, opposing Wagner Act for socialized medicine to be administered by someone outside the professional medical field; to the Committee on Ways and Means.

3435. Also, resolution of the New Jersey State Federation of Women's Clubs, supporting international cooperation for peace and post-war planning, and expressing its conviction that international machinery must be created for the establishment of a just peace and the prevention of future aggression and that the United States in its own self-interest must participate therein; to the Committee on Foreign Affairs.

3436. By Mr. FORAND: Resolution of the Local Dairymen's Cooperative Association, Inc., of Providence, R. I., expressing great concern over the overlapping of Government agencies in the handling of the milk situation and urging that a central authority in this area be established to the end that inequalities, conflicts, and confusions might be eliminated; to the Committee on Agriculture.

3437. Also, resolution of the Local Dairymen's Cooperative Association, Inc., of Providence, R. I., expressing great concern over milk subsidies established October 1, 1943, and disapproving of milk subsidies and favoring the increasing of prices as a method of increasing milk production; to the Committee on Agriculture.

3438. By Mr. ROLPH: Resolution of the Apartment House Association of San Francisco, Inc., that the proposed tax legislation now before Congress, which would broaden social security to include health insurance and raise pay-roll deductions to 12 percent is, in the judgment of the Apartment House Association of San Francisco, Inc., untimely, impractical, uneconomic and unsound, and definitely against the best interests of the country as a whole; to the Committee on Ways and Means.



3439. Also, resolution of the Associated Home Builders, San Francisco, Calif., on resuming civilian home building; that the National Housing Agency program allocations of civilian new homes to sell up to ceiling prices of \$7,500; that the immigrant war worker directive be set aside for these homes; and that the War Production Board release materials and grant priorities for their construction in accordance with the civilian needs of critical metropolitan centers; to the Committee on Banking and Currency.

## SENATE

FRIDAY, NOVEMBER 5, 1943

(Legislative day of Monday, October 25, 1943)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

Eternal Father, in changing and troubled days we pray for conceptions big enough and spirits strong enough to match the awesome time in which we live and serve. We come with our minds startled by the swift march of world-shaking events. Hidden fires are flaming forth, consuming the old habitations of men. We hear voices that challenge all that men have counted fixed and final and sure. Men in chains are chanting a new song of expected freedom. For social systems which have sentenced the masses to grinding poverty, for arrogant overlords of government and industry who have held human life more cheap than merchandise, the ax is at the root of the rotted tree, the judge is at the barred gate.

May the very melody and march of life in this epic hour lead us and all nations to the great day of God, when the shining sword of universal freedom shall be lifted against all that denies and enslaves brotherhood, when all men shall stand side by side in equal worth and real freedom, all toiling and all reaping, masters of nature and brothers of men, exultant in the tide of the common life, and jubilant in the adoration of Thee, the source of all their blessings and the Father of all mankind. Amen.

### THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, November 4, 1943, was dispensed with, and the Journal was approved.

### PETITIONS AND RESOLUTIONS FROM WISCONSIN

Mr. WILEY. Mr. President, the right of petition is a constitutional right. I receive petitions every day, some in favor of and some opposed to measures pending in the Senate. I present for appropriate reference and ask unanimous consent that certain petitions and resolutions I have before me be noted in the Record and referred. The first petition was sent to me by citizens of my home town of Chippewa Falls, Wis., expressing their views in favor of the enactment of

bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war.

The VICE PRESIDENT. Without objection, the petition of citizens of Chippewa Falls, Wis., will be received and referred to the Committee on the Judiciary, and the other petitions and resolutions presented by the Senator from Wisconsin will be received and appropriately referred.

The petitions and resolutions presented by Mr. WILEY were referred as follows:

The petitions of Hon. S. E. Squires, assemblyman, and sundry other citizens of Mason and Drummond, and Mrs. Belle Ripley Cole and sundry other citizens of Kenosha, in the State of Wisconsin, praying for the enactment of the bill (H. R. 2082) to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war; to the Committee on the Judiciary.

Resolutions adopted by the State convention of the Wisconsin Farmers Union held in Chippewa Falls, Wis., October 14-16, 1943:

Resolution favoring acceleration of the rural electrification program in aid of the war effort; and

Resolution favoring the making of corn and protein feeds available as essential in the production of dairy products, eggs, and poultry in aid of the war effort; to the Committee on Agriculture and Forestry.

Resolution favoring an appropriation to aid in the production of potatoes, flax, beans, and canning crops;

Resolution favoring the appropriation of \$5,000,000 to be added to the tenant-purchase fund to be set up in connection with a veterans' farm-bonus program under the Farm Security Administration; and

Resolution endorsing the soil-conservation program and favoring adequate appropriations therefor; to the Committee on Appropriations.

Resolution favoring the adoption of a dairy subsidy plan to be continued for at least 1 year; and

Resolution opposing the promotion of margarine after the rationing of any dairy product may be discontinued; to the Committee on Banking and Currency.

Resolution opposing the imposition of a Federal sales tax; to the Committee on Finance.

Resolution favoring retention by the Government of various aluminum, steel, and munition plants taken over by it to be used as yardsticks, so that the people may be acquainted with the true cost of producing steel and other materials alleged to be controlled by monopolies; to the Committee on Manufactures.

Resolution favoring the issuance of a postage stamp to honor the memory of Dr. Stevens Moulton Babcock; to the Committee on Post Offices and Post Roads.

### ADDITIONAL REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—PROBLEMS OF CONVERSION FROM WAR PRODUCTION (PT. 12 OF REPT. NO. 10)

Mr. TRUMAN. Mr. President, I request leave to file with the Senate on behalf of the Special Committee Investigating the National Defense Program, of which I am chairman, a report outlining certain problems connected with conversion from war production, the solution or lack of solution of which will greatly affect the real cost of the war program.

In carrying out the direction of the Senate to make a full and complete study

and investigation of the operation of the war program, the committee has realized that the real cost of the war will depend not only upon the extent to which we succeed in eliminating wasteful procurement practices, but also upon whether prompt action is taken to anticipate the time when we will have sufficient of the various different articles of war matériel so that our producers can be notified to make plans for the conversion of their production to civilian goods.

The War and Navy Departments have already had occasion to cancel contracts aggregating approximately \$6,000,000,000 and \$2,000,000,000, respectively, and from now on we may expect an ever-increasing volume of such cancellations.

The purpose of this report is to outline some of the problems which will have to be solved if this reconversion is to take place in an orderly fashion with a minimum of waste and of dislocation to the economy. If these problems can be solved quickly, the reconversion can proceed expeditiously and smoothly, the cost of the war will be much less than it would otherwise be, and our post-war problems will be much less numerous and difficult.

This report outlines the necessity:

First. That we determine now the rules regulating the termination of contracts, a subject now being extensively studied by other committees in both the House and the Senate.

Second. That procurement agencies determine their needs as far in advance as possible and notify war contractors of the dates when they may expect a termination of war business.

Third. That inventories of unprocessed materials and partially processed materials be reduced to a minimum.

Fourth. That methods be determined for the distribution after the war of surplus materials;

Fifth. That procedures be agreed upon for the prompt removal upon the cessation of war production of Government property from the private plants, so that private plants will be able to take prompt action to convert;

Sixth. That means be provided by which private corporations can obtain working capital; and

Seventh. Finally, that the terms upon which the Government will sell or lease the plants and facilities owned by it be stated so that the private producers now operating such facilities can determine whether it would be possible for them to acquire and operate the plants.

The committee is calling attention to these problems, not only because the failure to settle them would greatly increase the costs of the war, but because uncertainties with respect to them prevent business from making plans necessary to facilitate a transfer of production from wartime to peacetime articles and thereby to assure jobs for war workers and the soldiers and sailors upon their release from the armed services.

Some of these problems are already the subject of study by legislative committees of the Senate and House, because their solution may require legislation. Some of the problems can be