for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. S. 1139. An act for the relief of Mrs. Robert P. Horrell; without amendment (Rept. No. 3187). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. HEDRICK:

H. Con. Res. 294. Concurrent resolution to express the sense of the Congress that a civilian physical fitness and training program should be established in the interest of national security; to the Committee on Interstate and Foreign Commerce.

By Mr. CROSSER:

H. Res. 883. Resolution providing for one additional clerical assistant for the Committee on Interstate and Foreign Commerce; to the Committee on House Administration.

By Mr. RAYBURN:

H. Res. 884. Resolution granting 6 months' salary and $350 funeral expenses to Mrs. Amlye E. Aston ,widow of J. Lee Aston, late an employee of the House of Representatives; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MARTIN of Massachusetts introduced a bill (H. R. 9918) for the relief of Henry Ty, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2411. The SPEAKER presented a petition of Francis Jean Reuter, Silver Spring, Md., relative to a redress of grievances pertaining to compensations, payments for damages, and other moneys, which was referred to the Committee on the Judiciary.

SENATE

FRIDAY, DECEMBER 15, 1950

(Legislative day of Monday, November 27, 1950)

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

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

Eternal Spirit, whom we seek in vain without unless we first find Thee within: In the night of the world's darkness may the hush of Thy presence fall upon our souls, quiet our minds of their fretting fear, allay the unhappy irritations and resentments of our spirits, and hallow our lives through the grace of contrition and humility. We pray for ourselves the more earnestly because we are important to others.

At this altar of prayer we are thinking of our sons and daughters, many of them in far and perilous places. We are remembering all who rely upon our strength of character, our fidelity in service, and our power to endure, to be unafraid. We would not disappoint them. As the winds grow harder, may our roots strike deeper. Whatever outward things these dangerous days take from us, by Thy grace may they make us inwardly more adequate and wise, dependable and strong. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 14, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5902) for the relief of the Pan American Union.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2466. An act for the relief of Zygmunt Pakula (also known as Pakuta);

H. R. 6500. An act for the relief of Mario Pucci, Giacomo Favetti, Guiseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa;

H. R. 9286. An act for the relief of Maria Manfrini; and

H. R. 9845. An act for the relief of Capt. Marciano O. Garces.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. SCHOEPPEL was excused from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. KEFAUVER was excused from attendance on the sessions of the Senate on Monday, Tuesday, Wednesday, and Thursday of next week.

CALL OF THE ROLL—THE CALENDAR

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

The PRESIDENT pro tempore. The clerk will call the roll.

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

Aiken	Hill	Maybank
Anderson	Hoey	Millikin
Brewster	Holland	Morse
Bridges	Hunt	Mundt
Butler	Ives	Murray
Byrd	Jenner	Myers
Capehart	Johnson, Colo.	Neely
Carlson	Johnson, Tex.	Nixon
Chapman	Johnston, S. C.	O'Mahoney
Chavez	Kefauver	Pepper
Clements	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Smith, Maine
Donnell	Knowland	Smith, N. J.
Douglas	Langer	Smith, N. C.
Dworshak	Leahy	Stennis
Eastland	Lehman	Taft
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Okla.
Flanders	Lucas	Thomas, Utah
Fulbright	McCarran	Thye
George	McCarthy	Tobey
Gillette	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McKellar	Williams
Hendrickson	Magnuson	Young
Hickenlooper	Malone	

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Delaware [Mr. FREAR], the Senator from Connecticut [Mr. MCMAHON], the Senator from Maryland [Mr. O'CONOR], and the Senator from Virginia [Mr. ROBERTSON] are absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The Senator from Ohio [Mr. BRICKER] and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

The PRESIDENT pro tempore. A quorum is present.

Under the order entered yesterday, the Senate will now proceed to the consideration of bills on the calendar to which there is no objection, beginning with the first order of business thereon, which will be stated.

Mr. HILL. Mr. President, I ask unanimous consent that at this time Senators may have the opportunity to make insertions in the RECORD, introduce bills and resolutions, and so forth, without debate.

The PRESIDENT pro tempore. Will the Senator withhold that request for a moment, and let the first bill be stated?

Mr. HILL. Very well.

The bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities was announced as first in order.

OUR STRUGGLE FOR EXISTENCE

Mr. LODGE. Mr. President, I should like to take 5 minutes, under the rule, on the first bill on the calendar.

There are two outstanding features of the struggle for existence in which we are now engaged.

The first relates to the question of who does the fighting and is made acute by the fact that our opponent fights without expending his own manpower. We Americans, on the other hand, have been required to shed the blood of our

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own young manhood in order to combat those who fight at our opponent's bidding. The first urgent question of our time is therefore: How long we can tolerate an arrangement in which we, in terms of manpower, can never win and they, in the same terms, can never lose?

We must never forget that while money and material have great importance, our greatest and inestimable treasure is our manpower. Certainly one great object of a successful foreign policy is that there be other people who have a common cause with us and who are both willing and able to fight for that cause. This means that our Allies in the Atlantic Pact must promptly get in a strong defensive posture. It means integrating into the defense against Communist imperialism the former enemy nations, Germany and Japan. It means removing the obstacles which now exist to the participation of the former neutrals—Ireland and Spain. It means immediate formation of military units composed of stateless anti-Communist Slavs. These measures should all be taken at once. They will all mean that our American manhood will not in the future be required to carry alone the full load of combat.

The Soviet Union, ever since 1945, has used puppets and satellites to do its fighting for it and to work behind the lines, using political and subversive methods. We Americans will always do our full share of the fighting ourselves, but we must meet this new threat with as much imagination and as much willingness to use new methods as the Soviets do.

Coming to the Senate in 1947, I introduced legislation authorizing the enlisting of selected aliens in the United States Army, thereby making use of some of the millions of anti-Communist young men in the world who would like to fight on our side. It was only last August—more than 3 years later—that this bill finally became law, but the figure had been cut down to 2,500 men. Legislation which I have introduced is now pending for a volunteer freedom corps of 250,000 men. Surely the staggeringly effective use which the Soviets are making of puppet armies must at last have aroused us to the value—not of having puppets of our own—but of having stouthearted and enthusiastic allies on our side, whether in the uniform of their own country or in the uniform of the United States.

In a recent issue of Life magazine this was the subject of the leading editorial. Because this touches squarely the central world issue of our time and because the Life editorial, written several weeks before our reverse in Korea, grasped the magnitude of the problem in such a superior way, I ask unanimous consent that this editorial be printed in the body of the RECORD at this point.

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

AN ARMY OF THE FREE—ANTI-COMMUNIST REFUGEES SHOULD BE WELCOMED TO ITS RANKS

It has taken a long time for the Western World to wake up to the fact that 190,000,000 Russians and some 600,000,000 serfs in the Soviet satellite states are organized, not for peace, not even for static defense, but for violently aggressive war.

The sudden shock of the realization that a tremendous avalanche of crude manpower could be thrown at a moment's notice against the free world has caused a flurry of excited stocktaking. Secretary of State Dean Acheson has set forth a plan for designated armed forces on UN call in each UN country outside the Soviet orbit. Winston Churchill, among others, has called for some 60 divisions to defend Europe.

It is a burdensome thing to raise 60 divisions in an industrial economy that must keep strong to avoid trouble from local Communists. But with all the old western Allies—England, France, the Low Countries, the United States—contributing, the job can be done. Moreover, a 60-division minimum can be supplemented by permitting Germany and Japan to raise divisions for their own defense.

The very fact that western civilization is at last talking of defending itself is a vastly encouraging thing. But there is one shortcoming that must be eliminated from the official atitudes toward rearmament—and that is the tendency to think of defense in purely static terms. It is good to think of Americans and Englishmen, Frenchmen, and west Germans, all contributing to the defense of freedom. But if France and Germany, for instance, are really to be free, the defense of Europe cannot forever rest on an arbitrary line somewhere along the River Elbe.

What is really needed to dramatize and inspire the unity of the west is an army of the free that will include thousands of young men from countries inside the iron curtain who wish to rescue their homelands from the grip of a terrible tyranny. None of the official plans for a western army contemplates the use of freedom-loving Poles and Czechs, Lithuanians, and Hungarians. But one man has a plan for forging an army out of the violently anti-Communist refugees from iron-curtain lands. That man is HENRY CABOT LODGE, JR., the Senator from Massachusetts.

The Lodge plan is to enlist under the United States flag a voluntary army from among the million or more potential soldiers who are refugees from the east European satellite states. The political and propaganda value of such an army would be incalculably great. Raised by voluntary means, it would truly dramatize the idea of free devotion to a cause. With such an army in existence, the Voice of America would really begin to speak to the enslaved populations of Poland and Hungary, Czechoslovakia, and Rumania.

The problems involved in the voluntary recruitment of an international legion to serve under the American—or the UN—flag are no doubt considerable. But there would be plus factors working to mitigate the difficulties of training, officering, and integration. To begin with, the potential soldiers who are refugees from iron curtain lands hate Stalin with a fierce and bitter hatred. All of them speak one or more of the languages of Central and Eastern Europe—Polish, German, Czech, Slovak, Lithuanian, Hungarian, Rumanian, or Bulgarian. Since they are people who have known the horrors of Soviet occupation from close up, they would fight to the death to keep Stalin from catching up with them in their new western homes or billets. But since they are also people who have been deprived of their old homes in the east, they are the very people the western democracies need to carry the war against Stalin once he has started his eventual great retreat to the legitimate Russian borders.

An army of the free raised by voluntary enlistment from among the displaced nationals of Central and Eastern Europe would be extremely effective in promoting the ultimate defection from Russia of Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria. Such an army, raised in time to provide it with officers who come up from its own ranks, would eventually go home to the enduring cheers of thousands of oppressed people who don't want to fight for communism. No Polish, Rumanian, or other satellite troops fighting under Russian officers could oppose such an army with any real conviction in their hearts.

The Lodge idea for raising a voluntary army of the free has had a brief mention on this page before (Life, August 14). A year ago the Senate passed a bill authorizing the enlistment of aliens in the United States Army, with a promise of citizenship after 5 years' service. Lodge hoped originally to get the figure for enlistment set at 25,000, but Congress ultimately trimmed the number down to a paltry 2,500. On September 14 of this year the Senator from Massachusetts returned to the subject. He still wants to see the United States enlist 25,000 aliens under the American banner. But he also would like to have the United States Army authorized to enlist up to 250,000 aliens for 2 years' overseas service in a Voluntary Freedom Corps. That would be a beginning toward organizing a voluntary army of the free from among those with the greatest stake in the overthrow of communism. Eventually, as it must be seen, the Lodge idea can be applied to Asia as well as to Eastern Europe. Only free Chinese armies can reconquer China for freedom.

Why is it that the Senator from Massachusetts has had such meager support for his idea? In the American Revolution the Colonials enlisted the voluntary aid of men named Lafayette, Kosciusko, Von Steuben, and so on. They were professional soldiers, but they were also amateurs (i. e., lovers) of freedom. Freedom is a banner that knows no boundaries. It attracts ardent souls everywhere, as Americans have recognized in the past. When the Lodge idea finds lodgment (no pun intended) in the popular imagination, as it must do once journalism has performed its proper function, we look to see United States citizens take it to their hearts in a way that is in keeping with their own American past.

Mr. LODGE. The second outstanding feature of our struggle for existence relates to the question of where our main effort is to be made. Without trespassing into the technical field of military strategy, it must be set down that we are sure to be asked by virtually every area in the world to rush to its defense and that, if we attempt to respond to every call, we shall be bled white. We must, therefore, choose the area which most closely involves our own security and concentrate our main effort on that. We must not fall into the Russian trap and fritter away our strength on the tail of the monster while neglecting its head. If we can win the decision against aggression in some one place, we shall most effectively expedite the liberalization of all parts of the world. We must not forget for a moment that the Soviets are both a relentless and a tricky foe. It is therefore folly to wear ourselves out without ever even meeting the first team.

It is clear that the prime target today is the Ruhr. It is toward the Ruhr that the monster's head is pointing. It is toward the Ruhr that the bulk of our efforts and the bulk of our Army should be directed. It is in that area that successful military operations can have constructive results. If the Soviets could add the Ruhr to their other gains, they would feel that they had an industrial

potential somewhat equal to ours and that they could then attack the United States directly. We do not face the choice of being all in or all out of the world. That is dangerous oversimplification. We face the challenge of applying our strength in those places which will best promote our security.

There is no time to lose. Even with a maximum effort on our part we cannot be strong wherever we would like to be. Even with a maximum effort we cannot carry the whole load alone. It is a long time now that I have been standing in this place asking "What are we waiting for?" and demanding immediate mobilization. I repeat: There should be at least 30 American divisions well under way by June 30, 1951. Governor Dewey's speech of last night is exactly right. We are terribly late. Senators, we must end this handwringing and this creeping paralysis which at present infects us. We have had two Pearl Harbors and still there are those who are not awake. We must stop stumbling around on the threshold of disaster.

TRANSACTION OF ROUTINE BUSINESS

Mr. HILL. Mr. President, I renew my request that Senators at this time be permitted, without debate, to make insertions in the RECORD and introduce bills and joint resolutions, and so forth.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF PHILIPPINE ALIEN PROPERTY ADMINISTRATION — MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith for the information of the Congress the third annual report for the Philippine Alien Property Administration for the fiscal year ended June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE,
December 15, 1950.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION—GENERAL SERVICES ADMINISTRATION (S. DOC. NO. 242)

A communication from the President of the United States, transmitting a supplemental appropriation in the amount of $1,834,911,000, for the General Services Administration, fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON FUND TRANSFERS IN DEPARTMENT OF THE AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on fund transfers in the Department of the Air Force (with an accompanying report); to the Committee on Armed Services.

PEANUT ACREAGE ALLOTMENTS

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation relating to peanut acreage allotments under the Agricultural Adjustment Act of 1938, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Three letters from the Attorney General, withdrawing the names of Francesco Romano, Parashos Georgios Spanolios, and Alexander Sevanik from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on January 15, 1950, January 16, 1950, and May 15, 1950; to the Committee on the Judiciary.

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman of the United States Tariff Commission, transmitting, pursuant to law, a report on the operation of the trade agreements program, for the period April 1949 to June 1950 (with an accompanying report); to the Committee on Finance.

REPORT ON ADMINISTRATION OF ADVANCE PLANNING PROGRAM

A letter from the Acting Administrator, Housing and Home Finance Agency, transmitting, pursuant to law, a report on the administration of the advance planning program, for the period July 1 to September 30, 1950 (with an accompanying report); to the Committee on Public Works.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a telegram in the nature of a memorial from Alli F. Ruvani, faithful navigator of Monsignor Rezek General Assembly, Fourth Degree Knights of Columbus, Houghton, Mich., remonstrating against the enactment of legislation providing financial assistance to Yugoslavia, which was ordered to lie on the table.

UNLIMITED DEBATE, ETC.—RESOLUTION OF UNITED COUNCIL OF CHURCH WOMEN, CINCINNATI, OHIO

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD resolutions adopted by the biennial assembly of the United Council of Church Women, held in Cincinnati, Ohio, on November 13 to 16, attended by about 3,000 church women from all parts of the United States, relating to unlimited debate, and so forth.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas there have been certain privileges granted to Congress for the purpose of enhancing the democratic process; and

Whereas abuse of some of these privileges actually works to thwart the democratic process: Therefore be it

Resolved, That we call upon Members of Congress to discipline themselves to the use of the privileges of congressional immunity and unlimited debate with the greatest sense of responsibility so that these privileges may serve their intended useful purpose rather than the ends of partisan politics; and be it further

Resolved, That we urge Congress to discontinue the practice of granting admittance to the floor to ex-Congressmen during any period when they are registered as lobbyists; and be it further

Resolved, That we call attention to the fact that failure on the part of Congress to remedy these abuses will undoubtedly lead to a demand for legislation curtailing such privileges.

NATIONAL ASSEMBLY OF THE UNITED COUNCIL OF CHURCH WOMEN.
NOVEMBER 1950.

RESOLUTIONS OF NORTH DAKOTA AND MONTANA RECLAMATION ASSOCIATIONS

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD resolutions adopted by the North Dakota Reclamation Association at their last convention, which was held jointly with the Montana Reclamation Association, at Sidney, Mont., relating to certain pending legislation.

The PRESIDENT pro tempore. The resolutions will be received, appropriately referred, and, without objection, the resolutions will be printed in the RECORD. The Chair hears no objection.

To the Committee on Public Works:

"RESOLUTION NO. 1—JAMESTOWN DAM

"Whereas through the able representation of Hon. MILTON R. YOUNG, member of United States Senate Committee on Appropriations, concurred in by the other Members of the North Dakota congressional delegation, the Eighty-first Congress appropriated $750,000 for starting construction on the Jamestown Dam; and

"Whereas the James River is an intrastate stream, which creates a flood problem in its basin both in North Dakota and South Dakota: Now, therefore, be it

"*Resolved,* That we commend Senator YOUNG and his North Dakota congressional colleagues for their successful appropriations efforts and urge the North Dakota State Water Conservation Commission to solicit the assistance of South Dakota to obtain an early release of the construction funds frozen by the Bureau of the Budget so that construction can begin on this unit of the Missouri Basin development in 1951 as a safeguard against the ravages and suffering caused by previous disastrous floods of the James River in both North Dakota and South Dakota."

"RESOLUTION NO. 2—MONTANA DIVERSION DAM UNIT

"Whereas the Eighty-first Congress approved $1,000,000 for construction purposes on the Montana diversion dam unit of the Missouri-Souris project, an integral part of the Missouri Basin development; and

"Whereas the Bureau of Reclamation have found sufficient lands for irrigation; and

"Whereas a new site at Porcupine Creek assures all the original benefits plus a hydroelectric power output of over 100,000,000 kilowatt-hours annually; and

"Whereas the need for water for municipal and industrial use in northeast Montana and western North Dakota is becoming increasingly grave, coupled with a constant threat of drought to farmers in the area: Now, therefore, be it

"*Resolved,* That we urge the Bureau of the Budget to release funds that are presently frozen so that construction can be launched in 1951 and thus speed the multiple benefits of this unit of both the Missouri-Souris project and the Missouri Basin development."

"RESOLUTION NO. 4—FLOOD CONTROL

"Whereas the recent recurring floods in many sections of the State have emphasized greater flood damage in the State than had supposedly existed; and

"Whereas it appears that in many areas, such as at the city of Mott, where there has not been a full recognition of such damage and the step to be taken to alleviate such flood losses:

"Therefore, we urge and request that the State conservation commission and Federal agencies charged with such work take expeditious action to coordinate and initiate the necessary work to cure such situations."

To the Committee on Interior and Insular Affairs:

"RESOLUTION NO. 5—SMALL PROJECTS

"Whereas the major emphasis on reclamation development in North Dakota has thus far been on major projects; and

"Whereas small projects in other areas in the United States have proven economically sound; and

"Whereas the National Reclamation Association, through its small-projects committee, has made specific recommendations for furthering the program in all western reclamation States by securing national legislation: Now, therefore, be it

"Resolved, That we fully endorse the program so proposed and direct officers of the North Dakota Reclamation Association to lend every possible aid in securing national legislation by the Eighty-second Congress to carry out the recommendations so made, and that a special committee be appointed by the President to work with the water commission toward further development of small-project program in the State."

"RESOLUTION NO. 6—INTERSTATE COMPACT FOR THE RED RIVER OF THE NORTH

"Whereas the Red River of the North watershed in Minnesota and North Dakota is an interstate basin; and

"Whereas the matter of allocating and dividing the waters of the Red River and its tributaries is an interstate problem which can be dealt with only through a compact between the two States with the approval of the Congress: Now, therefore, be it

"Resolved, That we recommend to the North Dakota State Water Conservation Commission that early action to accomplish such compact be initiated."

"RESOLUTION NO. 7—DECENTRALIZATION OF INDUSTRY

"Whereas the discovery of atomic energy with its terrible implications during the stress of war has created a trend toward decentralization of industry in our Nation; and

"Whereas we have adequate space for industry in western North Dakota, coupled with an inexhaustible supply of lignite, cheap potential hydroelectric power, together with highly suitable waters for industrial use through the development of the Missouri-Souris diversion: Now, therefore, be it

"Resolved, That we urge the North Dakota congressional delegation to solicit the Congress to speed construction of the Missouri-Souris project, not only from a reclamation angle, but as a potential for future defense security by decentralization of industry in this specific project area."

"RESOLUTION NO. 8—LIGNITE DEVELOPMENT

"Whereas research efforts have established the feasibility of developing byproducts from lignite coal to supplant vital scarce commodities needed for the welfare of our national economy; and

"Whereas scientific research has been limited on account of lack of funds: Now, therefore, be it

"Resolved, That we recommend to the North Dakota congressional delegation to support and/or initiate any legislation or appropriations that will speed the development of our lignite coal industry through continued research for lignite byproducts."

"RESOLUTION NO. 15—CANNON BALL AND KNIFE RIVER PROJECTS

"Whereas the Cannon Ball and Knife River projects are contemplated structures under the Missouri River Basin development; and

"Whereas studies and engineering looking toward the construction and development of these projects have been proceeding for many years under the facilities of the North Dakota State water conservation commission and bureau of reclamation; and

"Whereas these projects are of the type contemplated for first construction under the early program of the North Dakota water conservation commission; and

"Whereas there are good reasons that such type of development should be hastened and completed for a better programing of the larger development in North Dakota: Now, therefore, be it

"Resolved, That the North Dakota Reclamation Association urges that the agencies charged with the development and construction thereof do everything to speed the additional studies thereto and that the schedule for such construction may not be further delayed."

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 1789. A bill for the relief of the Shelby Shoe Co., of Salem, Mass.; without amendment (Rept. No. 2637).

INTERIM REPORT ON EMPLOYMENT OF HOMOSEXUALS AND OTHER SEX PERVERTS IN GOVERNMENT (S. DOC. NO. 241)

Mr. HOEY. Mr. President, I am going to submit a report of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments. I ask unanimous consent that I may make a brief statement in connection with the report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears no objection, and the Senator may proceed.

Mr. HOEY. Mr. President, I submit to the Senate a unanimous interim report of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments. This is a report of the subcommittee's investigation and study of the employment of homosexuals and other sex perverts in Government, which study was undertaken in accordance with Senate Resolution 280, adopted by the Senate on June 7, 1950.

My committee did not find it to be a very pleasant task to conduct an inquiry into this particular subject, but having undertaken this investigation at the specific direction of the Senate, we pursued every facet of the subject in order to make sure that our inquiry was a complete and thorough one, and to be able to make a full and complete report to the Senate.

At the very outset it was realized by the subcommittee that to mishandle or allow an investigation of this type to get out of control could easily turn the investigation into a witch hunt, which not only would be a reflection upon the subcommittee, of which I am honored to be the chairman, but it would be to the discredit of this august body, which authorized the investigation. Furthermore, an even more serious problem was the possibility of doing irreparable harm to innocent persons in the event of any erroneous public disclosures. Being fully aware of these pitfalls, the subcommittee, as is stated in the report, decided at the very outset to hold all of its hearings in executive session and it was determined that the investigation should be conducted with a minimum of fanfare and publicity. In this regard I wish to commend the members of the subcommittee and staff for the discreet but thorough manner in which this entire inquiry was handled.

Prior to the adoption of Senate Resolution under which this investigation was conducted, the District of Columbia Subcommitee of the Senate Appropriations Committee, composed of Senators HILL and WHERRY, made preliminary studies in this field and both members submitted reports covering their findings. I wish to state that the preliminary work of that subcommittee was of considerable assistance and guidance in our subsequent investigation.

In order to investigate fully and completely the employment of homosexuals and other sex perverts in Government, the members of the subcommittee and the staff conferred with and took testimony from intelligence experts, medical authorities, police officials, judges, prosecutors, and others who by training or experience were qualified to render expert advice and assistance to us. In addition, detailed information was obtained from every department and agency of government regarding the methods and procedures used or to be used in the handling of this serious problem in the Federal Government. This report was prepared only after thoroughly reviewing and digesting all of the testimony and other data obtained by the subcommittee. In the report which has been submitted to the Senate, the subcommittee has attempted to present a full, fair, and unbiased résumé of the findings and recommendations of the subcommittee.

The Subcommittee came to the definite and positive conclusion—and gives the detailed reasons for its conclusion—that overt homosexuals and other sex perverts should not be tolerated in the Government service because they are generally unsuitable and furthermore they do constitute security risks. Throughout the report the subcommittee points out that sex perverts must be put out of Government and kept out. As is clearly

set forth in the report, the subcommittee found it necessary to criticize the manner in which homosexual cases have been handled by many of our Government departments and officials, including the treatment of these cases in our own legislative branch. However, I am convinced that this particular problem can be handled adequately in the Government without any drastic legislative changes. The subcommittee found that if the Government agencies will investigate properly each complaint of sex perversion and thereafter follow the present adequate civil-service rules, these perverts can be put out of Government and kept out of Government. In view of the very serious consequences of dismissal from the Government on charges of sex perversion the subcommittee has recommended that some type of appeal machinery be set up to review the dismissals of these persons from the civilian branches of Government. It is my belief that no special legislation will be necessary to set up such review machinery which could be adequately handled by an Executive order.

The only specific legislation recommended by the subcommittee has to do with amendments to the Criminal Code of the District of Columbia. It has been recommended by the subcommittee, after a conference with the local officials, that these proposed amendments will strengthen greatly the present laws of the District of Columbia with reference to the handling of sex-perversion cases, and for that reason I am submitting to the Senate a proposed bill incorporating these amendments to the District of Columbia Code. These amendments are fully explained in the report which is submitted.

The Senate appropriated $10,000 for the conduct of this investigation and I am happy to be able to report that approximately $3,000 of that amount was not used during the course of the investigation and will be returned to the general fund of the Senate.

I am glad to report that a great many sex perverts have been removed from the Government service and it is believed that they can be kept out of government if the recommendations and suggestions of the subcommittee are followed by the various departments of the Government. It is not the intention of the subcommittee to drop this entire subject with the submission of this report. The subcommittee will from time to time reexamine the handling of this problem by the various agencies of government to determine whether these agencies are handling properly the cases of sex perversion which might arise in the future. In the event it is deemed necessary to make a further report to the Senate, such a report will be submitted by the subcommittee at the appropriate time.

I now send the report to the desk and ask that it be printed as a Senate document.

The PRESIDENT pro tempore. The report will be received, and, without objection, it will be printed as a Senate document.

BILLS INTRODUCED

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

By Mr. RUSSELL (for himself and Mr. BRIDGES, by request):

S. 4258. A bill to amend the Internal Revenue Code in order to allow extensions of time for the filing of returns and the payment of income taxes by certain persons serving in zones of combat between January 1, 1951, and March 15, 1951, and for other purposes; to the Committee on Finance.

By Mr. MUNDT:

S. 4259. A bill to permit certain lands heretofore conveyed to the city of Canton, S. Dak., for park, recreation, airport, or other public purposes to be leased by it so long as the income therefrom is used for such purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOEY:

S. 4260. A bill to amend the laws relating to obscene or indecent exposure acts committed in the District of Columbia; to the Committee on the District of Columbia.

REPORT OF CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE—AMENDMENTS

Mr. FLANDERS submitted amendments intended to be proposed by him to the resolution (S. Res. 371) favoring the transmission to the Senate by the President of a report of his current discussions with Prime Minister Attlee, and opposing the making of certain agreements in connection therewith, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred to the Committee on the Judiciary:

H. R. 2466. An act for the relief of Zygmunt Pakula (also known as Pakuta);

H. R. 6500. An act for the relief of Mario Pucci, Giacomo Favetti Giuseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa;

H. R. 9286. An act for the relief of Maria Manfrini; and

H. R. 9845. An act for the relief of Capt. Marciano O. Garces.

LUBEC CHANNEL, MAINE (S. DOC. NO. 243)

Mr. CHAVEZ. Mr. President, on September 15, 1950, the Chief of Engineers, United States Army, transmitted to the Senate Committee on Public Works a report on Lubec Channel, Maine, together with accompanying papers and an illustration, requested by a resolution of the Committee on Commerce of the United States Senate, adopted on July 16, 1945. On behalf of the Committee on Public Works, I ask unanimous consent that the report be appropriately referred and printed as a Senate document.

There being no objection, the report was referred to the Committee on Public Works and ordered to be printed as a Senate document.

NATIONAL MOBILIZATION—ADDRESS BY GOVERNOR DEWEY

[Mr. IVES asked and obtained leave to have printed in the RECORD the text of Governor Dewey's address delivered on December 14, 1950, at the dinner of the New York County Lawyers Association, at the Waldorf Astoria Hotel, New York City, and published in the New York Times of December 15, 1950, which appears in the Appendix.]

EDITORIAL TRIBUTE TO SENATOR HUMPHREY

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an editorial paying tribute to Senator HUMPHREY, published in the December 1950 issue of the Democratic-Farmer-Labor News, which appears in the Appendix.]

OUT OF CRISIS, A SPIRIT OF UNITY—ARTICLE FROM THE NEW YORK TIMES MAGAZINE

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article entitled "Out of Crisis, a Spirit of Unity," published in the New York Times magazine of December 10, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting several nominations, which were referred to the Committee on Interstate and Foreign Commerce.

(For nominations this day received, see the end of Senate proceedings.)

OUR NEW WAR IN KOREA AND AID TO YUGOSLAVIA—STATEMENTS BY SENATOR CAIN

Mr. WHERRY. Mr. President, on behalf of the junior Senator from Washington [Mr. CAIN], who will be absent from the Senate for the next 2 days, I ask unanimous consent to place in the body of the RECORD two statements prepared by him, the first one of which contains newspaper articles which the Senator from Washington asks unanimous consent to have printed in the RECORD in connection with his statement.

The PRESIDENT pro tempore. Without objection, the statements will be printed in the RECORD, as well as the newspaper articles.

(The statements and articles are as follows:)

STATEMENT BY SENATOR CAIN

On November 28 the junior Senator from Washington offered a brief statement to the Senate. This statement addressed itself to the new war in Korea, which came into being at the moment in late November when Chinese Communist forces crossed the Yalu River in strength.

In this statement, which was offered but several short and tragic weeks ago I submitted some completely logical observations from which I wish to quote briefly:

"The only possible action in the present crisis, as I see it, Mr. President, is equally clear: Gen. Douglas MacArthur ought immediately to be given the right to strike wherever military necessity dictates, behind the Yalu River, or anywhere else.

"I think our troops ought to have immediate authority to strike at the supply lines, at the heart, at the marshaling areas, of the enemy. Until that is done—and I hope again my guess is completely wrong—we can only expect an accumulation in Korea of one disaster after another disaster.

"One of two things must inevitably happen very shortly; the enemy's supply lines must be destroyed, consumed, and done away with, or the United States of America, together with those allies fighting with her must—not will or shall, but must—inevitably be humiliated, be hurt deep down inside, and be badly defeated on the field of battle.

"The only answer we can give the men whose lives are sacrificed is 'Go ahead and

protect yourselves by fighting back with all your strength and with every weapon which America and the United Nations can make available to you'."

No decision was made by the United Nations or by the United States to permit our field commander in Korea to attempt to destroy the enemy's power to destroy us. The President of the United States did not delegate his authority to employ the atom bomb to our field commander in Korea. Whether the use of the atom bomb and other conventional bombs would have prevented the recent Korean disasters I am not qualified to say. I can only say again, as I have said before, that we have not employed in Korea some of the major weapons which have been available to us.

Many Americans have been in opposition to employing the atom bomb in Korea. Many have maintained to me that the atom bomb could not successfully be used as a tactical weapon. I have not shared this view but I am not an authority on the question. The question, however, will remain before us for a long time. I think we ought to think about the views of those authorities who consider the atom bomb to possess great tactical value.

A recent issue of the United States Army Combat Forces Journal carries an article on the atom bomb and its potential use as a tactical weapon by Maj. Gen. James M. Gavin. General Gavin is a former commander of the famed Eighty-second Airborne Division. He fought with this division during the last war and trained it for a period after that war. His present assignment is with the weapons systems evaluation group in the Office of the Secretary of Defense, as Chief Adviser of Weapons.

I ran across this article in the Denver Post of December 5, 1950. The article ought to be made available to every member of the Senate and I ask unanimous consent that there be printed as a part of my remarks at this point the article entitled "Atom Bomb Seen Tactical Weapon if Blow Warrants Cost," written by Maj. Gen. James M. Gavin.

The article is as follows:

ATOM BOMB SEEN TACTICAL WEAPON IF BLOW WARRANTS COST

(By Maj. Gen. James M. Gavin)

Retrospection is a blessing for those who must plan and fight our wars. Never do we appreciate the full meaning of the events in which we participate. Only time can give us the answer to knotty problems of tactics, strategy, and weapons systems. We now have 5 years to look back upon our ideas and plans for the use of the newest weapon in our arsenal, the A-bomb.

Its first use was to destroy a Japanese city. Then followed the fanciful claims of what it would do. Typical of much public opinion were the ideas expressed by William Bradford Huie in the December 1948 issue of Reader's Digest:

"We now have enough improved atomic weapons to immobilize the Russian Nation. * * * A staggering proportion of the inhabitants of Russia's key cities—millions of persons—can be killed or maimed in the first raid."

Little thought seems to have been given to other possible uses. The mere threat of its use on urban and industrial areas was credited with maintaining the uneasy postwar peace.

Now, this exclusive acceptance of the bomb as a weapon of final decision when employed against the economy and the noncombatant elements of a nation's population is hard to understand. For never has a weapon been developed that is better suited for use against enemy combat forces.

The model T bomb (Hiroshima) packs a wallop of 20,000 tons of TNT. But since it does not make effective use of all of its potential energy and it largely overkills, its actual destructive effect is closer to 1,300 tons. The relative effects of conventional bombing and atomic bombing are described in the report of the United States strategic bombing survey:

On the basis of the known destructiveness of various bombs computed from the war in Europe and the Pacific and from tests, the survey has estimated the striking force that would have been necessary to achieve the same destruction at Hiroshima and Nagasaki. To cause physical damage equivalent to that caused by the atomic bombs, approximately 1,300 tons of bombs (one-fourth high explosives and three-fourths incendiaries) at Hiroshima and 600 tons (three-fourths high explosives and one-fourth incendiary) would have been required at Nagasaki—in the target area.

EQUALED 2,100 TONS

To place that many bombs in the target area, assuming light attacks under essentially the same conditions of weather and enemy opposition that prevailed when the atomic bombs were dropped, it is estimated that 1,600 tons of bombs would have to be dropped at Hiroshima and 900 tons at Nagasaki. To these bomb loads would have to be added a number of tons of antipersonnel fragmentation bombs to inflict comparable casualties. These would add about 500 tons at Hiroshima and 300 tons at Nagasaki. The total bomb loads would thus be 2,100 tons at Hiroshima and 1,200 tons at Nagasaki. With each plane carrying 10 tons, the attacking force required would have been 210 B–29's at Hiroshima and 120 B–29's at Nagasaki.

In addition to the blast and heat effects, nuclear radiation accompanying the explosion of an atomic bomb also causes casualties, some 15 percent of the total.

The vulnerability of combat forces to atomic attack will vary greatly. It will depend upon how much they happen to be shielded by hills, buildings, trenches, and so on—and upon how far they are from the point of burst. We can readily conceive of land forces in dugouts and heavy fortifications that would give them almost complete protection from an explosion at 2,000 feet altitude. On the other hand, land forces not dug in and massed at night to force a river crossing, for example, might be completely destroyed by a well placed atomic bomb. Massed aircraft on take-off airfields, and concentrations of shipping such as those off the Normandy beaches, would be quite vulnerable. The vulnerability of each combatant in each set of conditions does not lend itself to exact definition. There is no doubt, however, that land combat forces moving in the offense or not well sheltered in defense would be prime targets.

Whether or not it would be worth to the enemy the expenditure of one or several bombs would depend upon the contribution of the destruction. One particular aspect should be noted: Lingering radioactivity following an air burst at, say, 2,000 feet, will not last more than a few minutes. In other words, highly mobile forces could at once attack into the area of the bomb detonation with reasonable immunity from radioactivity.

Most veterans seeking a comparison from their own combat experience would describe an atomic-bomb attack as like the simultaneous detonation of hundreds of high-explosive and incendiary bombs. It would be concentrated in an area of 3 to 5 square miles and would be accompanied by intensive radioactivity. Compared with artillery, it would approximate a high density of well mixed high explosives and incendiaries. Approximately 8,000 medium artillery shells per square mile, over a 3- to 5-square-mile area, with a much heavier concentration in the center of the area than on the fringes, makes a reasonable comparison with the model T bomb. The intense fragmentation characteristic of artillery would of course be absent. This would be somewhat compensated for by radioactivity and objects sent flying by the blast.

For further purposes of comparison we can consider situations in World War II in which actual comparable tonnages of HE were delivered—actual battles in which heavy bombers gave direct tactical support to ground forces. There were many situations in which an atomic bomb could have been decisive. In addition to contributing decisively to the achievements of the Army, its use could have saved many lives and much equipment.

Perhaps the best-known concentrated nonatomic attack of World War II is Cassino. The Air Force alone dropped 1,100 tons on Cassino in one attack. The defenders at Cassino were well dug in and protected. The attacking forces would have been much more vulnerable to atomic attack than the defenders.

In the battle of Normandy, in July 1944, carpet bombing first found a place in the soldier's and airman's lexicon. The ground forces needed all air support they could possibly get when the critical break-out from the beachhead faced them. On July 24–25, 1944, the Air Force, using its heaviest bombers available in ETO, delivered 5,200 tons of bombs in ground support. They were dropped in an area of approximately 2,500 by 7,000 yards. This was equivalent to the destructive forces of perhaps two atomic bombs. This was the battle of St. Lo, a battle decisive in the larger battle of Normandy. The performance of the Air Force's strategic bombers in this significant role contributed largely to gaining that decision. Ironically, the dispersed nature of the bombing caused the death of the Army's foremost enthusiast for air-ground training and cooperation, Lt. Gen. Lesley J. McNair. A more striking example of the need for close teamwork between the Ground and Air Forces would be hard to find.

GREAT TACTICAL GAIN

Iwo Jima is another example of a battle in which the atomic bomb could have been used to great tactical gain. Iwo Jima was a well-defended bastion directly astride the air route from Guam to Tokyo. In area, it compares closely to the destroyed area of Hiroshima. Its capture was costly—21,000 casualties, an escort carrier, and an LCI sunk, major damage to 30 ships, and 168 aircraft lost. How much less the battle cost and achievement would have been if an A-bomb could have been used, then followed immediately by air assault and air-landed forces.

Crete and Okinawa had much in common tactically. The capture of Crete was an essential preliminary to an assault on Suez. The capture of Okinawa was the necessary first phase of our assault on Japan. Both islands had several good air strips and were well defended.

Crete was given a conventional softening up of high-explosive bombing followed by an airborne assault. It was a costly venture. The attacking Germans lost 12,000 men and 170 air transports, and in the words of the German commander, General Student, it was the graveyard of German parachutists."

Okinawa's capture was just as important tactically. After the usual non-atomic softening up it was assaulted by amphibious forces. When the last shot was fired and the costs were tabulated they amounted to 36 ships sunk, 368 ships damaged, 763 airplanes lost, and 48,025 casualties. A high price to pay for what one marine called "a lousy piece of real estate."

In both battles a preliminary atomic bombing would have immeasurably aided the assault forces in establishing their initial lodgment. With an airborne assault following on its heels, an A-bomb could have

been used tactically with decisive results. Among those best known to our Army are Anzio, Bastogne, Salerno, and Normandy.

COST CONSIDERED

Any consideration of the bomb's employment will take into account its cost. Actually its cost may be expressed in two ways—in actual intrinsic worth and its strategical and tactical worth. From the dollar viewpoint, Dr. J. R. Oppenheimer has estimated that its cost would run to about $1,000,000. Tactically, however, the bomb may be given an entirely different value. For example, with a limited stockpile, it would be highly uneconomical to expend a hundred bombs for the purpose of destroying a ground division that costs $100,000,000 if there were other divisions available as replacements. But if a single bomb could render one division ineffective, it would probably be a worthwhile one-bomb investment. Between these two extremes are many situations in which a bomb might be used to advantage. The chief military consideration must be this: What will its use mean in terms of battle decisions at the time and place of its employment? The tactical or strategic gain achieved would usually be more important than the intrinsic worth of the bomb in any determination of whether it should be used. The airman must also weigh the cost of giving the needed ground support in terms of what it will cost to deliver it. The operational cost and losses in an attack by 150 to 200 medium bombers may be so high, compared to that of a few bombers escorting and carrying an A-bomb, that the A-bomb would most often be the better choice.

For months one of the toughest battles in American history has been fought in Korea. Greatly outnumbered, and attacked by a foe that throws in masses of men and equipment regardless of losses, the United Nations forces in Korea tasted the bitterest experiences of war. The issue has been in doubt. But one aspect of the battle does seem clear. The United Nations land forces, using every weapon that can be got to them with our limited mobility, took heavy casualties. They shared a common battle achievement with their fellow combatants in the air force and the navy—the holding of some 3,000 square miles of real estate in South Korea. The weapons systems of the land forces, judging by the casualty reports, have been the hardest hit. Their fighting has been heaviest and their available weapons most taxed. A greater participation by the air-weapons system would add greatly to the successful outcome of the fighting. The most powerful tactical air weapon is the atomic bomb. Its delivery by our air forces would contribute greatly to the common battle achievement.

Setting aside the very serious moral and political considerations and considering only the tactical effects, large concentrations of division or larger size should not be allowed to go unscathed by atomic attack. Certainly several bombs on massed enemy forces, wherever they can be attacked without endangering our own, would contribute greatly to their final, if not immediate neutralization. It is hard to think of anything that would add more to the effectiveness of the United Nations forces. Here was an enemy forced to mass his means for a crossing both because of our defense and his own lack of mobility. He follows the traditional Soviet tactics of massing the men and means to do a job regardless of losses.

The bomb is the tactical answer to this problem whenever it is possible to deliver it profitably.

The military man recognizes the deep-seated political and moral convictions and ideals of our Nation and its leaders, when the possible use of atomic weapons arises. He has no wish to override these vitally important considerations. But no one, military or civilian, who is conversant with modern weapons, including the atomic, can avoid comparing the tactical capabilities and limitations of those weapons. Nor can he help but see that in many tactical situations, the use of atomic bombs may greatly reduce the ultimate total of United Nations casualties.

RETALIATION WEIGHED

Most certainly the possibilities of retaliation by the enemy will also be weighed by all who must give serious thought to the tactical uses of atomic weapons. These possibilities, however, can only be determined by the highest national authorities on the basis of estimated comparative availability of atomic weapons. Certainly, if the struggle for freedom continues, they will one day be faced by such a decision. And the military man would be completely lacking in judgment and common sense if he did not consider the tactical possibilities of atomic weapons in every combat situation that arises.

In summary, the A-bomb is an excellent tactical weapon. It is much higher on the curve of deadliness than either the conventional bomb or the artillery shell. The greater the explosive effect of the atomic bomb the more effective it will be as a tactical weapon. If there is validity to this view of the bomb as a tactical weapon there is a clear implication of a need for considerable development to make its combat employment readily possible. A higher accuracy of delivery is needed than at Hiroshima or Nagasaki. Any means that will aid our ground forces to meet on terms of combat parity an enemy much stronger in numbers deserves our closest attention. And finally, if an H-bomb is developed and A-bombs become available for tactical employment, we should realize now that this will radically revolutionize land warfare.

Land warfare will change in character, both offensively and defensively, to accommodate itself to this new force. Great and continuous dispersion out of immediate close contact with an enemy, an ability to fight effectively in all directions, better communications, lighter and more numerous automatic weapons, electronic systems to close the gaps between physically isolated units, and a high degree of air and land mobility should all characterize the defense of tomorrow. These, plus an ability to concentrate in a global sense at the time and place of decision, should characterize the attack.

With foresight we should be able to develop these capabilities in our Armed Forces. So it is well to note in conclusion that in this air-atomic age retrospection is good but foresight is better.

STATEMENT BY SENATOR CAIN

On the front page of the Denver Post of December 5, I found a letter by a father whose son lost his life in Korea. The father's grief is evident through every word of his letter but the father seeks to justify the death of his son by reflecting on past mistakes only for the purpose of anticipating the future. I think the father's letter ought to be joined with General Gavin's argument. I ask unanimous consent that the letter in question be made a part of my remarks at this point.

The letter is as follows:

A LETTER TO THE EDITOR—USE A-BOMB NOW, HERO'S DAD URGES

(Capt. Eugene R. Guild, a retired Army officer, has written a letter to the editors of the Denver Post in which he blames himself and all other complacent Americans for the death of his son and the 5,000 other fighting men. Here are his views on the use of the atom bomb.)

I am writing as the father of 1 of the 5,000 boys killed by the Reds in Korea. I let my boy down because I did not help him here at home by fighting against the cowardly appeasing policies of those in Washington who sent him to fight. I think that many of the fathers of the other 5,000 boys let their sons down in the same way.

He and the rest of that tragic legion whose bodies lie rotting in Korean graves died not only because of Red bullets and barbarity but because our leaders in Washington as well as the mouse-men of Lake Success were too timorous and weasling to face up to the real aggressor and demand a halt. These men scolded like so many Donald Ducks at the Kremlin, but when the time came for action they pretended that the stooges, the ignorant North Koreans, the gooks were the real aggressors, and killed 5,000 of our sons while killing 250,000 hapless stooges.

These men pretended not to see the munitions coming from Russia and Manchuria which killed our lads. They would not allow supply lines to be bombed or attacking jets to be pursued over the border. It would cause war they said—the age-old cry of the appeaser. Our sons were not given a fair fighting chance for their lives; it was not an honest fight, it was a dishonest, hypocritical fight; and so they died.

And now in a welter of double talk and plausible misrepresentations from Washington, we are told that we must not strike back in defending ourselves against the Reds. They make war on us but we must not make war on them because then they will make war on us; what supreme gibberish is that? We are actually and in fact in war, a killing, maiming war; yet we are warned not to fight back too hard with our best defensive weapon, the A-bomb, or we will find ourselves in a war. The words are sheer idiocy, but they are spoken in Washington with a straight face.

We are being prepared for surrender to the Reds, sugar-coated, of course, with a name like armistice or negotiated peace. Our A-bomb is our best defensive weapon and last resort, but a stream of propaganda tells us that it would be ineffective—no targets, kill women and children and the like. Yet General Gavin, weapons adviser to the Secretary of Defense, the Joint Chiefs, and the President, in a signed statement last month wrote of the Korean War that the A-bomb was the answer to the Red tactics of massed infantry assault. It is not for destroying cities, he wrote, "Never has a weapon been devised that is better suited for use against enemy combat forces." And Gen. Omar Bradley backed him up, saying, "The atomic bomb will make a formidable defensive weapon." Our appeasers are contradicting their own experts in their haste to kneel before the Reds.

WEAPON A SOUND MILITARY DEFENSE

The A-bomb is a sound military defense. What moral or political considerations are there in defending our beleaguered Army and marines with our A-bomb used against attacking troops? The appeasers say, as of yore, let's not do it; let's surrender and have peace in our time. How that smells of Munich.

Suppose, at the start of Korea, we had used leadership instead of Donald Duckism in the UN and pushed through a resolution telling Stalin to stop it within 48 hours or, ready or not, we would hit him with everything we had, including the A-bomb. He would have either backed up or fought. If he had fought, and there is some doubt that he would have, would my son be any deader, would the other 5,000 be any deader, would the other thousands now destined to die because of appeasement be any deader? At least they would have died in an honest war. And we would have been further along in mobilization and total defense.

Friends in Denver and through the State have sent condolences about my boy and asked what they could do. I can tell them now what they can do. They cannot let their own sons down like I did mine. By post

card, telegraph, telephone, and public meetings they can tell the men of Washington what they want; perhaps they can stiffen the backbones and drive out the appeasers; they can try, at least—as I am doing, too late for my son but not too late for the thousands of others. I ask them and all the other fathers and mothers:

Are you going to let your sons down as I did mine?

EUGENE R. GUILD,
Captain, United States Army, Retired, Glenwood Springs, Colo.

STATEMENT BY SENATOR CAIN

We have not heard the last of Korea or of comparable situations elsewhere which may result from Korea. It is proper and useful for us to understand all of the weapons which are available to the free world and to think about the feelings of those whose loved ones have given everything they possess in fighting for you and me at home.

FURTHER STATEMENT BY SENATOR CAIN

On Monday, December 11, 1950, the Senate voted to authorize $38,000,000 in emergency aid to Yugoslavia. Although the measure was passed by a substantial majority, it is perfectly obvious that some of us who voted for the Yugoslav aid bill did so with serious misgivings and profound doubt about its effectiveness in promoting the interest of the United States and the free world.

The incongruity of the situation is apparent; we were asked and we agreed to vote aid to a Communist country in the interest of the struggle against communism; we were asked and we agreed to offer assistance to a dictatorship in the interest of freedom and liberty.

The junior Senator from Washington was persuaded to vote for the Yugoslav emergency assistance, in part, because of the urgency with which the measure was pressed by the Senate Committee on Foreign Relations, but more importantly by the hope that perhaps the action taken was the beginning of an integrated foreign policy program.

It is my sincere prayer that before the next foreign assistance proposal is brought before the Senate, we shall have available to us two things: 1—a comprehensive integrated and fully developed global foreign policy—permit me to underline by way of emphasis the word global; 2—a detailed statement of the functions and purposes of each foreign aid proposal in the over-all policy—that is a justification for each item in relation to our American over-all foreign policy.

The Senate of the United States is charged by the Constitution with both rights and responsibilities in shaping our Nation's foreign policy. Yet, the complete facts which are necessary to permit us to recognize and discharge this vital function have not been before the Senate in recent years. We are sometimes asked to legislate in the dark and to legislate piecemeal; we have yet to be presented with a single over-all picture of what we are endeavoring to do or are expected to accomplish. In my 4 years of experience in this body it has been a race from one emergency to another, along an uncharted course.

The Senate ought to demand a charted course before any future ventures are undertaken or launched.

It is my earnest and sincere purpose to serve notice here today that I shall not again vote for any foreign assistance measure unless a master plan and detailed justifications are made available to us for guidance. I do not believe that America can continue to extend and commit itself overseas unless we are certain that such commitments will contribute to the defense and security of our Nation.

I want further to make it clear that any future request for foreign aid will be measured by me by the yardstick of what other nations are doing in the common effort. We have so far, at least since 1946 when I came to the Senate, accepted the burden of proof of international good will. I am convinced that this has, in part at least, been wrong. There is no reason whatsoever why we of America—after our contributions and sacrifices in two world wars—should be required to give any additional proof of our good and honest intentions and of our willingness to assume a large share of the burden of world peace, as well as world defense.

Measured in terms of military capacity, we have carried, for example, a large part of the fighting in Korea. The defeats the United Nations forces have suffered have largely come about because our Nation has tried to do too much and other nations have undertaken too little. This is one condition which can and must be remedied. The stake of America in freedom is no greater than the stake of any other member of the free community of nations.

Any future request for aid and assistance from such questionable nations as Yugoslavia will be decided, in my mind, by the degree of cooperation which each nation is willing to give to the overwhelming majority of the United Nations. So far, the record of Yugoslavia has not been particularly encouraging. The Yugoslav Government has voted against us in the United Nations more often than with us. The Yugoslav Government has often recognized and supported our enemies.

Is it too much to expect that the Yugoslav Government ought now to show its good will to us free people and to show it in solid, concrete ways? Is it unreasonable for me, an American, to hope and expect the Yugoslavs to send a military force of useful proportions to join the United Nations in Korea? Have I not the right to expect the Yugoslav Government to join with us in voting for a program of international lawfulness in the United Nations? Have I not the right to expect that the Yugoslav Government, out of its appreciation for our assistance which is gladly offered to prevent starvation, will move in the direction of bringing to an end the brutal dictatorship which has been fastened on the people; to restore to these people the right to choose their own government and to end the persecution of religions and the clergy.

To my mind, I have a right to expect these things from the government of Yugoslavia. These are not only reasonable expectations but necessary conditions to international cooperation and good will. What right have we to expect the people behind the iron curtain to take our declarations of freedom and justice seriously if they cannot expect more than to have their Stalinist oppression exchanged for the Tito variety.

To our sorrow and lasting distress we compromised with communism in and after World War II. The result has been more war, more oppression, more hatred, and more fear than ever before in history. We ought not to compromise again.

We are faced now, I believe, with a last chance to preserve our Nation and free institutions; that the chance before us is the last we have have in our lifetime. Another catastrophic compromise and that chance will have slipped from our hands.

With but several exceptions, I have voted for and supported the foreign-aid programs of the administration. I have done so on the strength of assurances—assurances given every time—that every measure was the one and only road to world peace.

The peace which was promised by the foreign-policy makers, and the peace which was our fondest hope, has not been realized. It is possible, of course, that no other course of action would have brought world peace. My purpose today is not to judge or fix the blame but merely to exercise the right of a Senator in urging, not only a reexamination of our foreign policy, but an integration of our foreign policy on a world-wide basis.

Past proposals and programs which were offered and sold to us as a guaranty of peace are now being offered as defense measures. There is a considerable doubt in my mind that such measures as the aid-to-Yugoslavia program will succeed any more in building a strong defense than past programs did in guaranteeing peace.

The reasons for these doubts are obvious. Our foreign-policy strategy has been confused, uncertain, and amazingly contradictory. There is no apparent global foundation upon which the foreign policy of this country can rest. The obvious contradictions are the things which puzzle and trouble me.

The administration has constantly refused to give aid to Spain for the stated reason that the Spanish Government is not democratic. Yet, we are asked with considerable fanfare to give immediate aid to Yugoslavia, whose dictatorship is far more absolute than that of Spain.

The administration has sometimes refused and sometimes neglected to give aid to the independent Republic of China, which has fought for years against both communism and Japan, but we are sending aid to the French colonial forces in Indochina.

The administration is asking the German people to join in the fight for freedom and the independence of the west, yet it continues to maintain a technical state of war with Germany and continues to deny to the German people the very rights for which those people are asked to fight.

If our foreign policy is to be effective or make sense, our strategy must be total and global in character; it must evaluate and meet problems with equal decisiveness, both in the east and in the west. We are competing around the globe with an enemy who understands total strategy. The strategy of this enemy is unified; it has central direction and concentrated purpose.

We cannot meet this strategy with anything less.

IS THIS OUR LAST HOUR?—EDITORIAL FROM THE WASHINGTON EVENING STAR

Mr. RUSSELL. Mr. President, on Tuesday of this week the distinguished junior Senator from Texas [Mr. JOHNSON] delivered a truly notable address in the Senate on the very critical position in which the United States finds itself today in the world. In today's Evening Star the lead editorial deals with that address. I ask unanimous consent that the editorial may be printed in the RECORD as a part of my remarks.

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

IS THIS OUR LAST HOUR?

"Is this the hour of our Nation's twilight, the last fading hour of light before an endless night shall envelop us and all the Western World

"That is a question which we still have in our power to answer. If we delay longer, we can expect nothing but darkness and defeat and desolation. If we answer the challenge with courage and confidence and with the ability of which we are capable, we can, I am sure, triumph over our foes."

It was in these words that Senator LYNDON JOHNSON of Texas summed up an address to the Senate this week—an address which deserves a great deal more attention than it has received. It was a talk which deserves

attention because Senator JOHNSON was addressing himself to the most urgent question of our time: What must we do to survive?

There are men—men of ability and integrity—who advocate something less than a total, all-out effort. General Marshall spoke for them when he testified on December 1 before a House committee. The Secretary of Defense wants a greater effort. But he does not favor an all-out war mobilzation at this time. He fears that if we go to total mobilization the Communists might then ease up and leave us in a difficult position. General Marshall is worried about the reaction of the people in that situation. He is concerned with the matter of cost. In short, he is against an all-out wartime mobilization until we clearly have to do it.

Senator JOHNSON takes the stand that that time is now—that the need is clear and will never be clearer while we still have a chance to survive.

The Texas Senator is in a position to speak with some authority on this question. As chairman of the Senate Military Preparedness Subcommittee, he has seen at first hand the hesitations, the uncertainties, the fumblings of the rearmament program. And he has come away from that experience with this conviction: "I say that the policy of wait and see must end, and it must end now. For what are we waiting? What do we expect to see tomorrow that we cannot see clearly today—or could not see, when the Korean War began, on June 25?"

What Senator JOHNSON sees is this:

"First, we are at war. We are at war not merely with Communist China, but with all the military strength and both the physical and human resources behind the iron curtain. We have been at war for 6 months. We may well be at war for 10 or 20 years more.

"Second, our primary and immediate goal in this war is survival. This is a bleak, disturbing reality. In other wars, our goal has been simply victory. Now, however, we must make our survival certain before we can hope for victory, because we cannot be confident of survival.

"Third, we are not getting ready for war. We are in a war, but all our effort is seemingly directed toward staying out of the war that we are in already. This is adolescent nonsense."

The Star believes that these are facts, and that no rational appraisal of the rapidly mounting evidence can lead to any other conclusion. It is possible, by an emotional process of wishful thinking, to arrive at some other conclusion. If one resolutely turns his face away from the evidence, if he merely shrinks from the 34,000 American casualties in Korea, if he will not look through his mind's eye at the Russian jet fighters which have appeared in some force over the Korean battlefield, if he ignores the words of Russia's Mr. Malik, if he closes his ears to the Communist threat to drive our armies into the sea—if a man will do these things he can make himself believe whatever he wishes. But he cannot convert a state of war into a state of peace. And such a man will never be ready to take the steps that must be taken in the interests of our self-preservation.

What should be done? This question cannot be answered with any absolute assurance. Senator JOHNSON has some definite opinions. He says that first, and above all else, we must have a long-range global plan of strategy for the war to which we are committed. We must not let the Russians decide where we shall fight and where we can fight. We must not fall into the tragic error of squandering our young men in futile, indecisive little wars before the real enemy is ever directly engaged. Second, we must fully mobilize for military service all of our available manpower—that if we do not do this we will be weaker by next June than we were when we went into Korea in June of this year. Third, he calls for immediate mobilization of our economy, including tight controls and an urgent drive to organize and greatly increase our productive capacity.

There are others who say in all earnestness that we should not go this far now. They give reasons for their stand. They say that the necessary plans have not been made, that the machinery has not been set up, that the need is not finally clear. One might ask why, after 6 months of war, so little planning has been done, so little machinery is ready. But that serves no useful purpose. We have to go on from where we are and do the best we can.

Those who would move slowly are gambling on the time factor. This must be so, for certainly if we should find ourselves at war with Russia tomorrow they would urge all possible haste.

But how much reliance can be placed in this assumption that we will have the time required? Some of these people thought that the Russians, at earliest, would not get the atom bomb until 1952. They got it in 1949. Our military planners once looked to 1954 as the period of greatest danger. Now they have moved that date up to 1952. Will they be saying in a few weeks or months that next spring or summer will be the critical time?

Let us think a moment about this. Every hour of delay is a gamble with the life of the Nation. If the Russians should strike before we have had time, at our present pace, to get ready, the problems that bother us now, the difficulties which loom so large, will seem trivial by comparison. We will not be worrying then about the cost or about the psychology of the people. We will be much too busy burying our dead, caring for our wounded, and trying to save what is left of our country.

Time is not, and never will be, on the side of those who waste it. As it is, there may not be enough time left. Even so, is it better to do too little or too much? We have trifled too long with the security of this country, with all of the beliefs and the traditions and the things that are dear to us. Opportunity is slipping away. How shall we answer if we are called up on some desolate tomorrow to explain why we did not make the most of it?

LEAVE TO ADDRESS THE SENATE

Mr. McCARTHY. Mr. President, I ask unanimous consent that immediately upon the conclusion of the call of the calendar I be given the floor before a motion to adjourn or recess is entertained; and that immediately upon the conclusion of my remarks the Senator from New Jersey [Mr. HENDRICKSON] may obtain the floor.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

CHARLES J. TREES—CONFERENCE REPORT

Mr. JENNER. Mr. President, I submit a conference report on the bill (H. R. 5244) for the relief of Charles J. Trees, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read by the legislative clerk, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5244) for the relief of Charles J. Trees having met, after full and free conference, have agreed to recommend and to recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate amendment on page 1, line 4, insert "$9,448.86"; and the Senate agree to the same.

JAMES O. EASTLAND,
(By W. E. J.)
W. E. JENNER,
Managers on the Part of the Senate.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

DEMONSTRATION OF PUBLIC LIBRARY SERVICE

The PRESIDENT pro tempore. The call of the calendar will be resumed. Is there objection to the first bill on the calendar, which has been stated?

There being no objection, the bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HENDRICKSON. Mr. President, there was so much confusion on the floor when the first calendar number was called that I did not hear it called. I ask unanimous consent that the vote by which the bill was passed be reconsidered.

The PRESIDENT pro tempore. Without objection, it is so ordered. Does the Senator from New Jersey object to the bill?

Mr. HENDRICKSON. By request, I ask that Senate bill 130, Calendar No. 2, go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 206) relating to the immigration status of the lawful wives and children of Chinese-treaty merchants was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L-208, was announced as next in order.

Mr. HENDRICKSON and Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 110) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

Mr. DONNELL and other Senators. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished defendants in certain criminal cases in the United States district courts was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The concurrent resolution (S. Con. Res. 33) suspending the legislative budget pending further study was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 478) for the relief of Carl Piowaty and W. J. Piowaty was announced as next in order.

Mr. HENDRICKSON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1464) to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, was announced as next in order.

Mr. LANGER. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL INDEFINITELY POSTPONED

The bill (S. 595) relating to the internal security of the United States was announced as next in order.

Mr. HENDRICKSON. Mr. President, I should like to point out that this bill should be taken off the calendar, for it is a part of legislation already passed.

The PRESIDENT pro tempore. Without objection, the bill will be indefinitely postponed.

BILLS PASSED OVER

The bill (S. 458) to provide for a survey of physically handicapped citizens was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 91) to provide for the better assurance of the protection of persons within the United States from lynching, and for other purposes, was announced as next in order.

Mr. RUSSELL. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, AS AMENDED

The bill (S. 12) to amend the Civil Aeronautics Act of 1938, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 802 of the Civil Aeronautics Act of 1938, approved June 23, 1938, is amended by adding at the end thereof the following new language:

"No agreement with any foreign government restricting the right of the United States or its nationals to engage in air-transport operations, or generally granting to any foreign government or its nationals or to any airline representing any foreign government any right or rights to operate in air transportation or air commerce other than as a foreign air carrier in accordance with the provisions of the Civil Aeronautics Act of 1938, or respecting the formation of or the participation of the United States in any international organization for regulation or control of international aviation or any phases thereof, shall be made or entered into by or on behalf of the Government of the United States except by treaty."

BILL PASSED OVER

The bill (H. R. 3368) to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901, to increase the maximum sum allowable by the court of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

TITLE TO LANDS ACQUIRED IN ADMINISTRATION OF RECLAMATION LAWS—BILL REFERRED TO JUDICIARY COMMITTEE

The bill (S. 1606) to authorize the Secretary of the Interior to determine the validity of titles to lands acquired in the administration of the reclamation laws was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. I ask that the bill go over.

The PRESIDENT pro tempore. Upon objection, the bill will be passed over.

Mr. McCARRAN subsequently said: Mr. President, I ask unanimous consent that we may revert to Senate bill 1606, Calendar No. 685, to which I previously raised objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none.

Mr. McCARRAN. Mr. President, in the judgment of the chairman of the Judiciary Committee, this bill relates to certain matters which should be passed upon by the Judiciary Committee. I hope the author of the bill is present at this time. I ask unanimous consent that the bill be removed from the calendar and referred to the Judiciary Committee.

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

Mr. McCARRAN. I yield.

Mr. WATKINS. Will the distinguished chairman of the Judiciary Committee give the bill consideration in the committee and have a hearing on it, so that the matter may be determined one way or another?

Mr. McCARRAN. I say to the Senator from Utah that the bill will not be pigeonholed, but we will give the Senator a hearing on the bill, and will do so promptly.

Mr. WATKINS. I have no objection.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Nevada is approved, and the bill is referred to the Committee on the Judiciary.

BILLS PASSED OVER

The bill (S. 660) to amend the act of June 27, 1944, Public Law 359, and to preserve the equities of permanent classified civil-service employees of the United States was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1031) amending Public Law 49, Seventy-seventh Congress, providing for the welfare of coal miners, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Let the bill go over.

The PRESIDENT pro tempore. Is there objection?

Mr. HENDRICKSON. I object.

The PRESIDENT pro tempore. Upon objection, the bill will be passed over.

MRS. JUAN A. RIVERA AND OTHERS—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey be so kind as to withhold the objection for a moment?

Mr. HENDRICKSON. I shall be very glad to do so.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized for 5 minutes.

Mr. CHAVEZ. Mr. President, I do not know the parties involved in the bill, but they happen to be Bolivian citizens.

The information I have obtained as to the reason why the Judiciary Committee approved the payment of this amount to the parties named in the bill is as follows: It appears that during the war the Government of the United States made arrangements with the Government of Bolivia—at our instance, I believe; the Senator from Nevada can

correct me if I am mistaken—to use in this country some of the members of the Bolivian Air Corps, either for training or for reasons of our own. One of our transport airplanes was on its way with a group of Bolivian officers, at our instance and request, when the plane crashed. The crash was not the fault of the crew of the airplane, I presume, and certainly was not the fault of the passengers who were our guests, and at that time were under our service. All persons on the plane, including the crew of the plane, were killed. As a result, the women named in the bill became widows. They have children and families.

The United States thought it was only proper that some sort of gesture be made to show our good will and good intentions; it was felt that the widows of those Bolivian Air Corps men, who were willing to come to the United States and do our bidding, at least should be recompensed in the amount stated in the bill.

It seems to me that as a matter of American fair play, this bill has much merit.

Mr. McCARRAN. Mr. President, apropos of the subject matter now before the Senate, let me say that this measure involves five separate, individual awards, to widows of members of the Bolivian air force. The bill was introduced at the request of the Department of the Air Force, on the theory that these officers had been invited as guests of the United States under the provisions of the congressionally approved orientation program, and lost their lives while traveling in an Air Force plane as special guests of our Government.

The Department of the Air Force takes the position that there is a moral obligation on the part of this Government to compensate the widows of these officers.

The committee did not feel that it could act contrary to the statement of the Department of the Air Force in this regard, although there is clearly no legal obligation involved. However, the committee voted to reduce the amount of the allowances from $10,000 to $7,500 in each case, thus cutting the total amount involved in the bill from $50,000 to $37,500.

The PRESIDENT pro tempore. Is there objection?

Mr. HENDRICKSON. Mr. President, I am objecting by request. I realize that there are equities involved in this matter. If we may have the bill placed at the foot of the calendar, perhaps I can see my way clear to withdraw the objection when the bill is reached at the foot of the calendar.

The PRESIDENT pro tempore. Does the Senator ask unanimous consent that the bill go to the foot of the calendar?

Mr. McCARRAN. Mr. President, I ask unanimous consent that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Without objection, that will be done.

BILLS INDEFINITELY POSTPONED

The bill (S. 1681) to prohibit the picketing of courts, was announced as next in order.

Mr. HENDRICKSON. This bill should be removed from the calendar, because it is a part of legislation which has already been passed at this session.

Mr. McCARRAN. That is correct.

The PRESIDENT pro tempore Without objection, the bill will be indefinitely postponed, as will also a similar bill, Order No. 968 (H. R. 5647), to prohibit the picketing of United States courts.

BILLS PASSED OVER

The bill (S. 2294) to amend the Contract Settlement Act of 1944, so as to authorize the payment of fair compensation to persons contracting to deliver strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard and the bill will be passed over.

The bill (S. 1741) to extend the unemployment allowance benefits of the Servicemen's Readjustment Act of 1944 for a period of 2 years was announced as next in order.

Mr. HENDRICKSON. By request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 2886) to provide for the killing of starlings in the District of Columbia, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

INCREASE OF LIMIT ON TRAVELING EXPENSES OF JUDGES—BILL PASSED OVER

The bill (S. 48) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as next in order.

Mr. DOUGLAS. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection temporarily, so that I may make a very brief statement?

Mr. DOUGLAS. I withhold the objection temporarily.

Mr. McCARRAN. Mr. President, this is a bill to which objection has been made by the Senator from New Hampshire [Mr. TOBEY] and also by the Senator from Illinois [Mr. DOUGLAS]. I am informed that the Senator from New Hampshire has withdrawn his objection. Until he objected at this time, I was unaware of the position of the Senator from Illinois. There is a companion bill from the House, which is Calendar No. 932, House bill 2166.

Mr. President, this bill has received serious consideration by the Judiciary Committee. There has been a very concerted movement to increase the salaries of judges. There are the two bills which would avoid increasing their salaries, of which this bill is one. The Federal judges have to travel under orders from the Chief Justice, going from place to place. When they do, it is of course necessary that they live in proper manner. The sum of $15 per day is not out of line, when Senators will recall what it costs Members of the Senate to travel in this day and age. I wish the Senator from Illinois might be of a little more temperate turn of mind toward Federal judges.

The PRESIDENT pro tempore. Is there objection?

Mr. DOUGLAS. I should like very much to reply to my good friend from Nevada by saying that Federal judges already receive a travel allowance of $10 a day. This is a proposal to give them a travel allowance of $15 a day. I think the judiciary might take upon itself some of the qualities of Spartan simplicity. I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

BILLS PASSED OVER

The bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

Mr. HENDRICKSON. Over, by request.

The PRESIDENT pro tempore. Objection is heard, and the bill will go over.

The bill (S. 806) authorizing the erection of a monument to Sacajawea, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 384) to authorize the Commisisoner of Public Buildings to convey to the Temple Methodist Church, a nonprofit corporation, of San Francisco, Calif., a portion of the federally owned building known as 100 McAlister Street, San Francisco, Calif., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will go over.

The bill (S. 1439) to provide for assistance to State agencies administering labor laws in their efforts to promote, establish, and maintain safe workplaces and practices in industry, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower was announced as next in order.

Mr. HENDRICKSON. I ask that this bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (H. Con. Res. 62) creating a Joint Committee on Lobbying Activities was announced as next in order.

The PRESIDENT pro tempore. Is there objection?

Mr. CORDON. Mr. President, in view of the time that this concurrent resolu-

tion has been on the calendar hitherto, and because of the fact that it has previously been objected to, and also because of my complete lack of knowledge of it I ask that the resolution go over.

The PRESIDENT pro tempore. Objection is heard, and the concurrent resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 2166) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transacting official business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at a rate of not exceeding 7 cents per mile, was announced as next in order.

The PRESIDENT pro tempore. Since this House bill is the same as a previous Senate bill which was passed over, this bill will also be passed over.

TOLL HIGHWAY CROSSING AND APPROACHES, SAN FRANCISCO BAY, CALIF.

The bill (S. 1390) to authorize the conveyance to the State of California of easements for the construction and maintenance of a toll highway crossing and approaches thereto over and across lands of the United States in the vicinity of San Francisco Bay, Calif., and for other purposes, was announced as next in order.

Mr. KNOWLAND. Mr. President, I myself am going to ask that the bill go over, but I desire to make a brief statement under the 5-minute rule.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. KNOWLAND. This bill is designed to deal with a problem affecting the State of California only, and relating to a toll highway crossing and approaches in the vicinity of San Francisco Bay. However, there is now a difference of opinion between the municipalities on opposite sides of the bay, and by various groups on both sides, and the State of California. Discussions are now under way to see whether the differences can be ironed out by appropriate legislation which will be acceptable to both the municipalities involved and the California State Toll Bridge Authority, which has the responsibility for building, financing, and operating such a bridge. So I am asking at this time that the bill go over. We expect to have new legislation ready for introduction at the beginning of the next session.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

BILL PASSED OVER

The bill (S. 1596) to authorize the Postmaster General to enter into special agreements for certain switching service by railway common carriers, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that this bill go over, by request.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

PYRAMID LAKE INDIAN RESERVATION, NEV.—BILL PASSED OVER

The bill (S. 17) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Mr. President, may the objection be withheld until the Senator from Nevada can make a statement?

Mr. LEHMAN. I objected.

The PRESIDENT pro tempore. Does the Senator object to the request of the Senator from Nevada that the objection be withheld to permit him to make a brief statement?

Mr. LEHMAN. No; I do not object to that. I was objecting to the bill.

The PRESIDENT pro tempore. The Senator from Nevada is recognized for 5 minutes.

Mr. McCARRAN. Mr. President, this bill involves more of equity and justice toward the white settlers within the lands of the Pyramid Lake Indian Reservation than appears on the surface. The white settlers and their predecessors took up these lands long before the Pyramid Lake Indian Reservation was created. They and their successors in interest have lived on these lands, and the Government of the United States sold and issued a patent to the white settlers for adjacent lands, within the confines of the Pyramid Lake Indian Reservation.

Then, in 1924, the Congress passed and the President signed an act permitting the white settlers to purchase these lands. Arrangements were made with the Interior Department, whereby the purchase was to be made on terms. The white settlers paid year by year until the crash of 1932 came along, at which time it became impossible for them to borrow money.

Today the Interior Department objects to these white settlers being permitted to renew their contracts, and to continue with the purchase of these lands, but nevertheless he retains all of the money which the white settlers have paid, and it is now held by the Indians in their treasury.

Today, the white settlers own the waters which irrigate these lands. The Indians have no water for the lands. The white settlers have all the adjacent lands, holding them by title in fee simple under the present arrangement—and we are seeking a solution of the problem—if an Indian drives his fence through an alfalfa field, and he may leave the stockyard of a white settler on one side of the fence, with the white settler and his family living on the other side of the fence. The result is that the Indian cannot even irrigate the land which he has by subterfuge taken away from the white settlers.

So, in all fairness, whoever is objecting to the consideration of this bill has been ill advised. I happen to know where the objection comes from. It comes from a mind that should not be given the consideration of the people of America. It comes from one Harold Ickes, formerly the Secretary of the Interior. The sooner we quit listening to that individual, the better off America will be in every respect.

Mr. LEHMAN. Mr. President, I still object.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS AND JOINT RESOLUTION AND RESOLUTION PASSED OVER

The bill (S. 240) to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals, and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 58) providing for a rehearing in the matter of the Bellows Falls Hydro-Electric Corp. (project No. 1892), known as the Wilder Dam project, and a review of any order of the Federal Power Commission, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request I ask that this bill go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 4815) to provide for medical services to non-Indians in Indian hospitals, and for other purposes, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2197) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666, 61 Stat. 130), to vest in the Export-Import Bank of Washington, the power to guarantee United States investments abroad, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 250) to authorize the Federal Security Administration to assist the States in the development of community recreation programs for the people of the United States, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2006) to amend the Home Owners' Loan Act of 1933 with respect to Federal savings and loan associations, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 211) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes, approved June 3, 1924, as amended, was announced as next in order.

Mr. IVES. I object.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 187) favoring a review of the policy of dismantling German industrial establishments, was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 1728) to prohibit discrimination in employment because of race, color, religion, or national origin, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4453) to establish a Fair Employment Practice Commission and to aid in eliminating discrimination in employment because of race, creed, or color, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2595) to provide for the establishment of a Commission on Human Rights in the government of the District of Columbia, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS INDEFINITELY POSTPONED

The bill (H. R. 4703) relating to the internal security of the United States was announced as next in order.

Mr. HENDRICKSON. Mr. President, House bill 4703 and Senate bill 2311, Calendar No. 1365, Senate bill 2311, the so-called Mundt bill should be indefinitely postponed because they are embodied in legislation previously passed at this session.

The PRESIDENT pro tempore. Without objection the bills are indefinitely postponed.

RONALD CLIVE JACK—BILL PASSED OVER

The bill (S. 891) for the relief of Ronald Clive Jack was announced as next in order.

Mr. HILL. Mr. President, by request I ask that this bill be passed over.

Mr. McCARRAN. Before objection is made——

Mr. HILL. I withhold my objection, Mr. President.

Mr. McCARRAN. Mr. President, this is a bill in which the Senator from Illinois [Mr. LUCAS] has been much interested. The bill was introduced by him.

This is a private relief bill for a man about 37 years old, a native of Australia, and a recognized expert in accountancy.

This man is of good character, on the basis of the record available to the Committee on the Judiciary, he is employed by the firm of Ernst & Ernst of Cleveland, Ohio, working in the Chicago office of that firm. The firm has stated that the loss of his services would result in very definite and serious impairment of benefits to a number of its clients.

The Australian immigration quota is oversubscribed, and he is therefore unable to obtain a visa. He is in the United States under a temporary visa which has expired.

The committee was of the opinion that this is a man of outstanding character who will make a good citizen, and that he should be permitted to remain in the United States.

The bill has been objected to on several occasions by the Senator from Alabama [Mr. SPARKMAN]. I do not know whether the Senator from Alabama has withdrawn his objection; though it is my understanding that following the last call of the calendar, the matter of this bill was discussed with him at some length in the hope that he might come to see the merit of the proposal.

Mr. HILL. Mr. President, in the absence of my colleague the Senator from Alabama [Mr. SPARKMAN], who, as we all know, is representing the United States Government in the United Nations, I shall have to ask that the bill be passed over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

BILL PASSED OVER

The bill (S. 272) to facilitate the admission of certain foreign workers desiring to perform agricultural work in the United States was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF SECTION 138 OF THE LEGISLATIVE REORGANIZATION ACT OF 1946—CONCURRENT RESOLUTION PASSED OVER

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 38) to amend section 138 of the Legislative Reorganization Act of 1946, relating to the legislative budget, which had been reported from the Committee on Rules and Administration with amendments, on page 2, line 9, after "July", strike out "1949" and insert "1950."

The amendment was agreed to.

On page 3, line 6, after "February 15", strike out:

After the legislative budget shall have been reported, all bills authorizing appropriations reported by legislative committees shall be referred to the Joint Committee on the Legislative Budget, which shall render a report within 15 days to Congress showing the estimated cost of such legislation and the effect of that cost on the legislative budget.

And insert:

All bills and joint resolutions authorizing appropriations reported from committees of the Senate or the House of Representatives shall be accompanied by reports in writing, which shall be printed; and there shall be included in each such report or in an accompanying document an estimate from the department or other agency of the legislative, executive, or judicial branch of the Government primarily concerned with the expenditure of any funds required to meet the probable cost of carrying out the legislation proposed in such bill or resolution over the first 5-year period of its operation or over the period of its operation if such legislation will be effective for less than 5 years. Estimates received from departments or agencies under this subsection may be submitted by the committees to the Bureau of the Budget for review, and such reviews shall, when practicable, be included within the accompanying documents before said bills and joint resolutions are reported. It shall be the responsibility of the committee to study such reports and report to the Congress as soon as possible thereafter the effect of that cost on the legislative budget.

The amendment was agreed to.

On page 5 beginning with line 1, strike out section 2, as follows:

SEC. 2. Commencing with the second session of the Eighty-first Congress, all appropriations for each fiscal year shall be consolidated in one general appropriation bill to be known as the "Consolidated General Appropriation Act of ——," (the blank to be filled in with the appropriate fiscal year). The consolidated general appropriation bill may be divided into separate titles, each title corresponding so far as practicable to the respective regular general appropriation bills heretofore enacted, but the aggregate total to be appropriated for expenditure in such year, including any amount reserved for deficiencies, shall approximate the maximum total recommended by the legislative budget committee. As used in this paragraph the term "appropriations" shall not include deficiency or supplemental appropriations, appropriations under private acts of Congress, or rescissions of appropriations.

(a) The consolidated general appropriation bill for each fiscal year, and each deficiency and supplemental general appropriation bill containing appropriations available for obligation during such fiscal year, shall contain provisions limiting the net amount to be obligated during such fiscal year in the case of each appropriation made therein which is available for obligation beyond the close of such fiscal year. Such consolidated general appropriation bill shall also contain provisions limiting the net amounts to be obligated during such fiscal year from all other prior appropriations which are available for obligation beyond the close of such fiscal year. Each such general appropriation bill shall also contain a provision that the limitations required by this paragraph shall not be construed to prohibit the incurring of an obligation in the form of a contract within the respective amounts appropriated or otherwise authorized by law, if such contract does not provide for the delivery of property or the rendition of services during such fiscal year in excess of the applicable limitations on obligations. The foregoing provisions of this paragraph shall not be applicable to appropriations made specifically for the payment of claims certified by the Comptroller General of the United States and of judgments, to amounts appropriated under private acts of Congress, to appropriations for the payment of interest on the public debt, or to revolving funds or appropriations thereto.

(b) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, by items and totals—

(1) the amount of each appropriation, including estimates of amounts becoming available in the fiscal year under permanent appropriations;

(2) estimates of the amounts to be transferred between such appropriations;

(3) estimates of the net amount to be expended in such fiscal year from each appropriation referred to in clause (1);

(4) estimates of the net amount to be expended in such fiscal year from the balances of prior appropriations;

(5) the totals of the amounts referred to in clauses (3) and (4); and

(6) estimates of the total amount which will be available for expenditure subsequent to the close of such fiscal year from the appropriations referred to in clause (1).

The committee reports accompanying each deficiency and supplemental appropriation bill containing appropriations available for obligation or expenditure during such fiscal

year, and each appropriation rescission bill, and any conference report, on any such bill, shall include appropriate cumulative revisions of such tabulations.

(c) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, for each wholly owned Government corporation or other agency of the Government which is authorized to receive and expend receipts without covering such receipts into the Treasury of the United States and which uses a checking account maintained with the Treasurer of the United States for that purpose (A) the estimated expenditures (other than retirement of borrowing) to be made out of such checking account for the fiscal year, (B) the estimated receipts (other than borrowing) to be deposited in such checking account for such fiscal year, and (C) the difference between (A) and (B).

(d) The provisions of paragraphs (2), (3), and (4) shall not be applicable to appropriations of trust funds or to transactions involving public debt retirement.

(e) No general appropriation bill shall be received or considered in either House unless the bill and the report accompanying it conforms with this rule.

(f) The Appropriations Committees of the two Houses may hold hearings simultaneously on each general appropriation bill or may hold joint hearings thereon.

The amendment was agreed to.

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that there is an incorrect date——

Mr. JOHNSTON of South Carolina. Mr. President, I object. I notice that the Senator from Arizona [Mr. HAYDEN] is now on the floor.

The PRESIDENT pro tempore. The date is incorrect, and it should be stricken out and the proper date inserted.

Mr. JOHNSTON of South Carolina. I object.

Mr. HAYDEN. Mr. President, I think the concurrent resolution had better go over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

MEASURES PASSED OVER

The bill (S. 3050) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, was announced as next in order .

Mr. LEHMAN. I object.

The PRESIDENT pro tempore. The bill will be passed over.

The concurrent resolution (S. Con. Res. 35) requiring committee reports to include estimates of the probable cost of proposed legislation, was announced as next in order.

Mr. HILL. Over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

The bill (S. 3049) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, was announced as next in order.

Mr. MURRAY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7185) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3560) to rescind the order of the Postmaster General curtail certain postal services, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 261) favoring rescission of the order of the Postmaster General curtailing certain postal services was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc., was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1981) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for basic and overtime compensation, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

NEW YORK QUININE & CHEMICAL WORKS, INC.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection? I am not addressing myself to Senate bill 1981, but I should like to discuss Calendar No. 1596, House bill 4653. Do I correctly understand that there was objection to the consideration of that bill?

The PRESIDENT pro tempore. The Senator from Oregon [Mr. CORDON] objected to it.

Mr. McCARRAN. Will the Senator withhold his objection?

Mr. CORDON. I shall withhold my objection. However, I should like to explain that my objection is made by request.

Mr. McCARRAN. Then it would be uselessly taking up time if I made an explanation.

Mr. President, I am serving notice at this time on the Senator from Oregon that at the conclusion of the call of the calendar I shall move to take up Calendar 1596, House bill 4653, for the relief of the New York Quinine & Chemical Works, Inc.

BILL PASSED TO FOOT OF CALENDAR

The bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

Mr. HENDRICKSON. Mr. President, a similar bill has been passed to the foot of the calendar, and I ask that the same course be taken in connection with this bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS PASSED OVER

The bill (S. 3358) to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities was anounced as next in order.

Mr. McCARRAN. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 3314) to authorize the appointment of Joseph F. Carroll and Bernt Balchen as permanent colonels in the Regular Air Force was announced as next in order.

Mr. KNOWLAND. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 2196) to legalize maritime hiring halls was announced as next in order.

Mr. DONNELL. Over.

The PRESIDENT pro tempore. The bill will go over.

The bill (S. 3245) to give effect to the Medical Examination (Seafarers) Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2786) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 3244) to give effect to the Certification of Ships' Cooks Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization, held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3246) to give effect to the Food and Catering (Ships' Crews) Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization, held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3687) to require the armed services to utilize private American shipping services for the overseas transportation of commodities and civil personnel was announced as next in order.

Mr. SALTONSTALL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED TO THE FOOT OF THE CALENDAR

The bill (S. 3682) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives was announced as next in order.

Mr. WILLIAMS. Over.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Does the Senator from Delaware withhold his objection?

Mr. WILLIAMS. Yes.

The PRESIDENT pro tempore. Without objection, the bill will be passed to the foot of the calendar.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 3147) to establish a temporary National Commission on Intergovernmental Relations was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard. The bill will go over.

The bill (S. 3350) to amend the minimum-wage law by extending the application of minimum-wage orders to men, and for other purposes was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will go over.

The bill (H. R. 4237) to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia" was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2923) to authorize the Federal Deposit Insurance Corporation to acquire or construct, with its own funds, a building within the District of Columbia suitable for the Corporation, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3257) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 331) to provide for the admission of Alaska into the Union was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8083) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad, was announced as next in order.

Mr. LANGER. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

The bill (H. R. 6606) to provide that the district judge for the eastern, middle, and western districts of Pennsylvania shall become a district judge for the middle district of Pennsylvania alone when the first vacancy occurs in that district was announced as next in order.

Mr. LANGER. I object.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

The bill (S. 490) for the relief of Frank Miller was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6616) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 291) to investigate the causes of gasoline-price increases during the past 5 years and whether supplemental antitrust legislation is needed was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

The bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, was announced as next in order.

Mr. SALTONSTALL. Mr. President, when the bill was last called on the consideration of the calendar I objected on the ground that enactment of the bill would entail an unnecessary expense during wartime. I should like to ask the Senator from Texas what his present plans are with respect to the bill. I understand no request for an appropriation is being made at the present time, or while the present emergency exists.

Mr. CONNALLY. The senior Senator from Texas and the junior Senator from Texas are prepared to make a statement with reference to the bill. We shall not ask for any funds under the bill during the pendency of the national emergency.

Mr. AIKEN. I ask that the bill go over.

Mr. CONNALLY. If objection is made, I see no reason for making a statement with reference to the bill.

Mr. McFARLAND. Mr. President, I should like to make a brief statement. House bill 2733 has had the most careful consideration of both the Committee on Public Works of the House of Representatives and of the Committee on Interior and Insular Affairs of the Senate. The bill was unanimously reported by both committees. I regard it as a very important bill, because under it municipal water would be furnished to approximately 11 cities in west Texas. It would also furnish irrigation water for some 20,000 acres of land.

The cities involved are unable to secure water by means of loans from the RFC or other sources because of inability to finance the project with short loans. They have expressed their willingness, and the bill so provides, that they pay interest upon the money which would be furnished for securing water for municipal purposes, which cost constitutes $78,498,000 of the $84,656,000, the estimated cost of building the project.

Senators who are interested in the project, as well as other persons who have shown an interest in it, have stated that they would be willing not to ask for an appropriation so long as a shortage of lumber and material exists, and the money is needed for national defense.

The people living in the cities involved are very much concerned, because the water is being pumped to a lower level all the time, and it is very difficult to get water for municipal purposes. It is being made very difficult for the farmers to pump water for irrigation purposes. If relief is not given, it will mean, in the end, that the areas involved will practically dry up. There are many important defense establishments located in the area, such as refineries and airports, which are very important to the national defense.

I hope the distinguished Senator from Vermont will withhold his objection because of the importance of the bill. It was first objected to by the Senator from New Mexico [Mr. CHAVEZ]. It was objected to until a compact had been reached between the States involved. Such a compact has been made. It should be noted that practically all of the money involved is repayable to the Government with interest, and at the same interest the Government would have to pay. This is one project which would not cost the Government a great deal of money. I deem it to be a very important project, and I hope that the Senator from Vermont will not object.

Mr. CHAVEZ. Mr. President, the Senator from Arizona has very well stated the case. There is no doubt in my mind as to the necessity of taking some action in order to get a supply of water for the cities and towns in west Texas. Originally I had objected to the bill, and I am not apologizing for having made the objection. The water which would be necessary to supply the cities and the irrigation projects in Texas would come from New Mexico. I did not want to see a bill passed by the Senate until New Mexico was amply protected by a compact between the States involved.

The State of New Mexico, the State of Oklahoma, and the State of Texas are involved.

On the 4th of December, at Santa Fe, N. Mex., there was signed a compact by which the rights of the various States were outlined. That compact will have

to be approved by the individual States, and also by the Congress.

What appeals to me more from the municipal standpoint is this: Heretofore, under reclamation law, the Government has advanced the money for a project to be used for irrigation purposes, and the only money for which the Government could obtain reimbursement was the actual amount which was advanced. Under the proposed legislation not only would the money advanced for this particular work be paid back, but interest on the money would be paid to the Federal Government.

I have now no objection to the bill, although if it is to be considered at this time, I wish to submit two clarifying amendments which will carry out the purposes of the compact signed at Santa Fe, N. Mex.

The PRESIDENT pro tempore. Does the Senator from Vermont still desire to object?

Mr. CONNALLY. Mr. President, have I permission to speak under the 5-minute rule?

The PRESIDENT pro tempore. The Senator has 5 minutes.

Mr. CONNALLY. Mr. President, I beseech the Senator from Vermont not to insist upon his objection. If this were a charge on the Treasury of the United States, not repayable, I would certainly recognize the right of the Senator to object. But under the terms of this bill any money which the Federal Government advances will be repaid with interest, with the exception of an item for wildlife and another small item for flood control. Other than those two items, everything will be repaid. The entire territory, including the 11 municipalities, will be organized into districts, taxes will be imposed, and the money will be collected and paid back to the Federal Treasury.

I can understand the difficulty of the Senator from Vermont, where the snows accumulate upon the mountains and the water is drained back, in understanding our problem. The people of Vermont have plenty of water. They have no water problem.

Let me say to the Senator from Vermont that the area involved in this bill was traveled over by old Coronado, in 1540, as I recall, as he marched across the arid plains. It is a wonderful section of the country, but it needs water. The people must have water to subsist. They must have water for domestic uses. This plan is certainly not hostile to the Reclamation Act. Under the Reclamation Act, as I understand, no interest is charged on western lands for 40 years. We hope that this condition will not last for 40 years. Under the terms of the bill the stricken areas—stricken in the sense that they have not sufficient water—will be forced to pay interest on the money which the Government advances.

The water table in this area is being constantly lowered by drafts upon it for irrigation and for domestic use. The water level is constantly going down. That will mean the wreckage and ruin of many municipalities, and of a wonderful agricultural area which produces much of the food we need.

There is no request for an appropriation at this time because of the national emergency. But we want the authorization in order that the people of the area may go ahead with their planning and with their engineering studies, so that when the time comes for us to get the money we can proceed with the work and not be delayed over an indefinite period of years.

I trust that the generous and noble Senator from Vermont will keep his heart open to these appeals of needy people and will forget for a moment the demand for economy. He might as well forget it, because the money will come from the people who are to be benefited, with the exception of the two items which I mentioned, one for wildlife, which is a small item, and the other for flood control. There will not be much flood control. We would like to have a flood occasionally. If we could control the flow of water by a dam across the Canadian River, that would solve our problem. There comes down from New Mexico and other sources sufficient water to take care of all these municipalities if we could but harness it, arrest it, and control it by a dam across the Canadian River.

Mr. President, I salute the Senator from Vermont. I appeal to all his noble impulses. I appeal to his love for his fellow man. I appeal to his statesmanship. He looks far into the years of the future. Let us not be governed by the temporary situation. The situation of the people in that area is not temporary. It is a situation which is going to damn the municipalities and the people residing in that great area unless we can get this relief, which will not cost the Government anything except for the two items which I mentioned, which are inconsequential.

I hope the Senator from Vermont will not insist upon his objection.

Mr. AIKEN. Mr. President, the Senator from Vermont is not without a heart; and when the senior Senator from Texas beseeches, it is only natural that that heart should be touched. I am particularly pleased with his tribute to the snow country and the amount of water which we have in that area. But, Mr. President, we do not have everything up there. It is true that we have a great deal of water. We have so much water that if the Senator from Texas would permit that water to be harnessed, it would perform the work of 135,000,000 Chinese coolies. We have water, but we are not permitted to harness it. We have copper, but we are not permitted to mine it, because there is not enough electricity, and our output is restricted to 8,000,000 pounds a year. We need power in that section of the country. For many years—ever since 1934—the senior Senator from Texas has opposed the northeastern section of the United States having the power it needs to carry on its industries, to operate its mines, to light its homes, and to contribute all we should to the war effort whenever war occurs.

The great north-central region needs access to the sea. It needs the right to bring about the development of the project which would enable ocean-going vessels to proceed to Duluth, Chicago, and Detroit. It has not been permitted to exercise that right because the senior Senator from Texas has seen fit to oppose legislation which would be beneficial to other parts of the United States.

So I say that my heart is touched. I might say that my heart was touched a little more by the pleadings of the Senator from New Mexico [Mr. CHAVEZ], who has always supported legislation beneficial to other parts of the country.

Mr. CHAVEZ. Mr. President——

Mr. AIKEN. It has been called to my attention that the good people of Texas, as well as New Mexico, have supported us generally in our efforts to obtain power and transportation in the northeastern area of the United States. I believe that the Texas area is on record as supporting us to this end.

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

Mr. AIKEN. I have only 5 minutes. I yield.

Mr. CHAVEZ. I invite the attention of the Senator from Vermont to the fact that every time the St. Lawrence River project, or any other New England project, has come before us for consideration, so far as this Senator from New Mexico is concerned, he has always gone all-out, and will continue to do so.

Mr. AIKEN. The Senator from New Mexico is stating the facts. However, if I remember correctly, the last time this particular bill was called, he stopped it. Perhaps there has been a reconciliation since that time.

Mr. CHAVEZ. I do not think so.

Mr. AIKEN. It might have been some other bill sponsored by the Senator from Texas that the Senator stopped.

Mr. CHAVEZ. I stopped this particular bill, yes, because New Mexico was not protected. But on the first of December Texas signed a compact with New Mexico, and claimed she would not take all the water; but would actually leave a little to New Mexico. For that reason I am willing to withdraw my objection, though, if the bill is to be considered today, I wish to submit a couple of amendments.

Mr. AIKEN. Mr. President, in the belief that the good people of Texas will some time be able to convince the Senator from Texas of the error of his ways, I withdraw my objection to the bill.

The PRESIDENT pro tempore. The objection to the consideration of the bill on the part of the Senator from Vermont has been withdrawn.

Mr. CHAVEZ. Mr. President, as I said, I shall submit a couple of amendments to the bill.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The Senator from Delaware objects. The bill will go over.

Mr. McFARLAND subsequently said: Mr. President, I give notice that I deem House bill 2733, Calendar No. 2113, of such great importance that at the first opportunity next week, if there shall be a lull in the legislative program of the

Senate, I shall move that the Senate proceed to consideration of that bill. The objection with respect to the proposed legislation was ironed out with members of our committee on both sides of the aisle. I cannot see how there could be any valid or serious objection to the legislation.

Mr. McFARLAND subsequently said, during Mr. McCARTHY'S address: Mr. President, it was understood by those of us who were interested in Calendar No. 2113, House bill 2733, that it would be placed at the foot of the calendar and later considered. There is no objection to considering it, and I ask unanimous consent that the Senator from Wisconsin may yield for that purpose without losing the floor, and that the pending business be temporarily laid aside but not displaced.

The PRESIDENT pro tempore. Is there objection?

Mr. WHERRY. Reserving the right to object—and I shall not—and I do not want to—this is one of the bills which was placed at the foot of the calendar, is it not?

Mr. McFARLAND. It is. It was agreed it would be taken up subsequently, after having been placed at the foot of the calendar.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and to insert:

That, for the purposes of irrigating land, delivering water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, described in the report of the Commissioner of Reclamation approved by the Secretary May 3, 1950, entitled "Plan for Development, Canadian River Project, Texas," Project Planning Report No. 5–12.22–1, at an estimated cost of $86,656,000, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act.

SEC. 2. (a) Notwithstanding any recommendations in the above-mentioned report to the contrary, only the costs of construction allocable to flood control and, upon approval by the President of a suitable plan thereof, to the preservation and propagation of fish and wildlife, and operation and maintenance costs allocable to the same purposes, shall be nonreimbursable.

(b) Actual construction of the project herein authorized shall not be commenced, and no construction contract awarded therefor, until (1) the Congress shall have consented to an interstate compact between the States of New Mexico, Oklahoma, and Texas, in conformity with Public Law 491, Eighty-first Congress, and (2) repayment of that portion of the actual cost of constructing the project which is allocated to municipal and industrial water supply and of interest on the unamortized balance thereof at a rate (which rate shall be certified by the Secretary of the Treasury) equal to the average rate paid by the United States on its long-term loans outstanding at the time the repayment contract is negotiated minus the amount of such net revenues as may be derived from temporary water supply contracts or from other sources prior to the close of the repayment period, shall have been assured by a contract satisfactory to the Secretary, with one central repayment contract organization, the term of which shall not exceed 50 years from the date of completion of the municipal and industrial water supply features of the project as determined by the Secretary.

(c) The repayment contract shall provide, among other things, (1) that the holder thereof shall have a first right, to which right the rights of the holders of any other type of contract shall be subordinate, to a stated share or quantity of the project's available water supply for use by its constituent industrial and municipal water users during the repayment period and a permanent right to such share or quantity thereafter subject to payment of such costs as may be incurred by the United States in its operation and maintenance of any part of the project works; (2) that, subject to such rules and regulations as the Secretary may prescribe, the care, operation, and maintenance of such portions of the pipe line and related facilities as are used solely for delivering such water to the contract holder and its constituent organizations shall, as soon as is practicable after completion of the municipal and industrial water supply features of the project, pass to the contract holder or to an organization which is designated by it for that purpose and which is satisfactory to the Secretary; and (3) that title to such portions of the pipe line and related facilities shall in like manner pass to the contract holder or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with the project.

SEC. 3. There are hereby authorized to be appropriated, out of many moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

Mr. CHAVEZ. Mr. President, I have two amendments which I desire to offer to the amendment of the committee.

The PRESIDENT pro tempore. The amendments will be stated.

The LEGISLATIVE CLERK. On page 3, in the amendment of the committee, line 18, it is proposed to insert after the period, the words, "The use by the project of waters arising in Ute and Pajarito Creeks, N. Mex., shall be only of such use as does not conflict with use, present or potential, of such waters for beneficial consumptive purposes in New Mexico."

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The second amendment will be stated.

The LEGISLATIVE CLERK. On page 4 of the committee amendment, line 3, after the word "until", it is proposed to strike out "(1) the Congress shall have consented to an interstate compact between the States of New Mexico, Oklahoma, and Texas," and to insert, "(1) the Congress shall have consented to the interstate compact between the States of New Mexico, Oklahoma, and Texas agreed upon by the Canadian River Compact Commission at Santa Fe, N. Mex., December 6, 1950."

The amendment to the amendment was agreed to.

Mr. WILLIAMS. Mr. President, I am not going to take the time of the Senate, but I really think that this bill should be voted down at this particular time, for the reason that the President has already issued a directive to the effect that work shall not begin on the construction of projects which are not necessary to the national defense.

The Senator from Arizona and the Senator from Texas have already conceded that this project could be delayed until such time as the emergency period is over. The only way we can stop the spending of money is to stop passing bills. I see no reason in the world why we should pass the authorization, if it is not planned to go ahead with the project until after the emergency is over. After the emergency is over, I think we would be in a better position to legislate more intelligently than we can today. I therefore urge that the bill be defeated.

Mr. McFARLAND. Mr. President, I do not want to delay the Senate. I have already made a statement on the importance of the bill.

Mr. McCARTHY. Mr. President, may I interrupt? I have a meeting at 4:30 which I must attend. If there is to be any extended discussion——

Mr. McFARLAND. I am willing to have a vote, because I have already made my statement.

Mr. McCARRAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McCARRAN. Do I correctly understand that there was some sort of unanimous-consent agreement arrived at this morning?

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the Senator from Wisconsin asked and obtained unanimous consent to have the floor for the purpose of making a speech following the completion of the call of the calendar.

Mr. McCARRAN. Is that the unanimous-consent agreement which entitled the Senator from Wisconsin to the floor?

The PRESIDENT pro tempore. It is. The question is on agreeing to the amendment, as amended, to the bill (H. R. 2733).

The amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—BILL PASSED OVER

Mr. BREWSTER. Mr. President, I was called out of the Chamber when Senate bill 3049, Calendar No. 1521 was reached. The bill then was objected to by the Senator from Montana [Mr. MURRAY]. I have spoken to the Senator from Montana, and he has indicated

he is prepared to withdraw his objection. Therefore, I ask unanimous consent that the Senate return to consideration of Senate bill 3049, Order No. 1521. The bill was introduced by the Senator from Illinois [Mr. LUCAS].

The PRESIDENT pro tempore. Is there objection?

Mr. MURRAY. Mr. President, I withdraw my objection.

Mr. LUCAS. Mr. President, may I inquire what calendar number was referred to?

Mr. BREWSTER. No. 1521, Senate bill 3049.

Mr. LUCAS. I object, Mr. President.

The PRESIDENT pro tempore. The Senator from Illinois objects.

Mr. BREWSTER. Mr. President, will the Senator from Illinois withhold his objection for 3 minutes?

Mr. LUCAS. I am glad to do so.

Mr. BREWSTER. I shall not undertake to labor the argument with the Senator from Illinois, who is in the rather curious position of objecting to his own bill. I had hoped that before the session expired he might be prepared to let his child see the light of day. I shall not, however, discuss that matter.

CHARLES E. WILSON, ECONOMIC MOBILIZER

I want to speak briefly on a far more profound matter which affects us. As it seems to me, the time has arrived to raise the old Harry.

Out of the vasty deep of current chaos there emerges today a glimpse of the man who helped more than any other Member of the Congress to mobilize America industrially in the Second World War and I refer to Senator Harry Truman.

In the naming of Charles E. Wilson as economic mobilizer, with power, the country may find assurance that the lessons learned by the Truman committee in 1942 are about to be applied. Every experience of 1918 and 1942 in industrial mobilization taught the vital necessity of concentration of power and responsibility.

Further steps in the foreign field to put responsibility in those in whom both the President and the country have full confidence as to their judgment and their surroundings and background will at one stroke unite the country and the Congress behind the President.

Forgetting all the past, all Americans may get together on a program at home and abroad that is utterly consistent with the commitments of our country and the proposal last night of the technical leader of his Missouri majesty's loyal opposition.

No individual must be permitted to hamper the all-out effort upon which America must immediately embark.

The elected officials of this country are going to rise to their responsibilities on both sides, and America is going to start the new year with a new look.

Vox populi; vox Dei.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Second Wilson Job in War Production," published in the New York Times today, and an article written by Robert J. Donovan, dealing with the appointment of Mr. Wilson, which was published in the New York Herald Tribune today.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of December 15, 1950]

SECOND WILSON JOB IN WAR PRODUCTION—IN 1942, GENERAL ELECTRIC HEAD RESPONDED TO PRESIDENT ROOSEVELT'S SUMMONS

Recognized as one of the country's outstanding production men, Charles E. Wilson, president of the General Electric Co., is taking the second Government post he has accepted at the request of a President in wartime.

President Roosevelt summoned Mr. Wilson to Washington in 1942 to become vice chairman of the War Production Board, in charge of production scheduling. Mr. Wilson, who celebrated his fiftieth anniversary with the General Electric organizaiton last year, resigned the corporation presidency when assuming his new job in World War II.

"It took me 40 years to climb to the presidency and 40 seconds to step out," he said then. "But hell's loose and I've got to do something about it."

At that time Ferdinand Eberstadt, vice chairman of the War Production Board in charge of program determinaiton, favored Army control over the Government agency. The former corporation head believed the board must go into plants, work out production schedules and then tell each plant where the production was to be sent and when. He insisted that Mr. Eberstadt's scheme kept war contracts out of the hands of small business.

MORE AUTHORITY FOR WILSON

In December of 1942, a compromise was completed whereby Mr. Wilson was permitted to survey military production schedules, balance them against industrial capacity and arrange for their completion. Later that month Donald M. Nelson, head of the board, dismissed Mr. Eberstadt and promoted Mr. Wilson to the post of executive vice chairman of the agency in charge of all programs.

In August of 1944, the former General Electric president resigned his WPB office on the ground that his value to the wartime production program was being impaired by attacks made upon him through the press and radio.

He asserted that the attacks were made at the instigation of "subordinate officials connected with the personal staff of Mr. Nelson." President Roosevelt accepted his resignation with reluctance.

Mr. Wilson goes this time to a Washington post with specific ideas again on defense production. Last week he said defense spending in 1952 would reach a level of $46,000,000,000, but would decline in the following year to about $41,000,000,000.

In a speech before the National Press Club, Mr. Wilson declared that the figures he cited were based upon estimates by his company's own experts. He added that his organization assumed that there would be some increase of the workweek and estimated power requirements at a wartime level of industrial activity.

In Mr. Wilson's opinion, there will be sufficient electric power to meet present needs with a safe reserve margin. There will be no power shortage, he said, unless one or more of these steps is taken:

If major war-production projects are placed where power will not be available to them.

If present manufacturing facilities for utility power-supply equipment is diverted to other purposes.

If materials necessary to produce equipment is not made available as a vital part of over-all defense-program schedules.

STARTED WORK AT 12 YEARS

The 6-foot 2-inch energetic executive of General Electric was born on Hudson Street in Manhattan on November 18, 1886. His father was hurt in the crush at the opening of the Brooklyn Bridge and died soon afterward. His mother supported him by working as a housekeeper. When 12 years old he stopped school and went to work as an office boy for the Sprague Electric Co., one of the organizations that finally made up General Electric.

He learned accounting at night school and enrolled later for correspondence courses in engineering.

Mr. Wilson advanced from office boy through various departments until in 1939 he was elected the fourth president of General Electric. After his resignation in 1944 from the War Production Board, he was again elected president and a director of the corporation.

In 1946 a strike of 10,000 General Electric workers held up production of a large part of the country's supply of electrical appliances for home and industrial use. It lasted from January 15 until March 13. It was settled on the basis of a wage increase of 18½ cents an hour. During the labor controversy Mr. Wilson had lashed out against the fact-finding boards.

"Uncontrolled fact finding can be notoriously abused," he said. "If the proceedings already taken on this principle are representative of what we could expect, it is apparent that the search is likely to be not for facts but for some sort of a framework on which to bring wages into line with the currently announced Presidential wage-price policy."

President Truman named Mr. Wilson chairman of the Civil Rights Committee in 1946. That same year he also appointed him to the Advisory Commission on Universal Military Training.

Mr. Wilson married in 1907 the former Miss Elizabeth Maisch. They have an adopted daughter, Margaret.

[From the New York Herald Tribune of December 15, 1950]

WILSON, OF GENERAL ELECTRIC, TO RUN AMERICA'S WAR PRODUCTION—NATION AWAITS MOBILIZATION TALK TONIGHT—TRUMAN CONSIDERS GRADUAL CONTROLS—MAY DELAY FULL FREEZE OF PAY AND PRICES IN PLAN FOR VAST RISE IN OUTPUT

(By Robert J. Donovan)

WASHINGTON, December 14.—Charles E. Wilson, president of the General Electric Co., who was Executive Vice Chairman of the War Production Board in World War II, agreed today to head America's new industrial-mobilization program.

President Truman, it was learned, intends to announce the appointment of the 64-year-old New York executive in his speech to be broadcast and televised at 10:30 p. m. tomorrow outlining new plans for vastly building up this country's industrial and military power to meet the threat of Communist aggression.

Reports that Mr. Wilson would become head of a new over-all defense production agency to be established by the President circulated throughout Washington all day. The White House refused to confirm or deny them. Tonight, however, Mr. Wilson announced through a spokesman in New York that he had accepted the Mobilization post. There were no further details about the scope of his new job.

GRADUAL CONTROLS PLANNED

The announcement topped these other developments:

1. It was reported that President Truman inclined toward gradual wage and price controls instead of an immediate freeze of the economy as he worked on the final draft of tomorrow's speech. Under this plan the area of controls would be expanded as rapidly as a staff could be assembled to administer and

enforce them. The first controls to be applied would be in the field of commodities in critical demand for military production.

2. In the first move of its kind, the Government tonight invited labor and management in the automobile industry to meet with Economic Stabilization Agency officials here next Wednesday "for an informal discussion of wage stabilization problems in the passenger-automobile industry."

Cyrus S. Ching, Chairman of the Wage Stabilization Board, said the action was not a result of the refusal yesterday of automobile manufacturers to cancel price increases on 1951 models, as the Government asked. He said the meeting is being called because the Board cannot avoid the conclusion that some kind of controls, either voluntary or mandatory, are in the realm of possibility."

3. Officials indicated that the proclamation of a state of national emergency, which the President originally planned to issue before his speech tomorrow night, is now expected to come soon after it, probably on Saturday.

VINSON FOR 4,000,000 FORCE

4. A proposal that the Armed Forces should plan for a total of 4,000,000 men by mid-1952 was made by Representative VINSON, Democrat, of Georgia, chairman of the House Armed Services Committee, one of those who discussed expansion of the Armed Forces at a conference with President Truman at the White House yesterday. The present manpower goal of the armed services, as revealed by budget requests, is 2,771,000 by next June 30, although it has recently been agreed within the administration that this total would be inadequate.

5. The National Production Authority served notice that the use of copper and brass in the production of nonmilitary products soon would be cut. The products to be affected reportedly range from plumbing and radiators to hub caps and coffins.

Mr. Wilson's announcement through a spokesman tonight that he had accepted the top industrial mobilization job caught many Washington officials by surprise. They knew he had been offered the post, but they expected the announcement to come from the President tomorrow, so they would not officially confirm the appointment. Thus, the job has been accepted publicly before there has been any official announcement as to the exact nature of it.

OVER-ALL ORGANIZATION

The President has not revealed what kind of production agency he plans to set up under Mr. Wilson. Reports are it will be an over-all organization supervising allocation and production of essential commodities. It would take over jurisdiction now scattered throughout a number of agencies and departments, including the Commerce Department and the National Production Authority, headed by William Henry Harrison, president of the International Telephone & Telegraph Corp.

In his speech tomorrow night Mr. Truman is expected to explain the necessity for a state of national emergency and to announce a vast new mobilization program, including enlargement of the Armed Forces, greatly expanded war production, and imposition of economic controls.

Some officials said tonight Mr. Truman still had not come to a final decision as to whether he would immediately order complete across-the-board wage-and-price controls, thus freezing the whole economy at once, or begin with controls on selected commodities, especially those like steel, needed for defense production.

It was learned on good authority, however, that Mr. Truman and his advisers were tending to favor selective controls since there is not yet an adequate staff to administer and enforce controls on a great many items.

The economic stabilization agency, to which the task would fall, has fewer than 200 employees and no field offices outside Washington. Its World War II predecessor, the Office of Price Administration, had about 70,000 employees and, according to testimony before congressional committees, a similar number would be required now to enforce general wage-and-price controls.

For the second consecutive day, Mr. Truman conferred this morning on controls with high-ranking Democrats and Republicans in Congress, meeting with a group different from the one which went to the White House yesterday, and this afternoon he went over his plans with the National Security Council and other administration leaders.

Senator BURNET R. MAYBANK, Democrat of South Carolina, chairman of the Senate Banking and Currency Committee, said he and several other legislators present urged the President to declare a state of emergency and move as rapidly as possible toward complete controls. The Senator indicated he favored selective controls on key commodities until the ESA has a staff adequate to enforce general controls.

Members of the Atomic Energy Commission and of the Joint Congressional Committee on Atomic Energy also attended the morning meeting.

Mr. MORSE. Mr. President, I desire to take a moment to associate myself with the remarks of the Senator from Maine [Mr. BREWSTER] with regard to the appointment of Mr. Wilson. During World War II I had the opportunity to observe the industrial statesmanship of Mr. Wilson as he worked on the home front in connection with our economic stabilization program. I wish to say that in my opinion he made one of the most brilliant records on the home front in connection with the war effort of any man in a civilian capacity.

I believe his appointment by President Truman will be reassuring not only to American industry but to the American people. They will be pleased to know that we have such an able man performing a vital task in the emergency which confronts us, in whom all can have complete confidence.

The PRESIDENT pro tempore. On objection by the Senator from Illinois, Senate bill 3049 will be passed over.

The next bill on the calendar will be stated.

BILLS PASSED OVER

The bill (H. R. 5098) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over by request.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3972) to stimulate exploration for the conservation of strategic and critical ores, metals, and minerals, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7303) to amend section 120 of the Internal Revenue Code was announced as next in order.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (S. 3108) to provide for payment of an annuity to widows of judges was announced as next in order.

The PRESIDENT pro tempore. Is there objection?

Mr. LUCAS. Mr. President, I do not personally object, but I have a request from my colleague to object to that bill.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (S. 3069) to establish a Bureau of Passports and Visas to be headed by a Director was announced as next in order.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (H. R. 10) to facilitate the deportation of aliens from the United States was announced as next in order.

Mr. LUCAS. Mr. President, that bill should be indefinitely postponed. It is a part of a measure which already has been passed.

The PRESIDENT pro tempore. Without objection, the bill is indefinitely postponed.

The bill (H. R. 6114) to set aside certain lands in Oklahoma, formerly a part of the Cheyenne-Arapaho Reservation; and also known as the Fort Reno Military Reservation; for the Cheyenne-Arapaho Tribes of Indians of Oklahoma, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill is passed over.

RECLASSIFICATION OF POSTMASTERS, ETC.—BILL PASSED OVER

The bill (S. 1978) to reclassify postmasters, assistant postmasters, and other positions in the postal field service was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill.

Mr. WILLIAMS. Mr. President, reserving the right to object, I should like to ask the Senator who is chairman of the Committee on Post Office and Civil Service whether he will accept as an amendment to the bill the text of House bill 2945, which is the bill by which it is proposed that postal rates be increased. I notice that the committee has reported the bill for increasing the salaries of postmasters, but has failed to report the bill which would increase the income of the postal service. If the Senator is willing to accept as an amendment the bill increasing the postal rates, I shall not object to the consideration of this bill.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go over at the present time, and I will discuss the matter with the Senator.

The PRESIDENT pro tempore. On objection, the bill goes over.

BILLS PASSED OVER

The bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, in light of the situation in the world today, I think the bill should go over. Therefore I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 2984) to consolidate the Parker Dam power project and the Davis Dam project was announced as next in order.

Mr. McCARRAN. Mr. President, there is involved in this bill a question concerning the distribution of power from consolidated projects. That question should be settled before the bill is enacted. Therefore, I must object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 706) providing equal pay for equal work for women, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 3499) to grant persons entitled to vocational rehabilitation under part VII, Veterans Regulation No. 1 (a), as amended, a minimum of 4 years training was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (H. R. 8195) to rescind the order of the Postmaster General curtailing certain postal services was announced as next in order.

Mr. WILLIAMS. Let the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (H. R. 5187) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs was announced as next in order.

Mr. HENDRICKSON. I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

WILHELM ENGELBERT

The bill (S. 560) for the relief of Wilhelm Engelbert was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder whether the distinguished Senator from Nevada [Mr. McCARRAN] will give us an explanation of the bill. I am concerned lest the recipient of the proposed relief is connected with certain Nazi influences.

Mr. McCARRAN. Mr. President, I shall make a statement, and I shall try to reach the Senator's specific question.

This bill cancels the deportation proceedings against a 45-year-old native and citizen of Germany, who last entered the United States as a seaman in December, 1926. He is a former member of the National Socialist Labor Party, and was interned as an alien enemy during World War II.

On July 1, 1948, the Attorney General ordered his release from alien enemy proceedings.

This man is married to a citizen of the United States. It appears that the wife, who depends upon the beneficiary of the bill for her support, is in delicate health, and has had medical and surgical care over a period of years.

So far as is disclosed to the Committee on the Judiciary, there is nothing in connection with this man which would warrant his being excluded from the United States.

Mr. HENDRICKSON. Is it true that this man refused to serve in the Army of the United States, against Germany, in the last war?

Mr. McCARRAN. I think that is true, according to the information we have. On the other hand, this relief is not proposed for this man, but for his wife, who is dependent upon him, and is a citizen of the United States.

However, the question propounded by the Senator from New Jersey must be answered in the affirmative.

Mr. HENDRICKSON. The wife is the one who will receive the benefit of this measure; is that correct?

Mr. McCARRAN. Yes.

Mr. HENDRICKSON. Mr. President, I withhold objection.

Mr. McCARRAN. This measure permits this man to remain in the United States.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 560), which had been reported from the Committee on the Judiciary with an amendment at the top of page 2 to strike out:

SEC. 2. In the administration of the immigration and naturalization laws, the said Wilhelm Engelbert, who entered the United States illegally on December 31, 1926, shall be considered as having been lawfully admitted to the United States for permanent residence as of December 31, 1926, on payment of the required visa fee and head tax.

SEC. 3. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Germany.

So as to make the bill read:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Wilhelm Engelbert. From and after the date of enactment of this act, the said Wilhelm Engelbert shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The bill ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3463) to amend the Railway Labor Act, as amended, so as to prevent interference with the movement of interstate commerce, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (H. R. 7240) to amend the act entitled "An act to regulate barbers in the District of Columbia, and for other purposes, approved June 7, 1938, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. LUCAS. Mr. President, the Senator from New Mexico [Mr. CHAVEZ] requests that I object, in his behalf.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 2362) to provide for flight experience for certain students in senior high schools of the District of Columbia was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object to the consideration of this measure.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 3980) to extend the requirements for fixing the minimum number of deck officers on steam vessels to certain additional vessels of the United States, and for other purposes, was announced as next in order.

Mr. STENNIS. Mr. President, on behalf of the junior Senator from Louisiana [Mr. LONG], I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

STUDY OF CERTAIN TRIBES, BANDS, AND GROUPS OF INDIANS—JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 490) to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. HENDRICKSON. Mr. President——

Mr. LUCAS. Mr. President——

Mr. HENDRICKSON. Mr. President, I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I do not care who objects to the present consideration of this measure; one or the other of us will object, I assume.

Mr. HENDRICKSON. I was going to object, by request.

Mr. LUCAS. I yield to the Senator from New Jersey, for that purpose.

Mr. HENDRICKSON. I thank the Senator.

Mr. President, I object to the present consideration of the joint resolution.

The PRESIDENT pro tempore. Objection is heard, and the joint resolution will be passed over.

Mr. WATKINS. Mr. President, reserving the right to object, I desire to make a statement regarding the joint resolution.

The PRESIDENT pro tempore. Does the Senator who objected withhold his objection for that purpose?

Mr. HENDRICKSON. I gladly do so.

The PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. WATKINS. Mr. President, I intend to take a few minutes to discuss briefly House Joint Resolution 490, which is a resolution to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government.

Mr. President, this joint resolution is not as simple as the above statement would indicate it to be. In making my comments today on this joint resolution, I want it to be distinctly understood that I am thoroughly convinced that we should do everything possible to help the American Indians become independent and self-supporting American citizens. The sooner that result can be accomplished, the better it will be for the Indians and for all the rest of us. For one thing, the demands on the Treasury will be greatly lessened.

Our Government has been the guardian of the Indians for over 100 years. On the surface it would appear to be entirely unnecessary now to authorize the Secretary of the Interior to make a study of these Indians to determine their qualifications to control and manage their own affairs. If the Bureau of Indian Affairs has not made that study in the last 100 years, and if it now does not have a definite program for the emancipation of Indians, it would appear to me that it would be a waste of time and money to ask that Bureau to undertake the job now.

The fact is that numerous studies, both by the Bureau and by outside institutions and persons, have been made over the years to determine how to bring about the fullest development of the Indians, in order that they may become independent Americans, with all the rights and responsibilities of citizenship. In the beginning of the Eightieth Congress, the Commissioner of Indian Affairs was requested to file with the Senate a report naming the Indian tribes which then were ready for immediate release from the guardianship of the United States. He was also requested to name other tribes and detail their status of preparation for full citizenship and conduct of their own affairs. This report was given. It stated that 10 Indian tribes were then ready for management of their own affairs, and could be released within a reasonable time.

The report, also indicating the status of other tribes, was rather full and complete. Definite and specific recommendations were made to the Senate. For the most part, these recommendations appeared to be sound and desirable, but for some reason the administration blocked nearly every move made to make them effective.

The new study to be authorized by the joint resolution will not hasten release of Indians to manage their own affairs. In my opinion it will delay it. The Indian Bureau representative told the Senate committee that the Bureau did not have the staff to make this investigation, and would have to make contracts with schools or outside consulting agencies to do the work. Obviously, neither the schools nor the consulting agencies would be prepared to do this work as well as the Indian Bureau itself. It should also be remembered that we are now facing a manpower shortage.

Indian and native race tribes are scattered all the way from Point Barrow, in Alaska, to the Florida peninsula, and east and west across the country. It would be a mammoth undertaking to study in the field each of these Indian tribes. Obviously, the only other place to get the information is from the files of the Indian Bureau and from the Indian Administration itself. It should be clear that outside institutions would have to be educated to do this job. It would take years to accomplish the investigations proposed, and in the meantime all Indian legislation would be held in abeyance until the study had been completed. Action on studies and recommendations already made, and not new investigations, is the need of the hour.

The resolution authorizes the use of $50,000 out of funds appropriated for the benefit of the Indians. In addition, there is an authorization to use, out of the funds to be appropriated for the Indian Bureau, whatever funds are deemed necessary to carry out the purposes of this joint resolution. This is an open-ended authorization. Some of the money which would be used would be furnished by the Indians themselves. Obviously, the Indians should be heard from before this proposed legislation is enacted.

Indians are badly in need of all appropriations which have been made or are likely to be made in the future. To take money from their needs for sustenance, health, and education to make a study to get information which should be, and is, already in the possession of the Indian Bureau, certainly is not in the interests of the Indians. Indian associations complain that the Indians themselves who would be the most affected did not have an opportunity to appear before the committees which considered this measure. They say it was rushed through committee.

I think I have said enough today to indicate that this measure should not be enacted on the Consent Calendar, but should have the fullest debate. As chairman of the Subcommittee on Indian Affairs for 2 years, I had an opportunity to study many of the Indian tribes at first hand and to note their rate of progress. As a result of my studies, I have come to the conclusion that what is needed now is action on recommendations that have already been made, and not new investigations. Therefore I object.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Objection has been made to the present consideration of House Joint Resolution 490.

Mr. McFARLAND. Mr. President, I should like to state that I shall have no objection to the joint resolution coming up under unlimited discussion, at the proper time, but I consider it to be a very important piece of legislation, and I am sorry that I have to disagree with the distinguished Senator from Utah. I think that we must require the Indian Bureau to make these reports and recommendations, in order that we may receive them promptly and regularly.

The PRESIDING OFFICER. Objection having been made, the bill goes over. The clerk will report the next measure on the calendar.

PEANUT MARKETING QUOTAS—BILL PASSED OVER

The bill (S. 3135) to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, was announced as next in order.

Mr. HILL. I object.

Mr. ANDERSON. Mr. President, will the Senator withhold his objection temporarily?

The PRESIDING OFFICER. Does the Senator from Alabama temporarily withhold his objection?

Mr. HILL. I withhold it temporarily.

Mr. ANDERSON. Mr. President, I have prepared a statement, which embodies a number of tables, which it would require some time to discuss properly, and which I shall merely ask permission to have them inserted in the RECORD at this point.

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

STATEMENT BY SENATOR ANDERSON

From the previous discussion which took place with reference to peanuts on Wednesday on the floor of the Senate, I am persuaded that before we get too far along on any sort of legislation to remedy our present difficulties there will be much discussion as to what has taken place in the past and what is likely to be the experience in the future. For this reason I desire to submit a number of things for the record and ask that they be printed in order that the factual material may be in the RECORD and available to Senators before there is any vote on this question.

For instance, on Wednesday I made a statement that the peanut program on the 1949 crop was going to cost the Government about $49,000,000, that since slightly more than 2,000,000 acres of peanuts had been planted we could figure out that the cost was something in the neighborhood of $20 an acre. In support of that statement, I desire to submit for the record and have printed three items. The first is a letter dated November 30 from Frank Woolley, Deputy Administrator of the Production and Marketing Administration, addressed to me which was designed to supplement several telephone conversations which we had had. This letter indicates that the direct loss was $39,605,053.85, and that, in addition, section 32 subsidized the export of peanuts in the amount of $4,559,192.19, and that ECA, in addition, put up $5,040,177.91. Mr. Woolley points out that the total cost was $49,204,423.95. Of course, there were some additional sums spent for peanut butter out of the school lunch program but we can leave that out of the discussion. I, therefore, ask unanimous consent to insert in the RECORD at this point Mr. Woolley's letter of November 30, a table showing CCC operations through October 31, 1950, in price support of the 1949 crop of peanuts, and an analysis of sales of the 1949 crop of peanuts.

NOVEMBER 30, 1950.

HON. CLINTON P. ANDERSON,
United States Senate.

DEAR SENATOR ANDERSON: This is an informal note with respect to Commodity

Credit Corporation losses and other Government expenditures in connection with peanuts from the 1949 crop.

Attached hereto is a statement for the 1949 crop similar to the one which we provided you on the 1948 crop. I think it would be fair to say that the total subsidy through ECA and otherwise for 1949 peanuts amounts to approximately $49,000,000. You will notice from the attachment that CCC sustained a direct loss of $39,605,053.85. In addition, section 32 subsidized the export of peanuts in the amount of $4,559,192.19 on sales to ECA. ECA put up $5,040,177.91, making the total cost to the United States Government $49,204,423.95. The $1,763,560 spent for peanut butter out of section 6 cannot be properly charged as any type of subsidy since this purchase was made strictly for the benefit of the school lunch program in the interest of centralized procurement rather than in the interest of price support.

In view of the current discussions that are taking place with respect to peanut legislation, I thought you would be anxious to have this data.

Sincerely,

FRANK K. WOOLLEY,
Deputy Administrator.

Commodity Credit Corporation—Operations through Oct. 31, 1950, in price support of 1949-crop peanuts

[Quantity, in pounds]

Particulars	Farmers stock	Shelled
Purchased by CCC	74,505,263	487,827,219
Dispositions:		
Inventory adjustment (shrinkage, etc.)	3,374,397	22,269
Sales [1]	71,130,866	487,804,950
Total dispositions	74,505,263	487,827,219
Inventory Oct. 31, 1950	0	0

[1] See separate analysis of sales.

Commodity Credit Corporation—Analysis of sales—1949 crop peanuts

[Quantity in pounds]

A. SHELLED PEANUTS

1. Domestic sales for crushing	[1] 412,790,829	
2. Export sales:		
(a) Sales under sec. 112 (e), Foreign Assistance Act, ECA countries	[2] 62,032,959	
(b) Sales to private exporters	[1] 12,981,162	
(c) Total export sales		75,014,121
3. Total, shelled peanuts		487,804,950

B. FARMERS STOCK PEANUTS (ALL DOMESTIC SALES)

1. For seed and edible uses at no loss		32,428,550
2. Domestic sales for crushing	[1] 38,702,316	
3. Total, farmers stock peanuts		71,130,866

[1] Net loss to CCC on 1949-crop peanuts to Oct. 31, 1950, was $39,605,053.85, all of which was on domestic sales for crushing with the exception of a minor loss on sales to private exporters.

[2] Payments from sec. 32 funds with respect to peanuts exported under sec. 112 (e) of the Foreign Assistance Act amounted to $4,559,192.19

NOTE.—Under the 1950 program of sec. 6, National School Lunch Act, 7,999,966 pounds of peanut butter were purchased at cost of $1,763,560.

In the course of the discussion I suggested that the cost per acre of the peanuts planted for oil might run as high as $27 an acre. That figure I admit will be hard to demonstrate, but supporting information is available. For example, the Association of Virginia Peanut and Hog Growers on Aug. 17, 1950, released the following statement on the responsibility for the cost of the 1949 peanut program:

"RESPONSIBILITY FOR COST OF 1949 PEANUT PROGRAM

"Total cost of the program, $39,000,000.

"Virginia-Carolina, 27 percent of production, 12 percent of cost, $10.40 per 1,000 pounds.

"Southeast, 50 percent of production, 67 percent of cost, $27 per 1,000 pounds.

"Southwest, 23 percent of production, 21 percent of cost, $18 per 1,000 pounds.

"One may well inquire as to why the Virginia type is costing even 12 percent of the total cost, when we are in acute short supply. Simply because CCC subsidizes No. 2 shelled peanuts (the least desirable shelled grade), by purchasing them from the sheller at 16.4 cents per pound, and selling them to the oil mills at approximately 6 cents per pound. This is justified as long as acreages far in excess of edible trade demands are permitted in the Southeast, for CCC realizes there will be a quantity of excess peanuts to be purchased and crushed for oil at a loss. CCC can purchase such excess more economically and efficiently in the form of No. 2 shelled peanuts, then as farmers stock (unshelled), which would also call for the crushing of the more desirable kernels along with the less desirable kernels. This No. 2 program accounted for the entire portion of Virginia type cost. When acreages are allotted by types, based upon the estimated demands of the edible trade, there will be no anticipated surplus and no further justification for the No. 2 program, and no appreciable cost of the peanut program.

"We believe our efforts toward such a program to be sound, logical, and for the future security of a peanut program. We are simply asking that our product be allowed to stand upon its own merits, and if permitted to do so, we are confident we will have nothing to be ashamed of.

"WILLIAM V. RAWLINGS,
"Executive Secretary."

That statement estimated the total cost of the 1949 program at $39,000,000. Of that, it was estimated that 27 percent of the production and 12 percent of the cost or $10.40 per 1,000 pounds came from the Virginia-Carolina area; that 50 percent of the production and 67 percent of the cost or $27 per 1,000 pounds came from the Southeast; and that 23 percent of the production and 21 percent of the cost or $18 per 1,000 pounds came from the Southwest. I am sure that the Association of Virginia Peanut and Hog Growers would be able to produce evidence in support of their published statement which so far as I know has not be challenged.

The Senate of the United States had a hearing on H. R. 9109 which was conducted on August 9, 10, and 11, 1950. The hearings are printed and are available. They dealt with cotton and peanut acreage allotments. During the hearings we got into a question of peanut losses and the senior Senator from Minnesota inserted in the printed hearings at page 61 a letter from the Fisher Nut & Chocolate Co. at St. Paul, Minn., pointing out that there was within a surplus crop of peanuts a scarcity. The scarcity was of the Virginia-type peanuts. In the questioning I pointed out that since the Government was losing $100 a ton on peanuts the cost of the program would not be $38,000,000 for 1949 as had been estimated, but might move to fifty or sixty million dollars a year. You can understand my interest in a Government announcement that the total loss for 1949 is likely to be $49,204,000.

I have been trying to find out the per-acre cost where peanuts are planted for oil. Yesterday I got from the Department of Agriculture these figures. They were hastily assembled and I would not want anyone in the Department blamed if they were off a few dollars here and there, but the Department pointed to the loss of more than $49,000,000 and said that of the peanuts exported to Europe 40 percent came from the Southeast, 60 percent from the Southwest, and none from the Virginia-Carolina area. I, therefore, asked the Department to recalculate the figure carried by the Virginia Peanut and Hog Growers and the Department did supply me with figures yesterday. It said that $4,600,000 would represent the cost of disposing of all the No. 2's in the Virginia-Carolina area, making the average cost run $12 per acre as previously estimated, but that the cost in the Southeast area would rise to $30,400,000 or $24 per acre, whereas the average cost in the Southwest area, because of the large exports, would rise to roughly $14,000,000 or $18.75 per acre. This figure does not work out at $27 but at the time I used the $27 figure it was estimated that the large exports were coming from the Southeast areas and, therefore, that a proper proportion of the increase from 39,000,000 to 49,000,000 should be charged to that area, which worked out to a $27 figure. I am glad that the figure is only $24, and I desire to correct my previous estimate to that extent. I desire to incorporate the following letter from the Department of Agriculture at this point:

DECEMBER 15, 1950.

Hon. CLINTON P. ANDERSON,
United States Senate.

DEAR SENATOR ANDERSON: This is in reply to your telephone request of December 13 for information regarding peanut program losses for the 1949 crop in each of the three producing areas.

Direct losses to the Commodity Credit Corporation for 1949-crop peanuts amounted to $39,605,054, as of October 31, 1950. The amount of losses incurred, the acreage picked and threshed, and the losses per acre, in each area are as follows:

TABLE I

Area	Amount of loss [1]	Acres picked and threshed	Loss per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	26,364,524	1,252,000	21.06
Southwestern	8,307,452	701,000	11.85
Total	39,605,054	2,332,000	16.98

[1] Area losses partly estimated.

Apart from the above losses, $4,559,192 of section 32 funds were used to subsidize the export of No. 2 shelled peanuts for crushing. An additional $5,040,178 was put up by the Economic Cooperation Administration. This amounts to a total of $9,599,370 used for peanuts exported for crushing. We have no way of knowing whether the amount put up by ECA should be considered a loss to the United States Government because a division between ECA grants and loans is not made on a commodity basis. However, in answer to your specific request, the following table shows a breakdown of the total amount represented by CCC's losses, section

32 funds, and ECA expenditures for 1949-crop peanuts:

TABLE II

Area	Amount considered as loss [1]	Acres picked and threshed	Amount per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	30,281,067	1,252,000	24.19
Southwestern	13,990,279	701,000	19.96
Total	49,204,424	2,332,000	21.10

[1] Area losses partly estimated.

Of the peanuts exported for crushing, 40.8 percent was acquired in the southeastern area and the remaining 59.2 percent was acquired in the southwestern area. None of these peanuts were obtained from the Virginia-Carolina area because the oil content of the 1949-crop peanuts acquired from that area was slightly less than the minimum 46 percent requested by ECA. In table II the amount of section 32 funds and ECA expenditures was prorated between the southeastern and southwestern areas in the same proportion that CCC sales for export to all destinations from each area were of the total quantity sold by CCC for export.

In order to present a clear picture of losses which might be attributed to the 1949-peanut program, consideration should be given to the fact that the peanuts exported for crushing could have been sold by CCC for domestic crushing and a part of their cost to CCC recovered. On the basis of prices received by CCC for other No. 2 shelled peanuts sold for domestic crushing from the 1949 crop, it is estimated that CCC could have recovered approximately $1,540,000 for peanuts acquired in the southeastern area and exported to ECA countries and approximately $1,700,000 for peanuts acquired in the southwestern area and exported through ECA.

In the following table III, showing a breakdown of losses by areas, the amount considered as loss in table II has been adjusted by deducting the estimated amounts that would have been received if the peanuts exported from the southeastern and southwestern areas had been sold by CCC for domestic crushing:

TABLE III

Area	Amount considered as loss [1]	Acres picked and threshed	Amount per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	28,741,067	1,252,000	22.96
Southwestern	12,290,279	701,000	17.53
Total	45,964,424	2,332,000	19.71

[1] Area losses partly estimated.

If we can furnish you any further information, please let us know.

Sincerely yours,

LIONEL C. HOLM,
Acting Administrator.

May I point out that the reason that no peanuts were exported from Virginia and Carolina was that the exporters wanted a peanut running 46 percent or more in oil content and the Virginia-Carolina peanuts do not do that. Secondly, the reason why more came from the Southwest than from the Southeast was that the port facilities available from the Gulf Coast were easier to use.

Now, as to the 1950 losses, I think I should point out that because of the present world situation and the strong export demand for fats and oils, current losses to CCC on quota peanuts are relatively small, presently averaging about $35 per ton, farmers stock basis. The present world situation likely will continue and dollars will be available to other countries because of United States purchases abroad. Therefore, losses for peanuts diverted to crushing from the 1951 crop will continue at low levels. However, I do not feel that because of these relatively light losses on the current situation we should pass the peanut provisions of H. R. 9109 which would increase the acreage principally in Georgia, Alabama, and Texas by 76,888 acres and only increase the acreage in the Virginia-Carolina areas where we really need more peanuts by 64,149. I am inserting in the RECORD at this point an analysis of the peanut provisions of H. R. 9109 with table I showing the effect of such an increase in the State acreage allotments under H. R. 9109 and also with a second table labeled table II which shows the effect of legislation now recommended by the Department of Agriculture on 1951 State acreage allotments. I desire to insert these two tables at the same time because it will be easier to follow them if they are printed together.

"ANALYSIS—PEANUT PROVISIONS OF H. R. 9109

"Table I illustrates the change which would be made in the national and State acreage allotments for 1951 pursuant to section 8 of H. R. 9109. Column 4 of the table is the same as the allotments which have already been announced for 1951. Column 5 shows the State acreage allotments computed pursuant to the first proviso of section 8 and column 6 shows the increases in allotments resulting from the application of this proviso. These increases total 76,888 acres.

"Column 7 of the table shows the indicated permissive increases which might be made for Virginia and Valencia type peanuts in the major producing States as provided for in the second proviso of section 8. Some minor adjustments may be required in the increases for States other than North Carolina, Tennessee, and Virginia. In view of the present demand for these types of peanuts, the Secretary will no doubt increase the State acreage allotments to the 1950 allotments.

"Section 8 of H. R. 9109 also contains a provision which would permit the release and reapportionment of peanut acreage allotments voluntarily surrendered to any county committee.

"Under present legislation, CCC is authorized to distribute to farmers proceeds realized from selling excess oil peanuts for edible purposes only for the 1950 crop. Section 8 amends the act so that such proceeds might be distributed in any year."

TABLE I.—*Peanuts: Indicated 1951 State acreage allotments under H. R. 9109, assuming an initial national allotment of 1,771,117 acres*

State and area	1945-49 straight average acreage [1]	1950 acreage allotment prior to Public Law 471	1,771,117 acres apportioned		First indicated 1951 acreage allotment [2]	Initial increase through proposed legislation (column 5—column 4)	Possible additional major increases for types through proposed legislation [3]	Second indicated 1951 acreage allotment
			Basis, column 1	Basis, column 2				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Acres	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*
Virginia	154,600	141,108	88,399	117,819	117,819		23,289	141,108
North Carolina	287,600	225,702	164,448	188,451	188,451		37,251	225,702
Tennessee	5,400	4,766	3,088	3,979	3,979		787	4,766
Total Virginia-Carolina area	447,600	371,576	255,935	310,249	310,249		61,327	371,576
South Carolina	27,200	18,375	15,553	15,342	15,553	211	2,822	18,375
Georgia	1,046,600	701,400	598,439	585,638	598,439	12,801		598,439
Florida	96,400	73,236	55,121	61,149	61,149			61,149
Alabama	444,200	274,907	253,991	229,535	253,991	24,456		253,991
Mississippi	15,400	9,272	8,806	7,742	8,806	1,064		8,806
Total Southeast area	1,629,800	1,077,190	931,910	899,406	937,938	38,532	2,822	940,760
Arkansas	8,600	5,473	4,917	4,570	4,917	347		4,917
Louisiana	4,000	2,506	2,287	2,092	2,287	195		2,287
Oklahoma	241,400	183,600	138,031	153,298	153,298			153,298
Texas	723,600	451,200	413,750	376,732	413,750	37,018		413,750
New Mexico	10,000	5,959	5,718	4,975	5,718	743		5,718
Total Southwest area	987,600	648,738	564,703	541,667	579,970	38,303		579,970
Arizona	500	960	286	801	801			801
California	500	1,257	286	1,050	1,050			1,050
Missouri	500	279	286	233	286	53		286
Total others	1,500	2,496	858	2,084	2,137	53		2,137
Acreage reserved for new farms			17,711	17,711	17,711			17,711
Total United States	3,066,500	2,100,000	1,771,117	1,771,117	1,848,005	76,888	64,149	1,912,154

[1] Basis revised acreage data contained in Crop Report released July 11, 1950.
[2] Larger of entries in column 3 or column 4, excluding possible increases for Virginia-type producing areas.
[3] Difference between column 5 and 1950 allotment for major Virginia-type producing States.
Source: Fats and Oils Branch, PMA, Program Analysis Division.

TABLE II.—*Peanuts: Indicated 1951 State acreage allotments under legislation recommended by the Department of Agriculture assuming an initial national allotment of 1,771,117 acres*

State and area	1945–49 straight average acreage [1] (1)	1950 acreage allotment prior to Public Law 471 (2)	2,100,000 acres apportioned on basis of 1945–49 average acreage (3)	Larger of columns (2) or (3) (4)	First indicated 1951 acreage allotment [2] (5)	1951 acreage allotment announced Oct. 26, 1950 (6)	Second indicated 1951 allotment [3] (7)	1941 acreage allotment (8)	Possible additional increases for types through proposed legislation [4] (9)	Third indicated 1951 acreage allotment (10)
	Acres	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*
Virginia	154,600	141,108	105,873	141,108	112,869	117,819	117,819	141,108	23,289	141,108
North Carolina	287,600	225,702	196,955	225,702	180,535	188,451	188,451	225,702	37,251	225,702
Tennessee	5,400	4,766	3,698	4,766	3,812	3,979	3,979	4,766	787	4,766
Total, Virginia-Carolina area	447,600	371,576	306,526	371,576	297,216	310,249	310,249	371,576	61,327	371,576
South Carolina	27,200	18,375	18,627	18,627	14,899	15,342	15,342	18,375	1,516	16,858
Georgia	1,046,600	701,400	716,733	716,733	573,301	585,638	585,638	550,694	----------	585,638
Florida	96,400	73,236	66,017	73,236	58,580	61,149	61,149	73,236	----------	61,149
Alabama	444,200	274,907	304,197	304,197	243,321	229,535	243,321	274,907	----------	243,321
Mississippi	15,400	9,272	10,546	10,546	8,436	7,742	8,436	2,476	----------	8,436
Total southeast area	1,629,800	1,077,190	1,116,120	1,123,339	898,537	899,406	913,886	919,688	1,516	915,402
Arkansas	8,600	5,473	5,889	5,889	4,710	4,570	4,710	5,473	----------	4,710
Louisiana	4,000	2,506	2,739	2,739	2,191	2,092	2,191	353	----------	2,191
Oklahoma	241,400	183,600	165,316	183,600	146,858	153,298	153,298	61,607	----------	153,298
Texas	723,600	451,200	495,536	495,536	396,369	376,732	396,369	246,373	----------	396,369
New Mexico	10,000	5,959	6,848	6,848	5,478	4,975	5,478	3,673	----------	5,478
Total southwest area	987,600	648,738	676,328	694,612	555,606	541,667	562,046	317,479	----------	562,046
Arizona	500	960	342	960	768	801	801	----------	----------	801
California	500	1,257	342	1,257	1,005	1,050	1,050	1,257	----------	1,050
Missouri	500	279	342	342	274	233	274	----------	----------	274
Total others	1,500	2,496	1,026	2,559	2,047	2,084	2,125	1,257	----------	2,125
Acreage reserved for new farms	----------	----------	----------	----------	17,711	17,711	17,711	----------	----------	17,711
Total United States	3,066,500	2,100,000	2,100,000	2,192,086	1,771,117	1,771,117	1,806,017	1,610,000	62,843	1,868,860

[1] Basis revised acreage data contained in Crop Report released July 11, 1950.
[2] Column 4 reduced proportionately to a United States total of 1,771,117 acres, with acreage reserved for new farms of 17,711 acres.
[3] Larger of column 5 or column 6.
[4] Preliminary.
Source: Fats and Oils Branch, PMA, Program Analysis Division.

I know that many questions may be raised about these tables on acreage figures and in order that it all may be closer together, I think it ought to be pointed out that under provisions of Public Law 272 passed by the Eighty-first Congress a base quota of 2,100,000 acres was reached for the various States. Subsequently, there was a House joint resolution (H. J. Res. 398) passed by the second session of the Eighty-first Congress which increased that figure by nearly 100,000 acres and nearly all of it went to Alabama and Texas. The attached tables marked "A" and "B" contain the detailed figures showing that both Alabama and Texas were treated substantially the same as other areas prior to the relief they received under House Joint Resolution 398. Column 11 of table A shows that prior to House Joint Resolution 398, Alabama's 1950 allotment was 61.2 percent of its 1948 allotment. You will notice that all States, including Virginia and North Carolina, only received 63.4 percent of their 1949 acreage and that Georgia had only obtained 60 percent of its 1948 acreage. The effect of House Joint Resolution 398 was to give Alabama a 1950 allotment of 63.8 percent of its 1948 allotment whereas Georgia was left at 60 percent in 1948. Texas obtained 66.4 percent as a result of the increase. I include the two tables to be printed in the RECORD at this point:

Peanuts: Comparison of State and National peanut-acreage allotments before and after enactment of Public Law 272, 81st Cong., and related comparisons

State	1949 allotment (1)	1950 allotment under legislation prior to Public Law 272 [1] (2)	1950 allotment under legislation as amended by Public Law 272 (3)	Acreage increase or decrease through Public Law 272 (4)	Percentage increase or decrease through Public Law 272 (5)	1943–47 average acreage picked and threshed (6)	1948 acreage picked and threshed (7)	Percent 1949 allotment was of 1943–47 average acreage (column 1÷column 6) (8)	Percent 1949 allotment was of 1948 acreage (column 1÷column 7) (9)	Percent 1950 allotment is of 1943–47 average acreage (column 3÷column 6) (10)	Percent 1950 allotment is of 1948 acreage (column 3÷column 7) (11)
Alabama	399,821	302,453	274,907	−27,546	−9.1	503,200	499,000	79.5	89.0	54.6	61.2
Arizona	401	303	960	+657	+216.8	[3] 500	1,600	80.2	25.1	192.0	60.0
Arkansas	8,418	6,368	5,473	−895	−14.1	16,200	8,000	52.0	105.2	33.8	68.4
California	1,257	[2] 1,257	1,257	----------	----------	[3] 500	0	251.4	----------	251.4	----------
Florida	83,882	[2] 73,236	73,236	----------	----------	103,000	110,000	81.4	76.3	71.1	66.6
Georgia	878,024	664,199	701,400	+37,201	+5.6	1,088,200	1,169,000	80.7	75.1	64.5	60.0
Louisiana	4,041	3,057	2,506	−551	−18.0	7,800	3,000	51.8	134.7	32.1	83.5
Mississippi	14,129	10,688	9,272	−1,416	−13.2	19,800	15,000	71.4	94.2	46.8	61.8
Missouri	401	303	279	−24	−7.9	[3] 500	[4] 200	80.2	200.5	55.8	139.5
New Mexico	8,641	6,537	5,959	−578	−8.8	10,000	9,000	86.4	96.0	59.6	66.2
North Carolina	243,035	[2] 225,702	225,702	----------	----------	300,400	295,000	80.9	82.4	75.1	76.5
Oklahoma	188,336	142,471	183,600	+41,129	+28.9	229,000	306,000	82.2	61.5	80.2	60.0
South Carolina	25,613	19,375	18,375	−1,000	−5.2	37,200	26,000	68.9	98.5	49.4	70.7
Tennessee	5,739	[2] 4,766	4,766	----------	----------	9,200	5,000	62.4	114.8	51.8	95.3
Texas	625,788	473,390	451,200	−22,190	−4.8	776,600	752,000	80.6	83.2	58.1	60.0
Virginia	141,444	[2] 141,108	141,108	----------	----------	155,000	164,000	91.3	86.2	91.0	86.0
Total	2,628,970	2,075,213	2,100,000	+24,787	+1.2	3,257,100	3,312,800	80.7	79.4	64.5	63.4

[1] Column 1 reduced by 24.3529412 percent (the percentage which the 1950 national marketing quota was reduced below the 1949 national marketing quota of 850,000 tons) except that no State is reduced below the 1941 acreage allotment determined for the State.
[2] Computed allotment increased to equal the 1941 State allotment. This total increase in the national allotment by this adjustment would have amounted to 86,476 acres.
[3] Estimated BAE data not available.
[4] Measured acreage.

Peanuts: Comparison of State and National acreage allotments for 1950 under existing legislation and H. J. Res. 398, 81st Cong., 2d sess.

State	1949 acreage allotment	1950 acreage allotment		Acreage increase required in 1950 allotments by H. J. Res. 398 (column 3 — column 2)
		Under existing legislation [1]	Under H. J. Res. 398 [2]	
	(1)	(2)	(3)	(4)
	Acres	*Acres*	*Acres*	*Acres*
Alabama	399,821	274,907	319,373	44,466
Arizona	401	960	960	
Arkansas	8,418	5,473	6,724	1,251
California	1,257	1,257	1,257	
Florida	83,882	73,236	73,236	
Georgia	878,024	701,400	701,400	
Louisiana	4,041	2,506	3,228	722
Mississippi	14,129	9,272	11,286	2,014
Missouri	401	279	320	41
New Mexico	8,641	5,959	6,902	943
North Carolina	243,035	225,702	225,702	
Oklahoma	188,336	183,600	183,600	
South Carolina	25,613	18,375	20,459	2,084
Tennessee	5,739	4,766	4,766	
Texas	625,788	451,200	499,873	48,673
Virginia	141,444	141,108	141,108	
Total	2,628,970	2,100,000	2,200,194	100,194

[1] Not less than the larger of (*a*) 1941 allotment, or (*b*) 60 percent of 1948 acreage picked and threshed.

[2] Column 2 increased where necessary to not less than 79.879 percent of 1949 acreage allotment shown in column 1. (79.879 represents percentage which 1950 national allotment, 2,100,000 acres, is of the 1949 national allotment of 2,628,970 acres.)

There is another interesting factor in the peanut situation and that is the agreement which I understand has been reached between the Department of Agriculture and the southeastern peanut shellers under which the Department agrees to take 1,100 pounds of the No. 2 runner type of peanuts out of every ton of farmers' stock peanuts at a price of 15 cents per pound or 5 cents more than the current market price. A letter to me from the junior Senator from Virginia, Senator ROBERTSON, sets forth this understanding and says of it:

"A ton of farmers' stock shells out approximately 1,400 pounds which means that the producer of the runner type will sell 300 pounds in normal trade channels and the Government will buy the rest at a premium price of 5 cents per pound.

"I am likewise informed that the Government under this agreement will have to purchase approximately 2,000,000 tons of runner oil peanuts out of an estimated crop of 385,000 tons."

I cite this section from the letter by the junior Senator from Virginia to explain why his people are very anxious to see good peanut legislation pass. They are afraid that if too much money is squandered on a program of this nature it will jeopardize the whole agricultural program.

This same situation was called to my attention in a letter from W. W. Rawlings, Executive Secretary of the Association of Virginia Peanut & Hog Growers, Inc., dated December 16, 1950. I am inserting at this point in the RECORD two paragraph from that letter:

"A recent estimate, indicates a total production of 385,000 tons of runner type peanuts this year; and, it is further estimated CCC will have to purchase aprpoximately 200,000 tons of this total, for crushing.

"CCC initially agreed to purchase 500 pounds of shelled (runner) peanuts for each ton of farmers stock (yielding approximately 1,400 pounds of shelled goods) purchased by a sheller under CCC contract, these peanuts being purchased at approximately 15 cents per pound and sold at the prevailing oil price, approximately 10 cents per pound. Because of the huge surplus, the S. E. shellers have this week prevailed upon CCC to increase this by an additional 600 pounds, or a total of 1,100 pounds for each 1,400 pounds of shelled goods."

It is not my purpose to discuss at any length what might follow the failure of the Congress to amend the present peanut quota law in such a fashion as to permit the planting of necessary acres of the Virginia-Carolina type of peanuts. I believe there is a suit pending, in which a broker is suing the Secretary of Agriculture and the Administrator of PMA over the denial of import licenses for the Virginia-Carolina type of peanuts. With an actual scarcity of that type of peanuts in the country such a suit would appear difficult to defend and if the plaintiff in the suit should prevail, this country would be faced with the importation of Chinese, Mexican, and Indian peanuts because the growers of the ball-park type peanuts in the United States have been refused the right to grow enough for the American market.

If agricultural programs are to succeed and to be accepted by the producers as well as the consumers, they surely should not require the development of a scarcity in a particular commodity. We have quotas on tobacco and those quotas are so set that each particular type of tobacco has enough acreage to supply the domestic market and take care of exports in the ordinary years. These programs supply some slight excess to make certain that the market is adequately supplied.

We have different types of peanuts produced in this country and it would seem that the quotas should not result in an overproduction of one type and an underproduction of another year after year. Occasional years may produce variations but over the long run the users of peanuts in this country ought to be able to obtain all they want of every type.

When the Congress comes closer to a final decision on this matter, the House and the Senate may be attracted to the provisions of the bill recommended by the Department of Agriculture. Surely such a bill should be considered early in the next session.

Mr. ANDERSON. Mr. President, I want to call the attention of the Senator from Alabama to the fact that peanut quotas were voted on yesterday, and that in the State of Virginia, only 47 percent of all the growers voted in favor of them; that the quotas carried by a vote of 70 percent, when 65 percent is required, and that we are on our way to destroy the peanut program because of the refusal of Senators to let their States of Virginia and the Carolinas grow peanuts which the American market demands and which the American market requires, and which American producers of candy and other goods are going to have to import from China while American farmers are denied their rights. The reason they are denied their rights is because they cannot have them, unless they will give something to other States to which they are not entitled. I only want to remind our friends that I think they are destroying what has been a good program, and what could remain a good program, by an insistence that somebody else be given something, in order to give plain justice to Virginia and the Carolinas. I regret that the growers of my State will be handicapped perhaps if the bills which I am supporting are passed, but in the long run they will be better off if the peanut program is sound and solvent, than if it remains in the present situation.

The PRESIDING OFFICER. Objection has been heard, and the bill will be passed over.

CONSERVATION OF ASSETS OF INCAPACITATED PERSONS

The Senate proceeded to consider the bill (S. 1113) to provide for the appointment of committees to conserve the assets of persons of advanced age, mental weakness, or physical incapacity, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause, and insert:

That if a person residing in or having property in the District of Columbia is unable, by reason of advanced age, mental weakness (not amounting to unsoundness of mind), or physical incapacity properly to care for his property, the United States District Court for the District of Columbia may, upon his petition or the sworn petition of one or more of his relatives or friends, appoint some fit person to be conservator of his property.

SEC. 2. Upon the filing of such petition, the court shall fix a time and place for a hearing thereon; and shall cause at least 14 days' notice thereof to be given to the person for whom a conservator is sought to be appointed if he is not the petitioner, and to such other persons as the court shall direct. The court in its discretion may appoint some disinterested person to act as guardian ad litem in any proceeding hereunder. Upon a finding that such person is incapable of caring for his property, the court shall appoint a conservator who shall have the charge and management of the property of such person subject to the direction of the court.

SEC. 3. Such conservator before entering upon the discharge of his duties shall execute an undertaking with surety to be approved by the court in such maximum amount as the court may order, conditioned on the faithful performance of his duties as such conservator; and he shall have control of the estate, real and personal, of the person for whom he has been appointed conservator, with power to collect all debts due such person, and upon authority of the court to adjust and settle all accounts owing by him, and to sue and be sued in his representative capacity. He shall apply such part of the annual income, and such part of the principal as the court may authorize, of the estate of such person to the support of such person, and the maintenance and education of his family and children; and shall in all other respects perform the same duties and have the same rights and powers with respect to the property of such person as have guardians of the estates of infants.

SEC. 4. When any person for whom a conservator has been appointed under the provisions of this act shall become competent to manage his property, he may apply to such court to have such conservator discharged and to be restored to the care and control of his property. If the court finds him to be competent, an order shall be entered restoring the care and control of his property to such person. The court shall have the same powers with respect to the property of any person for whom a conservator has been appointed as it has with respect to the property of infants under guardianships.

SEC. 5. Upon filing of a petition as provided by this act the court may, with or without notice or hearing, appoint a temporary conservator of the estate of any person hereunder, if it deems such action necessary for the protection of such estate, subject to the provisions for an undertaking contained in

section 3 hereof. Such temporary conservator shall serve only until such time as a permanent conservator can be appointed or until sooner discharged.

SEC. 6. Where a conservator is appointed pursuant to the provisions of this act, all contracts and business transactions, subsequent to the filing of the petition, of a person for whom a conservator has been appointed hereunder, shall be presumed to be a fraud upon him and against his rights and interests

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness not amounting to unsoundness of mind, or physical incapacity."

BILL PASSED OVER

The bill (H. R. 7524) to authorize the establishment of a wildlife-management area in the Florida Keys, Fla., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

EXTENSION OF TIME OF PERMITS ON AGUA CALIENTE INDIAN RESERVATION LANDS

The Senate proceeded to consider the bill (H. R. 9272) to amend the act of October 5, 1949 (Public Law 322, Eighty-first Congress), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 8, after the numerals "1951," to insert a colon and "*Provided*, That this amendment shall not extend the duration of any permit which would, according to its own terms, expire on or before December 31, 1951."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RIGHT-OF-WAY FOR ELECTRIC TRANSMISSION LINE, SANTA FE FLOOD CONTROL BASIN, AND SAN GABRIEL RIVER IMPROVEMENT, CALIFORNIA

The bill (S. 4138) to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission-line purposes in the Santa Fe Flood Control Basin and the San Gabriel River improvement, California, was announced as next in order.

Mr. KNOWLAND. Mr. President, I call attention to the fact that this bill, with one minor exception, is the same as Calendar No. 2579, House bill 7735, and I ask that the House bill be considered. The only difference between the two bills—and the Senate bill was unanimously reported by the Armed Services Committee—is that the House bill is further limiting, inasmuch as it contains a provision that the easement may be given for a period not to exceed 50 years. Ample safeguards are contained in both bills that the easement may only be given on such conditions as may be prescribed by the Federal authorities, and at a fair value. That language is in both bills.

The PRESIDING OFFICER. The Senator from California requests unanimous consent that Calendar No. 2579, the bill H. R. 7735, be substituted for Calendar No. 2756, the bill S. 4139 and that the House bill be now considered. Is there objection?

There being no objection, the bill (H. R. 7735) to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe flood control basin and the San Gabriel River improvement, California, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4138 is indefinitely postponed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 202) to provide for the establishment and maintenance of the National Portrait Gallery, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that this joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will go over.

BILL PASSED OVER

The bill (H. R. 9313) to amend the Agricultural Act of 1949 was announced as next in order.

Mr. HENDRICKSON. Mr. President, this is certainly not a bill which should be considered on a mere calendar call. I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

PURCHASE OF VESSELS "MARIPOSA" AND "MONTEREY"—BILL PASSED OVER

The bill (H. R. 9626) authorizing the Secretary of Commerce to purchase the vessels *Mariposa* and *Monterey* was announced as next in order.

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

Mr. HENDRICKSON. Mr. President, I should like to have an explanation of the bill. I insist that this bill should be carefully and thoroughly explained.

Mr. MORSE. Mr. President, as a matter of courtesy, I do not wish to supersede the Senator from Washington. I have an explanation of the bill which I should like to present, but I should be very glad to follow the author of the bill, if he has anything to offer.

Mr. MAGNUSON. Mr. President, I desire to submit certain amendments to the bill. I must confess that they were sent to me in the nature of a letter, and they will have to be read. The letter just came. I apologize for not having them in proper form.

The PRESIDING OFFICER. Let us first determine whether there is objection to the present consideration of the bill, before any amendments are in order.

Mr. WILLIAMS. Mr. President, I have no objection to either the Senator from Washington or the Senator from Oregon making a statement in regard to the bill, although I have been requested by the junior Senator from Illinois [Mr. DOUGLAS] to oject to the passage of the bill at this time; which I do, in his absence.

The PRESIDING OFFICER. Objection is heard. Will the Senator withhold the objection temporarily?

Mr. WILLIAMS. I withhold the objection, if Senators desire to make an explanation.

The PRESIDING OFFICER. The Senator withholds his objection.

Mr. MAGNUSON. Mr. President, I merely want to make a brief statement. This bill was before the Senate recently, shortly before adjournment. It merely gives the Secretary of Commerce authority to negotiate, to charter, or to make such arrangements as he may deem to be in the interest of the Government for the purchase or charter of two passenger ships which are now in the San Francisco Bay area, the vessels *Mariposa* and *Monterey*.

Those two ships were taken by the Government during the war and were used as troopships. They were later turned back to the company, and, under the provisions of the contract, the United States Government was to reimburse the company for the amount of reconversion necessary to put those ships back in shape to be used on regular passenger runs. There was some disagreement as to what the amount should be, and some criticism of the Maritime Commission and others involved as to the amount, and a fight ensued between the General Accounting Office and the Matson Steamship Line as to what amount should be allowed for reconversion so as to put the two ships back into passenger use.

That is another story, Mr. President. But since that time those two ships have been standing idle. They are the only two available passenger-transport ships in the entire United States that have not been converted and used. The Maritime Commission, the Secretary of Defense, and everyone in the executive departments having to do with the defense of the country say they need these ships.

All the bill does, Mr. President, is to allow the Secretary of Commerce to negotiate for them. They can be converted into troop transports within 90 days. There has been constant objection to the bill on the ground of the fracas between the Matson Line and the General Accounting Office as to the cost of reconversion as of now as compared with the cost in the last world war.

This bill has nothing to do with that. The last time I asked for the passage of the bill it was objected to by the Senator from Delaware [Mr. WILLIAMS], who talked about the fracas with the General Accounting Office. During my campaign the Republican nominee for the United States Senate made a speech in which he said I was trying to sell the United States Government two pigs in a poke—two 20-year-old ships——

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

Mr. MAGNUSON. I should like first to finish my statement.

The Department of Defense says that troop transports are needed. These ships are available. If Senators want to object, that is another matter entirely. I do not know what the ships are worth, but we need them. They can be converted within 90 days. If we had passed this bill 3 months ago, the ships would be in Korea today helping to evacuate some of our troops.

I am through with it. If Senators want to continue to object, it is all right with me.

Mr. MAGNUSON subsequently said: Mr. President, I have referred to a letter, which is addressed to the Senator from Colorado [Mr. JOHNSON] by the Acting Secretary of Commerce. I ask that this letter be printed in the RECORD at this point as a part of my remarks.

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

THE SECRETARY OF COMMERCE,
Washington, December 15, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in further reply to your request of September 28, 1950, for our comments concerning H. R. 9626, a bill authorizing the Secretary of Commerce to purchase the vessels *Mariposa* and *Monterey*.

The bill would authorize the Secretary of Commerce, upon request of the Secretary of Defense, to purchase the vessels *Mariposa* and *Monterey* for use during war or national emergency or at any time in support of military operations. If requested to do so by the Secretary of Defense, the Secretary of Commerce would also be authorized to convert the vessels to the requirements of the Secretary of Defense, and to transfer such vessels to the Department of Defense, without reimbursement upon the completion of such conversion.

In a letter of August 17, 1950, addressed to the Maritime Administration the Acting Secretary of the Navy stated:

"In view of the present situation, the Department of the Navy recommends that the Maritime Administration purchase both the steamship *Mariposa* and the steamship *Monterey* from the Oceanic Steamship Co., and take the necessary steps to complete them as troop transports."

In view of this recommendation, the Department of Commerce urges early and favorable consideration of this bill as an emergency measure. We recommend, however, that the following technical amendments be included in the bill:

I. The words ", without reimbursement," lines 9 and 10, page 2, be deleted. At the present time the cost of conversion by the Department of Commerce is being paid out of defense funds. As a matter of policy, it may be decided that in this case also, financing of these conversion costs should be a defense expenditure. Therefore, the bill should not preclude use of appropriations of either the Department of Defense or the Department of Commerce.

II. In the interest of clarity, and to implement the above amendment, we recommend that an authorization of appropriations in the usual form be included:

"SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act."

We are advised by the Bureau of the Budget that, while there would be no objection to the submission of this report, it was their opinion that the amendments herein proposed should be incorporated in the bill.

If we can be of further assistance in this matter, please call upon us.

Sincerely yours,

PHILIP B. FLEMING,
Acting Secretary of Commerce.

Mr. MORSE. Mr. President, the Senator from Washington has made a very clear statement of the distinction between the bill now pending before the Senate and the old claims dispute.

I want to speak as a member of the Committee on Armed Services, because I see several of my colleagues from that committee now on the floor of the Senate.

I give the Senate my word that the passage of this bill is vital to the security of America, and I deeply regret that the junior Senator from Illinois has filed an objection and is not here to hear the discussion in regard to the importance to the security of the Nation of the passage of this bill, because, knowing the junior Senator from Illinois as I do, I am perfectly satisfied that if he were present he would withdraw his objection on the basis of the information which I now wish to put into the RECORD in regard to these ships, because these two ships need to be converted as rapidly as is possible in order to be turned into transport ships for American troops.

We cannot justify standing on the floor of the United States Senate today to postpone action on a bill which is so vital to the security of this country as I believe this bill to be. We cannot be wasting any more precious hours in making America strong. Here are potential transport ships available, and apparently the bill is going to be passed over, simply because an objection has been filed by a Senator who is not here to hear the explanation as to the importance of the bill.

I wish to read now, Mr. President, into the RECORD, an explanation with reference to the acquisition of these ships which will be endorsed by the Defense Department.

The purpose of this bill is to authorize the Secretary of Commerce upon request of the Secretary of Defense, to purchase the vessels *Mariposa* and *Monterey* and such necessary materials as may be needed for their conversion to troop transports. The Secretary of Commerce is also authorized, upon request of the Secretary of Defense, to convert these vessels to meet military requirements.

In the hearings on this bill before the House Committee on Merchant Marine and Fisheries and the subcommittee of the Senate Interstate and Foreign Commerce Committee, strong endorsement of the need for these vessels by the Government was presented by officials of the Defense Department, the Commerce Department, and the Maritime Administration. When unanimous consent to consider this bill was requested on September 23, 1950, the closing day of the last session, objection was voiced.

Three months have elapsed. Had this legislation been enacted, conversion of these two vessels would already be on the way to relieve the known and serious shortage of fast, large troop carriers required by this country in time of need.

The evidence submitted to the Committee on Interstate and Foreign Commerce in its study and investigation of the merchant marine attests to the woeful lack of vessels of this type.

Table V-D of Senate Report No. 2494, Merchant Marine Study and Investigation, tabulates the merchant vessels of the United States as of June 30, 1949, by size and speed. This tabulation includes active privately owned tonnage and all tonnage active or laid-up, owned or controlled by the Maritime Administration.

There are only three vessels listed with a speed of 21 knots or better. These vessels are the *America*, owned by the United States Lines, the *Washington*, owned by the Government and presently chartered to the United States Lines, and the *Lurline*, owned by Matson. The *Mariposa* and *Monterey* are sister ships of the *Lurline*.

There are three passenger vessels under construction, two for American Export Lines, and one for United States Lines, which will have a speed in excess of 21 knots.

The only other vessel in this speed range is the U. S. S. *Wakefield*, formerly the steamship *Manhattan*, which was acquired by the Navy during World War II, and converted to a transport.

This country is now embarked on a vast program to build up military strength with the utmost speed. This will include a substantial increase in the number of our Armed Forces. Similar preparation must be made to provide adequate transports for possible large-scale movement of troops.

Responsible officials of the Government have confirmed to me the need of the immediate acquisition of the vessels *Mariposa* and *Monterey* for conversion to troop transports.

It is true that section 902 of the Merchant Marine Act, 1936, gives to the Secretary of Commerce the power to acquire these ships—the same power requested by H. R. 9626. The principal difference is that section 902 is not operative in the absence of a specific proclamation of national emergency by the President. The issuance of such a proclamation is a matter of broad national policy, which goes far beyond the acquisition of two potential transports.

It should be noted that the standard of compensation provided by H. R. 9626 is exactly the same as the standard provided in section 902.

This is an emergency measure necessary for the defense of the country. I think it should be enacted now.

Mr. President, in view of the objection which apparently is going to be filed, I desire now to serve notice that I shall make a plea to the majority leader to permit this bill to come up by motion at the earliest possible hour, because I think we should demonstrate to the Nation that when ships are needed by the Defense Department and it makes a request for this kind of aid, the Senate of the United States will back it up.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. DOUGLAS. Mr. President, I do not object to the present consideration

of the bill, although I shall object to its passage for the time being. But I understand that certain statements were made about the fact that I was not performing my duty by being on the floor of the Senate. It is a well-known and established practice of asking colleagues to object to bills if a Senator is called away from the floor and he is opposed to them. That has been done at least 20 times this afternoon. I do not wish to hold this bill up merely on the basis of an objection of an individual Senator, but I desire to point out that there is a long history of negotiations surrounding these two ships; that in the past excessive sums have been involved. The matter has been gone into by the senior Senator from Vermont [Mr. AIKEN] when he was chairman of the Committee on Expenditures in the Executive Departments, and again on the floor of the Senate in 1949. There is very grave reason to believe that in the past there has been collusion between the Maritime Commission and the Matson Co. We may possibly be involved in a case of fraud and scandal, and, although I am sure none of it would involve any Senators, I think it is about time we watched what we are doing in these matters. It is my belief that the Government already has the power to requisition these ships by the Defense Production Act.

Furthermore, there is a great possibility that the President may declare a national emergency tonight in which case legislation most certainly will not be necessary. On the other hand, if we pass the legislation anyway, it will constitute a virtual mandate that these ships be purchased. If any Senator doubts this, he should read the report of the committee on this bill. Certainly the bill deserves debate and should not be passed on a Unanimous-Consent Calendar.

I would also like to say that if we need legislation to requisition ships it should be general legislation. It should not be directed solely to two ships, and especially not to two ships with such a history of shady negotiations.

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

Mr. MAGNUSON. Mr. President, I rise to a point of personal privilege.

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

Mr. SALTONSTALL. Mr. President, reserving the right to object——

SEVERAL SENATORS. Over.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois and other Senators withhold their objections long enough for me to read in the RECORD a statement on the subject? The statement comes in the form of a letter from the Department of the Navy.

Mr. CHAVEZ. Mr. President, if the bill is of such serious consequence as the Senator from Oregon [Mr. MORSE] indicates, it seems to me it should not be considered on the Unanimous-Consent Calendar. I would be willing to listen to a motion to consider it later. If it is of such consequence it should not be considered on the Unanimous-Consent Calendar.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter from the Navy Department relating to the *Mariposa* and the *Monterey*. I received the letter this morning from the Navy Department. It is signed by the Vice Chief of Naval Operations, Admiral L. D. McCormick. I present this letter after long discussions yesterday in the Committee on Appropriations. The letter states that the Navy at the present time needs these two ships, the *Mariposa* and the *Monterey*, and wants the bill to be passed in order to make the purchase of the ships possible. This is a completely different subject matter, as the Senator from Oregon and the Senator from Washington pointed out, than the previous controversy over the rehabilitation of the ships for civilian purposes. I agree with the Senators that the bill be passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

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

DEPARTMENT OF THE NAVY,
OFFICE OF THE CHIEF OF
NAVAL OPERATIONS,
Washington, D. C., December 14, 1950.

HON. LEVERETT SALTONSTALL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SALTONSTALL: This is in response to your questions during hearings of the Senate Appropriations Committee today regarding the acquisition by the United States of certain vessels to be fitted and used as transports.

As you know, there are three President Line ships in building which are being acquired by the Government for use as transports. Such use of these ships is highly desirable because they are new and their construction has not progressed beyond a point so that their conversion for troop carrying will be unduly expensive.

There is also a proposal with which you are familiar to acquire the steamships *Mariposa* and *Monterey*, and to take steps necessary to convert them as troop transports.

The Navy Department has recommended that all five of these ships be acquired and fitted as transports. This recommendation was made in view of the existing international situation which makes it necessary that all reasonable steps be taken now to provide for large troop lifts. All five ships can be advantageously used in the light of contingencies which may now reasonably be foreseen.

I am informed that there are no prospective purchasers of a single ship of the President Line class and that the prospects for commercial operation of steamships *Mariposa* and *Monterey* are poor.

In connection with our conversation comparing the President Line ships and the three ships designed to compete in the luxury trade, I am glad to furnish the following characteristics:

	Length	Tonnage	Speed	Passengers
United States	940	60,000	31	2,000
Independence	682	20,500	25	972
Constitution	682	20,500	25	972
President Line ships	537	12,660	19.5	228

I trust that the foregoing is an adequate answer to your queries.

Cordially yours,
L. D. MCCORMICK,
Vice Chief of Naval Operations.

The PRESIDING OFFICER. The parliamentary situation is that objection is heard, and the bill will go over.

Mr. MAGNUSON. I ask unanimous consent that I may be allowed to address the Senate for 2 minutes.

The PRESIDING OFFICER. The Senator from Washington requests unanimous consent to address the Senate for 2 minutes. Is there objection? The Chair hears none, and the Senator is recognized for 2 minutes.

Mr. MAGNUSON. Mr. President, the junior Senator from Illinois [Mr. DOUGLAS] made the statement that some kind of fraud, collusion, or scandal was involved in this situation. I agree that there was considerable argument with respect to these ships in the past in connection with the old Maritime Commission. The present bill has nothing to do with that matter. The bill would merely authorize the Secretary of Commerce to negotiate for the purchase of the two ships which the Department of Defense says it needs. What the Government would pay for the two ships I do not know. How the Government would negotiate for their purchase I do not know. I have sufficient faith in Mr. Sawyer to know that he would probably get the best price he could. The argument over these two ships—and I am not familiar with the argument—was with the old Maritime Commission. That Commission has been abolished. It was abolished practically at my request. The bill has nothing to do with that argument. I do not think anyone should say that there is an atmosphere of fraud, collusion, or scandal involved here. The other matter has been investigated pro and con by the Senator from Vermont and the General Accounting Office and involves a past transaction. I do not think the controversy has been settled; has it?

Mr. AIKEN. It will probably take another 30 years.

Mr. MAGNUSON. It will probably take another 30 years to settle it. No price is set in the bill. The Government wants the ships for troop ships. I am becoming a little tired of being accused of something that happened 10 years ago. That question is not involved here at all, and I am not trying to talk about that. I am talking about a bill which would allow the Secretary of Commerce to negotiate for the purchase of two ships which the Government needs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SALTONSTALL and Mr. DOUGLAS addressed the Chair.

The PRESIDING OFFICER. The Chair will try to see to it that every Senator is protected in his rights. However, the Chair has an obligation to the Senate as a whole. The Chair will ask the clerk to call the next order on the calendar and then recognize any Senator who wishes to be recognized.

The bill (H. R. 2093) authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Reidel was announced as next in order.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there be printed

at this point in the RECORD a letter from Mr. Raymond S. McKeough, under date of May 23, 1950, along with some other material. At the time the letter was written Mr. McKeough was Commissioner of the United States Maritime Commission. The letter is addressed to the Senator from Wyoming [Mr. O'MAHONEY] as chairman of the Subcommittee on Independent Offices Appropriations of the Appropriations Committee of the Senate. It should throw some light on the history of the negotiations surrounding the *Mariposa* and the *Monterey*, which will give a further indication of why I feel the bill should be debated and not passed on the Consent Calendar.

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

UNITED STATES MARITIME COMMISSION,
Washington, May 23, 1950.

The Honorable JOSEPH C. O'MAHONEY,
Chairman, Subcommittee on Independent Offices Appropriations of the Appropriations Committee, United States Senate.

DEAR SENATOR O'MAHONEY: I am writing you in the matter of the steamship *Mariposa* and the steamship *Monterey*, owned by the Oceanic Steamship Co., a wholly owned subsidiary of Matson Navigation Co., about which Chairman Fleming, of the Maritime Commission wrote to you on May 16. As he stated in his letter, I do not concur with the decision of the Commission majority in this matter, and I desire to acquaint your committee with the reasons for my dissent. Circumstances make it impossible for me to submit to you a comprehensive brief dealing with all aspects of the matter. In the belief that you are generally familiar with the background and the 4 years of negotiations between the Government and the Oceanic Steamship Co., owner of the vessels, I shall only touch upon some of the major considerations which convince me that the latest decision of the Commission majority, submitted to you for approval by your committee, is unwise, not in the interest of the merchant marine, and not in the public interest, and, therefore, that it should not be approved.

I desire, however, to sketch the more recent developments in this matter with some of which your committee may not be fully familiar, and which are not touched upon in the report of the Commission majority.

In brief, the Commission majority proposes to pay to Oceanic the sum of $5,653,555.99, for which Oceanic would obligate itself in the main to complete the restoration of the *Mariposa*. This would require reopening and amendment of the so-called redelivery lumpsum settlement agreement covering both the *Mariposa* and *Monterey*, made in 1946 between the War Shipping Administration and Oceanic, under which the Government stands ready to pay to Oceanic approximately $1,900,000, if, as, and when Oceanic completes the reconversion of the *Mariposa*. However, under the existing contract, Oceanic need not complete the reconversion, in which case the Government owes Oceanic nothing. It is now proposed that the Government pay Oceanic approximately $3,800,000, over and above the $1,900,000 conditionally due, to persuade Oceanic actually to complete the reconversion of the *Mariposa*.

In addition, the Commission majority proposes to have the Government buy from Oceanic the SS *Monterey*, presently in a very much unfinished state, with reconversion only one-third completed, plus materials purchased or ordered by Oceanic but not yet installed in the *Monterey*. Under the majority decision, the price to be paid for the *Monterey* and the selection of the materials, as well as the price to be paid for them, would be left to the discretion of the Commission, with the sole proviso that the price be "deemed fair and reasonable by the Commission" and that the materials to be purchased be selected as deemed "advisable by the Commission in the public interest."

Apparently, the majority's proposal also includes a commitment to subsidize operation of the *Mariposa* on the Australia service. This feature, although important and controversial, is not covered in any detail in Chairman Fleming's letter to you of May 16, or the report transmitted with it.

In its three major features, this majority proposal is identical with one submitted to the Commission by Commissioner Carson in his memorandum of July 6, 1949, except that Commissioner Carson specified a purchase price for the *Monterey* and materials and spelled out details of the proposed subsidized operation of the *Mariposa*. In my memorandum of July 18, 1949, I explained in detail why I considered the proposal, in plain language, a "bail out" of Oceanic/Matson for its own managerial mistakes. Since, as stated, the proposal now submitted to you in substance is identical with Commissioner Carson's of July 6, 1949, I attach hereto a copy of my comments of July 18, 1949. This will make it unnecessary to repeat in detail the objections then raised by me which, in my opinion, are equally valid today.

With Commissioner Carson's proposal and my critical comments before it, the Commission last July decided to postpone action until after passage of the 1950 Independent Offices Appropriations Bill (H. R. 4177) which, as passed by the House of Representatives, authorized the Commission to acquire and complete the *Mariposa* or the *Monterey*, or both. House Report 425 (p. 32) accompanying the bill said that when buying either ship, or both, the Commission, "* * * in their sale to another United States-flag operator * * * may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels or both." The Senate Committee on Appropriations (Report 639) added the following comment to that of the House Committee: "This Committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations."

You will note that the present proposal of the Commission's majority differs greatly from the arrangement the House and Senate Appropriations Committees had in mind. Instead of buying one or both ships for resale to another operator, Oceanic is to be given, in addition to the amount due under existing contract, a special subsidy of approximately $3,800,000 to complete the *Mariposa* for its own account, plus assurance of a special subsidy contract, with a provision for special accommodation of the seasonal needs of the Matson Navigation Co. which owns Oceanic. In addition, the *Monterey* is to be bought by the Government, not for resale to another operator, but to be laid up for use in a possible future emergency.

On August 1, 1949 (see CONGRESSIONAL RECORD, volume 95, part 6, pp. 10456–10466), the Senate discussed in detail the aforementioned authority proviso in the appropriation bill, as well as Commissioner Carson's proposal and the objections raised by me, with the result that the Senate decided to strike out the authority to buy one or both of the vessels for resale to another operator, which, as indicated, was a far more conservative approach than the one recommended by Commissioner Carson and now adopted by the Commission majority. The decision to strike out the authority was adopted in conference and the Commission was directed (conference rept. 1262 of August 12, 1949, pp. 9 and 10) to submit instead its recommendation on the matter to the appropriate legislative committees. Although the conferees took this action because, as they said, they were "unable to secure any estimate from the Maritime Commission as to what a proper and equitable contract would cost the Government," Chairman Fleming's letter of May 16 and the majority report omit an estimate as to what the proposed three-way action (*Mariposa*, *Monterey*, operating subsidy) would cost the Government. Instead, as pointed out, the purchase price of the *Monterey* and the materials is to be left to the Commission's discretion.

Following the action of the Congress in striking out previously granted appropriation authority for Commission acquisition of one or both of the vessels, the Commission, on October 14, 1949, on motion of Chairman Fleming, over my dissent, approved two-thirds of Commissioner Carson's July 6 proposal, i. e., decided to pay over $5,600,000 to Oceanic for Oceanic's completion of the *Mariposa* reconversion for its own account, and to offer Oceanic a modified special subsidy contract for the *Mariposa*, subject to the required statutory findings, the most important of which is Oceanic's financial ability to operate the subsidized service successfully. Since the majority action of October 14, 1949, did not provide for acquisition of either ship, the majority, while notifying the legislative committees of the action, decided that it need not await "consideration by the appropriate legislative committees of the Congress." The Commission, having left the fate of the *Monterey* entirely open, Oceanic promptly came back with a counterproposal that it either be permitted to sell the *Monterey* for foreign-flag operation or that the Government acquire the *Monterey*.

Following the October 14, 1949 majority action, the Government Operations Subcommittee of the House Committee on Expnditures in the Executive Departments held an informal hearing on October 18, 1949, with the chairman and other members of the committee, as I recall, expressing considerable doubt as to the wisdom and equity of the majority decision. Growing out of this hearing the Comptroller General ruled by memorandum of November 8, 1949, to Congressman PORTER HARDY, Jr., with copy to the Commission, that the proposed payment of over $5,600,000 to Oceanic, under the revised terms approved by the Commission majority, would not seem to be "in satisfaction of an obligation properly incurred against funds of the War Shipping Administration prior to January 1, 1947," failing which the funds would not be available for the proposed payment, with a new appropriation in consequence required for such payment.

Hoping that the objections of the Comptroller General might be overcome, the Commission proceeded with the implementation of the majority's October 14 action. The necessary findings as to Oceanic's financial adequacy caused considerable difficulties, the Commission's staff finally finding Oceanic financial resources inadequate. Oceanic's president and vice president opposed this finding in a meeting with the Commission and further negotiation at the direction of the Commission ensued which, however, failed to convince the Commission's staff of the adequacy of Oceanic's finances. In a new report to the Commission, dated March 6, 1950, the Chief, Bureau of Government Aids, had this to say in conclusion:

"Certainly, the unwillingness of Matson Navigation Co. to lend financial support to its subsidiary indicates a lack of confidence on the part of the stockholders in the success of the undertaking, and, if the stockholders have no confidence, there is no reason why the Commission should be any more confident on this subject."

In resubmitting the entire matter to the Commission, the staff, confronted with a legal ruling (memorandum of March 7, 1950 from the General Counsel) that the Commission had no authority to acquire the *Monterey* unless it first "affirmatively deter-

mines the subject vessel is necessary for use upon another essential service," recommended that the Commission permit the sale and transfer foreign of the *Monterey*, as not needed for our merchant marine or for emergency use. Oceanic's existing contractual obligation to keep the *Monterey* under United States flag until April 28, 1952 (the *Mariposa* until December 17, 1951), was to be waived (the specific penalty provided for in the original nominal-interest loan agreements being totally ignored) in consideration of Oceanic's obligating itself to restore the *Mariposa*, although under the same original construction loan contracts Oceanic was not only required to keep the *Mariposa* (as also the *Monterey*) in the highest classification of the American Bureau of Shipping (i. e., in good repair), but, under the Commission's majority action of October 14, 1949, the Government was to pay Oceanic an extra $3,800,000 (approximately) in consideraiton of Oceanic obligating itself to restore the *Mariposa*.

On April 25, 1950, the Commission, after listening to further protests by Oceanic's vice president against the financial recommendations of the Commission's staff, decided unanimously not to permit the sale foreign of the *Monterey*. No action was taken on any of the remaining staff recommendations but instead, upon motion of Commissioner Coddaire, over my dissent, the Commission made three determinations and recommendations requesting the Chairman to transmit them with all pertinent facts to the Congress. These determinations appear in full on page 9 of the report attached to Chairman Fleming's letter to you of May 16, 1950, and have been rephrased, with substantial modifications in detail, into the two questions appearing on page 1 of the letter of May 16 proper.

This brings the situation up to date, although many important details have necessarily been omitted from this abbreviated chronological sketch.

In the following, I shall comment on the proposal of the Commission, attempting to supplement rather than repeat the comments contained in my memorandum of July 18, 1949 (attached) to which I have already referred.

The first proposal is for payment of $5,653,555.99 by the Government to bring about the restoration and modernization of the steamship *Mariposa*. Under existing contract, the Commission would have to pay Oceanic approximately $1,900,000 upon completion of the restoration, now about 60 percent complete, of the *Mariposa*. I would see little objection to assist Oceanic by paying this sum in advance, if completion within a reasonable time were assured by means of a bond. However, Oceanic is to be paid not only this sum, but an additional $3,800,000 (approximately), or twice again as much, provided Oceanic agrees to complete the restoration. It is true that under the existing settlement contract the Government cannot compel Oceanic to finish the work. However, if it is not finished, the Government saves approximately $1,900,000. Moreover, no attempt has been made to enforce the original loan agreement (at nominal interest rate) under which the *Mariposa* was built and which still requires Oceanic to keep the *Mariposa* in the highest class of the American Bureau of Shipping. Instead, Oceanic is to be paid three times the remaining sum conditionally due it under the settlement contract, solely to persuade and assist the company to finish the reconversion of its own ship, for its own account and future use.

This is a novel kind of subsidy for which the Merchant Marine Act, 1936, makes no provision. To the contrary, the 1936 Act, in order to keep our merchant marine really modern and competitive, limits the economic life of a vessel to 20 years and prohibits the subsidization of a vessel older than that except under very special circumstances, and even in those exceptional cases, it is evident that older vessels should be subsidized only until modern replacement vessels can be completed. The Merchant Marine Subcommittee of the Senate Interstate and Foreign Commerce Committee recently completed hearings at which special emphasis was laid by all, members and witnesses alike, on the urgent need for new vessel construction as the only means of survival of even a nucleus of the American shipbuilding industry, so urgently needed in case of war. In my own testimony before the subcommittee I pointed out that for the bulk of our fully built-up dry cargo and tanker fleet, earnings rather than added vessels are the need of the hour, and that work for our shipyards would have to come from the building of new passenger ships for which construction differential subsidy is available under title V of the 1936 act.

I consider it therefore detrimental to the American merchant marine and the American shipbuilding industry, if vessels which have practically reached the end of their economically useful life are rehabilitated, instead of new vessels being constructed. The *Mariposa* will be 20 years old in December 1951, 1½ years from now, i. e., before a modern replacement vessel can probably be completed. The Commission has just unanimously opposed legislation calling for the rehabilitation of old vessels for Great Lakes operation, on the grounds that such rehabilitation does not promote a modern, competitive merchant marine and instead would further reduce the prospects of new construction work, so urgently needed by our shipyards.

The Commission cannot, of course, object to Oceanic completing the restoration of the *Mariposa*, and stands ready in that case to pay the balance due on the *Mariposa* under the existing settlement contract. The restoration was contemplated to be completed 3 years ago, and would have resulted in nearly 5 years of operation before the vessel became 20 years old. My objection, on the other hand, is directed against the payment of a special incentive and bonus, in fact, a special subsidy, of nearly $3,800,000 for the rehabilitation of a vessel practically over-age when completed, even though the intended modernization is alleged to give the *Mariposa* an added useful life of 15 years. That modernization, to the best of my knowledge, is limited almost wholly to the passenger accommodations. In hull design and engines, the *Mariposa*, when completed, will hardly be comparable to modern vessels and surely not those built 5 or 10 years from now.

To pay a special subsidy of nearly $3,800,000 as an incentive for the rehabilitation of an old vessel appears especially incongruous in the light of the strong representations to Congress by the shipping industry that the age at which vessels may be traded in to the Government for an allowance against the price of a new vessel should be reduced from 17 years to 12 years, in order to stimulate modernization of our fleet. The Commission objected to this proposed legislation only on the grounds that the 1936 act already permits the trading in of 10-year-old vessels so that there was no need for the proposed amendment.

In the foregoing, I have referred to the payment of approximately $3,800,000 proposed by the Commission's majority over and above the approximately $1,900,000 conditionally due Oceanic for completion of the *Mariposa*, as a special subsidy. I fail to see how it can be interpreted otherwise. The fact that the added sum proposed to be paid for the *Mariposa* is the amount which Oceanic would receive under existing contract if it completed the reconversion of the *Monterey*, makes it no less a subsidy if the payment is to be made without Oceanic completing the *Monterey*.

The so-called "lump-sum settlement agreement" between the War Shipping Administration and Oceanic is a lawful, valid contract. It was freely entered into, as the report of the majority (p. 3) attests. To rewrite it now so as to pay Oceanic for finishing one ship what the Government agreed to pay upon completion of two ships, would be as I have previously stated, a bail-out at taxpayers' expense. This becomes overwhelmingly clear when we review the events which caused Oceanic's present plight and the 3 years of persistent attempts to rewrite the contract in favor of Oceanic.

Under the agreement under which the *Mariposa* and *Monterey* were chartered and subsequently requisitioned by the Government, through the War Shipping Administration, that agency was obligated to restore them to their former condition, ordinary wear and tear excepted, or to make such other arrangement as was mutually acceptable to it and Oceanic. This contract clause, freely agreed to, rather than the fifth amendment to the Constitution of the United States, governed the obligation of the War Shipping Administration.

Under this clause, the lump-sum settlement agreement was entered into in August 1946. It provided that the vessels were to be returned to Oceanic, and Oceanic was to be paid approximately $5,650,000 each in settlement of all redelivery obligations of the Government, as follows: one-third when the reconversion work was commenced by Oceanic, one-third when half completed, and the last third when fully completed. It was further agreed between Oceanic and War Shipping Administration that competitive sealed bids would be invited on Commission-approved reconversion specifications, plus certain improvements desired by Oceanic for its own account, and that another wholly owned subsidiary of the Matson Co., United Engineering Co., a repair yard of San Francisco, was to be awarded the contract by Oceanic if United Engineering was low bidder. United Engineering, Oceanic, and the War Shipping Administration agreed that United Engineering would submit a bid not exceeding the amount of the estimate of the Technical Division of the cost of the Government's redelivery obligation, plus the cost of Oceanic's own improvements. No such opportunity was apparently offered any other bidder.

The invitation provided for fixed price bids and the terms and conditions of War Shipping Administration Warship-Lumpsumrep (April 10, 1945) contract. Three bids were received; the "low" bid, $6,881,500 by United Engineering; the second low bid, $8,250,000 by Newport News Shipbuilding and Dry Dock Co.; and the third bid, $8,900,000 by the Bethlehem Steel Co., New York. All of these bids covered not only the reconversion, but added work for Oceanic's account as well. As agreed between WSA and Oceanic, Oceanic awarded the contracts to United Engineering, but a copy of the contract, which has just become available shows that instead of awarding the work on the basis of the fixed price bid of $6,881,500, submitted by United Engineering, the contract provided for Oceanic to pay whatever the cost turned out to be. (There was to be no profit.)

It may well be held that the "second low" bidder, Newport News Shipbuilding & Dry Dock Co., the country's largest shipbuilder, was deprived of the contracts through a competitive "low bid" by Oceanic's affiliate which was neither fair nor competitive, in view of the subsequent contract award which bore no resemblance to the bid.

I do not know whether the lawfulness and propriety of these proceedings have ever been investigated. I do know, however, that they were the direct cause of Oceanic's financial distress and its appeal to the Government for help. As it turned out, Newport News was

not the only loser. Whether due to United Engineering's lack of experience, excessive overhead, or other reasons, the cost of the work on the two vessels exceeded estimates so greatly that Oceanic called a halt in 1947. All work stopped, and it has not been resumed since. Shipyard workers had to be laid off.

With the *Mariposa* work about 60 percent and the *Monterey* work about 30 percent completed, Oceanic, which paid the bill under its ceilingless contract, claims that it has already paid, for the work so far on the two ships, approximately $17,500,000 (including $3,255,000 so-called committed expense items), compared to Newport News' fixed price bid of $8,250,000 per vessel, or $16,500,000 for both, for the complete job, including reconversion and modernization. Newport News, it must be presumed, would have completed the work at the bid price irrespective of any possible cost increases. Thus, if the real low bidder had received the contract, the vessels would have been completed long ago, and the Government would not be asked, as it has been asked persistently over the past 3 years, to foot the bill for Oceanic's mistakes. Actually these mistakes were Matson's, whose management was the same as that of Oceanic and United Engineering (part of which Matson recently sold). It is regrettable that Matson, a strong, financially very potent company, has so far been unwilling to repair the damage it caused, sending instead its subsidiary Oceanic to the Government to ask for relief.

In connection with Oceanic/Matson's decision to halt all work on the *Mariposa* and *Monterey*, two facts should be noted:

The first fact is that the steamship *Lurline*, the third of the *Mariposa* and *Monterey* group of vessels, owned directly by Matson, and redelivered by War Shipping Administration from war service under what appears to have been the same type of lump-sum settlement agreement providing for three progress payments, was reconverted and has since been operating successfully in Matson's Hawaii service.

The second fact worth noting in connection with the stoppage of all work on the *Mariposa* and *Monterey* is that Oceanic advised the Commission at first that it saw no prospects whatever for a profitable resumption, even with operating subsidy, of the service to Australia in which the two vessels operated before the war. More recently a place for part-time operation of one vessel, with operating subsidy, is seen by Oceanic with the same vessel serving in Matson's domestic luxury passenger service between the west coast and Hawaii during part of the year. The Commission's Trade Routes Committee, which vigorously opposed as inadequate and impractical one-ship services on relatively short routes, such as the North Atlantic, and between New York and Cuba, in spite of the far more frequent sailings even a single ship can make over the relatively short routes involved, recommended, although reluctantly, that Oceanic's proposed one-vessel part-time service to Australia, a far longer route, be approved on the theory that one vessel is better than none. I question the soundness of this theory under which presumably even one sailing is better than none. As indicated, in other instances in which subsidized one-ship operation was considered, the same committee found such operation uneconomical and noncompetitive.

Thus, we find that Oceanic is to be given a subsidy of nearly $3,800,000 by special legislation or committee action, in abrogation of a valid contract, to complete the reconversion of the nearly 19-year-old *Mariposa*, in order to have that vessel operate under a subsidy contract providing for a probably inadequate service accommodatingly revised to suit Matson's program, without any provision for construction of a replacement vessel, and in the face of repeated staff findings that Oceanic is not at the present time financially qualified, under the 1936 act, to receive an operating subsidy contract. There is no doubt in my mind that this proposal of the Commission's majority in every respect violates the various admonitions and exhortations of the several congressional committees to which I have referred earlier.

Before leaving the proposal concerning the *Mariposa*, I would like to refer briefly to the objections raised by Commission counsel against the Comptroller General's ruling as to the nonavailability of the existing appropriation for WSA obligations incurred before January 1, 1947; I would also like to review certain added considerations offered by Oceanic, which the Commission majority holds would justify reopening and amending the 1946 settlement contracts.

Commission counsel argues that the added payment to Oceanic would be in satisfaction of an obligation incurred before January 1, 1947, and, therefore, properly paid for from funds appropriated for such obligations of the War Shipping Administration. Yet at the very same time, counsel argues, and the Commission majority concurs, that the legal consideration for amendment of the WSA contract and payment of money conditionally due for the *Monterey*, for the *Mariposa* instead, is the new added positive obligation on the part of Oceanic definitely to complete the *Mariposa*. I fail to see how the proposed tripled payment by the Government can be held to be justified by a new counterperformance on the part of Oceanic, so as to overcome the Comptroller General's doubts as to the presence of a valid legal consideration permitting rescission of the contract, while at the very same time your committee is told that the tripled payment for the *Mariposa* is really an old obligation, incurred long, long ago, which argument is intended to overcome the Comptroller General's finding that WSA funds set aside for old obligations may not be used.

I believe in fair play. I do not believe in heads I win, tails you lose.

Now as to some of the further added, new considerations, which, according to the majority report, distinguish the proposed settlement from Oceanic's obligation under the original loan agreement to keep the *Mariposa* in the highest state of condition and repair: You are told, for instance, that under the proposed addendum the Government would be protected by insurance; its redelivery obligations would be released and it would be protected against paying a second time for the money allowed for reconversion, in case of future requisitioning.

As to the insurance protection, it applies only during the reconversion. There is no provision for insurance protection of the Government's added contribution after the work is completed; so that in case of total loss of the *Mariposa* after its restoration, the Government would recover nothing towards its added investment, nor would Oceanic be required to use insurance proceeds towards construction of a replacement, although the availability of the *Mariposa* as a passenger vessel and potential troop transport is one of the main arguments offered in outward justification of the proposed action. This availability, I submit, is in no way assured, since apart from the lack of a replacement requirement in case of loss or after a given number of years, there is also no provision for the *Mariposa's* operation, or even documentation under the American flag, for the period of the allegedly added 15 years of life. Oceanic would be free to apply for transfer to foreign flag, and should the political situation quiet down, there is little doubt, judging from the actions of the Commission majority on transfer applications during the post war period, that Oceanic's application for permission to sell and transfer the *Mariposa* to a foreign flag would be approved, particularly if the Australian service conforms to Oceanic's earlier pessimism, and in view of the *Mariposa's* advanced age and doubtful ability to compete with vessels built now, or 5 years from today.

As to the release of the Government's redelivery obligations, claimed in the majority report as a new, added consideration justifying the proposed tripled payment for the *Mariposa*, this is a mystifying claim. Obviously, the existing settlement contract already provides for a full release of the Government's obligation growing out of the Government's wartime use of these vessels.

Finally, you are told (p. 6 of majority report) that Oceanic offers an agreement "which protects the Government in possible future payments of just compensation for *Mariposa* or *Mariposa's* use by eliminating $8,519,453 (the sum of Government's funds utilized in *Mariposa's* restoration) [if the majority's present decision is carried out] from *Mariposa's* value for just compensation purposes."

I cannot concede that the prospect of possible return of a given sum in the event of a future emergency, an occurrence which the Government does not control, would justify the Government to pay today a huge sum not otherwise due. Today's payment is definite; tomorrow's return speculative, a relationship of events which ordinarily is considered gambling. It would be a bad gamble, moreover, since the proposed addendum, attached to Chairman Fleming's letter of May 16, 1950, does not in fact furnish the claimed protection. This becomes apparent from a comparison of "4." of the addendum with section 802 of the 1936 act, which realistically protects the requisition value payable by the Government, not only by limiting the value, whereas the proposed addendum would only provide for a definite deduction from a wholly indefinite value, but most importantly, by providing that the value limitation, in the case of section 802, "shall run with the title to such vessel or vessels and be binding on all owners thereof."

The addendum proposed by the Commission majority is significantly devoid of such provision, which could easily have been added. Instead, Oceanic would agree to notify potential future buyers of the *Mariposa* of this provision of the addendum, for a rather elusive purpose, since under the addendum, if the Commission must pay such future owner just compensation without an appropriate deduction, Oceanic, not the future owner, would be obligated to keep the Government harmless.

Your committee will wish to weigh the value of this complicated, and legally highly dubious provision, were Oceanic to sell the *Mariposa*, for instance, to Matson and thereupon liquidate, surely a reasonable possibility in view of Oceanic's difficult financial condition and the doubtful prospects of the Australia service.

In addition to the above described defects of the proposed addendum, it lacks any protection against an overpayment in case of purchase of the *Mariposa* by the Government. By contrast, section 802 of the 1936 act provides such protection in the case of requisition or purchase.

One final aspect of the proposed payment of $5,653,555.99 for completion of the restoration of the *Mariposa:* This amount, as you know, includes approximately $3,750,000 remaining from the total of $5,653,316 agreed as total sum payable on the *Monterey*. Included in the settlement sum for each vessel is approximately $1,300,000 as the Government's share in the cost of fireproofing the vessels upon restoration, plus installation of large evaporators selected by Oceanic as a means of providing the necessary counterweight to offset the topside weight of the fireproofing. The Government's obligation to pay for any part of the fireproofing and consequential ballasting was by no means clearly established, but the Comptroller General ruled that "the cost of compliance with Coast Guard require-

ments for fireproofing may be regarded as an obligation of the WSA.

Since under the proposal submitted to you by the Commission majority, the *Monterey*, now only 30 percent reconverted, would not be completed by Oceanic, it seems that Oceanic would not comply with the Coast Guard's requirement. Under these circumstances, payment to Oceanic of the cost of fireproofing which Oceanic will not perform, appears wholly unconscionable. The corresponding amount, i. e., approximately $1,300,000, should in any event be deducted from the proposed payment to Oceanic.

Having dealt at unfortunately all too great length with the *Mariposa*, without in any way covering all aspects of the proposal in full, it remains for me to explain my objection to the further proposal that the Government acquire the unfinished *Monterey*. While question 2, propounded in Chairman Fleming's letter to you of May 16 describes the *Monterey* as "a vessel capable of restoration and modernization for operations on essential United States trade routes (and) as a potential naval auxiliary" the report submitted at the same time (p. 8) states:

"Neither the Government nor Oceanic contemplate further restoration of the *Monterey* at this time nor does the Commission deem it necessary now to utilize the *Monterey* in service upon an essential United States trade route."

The fact is that the Commission has neither a purchaser, nor a long-term charterer, nor a trade route in prospect for the *Monterey*. In my memorandum of July 18, 1949 (attached), I pointed out that the Government already owns a good number of passenger vessels of similar size, some of them faster, others far more modern, which it has been unable to sell or to employ at worthwhile charter rates. I pointed to the record of repeated pronouncements on the part of the administration in opposition to construction by the Government of vessels for which no buyer is assured in advance. Acquisition through purchase should surely fall under the same injunction. I also pointed to the unavailability of funds to modernize passenger ships already Government owned, for commercial operation, on the one hand, or to repair Government-owned vessels for greater readiness in case of war, on the other hand, making it appear very dubious, to say the least, that tax funds should be used to buy still another old passenger ship, this one in a state of incompletion, plus materials intended for restoration to a luxury passenger ship, when the Government admittedly has no intention to restore the vessel to operation.

To my comments of last year, equally valid today, I would like to add, however, that the Commission even now has full authority to purchase the *Monterey* under the 1936 act. I am referring to section 510 under which the Government stands ready to take vessels 17 years and older in trade-in on new construction. Special authority to circumvent the letter and spirit of the 1936 act, to the detriment, as I have explained, both of the American merchant marine and our distressed shipbuilding industry, is now sought by the Commission's majority to permit purchase of the *Monterey* for cash, without new construction.

I do not think that the 1936 act should be rewritten in special accommodation of Oceanic, which, according to the majority report (p. 8) has requested the Commission either to acquire the *Monterey* plus materials, or to approve transfer foreign because, according to Chairman Fleming's letter of May 16, "* * * it may be unable to close the *Mariposa* transactions except concurrently with the acquisition by the Commission of the *Monterey* and certain materials for her restoration."

Here we have a case where even the tripling of the payment conditionally due on the *Mariposa*, and the promise of an operating subsidy contract, modified to suit every desire of Oceanic/Matson, will not persuade Oceanic/Matson to finish the *Mariposa*, but where the Government, in addition, is asked to take the *Monterey* off Oceanic's hands, plus materials, for neither of which the Government has any certain use, against full payment by the Government, apparently including payment for materials purchased with the Government's first installment under the settlement contract, for which materials the Government thus is asked to pay a second time.

These terms I consider outrageous. I urge your committee to disapprove them.

The Commission majority, regardless of Oceanic's request and statement of inability to go through with the *Mariposa* proposal without the Government's purchase of the *Monterey*, states that it advances the proposal to acquire the *Monterey* upon its own merit. The majority explains this fortuitous coincidence by its following formal determination (see p. 9 of report):

"2. The Commission believes the *Monterey* is suitable for use of the United States in time of war or national emergency."

This determination was made immediately following disapproval, unanimous, of a staff recommendation by the Commission's Chief, Bureau of Government Aids, and the general manager, that the sale and transfer foreign of the *Monterey* be permitted in view of the lack of need of the vessel for the national defense.

The aforementioned determination as to the *Monterey's* suitability for war use, together with the decision to request enabling legislation permitting the Commission to acquire the *Monterey*, presumably for potential war use, since no commercial operation is in prospect, was made by majority action of the Commission on April 25, 1950. Nine days later, on May 4, 1950, Chairman Fleming inquired of the Secretary of the Navy (letter attached to Chairman Fleming's letter to you dated May 16), "* * * if you consider the steamship *Monterey* a vessel suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States in time of war or national emergency."

By letter of May 12 (likewise in your hands), the Secretary of the Navy declared the *Monterey* suitable for economical and speedy conversion into a naval or military auxiliary or otherwise suitable for war use, adding that the Navy would under present circumstances object to transfer of the *Monterey* to foreign flag, and closing with a request to be informed as to the condition and material readiness of the steamship *Monterey* when this status is determined by survey. Apparently, no information as to the condition and material readiness of the *Monterey* was available to the Department of the Navy when the declaration was made as to the suitability of the *Monterey* for economical and speedy conversion.

The United States Government does not to my knowledge, except during a formal state of emergency or war, acquire privately owned vessels for the purpose of lay-up for use in a potential future emergency. Obviously, once the authority is granted and the precedent is established, other owners, including highly efficient operators of vessels suitable for war use (all ships are) for which no profitable employment is available, will look to the Government to take such surplus vessels off their hands.

I see neither a case in equity nor in factual need on the part of the Government, for the purchase of the *Monterey* from Oceanic, except through the mechanism of section 510 of the 1936 act. The fact that I do not believe the Government should buy the *Monterey* for possible future war use, does not, however, indicate that the *Monterey* fails to have such potential usefulness. Were the Government to sanction the "either/or" approach of Government purchase or permission to sell foreign, as the only, and perfectly proper alternative, the end of the privately owned American-flag merchant marine would be at hand. Whatever is found right for Oceanic/Matson in spite of the record of the *Mariposa-Monterey* case, should surely be right for every other American shipowner.

In conclusion, it is my earnest recommendation that your committee reject and disapprove in all parts the proposal of the Oceanic Steamship Co. as advanced to you by the majority of the Commission. This does not mean that I see no solution that might restore one or both of the vessels to operation. I offered such a solution in my earlier memorandum to the Commission of November 30, 1948, of which I attach a copy hereto, for your information. The proposal, which unfortunately was given short shrift by Oceanic/Matson, remains valid today. In addition, I again call attention to section 510 of the 1936 act. In either case I am ready to assist any equitable proposal of Oceanic/Matson within the framework of the 1936 act. I am opposed, however, to having the United States Government "bail out," whether by interpretation or special legislation, a private corporation which brought upon itself whatever its difficulties are, and the owners of which, moreover, seem to be entirely able to overcome those self-made difficulties without special assistance from the public Treasury, over and above that available under existing laws and contracts.

Sincerely yours,

RAYMOND S. MCKEOUGH,
Commissioner.

JULY 18, 1949.

UNITED STATES MARITIME COMMISSION—COMMISSIONER RAYMOND S. MCKEOUGH—THE CASE OF THE STEAMSHIP "MARIPOSA" AND THE STEAMSHIP "MONTEREY"

Reference is made to Commissioner Carson's memorandum of July 6, 1949, in substance recommending acceptance of the Oceanic Steamship Co.'s proposal of September 15, 1948. I recommend disapproval for the following reasons:

1. Oceanic, claiming that the cost of reconverting the *Mariposa* and *Monterey* and of the improvements Oceanic decided to make, has expanded beyond its financial ability, and that operation of two passenger ships in the Australian trade is unwarranted, asks the Commission, and Commissioner Carson so recommends, for four concessions:

First, the Commission is to reopen and revise the redelivery settlement contract between the War Shipping Administration and Oceanic so as to pay Oceanic for the completion of the *Mariposa* not only what is still due under the contract for the *Mariposa*, approximately $1,900,000, but also the remaining two-thirds, approximately $3,800,000, of what War Shipping Administration agreed to pay for the reconversion of the *Monterey*, while at the same time waiving the completion of the *Monterey*.

Second, the Commission is to take over from Oceanic the one-third completed *Monterey* for which Oceanic says it has no use, plus all materials delivered or ordered, for approximately $4,600,000, the book value of the vessel and the full cost of the material.

Third, the Commission is to grant Oceanic a 10-year extension of its operating subsidy contract modified to require operation of the *Mariposa* only, under special waiver in view of her advanced age.

Fourth, the Commission is to permit diversion of the *Mariposa* from Oceanic's Australia service to the Hawaii service of the Matson Steam Navigation Co., Oceanic's parent, for four or more round trips each year.

It is easy to see how the question of "bail-out" arose, although Commissioner Carson says on page 10 of his memorandum of July 6 that whether "* * * mitigation of the terms of the agreement must perforce be deemed a release from its own (Oceanic's) improvidence * * * is not the question before us." The existing contracts, Oceanic's difficulties, and its proposal for Commission action to extricate it out of this situation, in my judgment, put this question very much before us. Whether or not the motive of those favoring Oceanic's proposal is the desire to release it "from its own improvidence," the effect would be just that.

2. Oceanic voluntarily and freely entered the contracts under which the Government would pay it approximately $11,300,000 if Oceanic reconverted the two ships. There is no claim or even hint of duress. I am told by Captain Conway, War Shipping Administrator when the contracts were entered into, that it is his recollection that Oceanic avidly sought the contracts and did not at all object to their terms.

Oceanic began the reconversion. Whatever the reasons—the award of the contracts to a repair yard, likewise a subsidiary of Matson, with rejection of the fixed price bid of the Newport News Shipbuilding & Dry Dock Co. no doubt was a major factor—Oceanic/Matson found that the cost would exceed estimates. Moreover, the prospects of the Australian passenger service appeared more doubtful. Aware of the Government's anxiety about the state of the United States flag passenger ship fleet, and of west coast shipyard labor's desperate need for work, Oceanic halted the reconversion work and told the Nation and the Commission that work would not be resumed under the agreed terms, but only if the Government would double and triple its cash contribution by paying Oceanic for one ship what Oceanic had freely accepted as the proper payment for two ships and by taking the second ship and all materials off Oceanic's hands without loss to Oceanic, thereafter, if the Government desired, completing the second ship at is own (Government's) expense at an additional cost of $10,000,000 or more, throwing in for a bargain a request for a 10-year operating subsidy contract for greatly reduced service but with special accommodation for Matson, the parent.

All this with the implication that, if the proposal were not adopted, the Commission, not Oceanic, would have to bear the responsibility for nonrestoration of Oceanic's two ships and the resultant loss to shipyard employment, the American merchant marine, and the national defense. I protest both the approach and the terms offered by Oceanic which I consider unwarranted from the viewpoint of the interests of the United States Government.

3. The proposal under discussion is Oceanic's second. When it was first discussed last September, I pointed out that it was even more unfavorable than the first proposal which the Commission unanimously rejected on July 1, 1948. This still applies. Under the first proposal, as shown by the staff committee memorandum of May 17, 1948, to the Commission, the latter would have acquired both vessels for $10,827,000 whereas under the present proposal, the Commission would acquire only one vessel with a cash outlay of approximately $10,-200,000.

4. The Commission is now being told in essence that it may reopen the contracts, indeed any contracts, and change their terms at its discretion, provided such action in its opinion would substantially benefit the Government. The Commission is also told in the legal memorandum attached to Commissioner Carson's memorandum of July 6, 1949, that its "* * * discretionary power is not dependent upon its being wisely exercised."

There is much I would like to say about this amazing thesis, but in the interest of brevity I merely call attention to the fact that the Appropriations Committee of the Senate of the United States vetoed this concept in the case of the *Mariposa* and *Monterey*. In recommending continued authority for the Commission to acquire and complete Oceanic's ships, the Senate committee not only pointedly admonished the Commission to "protect the interests of the United States in all such negotiations" (p. 10 of Rept. 639, July 8, 1949) but inserted in the bill proper the very word "wise" before the word "discretion."

We may be told that this has little legal weight, but I for one cannot conceive that this and the rather unusual congressional admonitions and qualifications in both the House and the Senate reports are anything except warning signals which the Commission cannot brush aside with impunity. I may add that both the House and the Senate committee made it quite clear that the appropriation authority granted the Commission is no directive to acquire the *Mariposa* or *Monterey*, or both. It is an administrative matter for which the Commission remains responsible; the Congress merely made it possible for the Commission to deal with the matter on its merits.

5. Commissioner Carson recommends that the Commission reopen a settlement and reverse a decision made by its predecessor in office, the War Shipping Administration. In his decision of July 21, 1936, 16 Comptroller General 51 (A–66863), the Comptroller General, based on a long line of court decisions, said:

"It is a principle of long standing that an officer of the Government may not reopen a settlement or reverse a decision made by his predecessor in office except upon production of new and material evidence, or to correct manifest mistakes of fact such as errors in calculation, or for fraud or collusion."

None of the conditions listed in the Comptroller General's decision are present in our case. Commissioner Carson does not refer to this decision but on page 9 of his memorandum of July 6 concludes that approval of Oceanic's proposal by the Commission would be "* * * not subject to review as to the exercise of its authority by the courts or an accounting officer of the Government."

The opposite is true. Any further payments under the War Shipping Administration contracts involved, whether or not they are rewritten, would have to come from the special fund set up in the Treasury Department for the payment of obligations incurred by the War Shipping Administration prior to January 1, 1947, which includes redelivery obligations with respect to privately owned vessels used by the Government during the war.

As to such payments, the Congress has superimposed the authority of the Comptroller General over that of the Commission by requiring the Comptroller General's certification of the propriety of vouchers presented by the Commission to the Treasury Department. In the case of the *Mariposa* and *Monterey*, there is good reason to assume that the Comptroller General, regardless of what he may do in other cases, will very carefully review the propriety of Commission revision of the WSA contracts to the substantial financial advantage of the other party: In his letter of July 31, 1947, the Comptroller General questioned the propriety of even the existing WSA settlements of the *Mariposa* and *Monterey* redeliveries.

Thus already on record, the Comptroller General holds full veto power over the action recommended by Commissioner Carson.

6. The Commission is told that Oceanic's proposal is "substantially advantageous to the Government." I do not believe it is.

First, we are told, the proposal is advantageous because it would assure the completion of reconversion of the two ships which the existing contracts did not assure. I do not quite see how agreement to complete the *Mariposa* could serve as a consideration, under the proposal, of payment by us of approximately $5,600,000, inasmuch as completion of the *Mariposa*, under the existing *Mariposa* contract, would already be the consideration of our paying Oceanic approximately $1,800,000.

Commissioner Carson's recommendation, moreover, would assure completion of the *Mariposa* only. There are no recommendations as to the completion and disposal of the *Monterey*. Under the present contracts, the cost to the Commission, from here on, for the completion of the *Mariposa* would be approximately $1,800,000. If the ship is not completed, there will be no further cost to the Government. Under Commissioner Carson's recommendation, the total cost to the Commission would be approximately $10,-200,000, or nearly six times as much. I do not believe that a prudent businessman would pay $8,400,000 for assurance of completion.

Such a contribution to private enterprise for the purpose of persuading it to restore its own property would be a new type of subsidy of which the 1936 act says nothing. Were it not for the assumption that the Government is anxious to have Oceanic complete the *Mariposa*, the proposal, not only to raise the ante, but to sextuple it, I believe, would never have been made in serious vein.

7. True, the Commission, by the increased total payment to Oceanic, in addition to assuring completion of the *Mariposa*, would also acquire the unfinished hulk of the *Monterey*. However, the Commission is not in the business of buying up old passenger ships, and particularly incomplete ones, in order to take them off their owners' hands, except under title V of the 1936 act, in trade-in on new construction which Oceanic does not propose.

The Commission already owns several old passenger ships such as the *Washington* and the three "good neighbor ships," as well as some new ones, including the *President Wilson*, *President Cleveland*, and *LaGuardia*, none of which, unfortunately, it has been able to sell. To add to that unwanted Government-owned fleet still another old ship, particularly what is in reality only one-third of a ship, is advantageous neither to the Government nor to the merchant fleet.

On the other hand, were the Commission to complete the *Monterey*, the Government's investment in that ship would exceed $18,-400,000 made up of approximately $3,800,-000 to be paid under the proposal to Oceanic as balance of the *Monterey* contract, about $4,600,000 purchase price, and $10,000,000 plus for completion. With the cost of building a fully up-to-date new passenger ship of similar size estimated at between $20,000,000 and $25,000,000, investment of over $18,400,000 in a ship which is already almost overage surely would be neither "wise discretion" nor "substantially advantageous to the Government."

Nor does the proposed payment of $4,600,-000 for the hull of the *Monterey* and materials appear to have been properly computed. There is no provision for deduction of the depreciated construction subsidy paid—by the Maritime Commission's own testimony—through the mail contracts under which the *Mariposa* and *Monterey* were built (see hearings on H. R. 5130, Merchant Marine bill, 1939, pp. 204 to 207 and 225, Committee on Merchant Marine and Fisheries, March, April, May 1939).

There is likewise no provision for the proper deduction, from the cost of the materials of $3,021,000, which is to be subject only to verification of quantity and cost, of

at least part of the Commission's initial payment of approximately $1,900,000 under the *Monterey* contract. To pay in effect twice for some of the same materials would hardly be advantageous to the Government.

8. Most important, however, is the fact that the Commission has no buyer for the *Monterey*. The American President Lines, Ltd., at one time considered purchase but now proposes only to charter the *Monterey* for the short span of 3 years at the end of which she will be 21 years old. In the face of contractual obligations to buy or build new passenger ships, American President Lines did not so far agree to purchase the modern *President Cleveland* or *President Wilson* in spite of their extremely low statutory sales price.

The Government is not in the business of acquiring old, incomplete passenger ships and reconstructing them at high cost for the purpose of short-term chartering. The seven passenger ships which the Commission already owns and to which I have previously referred, not only remain unsold so far but could only be chartered at rates under which the Government's investment in these ships is not being recovered.

When the acquisition of the *Mariposa* and *Monterey* was first authorized the then Chairman of the Commission assured the House Appropriations Committee that no funds would be spent for the ships unless recovery of such funds were assured. In reporting our 1950 appropriation, the House committee, as quoted on page 5 of Commissioner Carson's memorandum of July 6, 1949, went to great lengths to limit our discretion with respect to the Government's contribution in the resale of the vessels.

The President himself in 1948 ruled out construction of vessels except under firm sales contract. (See letter from the President dated April 15, 1948, to the Chairman of the Commission.) He just extended this injunction to the 1951 budget (letter of July 1, 1949, from the Director, Bureau of the Budget). I cannot conceive that he would be more favorable to the purchase of unfinished hulls by the Commission and their reconstruction, except under firm resale contract.

With this history, plus the Senate's extraordinary admonitions already mentioned by me, I do not see how the Commission can justify acquiring the *Monterey* without securing first a binding contract for her resale to another American operator.

9. A prudent businessman, who owns unimproved properties would improve them instead of acquiring, at high cost, additional unimproved property, especially if no buyer is in sight for either.

For the Government to invest over $18,500,000 in acquiring and completing the *Monterey* would not be advantageous. The same sum invested in either the *Washington* or any of the three "good neighbor ships," vessels of similar size and age as the *Monterey*, all of which the Government already owns, and all of which require reconstruction for long-term operation, would obviously reach much farther and produce greater value both for the Government and the merchant marine.

It is by no means certain, however, that the long-range interest of the American merchant marine would benefit from the restoration and modernization at substantial cost to the Government of passenger ships approaching 20 years of age. The merchant marine needs new ships.

10. It has been suggested that even if the *Monterey* cannot be resold, her acquisition would serve our national defense. Apart from Presidential and congressional injunctions against investment in vessels except for resale, the Commission is not in the business, and has no mandate under the law, to buy old passenger ship hulls for their possible defense value.

The Bureau of the Budget recently declined to approve added funds for the repair even of real naval auxiliaries already Government property. The Comptroller General, in his report on construction subsidies, severely criticized this Commission's spending for national defense and recommended amendment of the 1936 act so as to let the Defense Department pay for defense features. I do not believe that the national defense could serve to justify acceptance of Oceanic's proposal.

11. As another major additional contribution by the Government, one of Commissioner Carson's recommendations provides that the Commission grant Oceanic what amounts to a new, vastly modified 10-year operating subsidy contract.

This recommendation disregards the Commission's established procedure for the handling of operating subsidy matters. There is no staff report, review, or concurrence. There are no findings as required under title VI of the 1946 act. There are no facts presented to warrant such findings. Although Oceanic's financial plight is the basic premise of the entire proposal, no question is asked, no answer provided as to its financial qualifications for an operating subsidy. The proposed revised service, six sailings a year, is less than one-half the sailings declared necessary in the Commission's Trade Route Report of 1946. No replacement program is provided for in spite of the age of the *Mariposa*. The entire matter of an operating subsidy is disposed of with a few cursory recommendations.

This, I submit, is not the proper way of dealing with one of the major responsibilities of the Commission.

12. In my opinion, it is doubtful, to say the least, that the proposed six sailings per year constitute a regular service eligible for operating subsidy. To my knowledge, there is no subsidized service with so few sailings. In 1946 the Commission announced that 13 annual sailings are required for this service. This figure has not yet been revised. Oceanic's prewar contract provided for 13 sailings.

No facts are presented to show that the proposed reduction to less than half is substantially advantageous to the Government. If Oceanic is unable or unwilling to provide adequate service, maybe some other operator will.

13. Moreover, six round trips are not the maximum service which the *Mariposa*, even as a single ship, would be able to make in the Australia service: For part of the year, the *Mariposa*, Commissioner Carson recommends, is to work for her real owner, the Matson Co., sole owner of Oceanic.

Under the old contract, the *Mariposa* and *Monterey* had the privilege of calling at Hawaii en route to and from Australia, thus providing a major convenience for Matson. The Commission is now to permit Matson, however, to use the *Mariposa* outright for a minimum of four (i. e., possibly more) round voyages solely between California and Honolulu. I pointed out in my memorandum to the Commission of November 30, 1948 (S. S. *Mariposa* and S. S. *Monterey* of the Oceanic Steamship Co.), approved by the Commission on December 14, 1948, that Matson "* * * needs additional tonnage for the Hawaiian passenger trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single steamship *Lurline*." This suggestion was brushed aside, but it is a fact that frequency of service is a major requirement, particularly on those routes on which airline competition is especially keen. Significantly, Matson was reported during May to have newly initiated a passenger service to Hawaii, necessarily limited, on 15 of its freighters. Matson's need for additional passenger tonnage, of course, is attested to also by the proposal for the periodic use of the *Mariposa* in its Hawaiian service.

Thus, Oceanic's proposal, if adopted, would not only be a bail-out, but also a device to give Matson the benefit of a spare ship for the Hawaii tourist season—maintained with Government subsidy in the Australia trade during the Hawaii off season. This may be very advantageous to the Matson Co. and may permit it to give better service to Hawaii with minimum risk and minimum cost and at the expense of the subsidized Australia service, but it is certainly not substantially advantageous to the Government. In my opinion, it would misuse the subsidy system for the private gain of a nonsubsidized carrier.

CONCLUSION

The proposal of the Oceanic Steamship Co. is as unacceptable today as it was when first broached in September 1948. We must believe in the sanctity of contracts freely entered into. Here we have Oceanic tell the Government of the United States that it will let its two ships remain unfinished unless the Government signs on the dotted line. If it is desirable to put these two ships into operation with additional help, the question must be asked: At what price? The price which Oceanic asks, in my opinion, is extortionate. The prudent businessman would not pay it, and the Commission will not pay it if it uses wise discretion.

It does not do for Matson to remember that it owns Oceanic when Matson wants something of Oceanic, such as the use of the *Mariposa* as a spare ship for the Hawaii season, but to look the other way when Oceanic needs help.

Matson must be willing to help and Oceanic must be willing to help. Any additional assistance from the Government must be through and within the 1936 act. In my aforementioned memorandum of November 30, 1948, I have pointed the way to possible solutions of Oceanic-Matson's dilemma.

Such solutions must be quite equitable. So far, Oceanic's proposals have not been equitable. The Commission, therefore, should deny the proposal submitted in Commissioner Carson's recommendations identified as item No. 1 on the Commission's agenda of July 19, 1949.

RAYMOND S. MCKEOUGH,
Commissioner.

UNITED STATES MARITIME COMMISSION—COMMISSIONER MCKEOUGH—STEAMSHIP "MARIPOSA" AND STEAMSHIP "MONTEREY" OF THE OCEANIC STEAMSHIP CO.

NOVEMBER 30, 1948.

While I am sympathetic to the desire of the Oceanic Steamship Co. to assist in finding a solution of its present difficulties involving the steamship *Mariposa* and steamship *Monterey*, I am unable to accept the proposals heretofore submitted to the Commission by that company with respect to the ultimate disposition of the *Mariposa* and the *Monterey*. In my judgment the two proposals submitted by the Oceanic Steamship Co. are beyond justifiable defense or prudent judgment on the part of the Commission.

Accordingly, I am submitting herewith a possible arrangement which appears to me practical from both a financial and an operating point of view, as far as the Oceanic Steamship Co. is concerned, and at the same time fair and reasonable, as far as the United States Government is concerned.

While our Technical Bureau estimated that it would cost about $20,000,000 each to reproduce the two vessels, Oceanic contended before the Commission that it would cost $25,000,000, a figure likewise mentioned by the chairman in his testimony before the House Appropriations Committee. The actual cost may be in between these two figures,

and, for the purpose of this discussion, let us assume that it would cost $22,500,000 to reproduce each vessel. Oceanic also contends that the *Mariposa* and *Monterey* would have a remaining economic life of 15 years upon completion of restoration now interrupted. On this basis, the reconstructed vessels would have a value of $16,875,000 each, i. e., three-fourths (15 instead of 20 years life) of the estimated reproduction cost mentioned herein.

There can be little doubt that Oceanic's parent company, the Matson Steamship Navigation Co., needs additional tonnage for the Hawaiian trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single S. S. *Lurline*. Oceanic's second proposal confirmed Matson's need for additional passenger tonnage in its Hawaii service in which Matson had two passenger vessels prior to the war. Therefore, it should be considered as a perfectly reasonable proposition for Matson to purchase one of the two vessels after completion as a companion vessel to the *Lurline*, for say $15,000,000 after completion of reconstruction, with Oceanic retaining the other vessel for the Australian trade, where, according to Oceanic's last proposal, conditions have improved so as to make operation of one passenger vessel possible and provided, of course, the Commission should conclude that it would be desirable to extend Oceanic's subsidy contract modified so as to materially reduce the number of sailings thereunder. It must be understood at the same time that in case either one of these vessels is completed for operation in a subsidized service, the 1936 act would have to be amended so as to permit depreciation to be computed on the basis of a longer life than 20 years.

In this case, of course, the Commission would pay the balance due under the WSA redelivery settlement contracts, since reconstruction of both vessels would be completed.

Financially, Oceanic's position would be as follows (based on Oceanic's letter of September 15, 1948):

Total amount expended by Oceanic to date, less amounts received under WSA settlement agreement	$12,466,405
Estimated cost to complete both vessels	17,816,000
Total cost of reconstruction of both vessels	30,282,405
Receipts:	
Proposed sale to Matson	15,000,000
Due under WSA agreement	5,600,000
Total	20,600,000
Net cost to Oceanic	9,682,405
Book value both vessels	3,427,000
Total investment by Oceanic in vessel to be retained by it	13,109,405

Under the above arrangement Matson and Oceanic would have one ship each fully reconstructed and modernized to suit the particular trade, good for 15 years each, at a cost of approximately $15,000,000 and $13,000,000, respectively. This would substantially improve Oceanic's financial position, as the $20,600,000 to be collected from Matson and the Commission would exceed by almost $3,000,000 the net balance in cash outlay estimated by Oceanic as required to complete both vessels. Matson, on the other hand, would acquire needed passenger tonnage at a reasonable cost, based on their own estimates, which cost, I am convinced, it can well afford to pay, while at the same time complying with its obligation to assist its distressed subsidiary.

Should Oceanic conclude that it would be economically unsound to continue the Australian passenger trade and, as a consequence, not complete the second vessel for its own operation, then it should explore the possibility of selling one of the vessels after completion to some other United States flag company at a price satisfactory to both. Of course, Oceanic, under such conditions, should, if necessary, be willing to take some loss as a result of its own errors by selling the second ship for less than its revised investment therein.

The Commission in turn could assist in such a transaction by purchasing the vessel. After completion, from Oceanic under section 215 of the 1936 act for the price agreed to between Oceanic and the intended buyer, and simultaneously selling it to the buyer for the same price with a 25-percent down payment and a mortgage for the balance, provided appropriation authority in the 1949 Appropriation Act has not been utilized for other purposes in the meantime or, in such event, provided funds for such purpose are included in the Commission's 1950 budget.

In this manner the Commission would be lending its credit to help Oceanic extract itself out of a most unusual situation, but without actually donating millions of dollars to bail it out with respect to a financial dilemma arising wholly from the operator's own mistakes.

Oceanic's last proposal embodied in its letter of September 15, 1948, after several days of consideration, was referred by the Commission to Mr. Morse in order that he might further explore the situation.

RECOMMENDATION

Accordingly, I recommend that the Commission direct Mr. Morse to discuss the aforedescribed arrangements with the Oceanic Steamship Co. and report to the Commission on the results of such discussions as soon as possible.

RAYMOND S. MCKEOUGH,
Commissioner.

Mr. DOUGLAS. Mr. President, for further evidence of the questionable character of the negotiations surrounding the *Mariposa* and the *Monterey* I would like to refer the Senate to House Document No. 465, dated February 6, 1950, which is the report on the audit of the United States Maritime Commission by the Comptroller General for the fiscal years ended June 30, 1948 and 1949, pages 81 to 84.

It would seem to me that the passage of the present bill, even though the price were not fixed, would naturally be regarded by the Department of Commerce not only as an authorization to go ahead but also as an injunction to go ahead. Although the Maritime Commission itself has been formally disbanded, the personnel has merely moved over into the Department of Commerce, and the previous policies largely continue.

Mr. SALTONSTALL. Mr. President, the situation at the present time, as I understand, is that the old argument about the *Mariposa* and *Monterey* and their rehabilitation for civilian purposes is not involved in the discussion. As I understand, no work has been done on one of the ships. On the other ship approximately $5,000,000 worth of work has been done.

In the present Navy Department budget is an appropriation request for taking over three so-called President liners, which are now being built. These three President liners are badly needed. They are partially built. The Navy Department wants them for transport purposes. Instead of having them put into the luxury-liner business, the Navy Department wants them used for transport purposes. As I said, the question came up on two different occasions recently in the Committee on Appropriations. On those two occasions Admiral Sherman was asked by me whether the two ships involved were needed by the Navy. Admiral McCormick was asked by me whether the two ships were needed by the Navy. Admiral Sherman has testified before the Committee on Appropriations that the Navy is sadly lacking in transport facilities at the present time. They want the three President Line ships. I asked Admiral McCormick, if we passed the pending bill with reference to the *Mariposa* and *Monterey*, whether they would still want the three President Line ships, because if we could keep one of them for civilian purposes, we could compete that much more for the civilian maritime traffic on the Atlantic Ocean.

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

Mr. SALTONSTALL. I should like to complete my statement first, otherwise, I am afraid I may lose the trend of my thought.

Admiral McCormick came back this morning with a letter to the effect that in the considered opinion of the Navy Department they need the three President liners, which have a length of 537 feet, a tonnage of 12,660, and a speed of 19.5 knots. They also need the *Monterey* and *Mariposa*. The *Mariposa* and the *Monterey* are in a peculiarly good position to be fitted out as transports because they have never been returned to civilian use. I agree with the Senator from Illinois and the Senator from Vermont. However, I have been familiar with this subject for 3 years and have studied it with the Senator from Wyoming and the Senator from Oregon [Mr. CORDON]. It is a very complicated question. The question was whether the Government would be cheated. However, the pending bill involves an entirely different question. It is whether or not we should put the two ships back into the troop-transport service. Of course if there are too many troop transports after the war, the President Line ships, which are slower ships, can be more readily refitted and adapted to civilian use, and perhaps the two Matson Line ships can be scrapped because they are more than 20 years old.

Under present conditions I hope the bill will be passed. If it is passed, the Department of Commerce will be authorized to buy the ships only if the Department of Defense certifies that they are necessary for troop-transport purposes. Two leading officers of the Navy have testified that the ships are desperately needed. I hope the bill will be passed.

Mr. O'MAHONEY. Mr. President, in view of the fact that the letter from Commissioner McKeough was addressed to me as chairman of the subcommittee on independent offices appropriations of the Committee on Appropriations, I desire to make a brief statement in order to correct the RECORD.

So far as the *Mariposa* and the *Monterey* are concerned, those two vessels were the property of the Matson Line, and were taken over by the Government during World War II under a contract which made it the obligation of the Government not only to return the vessels to the owners, but to restore them to a form which would make them suitable for use in civilian and commercial transportation.

The whole controversy with respect to the *Mariposa* and *Monterey* raged over what type of compensation should be paid to the line for the rehabilitation of those vessels to enable them to be used in commercial traffic. The Committee on Appropriations was most careful to make certain that the Government of the United States was not victimized in any such deal. When the bill came from the House 2 years ago providing authority for the payment of additional sums by the Government to the owners for the rehabilitation of these vessels, the Senate subcommittee, of which I happened to be the chairman, modified that bill and placed provisions in the Appropriation Act which prevented, as we thought, any exploitation of the Government.

As I see it, that question is not involved here. One of these vessels has never been rehabilitated in any form for commercial traffic. The other was partially rehabilitated, but the work was stopped because the cost was apparently in excess of the bid which the Matson Line subsidiary made, and it was over that question that the whole controversy raged.

The provision before us has nothing to do with any payment by the Government for the rehabilitation of these vessels. The provision in this bill is merely authority to the Secretary of Commerce to take these vessels over again. The problem would arise, of course, as to what payment should be made.

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

Mr. O'MAHONEY. I want the record to be perfectly clear that there are two questions involved.

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

Mr. O'MAHONEY. Of course.

Mr. AIKEN. May I ask what the need is for specific legislation in the case of the *Monterey* and the *Mariposa*, when, if a national emergency is declared, as I understand, these ships or any other ships could be requisitioned by the Navy if they were needed? It seems to me that the passage of this legislation would in effect be an instruction to the Commerce Department to purchase these two ships which, as has been stated, are already over age and are not in condition to be operated at the present time, whereas I believe we have large numbers of much better ships tied up in a moth-ball fleet.

Mr. O'MAHONEY. I have nothing in the world to do with that question.

Mr. AIKEN. Why specify these two ships to be purchased?

Mr. O'MAHONEY. This bill was reported from a committee of the United States Senate. I took the floor merely for the purpose of pointing out the difference between the controversy which previously existed and the present situation. Whether these vessels are such vessels as should be purchased, I do not know. However, statements have been made to me by competent persons to the effect that the vessels are such that they could be effectively used.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. AIKEN. The thing I could not understand was why special legislation was necessary.

Mr. MORSE. Mr. President, I should like to make a further brief statement. First, I should like to direct my attention to my friend, the Senator from Illinois [Mr. DOUGLAS]. I do not know who gave him the information, off the floor, as to the supposed import of my remarks. I understood him to say that he was under the impression that I had passed some criticism of his supposed dereliction of duty because he was not in the Chamber. I will let my remarks in the RECORD speak for themselves. However, I assure the Senator from Illinois that when he reads them he will find that he has been misinformed, because I specifically stated that I was satisfied that if the Senator from Illinois were in the Chamber and could hear the explanation which I was seeking to give, his opinion would be different with regard to his objection. I am still convinced that when the Senator from Illinois gets the facts he will see that this case is entirely different from the case about which he has been talking, which goes back to the old claim. If he reads into my remarks any criticism of him, I assure him that such was not my intention. I simply protested the fact that apparently we were not going to be able to get the bill through today because objection had been filed, and the objector was not present to hear the explanation.

Mr. President, I wish to repeat very quickly that we are not dealing here with the old claim case at all. We are dealing here with a request which comes from the Department of Defense for legislative clearance of these ships, so that there may be early conversion for transport purposes. I disagree with the assumptions contained in the remarks of my good friend from Vermont [Mr. AIKEN], about these being a couple of old hulks, seeming to imply that they would not be of vital service to our Government if we speeded their conversion. The time factor is important. We need transports at the earliest possible hour. All I can do as a member of the Armed Services Committee is to rely, as I think I have the right to rely, upon the expert opinion which comes to us from the military officials who have the direct responsibility of prosecuting our interest in connection with their emergency. Those military officials tell us that a great amount of time would be saved by converting these ships quickly into transports. I intend to rely upon their judgment rather than the judgment of the Senator from Vermont in this matter.

The Senator from Vermont makes reference to ships in mothballs. All I can tell the Senator from Vermont is that our military officials tell us that there is not a single ship in mothballs comparable to these ships for transport use if we will proceed immediately to convert them.

That is the only plea I am making here today. I think we have a request from the Defense Department which ought to be met by the Senate, leaving for other hearings the question of the old claims case, which is in no way involved in the passage of this bill. The bill would simply authorize the Secretary of Commerce, upon certification from the Secretary of Defense, to proceed to buy these ships. I think we know enough about Government transactions to realize that they are going to be bought on a fair-price basis. If either the Government or the companies have any subsequent claim in regard to the old transaction, such claim can continue to pend—I think the Senator from Vermont is correct on that point—probably for years to come. But we need these ships now, and I think the bill ought to be brought up by motion and passed.

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

Mr. MORSE. I yield.

Mr. KNOWLAND. I should like to say that I think the Senator from Oregon has placed his finger on the vital factor in this case, which is the time element.

Because this subject has been in controversy for some time, I personally went to inspect one of these two vessels, which happened to be tied up in San Francisco Bay. I do not claim to be a ship expert in any sense of the word. However, I am informed—and the evidence which has been submitted indicates—that these vessels, although 20 years old, are not old hulks. Today they could probably outspeed most of the vessels which are available on the high seas, and which could be used for transport purposes.

My impression is that these vessels could be converted in a period of less than 6 months. If enough shifts were put on the work, probably the conversion could be done in considerably less time than that. One of them is just in the process of being put into service as a commercial vessel. As to the other one, which I did not see, I understand, no work has been done to reconvert it for commercial uses. But if we are faced with an emergency in which we will need fast vessels in order to transport troops to wherever they are needed, I think this request by the Navy Department—having nothing to do, as the Senator has pointed out with the old controversy—should stand on its own feet, and that we should not take any action which would jeopardize the defense of the Nation and the adequacy of troop transportation.

Mr. DOUGLAS. Mr. President, it is the common impression that the President of the United States will tonight declare a national emergency. If such a national emergency shall be declared, I take it no legislation of this type will be needed, because it will then be possible for the Defense Department to requisition these ships and pay an adequate price for them. If a national emergency shall not be declared, then I think such a matter would very properly be before the Senate. I would suggest that the bill go over until Monday, until we find out

whether the added powers are needed. In the meantime the situation can be canvassed, the documents can be studied, and no damage will be done.

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

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. I shall be glad to confer respecting this situation, because it is a matter which apparently cannot be handled on the call of the Unanimous Consent Calendar. If the President tonight declares only a limited emergency, which might require the legislation, I am sure the majority leader will be glad to let us discuss this matter the first of the week.

Mr. LUCAS. Mr. President, the entire world around the United States of America is smoldering. Everyone knows that the Nation is in one of the most critical periods of its history. Yet here in the Senate of the United States we quibble over whether or not we will pass a bill giving the Department of Commerce the power to negotiate for these ships. When Admiral McCormick, and Admiral Sherman, the head of the Navy, come before the Appropriations Committee and tell that committee the importance of obtaining these ships at this particular time, it is rather difficult for me to understand how Senators can stand on the floor and make objections to a measure of this character.

I do not know what the President of the United States is going to say tonight. I know he is going to make a speech. Whether he will declare a national emergency tonight or next week, or declare one at all, remains to be seen. But we have no time to lose, Mr. President. I regret to say this, but the sooner the Senate of the United States moves with all expedition possible toward every conceivable kind of a defense we can provide for the Army and the Navy and the Air Corps, the better off the country is going to be so far as our future safety and security are concerned. Certainly, so far as I am concerned, I am willing when we conclude the call of the calendar, to move the consideration of the bill, so we may find whether we can pass it at that time. We should not take any chances.

Mr. AIKEN. Mr. President, I am sorry to hear the inconsistency of the majority leader. I do not know whether the Matson Line will lose $10,000,000 if the bill is not passed this afternoon. But it is a fact, I understand, that if the Navy needs these ships it can buy them tomorrow. If the Navy does not need them, why should we pass a law virtually instructing the Government to buy old ships it does not need, in order to bail out a steamship company to the extent of $10,000,000?

Mr. LUCAS. I do not know why the authors of the proposed legislation are proceeding with the debate with such insistence, urging the Senate to pass this measure, if the United States Governcent can buy the ships without any legislation.

Mr. AIKEN. The bill would authorize the Department of Commerce to buy them. If the Navy needs them it car buy them today.

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

Mr. LUCAS. I yield.

Mr. CAPEHART. I am altogether in favor, Mr. President, of passing this bill, but I want to keep the record straight by saying that under the 1950 Defense Production Act, which Congress passed more than 3 months ago, the President of the United States can requisition and purchase any equipment in the United States the Government wishes to buy, at its own price. If the Government needs these two ships, it can buy them under the 1950 Defense Production Act. However, I am perfectly willing to permit the bill to be passed, if we can have a vote on it.

Mr. LUCAS. Mr. President, there must be some disagreement respecting the position taken by the Senator from Indiana. Certainly those who are more or less in control of the proposed legislation requested the Chief of the Navy, Admiral Sherman, to come before the committee and testify so they could obtain his opinion about the matter. Certainly he would know whether the President of the United States, under the authority he has, could take over the ships. I disagree with the Senator from Indiana with respect to the authority that was given to the President of the United States under the Defense Production Act. If all the authority necessary is contained in the Defense Production Act, as some claim, then it is unnecessary to have a national emergency proclaimed. But those who are advising the President of the United States at the present time, through the Attorney General's Office, tell him that he does not have all the power that is necessary at the present time under the National Defense Production Act and other measures that have been carry-overs from World War I.

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

Mr. LUCAS. I yield.

Mr. CAPEHART. There is not any question that the President has the right under the 1950 Defense Production Act to acquire by requisition any facility in the United States. There can be no question about that.

Mr. LUCAS. I do not see why we are having all this debate, if the Senator from Indiana is correct.

Mr. CAPEHART. I do not, either.

Mr. LUCAS. Certainly those in charge of the bill should have understood that. The Senator from Oregon [Mr. MORSE] and the Senator from Washington [Mr. MAGNUSON] say that is not correct. So undoubtedly someone is wrong. If there is any doubt about the matter, let us not take any chance; let us pass the bill.

Mr. CAPEHART. I am perfectly willing to pass the bill to permit the Government to purchase these two ships, because under the 1950 Defense Production Act, if the Government wants them it can acquire them within the next hour.

I should like to have the Senator from Washington tell us why he thinks that under the 1950 Defense Production Act the Government cannot acquire these two vessels.

Mr. MAGNUSON. I will say first that the bill has been before us since last September. Under the Defense Production Act the President has the right to requisition and acquire, but he must first declare a state of emergency.

Mr. CAPEHART. Mr. President, that is not correct.

Mr. MAGNUSON. That is my impression.

Mr. CAPEHART. That is not accurate. I am certain every member of the Senate Committee on Banking and Currency who is present on the floor will vouch that what I am saying is correct. Under the 1950 Defense Production Act the President has the right to requisition any facility or material he wishes to requisition, and he can take it over on the basis of paying any price he fixes, paying 50 percent of that price, and then the owners, if they think they are entitled to more, have the right to go to court and sue the Federal Government for a larger amount.

Mr. MAGNUSON. The Senator and I disagree on that provision. The Defense Production Act was passed after the bill we are speaking of reached the calendar.

Mr. CAPEHART. I appreciate that.

Mr. MAGNUSON. The bill has been before the Senate since September.

Mr. CAPEHART. I see no reason why the Senate should not pass the bill, because I know that the President has the right to take over the ships, if he desires to do so, under the 1950 Defense Production Act.

Mr. CHAVEZ. Mr. President, I was the Senator who requested that the bill go over.

The PRESIDENT pro tempore. The bill has already gone over.

Mr. CHAVEZ. Very well. I ask for the regular order.

Mr. MORSE. Mr. President, I simply want to say, in reply to the Senator from Indiana and the Senator from——

The PRESIDENT pro tempore. The present occupant of the chair was not here when the Senator from Oregon spoke previously. Is the Senator now speaking the second time?

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McCARRAN. How many times can one Senator speak during the 5-minute period on the Consent Calendar?

The PRESIDENT pro tempore. Only once.

Mr. McCARRAN. That is what I understood.

JACOB F. REIDEL

The PRESIDENT pro tempore. During the course of the debate which has just taken place, House bill 2093 was announced as next in order. Is there objection to the present consideration of House bill 2093, Calendar No. 2585?

There being no objection, the bill (H. R. 2093) authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Reidel, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. The next bill on the calendar will be stated.

RESTRICTION ON IMPORTATION OF CERTAIN GIANT SNAILS

The bill (H. R. 6242) to prevent the entry of certain giant snails into the United States was announced as next in order.

Mr. MORSE. Mr. President, using 5 minutes on this bill, I wish to say to my good friend from Nevada I simply want to close my record on the Mariposa-Monterey bill by saying that those of us who were urged today by the representatives of the Departments of Defense and Commerce to try to do our best to secure the passage of the bill were advised that this was the quickest way to expedite the purchase of these ships, so sorely needed by the Defense Establishment. We were further advised that it was the advice of the Office of the Comptroller General that this bill should be passed.

In carrying out what we considered to be our duty—or, at least, what the junior Senator from Oregon particularly considered it to be his duty as a member of the Armed Services Committee—I have made on the floor of the Senate the case that I have made today. I think those departments know whereof they speak as to the advisability of having this bill passed, and before the afternoon is over I hope the bill will be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of House bill 6242, Calendar No. 2586.

Mr. MAYBANK. I have an amendment to this bill. I submit the amendment. It is at the desk.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6242) to prevent the entry of certain giant snails into the United States.

The PRESIDENT pro tempore. The amendment of the Senator from South Carolina will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 2. Section 358 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding a new subsection (e), as follows:

"(e) Notwithstanding any other provision of this section, the allotment determined or which would have been determined for any land which is removed from agricultural production for any purpose because of acquisition by any Federal, State, or other agency having a right of eminent domain shall be placed in a pool and shall be available for use in providing equitable allotments for farms owned or acquired by owners displaced because of acquisition of their farms by such agencies. Upon application to the county committee, within 5 years from the date of such acquisition of the farm, any owner so displaced shall be entitled to have an allotment for any other farm owned or acquired by him equal to an allotment which would have been determined for such other farm plus the allotment which would have been determined for the farm so acquired: *Provided*, That such allotment shall not exceed 50 percent of the acreage of cropland on the farm. The provisions of this subsection shall not be applicable if (1) there is any marketing quota penalty due with respect to the marketing of peanuts from the farm or by the owner of the farm at the time of its acquisition by the Federal, State, or other agency; (2) any peanuts produced on such farm have not been accounted for as required by the Secretary; or (3) the allotment next to be established for the farm acquired by the Federal, State, or other agency would have been reduced because of false or improper identification of peanuts produced on or marketed from such farm."

Mr. JOHNSTON of South Carolina. Mr. President, the effect of the amendment will be as follows: In South Carolina, more than 250,000 acres of land in the peanut-growing area are being taken by the Federal Government. The persons who now live on that land have been trained to grow peanuts. If they are required to move to other places, this measure will give them the right to transfer whatever allotment they had in that area to another area where they can obtain land on which to grow peanuts.

The bill will not increase by one iota the amount of acreage for South Carolina or elsewhere in the United States, but it will give the persons who are being forced to move from that area the right to plant peanuts if they can obtain land somewhere else.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. HENDRICKSON. Let me ask the Senator what costs are involved by the amendment.

Mr. JOHNSTON of South Carolina. No costs are involved by the amendment, other than the costs which would have been involved at the present time under the Agricultural Act pertaining to peanuts. The same quantity of peanuts will be grown, if the farmers can obtain the land. However, a great many of them cannot secure land elsewhere. So, naturally there will be a smaller peanut acreage in South Carolina.

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

Mr. JOHNSTON of South Carolina. I yield.

Mr. AIKEN. I understand that the amendment simply permits the persons who are displaced from their present locations, which are the site of the hydrogen bomb plant, to take their peanut acreage quotas with them, wherever they may go, whether elsewhere in South Carolina or to Georgia, for instance.

Mr. JOHNSTON of South Carolina. Yes. This measure would do the same thing that is allowed at the present time in the case of the cotton growers, wheat growers, and tobacco growers.

Mr. AIKEN. If the explanation the Senator from South Carolina has given is correct—and I assume it is—I can see no objection to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the Agricultural Adjustment Act of 1938, as amended, and to prevent the entry of giant snails into the United States, and for other purposes."

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 108) favoring suspension of the deportation of certain aliens, was considered and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

[redacted], Abraham, Veronika, or Veronica Abraham.
[redacted], Abreu y Alvarez, Ricardo, or Richard Abreu.
[redacted], Abstender, Liza (nee Liza Markowicz).
[redacted], Ali, Asod, or Alli Asod Ullah or Asodeoolla Ashruffoolla.
[redacted], Alinosi, Lottie Bernice (nee Dean).
[redacted], Alma, Helen (nee Stedman Kinter or Alma S. Kinter or Alma Stedman Kinter).
[redacted], Altamura, Pasquale.
[redacted], Alter, Salomon Sloima.
[redacted], Alvarez, Justina Martin.
[redacted], Amat, Kasmoin, or Kasmoin Bin Amat.
[redacted], Arce, Socorro Labrado Ylanan, or Socorro Labrado Rodrigues (maiden name), formerly Socorro Labrado Ylanan alias Mrs. Joe Manila.
[redacted], Arcellana, Juan Aquino.
[redacted], Arnold, Gustavus or Gus Arnold.
[redacted], Arron, Barbara, or Sydney Barbara Arron or Barbara Lewis.
[redacted], Ashton, Sarah Ellen, or Sarah Ellen Lewis (nee Muskett).
[redacted], Asrilant, Willy, or Wolka Asrilant or Zev Wolf.
[redacted], Auriammo, Elsie.
[redacted], Avvantaggio, Frank, or Frank Conti.
[redacted], Bagues, Salvador, or Ruben Marrufo or Salvador Bagues-Villanueva.
[redacted], Bahler, Karl F., or Karl Friedrich Bahler or Karl Bahler.
[redacted], Basalo-Sosa, Carmen Teresa.
[redacted], Bautista, Adalia Marquez de.
[redacted], Benintende, Franscesco, or Frank Benintende.
[redacted], Berken, Regina Jean Matyas.
[redacted], Bijjani, George Yousuf.
[redacted], Birznier, Lina Margareta.
[redacted], Blount, Richard Keith.
[redacted], Blumberg, Barney Masel, or Boroch Blumberg.
[redacted], Boeschling, Henry Frederick Wilhelm.
[redacted], Bohn, Odette (nee De Rich or Rich).
[redacted], Bonacasa, Liborio, or Benny Bonacasa or Bonacasa Liborio.
[redacted], Bongini, Christino, or Christino Bongini.
[redacted], Boutilier, Verner Trinimon, or Fred Gavin.
[redacted], Bovoletis, Peter Considine.
[redacted], Brega, Ernesto.
[redacted], Brown, Basilette Argendeli (nee Argendeli).
[redacted], Brown, Percy Flint.
[redacted], Brown, Vernal Albert.
[redacted], Bruck, Lila, or Hedwig Drdlik or Hedwig Bruck.
[redacted], Bulleri, Dora Luigiana.
[redacted], Burack, Sam.
[redacted], Cardoza, Joao Ferreira, or John F. Cardoza.

[redacted], Carlson, Berna Birgit Allrum.
[redacted], Carroll, Louis Lawrence, or Louis Carroll.
[redacted], Carty, Peter Silven.
[redacted], Casals, Domingo, or Domingo Cassis y Costa.
[redacted] Chaltas, Aristea Constantinou Katraouzou, or Aristea Constantinou Katraouzou.
[redacted] Chan, William Hee, or Gik Hee Chan.
[redacted], Chan, Linda Siou King, or Chum Shao King.
[redacted], Charleston, Frank Langelier.
[redacted], Chiang, Chien Yin, or Chien Chick Yin.
[redacted], Yink, Chiang Chu Sheng (nee Chu Sheng Ying).
[redacted], Chikhmatoff, Olga Chirinsky, or Olga Shirinsky Shikhmatoff (nee Korff).
[redacted], Clewis, Raimer Herman, or Raimer Herman Clews (formerly Raimer Herman Saladin or Rainer Herman Saladin).
[redacted], Cohen, Albert Kibrit, or Alberto Cohen Kibrit or Albert Cohen.
[redacted], Constantios, Philipos Nikolas, or Philip Constantios.
[redacted], Costa, Amedio Giovanni, or Amedeo G. Costa.
[redacted], Damhus, Ejnar Jensen, or Edward or Eddy Damhus.
[redacted], Dapas, Pietro, or Peter Dapas.
[redacted], De Acosta, Petronila Machuca.
[redacted] De Barios, America Cabrera.
[redacted], Barrios Y Cabrera, Jesus.
[redacted], De Escobedo, Consuelo Gomez-Alonzo, or Rafaela Lopez.
[redacted], De Ferrari, Felicina Gallo (nee Felicina Serafina Gallo).
[redacted] De Grimwood, Laura Antonia Padilla.
[redacted], Delikat, Lottie Margaret.
[redacted], Dennis, Edward Victor, or Edward Victor Brown.
[redacted], Diamantis, Stavros Spyridon.
[redacted], Di Carlo, Calogero, or Calogero Lelio Di Carlo.
[redacted], Doorly, Joseph, or Joseph Dorley.
[redacted], Doring, Uwe Franz.
[redacted], Dumkolis, Trifo Alexander, or Trifo Alexander Dumkoloff or Trifo Alex Dumkeles.
[redacted], Eastman, Elsa Oria (formerly Elsa Oria Garchitorena, nee Elsa Erinko Oria).
[redacted] Elefant, Clara, or Elder, nee Lakatos.
[redacted], Enomoto, Mihacri or Jack.
[redacted], Entralgo, Luis Estella.
[redacted], Esop, Edward.
[redacted], Esposito, Lucien Nicolas.
[redacted], Essoglou, Panteleimon Elie.
[redacted], Estaque, Jeanne (nee Seitelsohn).
[redacted] Faustino, Iluminador Flores.
[redacted], Femino, Marina Domenica Grace (formerly Hislop).
[redacted] Fieldhouse, Roger Hyde.
[redacted], Figueiras, Jose Gullardo, or Jose Gallardo.
[redacted], Flanagan, Johanna Adriana.
[redacted], Fogel, Morris, or Moische Fogel.
[redacted], Forcke, Nadine Elwin.
[redacted] Forcke, Eddie Wallace.
[redacted], Fournaris, Constantinos Georgios, or Constantinos Fournaris or Gus Fournaris or Kostas Fournaris.
[redacted], Franklin, Gudrun, or Gudrun Bruinsma.
[redacted], Friedman, Fanny or Kalmar.
[redacted], Fu, Huang, or Wong Fook or Wong Fook Nygoon or Wong Fook Yuen or Wong Chun Go.
[redacted], Galati, Salvatore.
[redacted], Galati, Maria Antico.
[redacted], Gampe, Roland Pierre Lucien, or Roland P. Gampe.
[redacted], Garden, Janet Miller, or Jean Whatling.
[redacted] Gernaey, Marie Madeline (nee Kemmer, or Marie Madeline Jablonski).
[redacted], Godley, Percival Francis, or Francis Percival Godley.
[redacted], Godley, Doris (nee Eldred).
[redacted], Goldstein, Rubin, or Riven Goldstein.
[redacted], Goldstein, Sol.
[redacted], Grille, Paul Jacques.
[redacted], Gronek, Helena, or Helen Gronek.
[redacted], Grun, Elza, or Elise Weisz, or Elszi or Eliz or Elsa.
[redacted], Gubel, Josef.
[redacted], Guerrero, Bozena Tomankova (nee Bozena Tomankova).
[redacted], Gum, Mim, or Min Gum.
[redacted], Guthrie, James.
[redacted], Gutierrez, Dolores, or Dolores Arroyo.
[redacted], Gutierrez, Guadalupe (alias Guadalupe Arroyo).
[redacted], Hagymasi, Terez, or Terez Massey.
[redacted] Hallas, Dionisios or Georgadidgh.
[redacted], Hand, Monique Yvonne (nee Placide).
[redacted], Handeli, Vitali, and Victor Handeli.
[redacted] Hardy, Cornelia Agatha.
[redacted] Haritopoulos, Elias Theodore (alias Elias Charitopoulos alias Louis Haritopoulos).
[redacted], Hartmann, Barbara (nee Hess).
[redacted], Hastings, John.
[redacted], Hayes, James Victor.
[redacted], Heinz, Joseph Karl.
[redacted], Hendrickson, Agda Jakobina, formerly Ruutikainen (nee Meriruusu).
[redacted] Holen, Jenny Klara (nee Walderhaug).
[redacted], Hou, Ai Ying, or Mah Ah Ying or Wang Ai Ying.
[redacted], Howe, Maclean Kenneth Daniel (alias Hau Kam Tat or Daat).
[redacted], Hristostomidis, Hristostomis Yani, or Chris John Chrisostomidis.
[redacted], Hronis, Sophie.
[redacted], Hsiang, Ping, or Ping Hsian Hsiang or Catherine Hsiang or Bian Hsian Hsiang or Hsiang Bin Hsien.
[redacted], Huffan, Edwin Eric.
[redacted], Hum, Lee Shee, or Hum Lee Shee.
[redacted], Huvos, Laszlo, or Leslie Huvos.
[redacted] Iacovetta, Osvaldo, or Osvaldo Iocovetta or Osvaldo Iacouetta.
[redacted] Ibrahim Mehmet, or Ibrahim Mehmet or Mehmed Abrahim.
[redacted], Iversen, Bjorg Wennberg.
[redacted], Jacks, Edna Eulalia (nee Barkas, or Edna E. Jacks).
[redacted], James, Poulia or Poulia Cotsifa, maiden name, or Poulia Kotsifa.
[redacted], Jaresch, Emma Johanna.
[redacted], Jarosz, Ingelise Solveig (nee Jensen).
[redacted], Kakowoulis, Nicolis, or Nickolis Kakovoulis.
[redacted], Kastanos, Antonios Simos.
[redacted], Kew, Ko, or Kew Ko.
[redacted], Khouri, Mounira (nee Mounira Abouzeid or Mme. Vve Nagib).
[redacted], Kiang, Stuart, or Chao-Hai Kiang.
[redacted], Kilian, Jozef.
[redacted], Kim, June Jha.
[redacted], Kiu, Kong Yuet, or Cecile Kong or Tong Yuet Kiu.
[redacted], Kleszniсki, Wilhelm August, or Wilhelm Kleznicki or William August Kleszniсki or William August Lkeznicki.
[redacted], Knaus, Maximilian, or Max Knaus.
[redacted], Knudsen, Soren Anton, or Steve Knudsen.
[redacted], Kurth, Paul Gustav.
[redacted], Kyriakidks, Makrina, or Makrina S. Kyriakides or Makrina Socrates Kyriakides (nee Makrina Kouzoudjacojhlu).
[redacted], Lai, Leung.
[redacted], Larsen, Christian Peter, or Christian Peter Werdelbon.
[redacted], Larsen, Dagny Kirstine Johanna Sorensen.
[redacted], Larsen, Betty Dagny.
[redacted], Lawver, Maria Tome Da Silva.
[redacted], Lee, Hung Yuke.
[redacted], Lekich, John, or John Sam Lekich.
[redacted], Lemak, Oscar.
[redacted], Lemak, Zoltan.
[redacted], Leon, Francisco Ysmael Martinez, or Francisco Martinez.
[redacted], Lewis, Rosane Maria, or Rosana Maria Mannucci, Rosanna Mannucci.
[redacted], Lima, Jose Paiva, or Jose De Paiva Lima.
[redacted], Lincourt, Linda Margaret, or Linda Margaret Suitter.
[redacted], Linkous, Gladys Corless (nee Corless).
[redacted], Loeschnigg, Janet, or Misuet Loechnigg, or Misuet Loeschnigg.
[redacted], Loginoff, Natalie N.
[redacted] Lowe, Evelyn Joan (nee Sommerfeld or Summerfield, formerly Rutherford).
[redacted], Luckiewicz, Joseph Kazimierz.
[redacted], Luehmann, Alwin Albert Hermann.
[redacted], Luis Domingo.
[redacted], Macpherson, Donald Joseph.
[redacted], Madore, Rose Marie (nee Cote or Rose Marie Labrie).
[redacted], Mahlmann, Dirk Robert, or Dirk Robert Vogel or Dirk Robert Hogan.
[redacted], Majchrzak, Mary.
[redacted], Manalis, John Ioannis.
[redacted], Marchetti, Pietro Guido, or Pietro Marchetti or Pete Marchetti or Francisco Genetti.
[redacted], Mark, See Cheung.
[redacted] Markiori, Emilio, or Emilio Marchiori or Emilio Marki.
[redacted], Markoures, Irene Panageotou, or Irini Athanasios Panageotou.
[redacted], Marlmann, Rainer Wolfgang, or Rainer Wolfgang Hogan.
[redacted], Marmorstein, Alexander, or Alex M. Stone.
[redacted], Marwick, Nancy Joy.
[redacted], Masuko, Sadao.
[redacted], Matchkaloff, Alexander Serge, or Alexander S. Machavariani or Alexander Sedrakovitch Machkaloff or Alexander S. Machavarian or Alexander Angelo.
[redacted], Matthiesen, Heinrich, or Heinrich Walter Matthiesen.
[redacted], McCombs, Gordon Leslie.
[redacted], Mckay, Sariphas.
[redacted], Mehr, Lena Melissa, or Lena Melissa Bates (nee Goodwin).
[redacted], Menagatos, Soterios Demitriou (alias Sam Poulos).
[redacted] Mendoza, Jose Leofranco Perez.
[redacted], Metzger, Henryk.
[redacted], Meukow, Walter Trendel, or Walter Trendel.
[redacted], Millios, Argyro, or Argyro Millou (nee Argyro Gouliou).
[redacted] Mitchell, Irene (nee Tsingheraki).
[redacted], Mohamed, Niaz.
[redacted], Montesantos, Eleftherios, or Terry Montesantos.
[redacted], Moret, Giovanni Battista, or John Moret.
[redacted], Morrall, Edgar Michael, or William Henry Thomas.
[redacted], Moss, Joseph.
[redacted], Moss, Sarah.
[redacted], Mui, Kan Chi, or Lung Sheung Mui.
[redacted], Muniz-Gardea, Sotero, or Sotero G. Muniz or Sotero Soto.
[redacted], De Muniz, Catalina Gomez.
[redacted], Mustapa, Margit Hildegard, or Margit Hildegard Jarvinen.
[redacted], Nacinovich, Frank.
[redacted], Nevarez, Herriberto, or Heriberto Nevarez Valencia.
[redacted], Ngon, Jew Yee Sue.
[redacted], Nicholoff, Karl Christ, or Karl Nicholoff or Kyrilios Bozanis Nicholoff.

[redacted], Nicolas, Herman Henry or Nicholas.
[redacted], Nicoletopoulos, Leonidas Diomidis.
[redacted], Norby, Arnt.
[redacted], Ohnstein, Martin, or Charles Hagendorf.
[redacted], Olesen, Marius Imanuel.
[redacted], Orro, Ano Rosa, or Nina R. Lopez or Maria Teresa Cartaya.
[redacted], Orsini, Filippo.
[redacted], Ortiz, Jose, or Joseph Ortiz or Jose Ortiz Camus.
[redacted], Ortiz, Robert.
[redacted], Paliaga, Peter.
[redacted], Palmes, Stanley Gerald.
[redacted], Paolini, Giuseppini, formerly Giuseppina Milesi (nee Bargelliini).
[redacted], Papadopoulos, Yoannis, or Ioannis Papadopoulos.
[redacted], Paplitzky, Ingeborg Ingrid.
[redacted], Pascual, Marta Villarin.
[redacted], Pataki, Viola Klara (nee Lanyi).
[redacted], Paulsen, Greta Juul.
[redacted], Paulsen, Einar Juul.
[redacted], Penalva, Marcel Aime.
[redacted], Perugini, Pasquale Aniello, or Pasquale Perugini.
[redacted], Pfeiffer, Richard Ewald.
[redacted], Pilos, Thalia Kalkandis, or Thalia Kalkandis or Thalis Stavros Pilos or Thalia Stavros Kalkandis.
[redacted], Pina, Enrique (alias Henry Pina).
[redacted], Piscope, Domenico.
[redacted], Pla, Yolande, or Yolande Prato.
[redacted], Poharnck, Zoltan Imre.
[redacted], Polzin, Rudolf.
[redacted], Poppos, Demetrios, or Demilrios Poppos.
[redacted], Powell, Alwyn Leslie.
[redacted], Prol, Antonio Alvarez.
[redacted], Proskouriakoff, Irene Daniel.
[redacted], Purdy, Cassie May.
[redacted], Puzzolo, Giuseppe.
[redacted], Rabias, Constantinos Nicolaos.
[redacted], Radulich, Blasul, or Blasul Radulic.
[redacted], Redfern, Ruth Myrtle.
[redacted], Redfern, Allan Henry.
[redacted], Redwood, Margaret (nee Margaret Marshall).
[redacted], Rein, Monika.
[redacted], Reis, Rosa Oliveira (nee Rosa Candida Oliveira).
[redacted], Rigas, Eleftherios.
[redacted], Rim, Lilly Mary (Mrs. Herbert Rim) (nee Lilly Mary Ruppert or Lilly Mary Ruppert De Rin by a former marriage Mrs. Hans Neumann).
[redacted], Roberts, Grace Ruth Kearny.
[redacted], Roininen, Laina Maria, or Laina Maria Roine.
[redacted], Rosadio, Jose.
[redacted], Rosenblum, Lajb, or Leo Rosenblum.
[redacted], Rosenlund, Rolf.
[redacted], Roston, Albert Joseph, or Abraham Josef Rothstein.
[redacted], Roth, Elizabeth Evelyn Achica, or Elizabeth Evelyn Achica.
[redacted], Rubinstein, Israel.
[redacted], Rukojc, Jadwiga, or Jean Rukojc or Jadwiga Rukoic.
[redacted], Sa, Manuel Afonso.
[redacted], Sackville, Patricia Ann.
[redacted], Sackville, Roma Collard.
[redacted], Salczer, Herman, or Herman Salcer.
[redacted], Sam, Choy (Chinese name), or Johnny Sam Choy (American name).
[redacted], Sanchez, Domingo Valluluz.
[redacted], Sarno, Mamerto Torres, or Mamerto Torres.
[redacted], Sarno, Rosauro Torres, or Tosauro Torres.
[redacted], Sawaya, Louis Neemer.
[redacted], Sclavogiannis, Emmanuel.
[redacted], Schenk, Knut.
[redacted], Schertzer, Michael.
[redacted], Schliemann, Wilhelm Johannes.
[redacted], Scillama, Antonia (nee Restivo).
[redacted], Scocco, Giacomo.
[redacted], Scott, Louise (nee Harris).
[redacted], Seymour, Alex.
[redacted], Shee, Jew, or Jew Ngui Haai.
[redacted], Shong, Wong, or Shong Wong.
[redacted], Sima, Albin Franz.
[redacted], Sirigos, Antonios Nicolaos, or Antonios Sirigos or Anthony Sirigos.
[redacted], Skorpak, William.
[redacted], Slowes, Mendel.
[redacted], Smith, Constance Agnes (nee Brady).
[redacted], Smith, Vina (nee Mitchell).
[redacted], Smoke, Josef, or Josef Smuk.
[redacted], Soler, Maria Barber, or Mother Bienvenida De San Jose.
[redacted], Sonck, Edouard.
[redacted], Souze, Joao Azevedo, or John Azevedo Souza.
[redacted], Spigno, Enrico Giuseppe.
[redacted], Stapleton, Thomas Michael.
[redacted], Stefanovich, Mitre, or Mitro or Stefanoff alias Jim Stevens, Mitro Stefan Nadanovic, Mitre Stefan or Stefanou, Stoyanis Egos.
[redacted], Stein, Paul, or Pelta Sztejn.
[redacted], Sztejn, Rywka, or Rita Stein.
[redacted], Stern, Irving, or Isac, Isak and Isaac Stern.
[redacted], Stoor, John Hjalmar.
[redacted], Stout, Catharina Maria (nee Berendsen).
[redacted], Stow, Peggy Spencer, or Peggy Spencer (maiden name).
[redacted], Straus, Ernst Gabor.
[redacted], Suan-Chi, Lee, or Suan Chi Lee or Stephen Charles Lee.
[redacted], Suarez, Francisco Betanco, or Frank P. Suarez or Frank Petanco or (Petanko) or Frankly Bestanco or Manuel Martinis or Francisco Suarez Betanco or Francisco Betanocor Santana Suarez.
[redacted], Suchman, Andrew, or Arpad Suchman or Suchmann.
[redacted], Sultanis, Aphrodite.
[redacted], Szekely, Istvan Attila.
[redacted], Sziber, John, or Joan.
[redacted], Sztankay, Zoltan Ferencz.
[redacted], Sztankay, Ada Hackl (nee Adelheid Josephine Marie Hackl).
[redacted], Tasco, Vincenzo.
[redacted], Teitelbaum, Hana, Mr. or Mrs. Hana Teitelbaum (nee Halberstam).
[redacted], Theocharis, George Emanual.
[redacted], Thomas, Pnangiotos Sotiriou, or Pete Thomas.
[redacted], Thorne, Julia Veronica, formerly Julia Veronica Loft (nee Cohoon).
[redacted], Thornton, Patrick, or Patrick Joseph Thornton.
[redacted], Torres-Hernandez, Nicanor, or Nicanor Torres-Torres.
[redacted], Trepper, Moritz, or Morris Trepper or Noishe Trepper.
[redacted], Tselentis, Jerasimas (alias Jerry Lent).
[redacted], Tsistinas, Andreas Christos.
[redacted], Tzetzos, Evangelos, or Angelo Tzetzos.
[redacted], Uscatu, Everdichia.
[redacted], Utter, Alice Ruth (nee Simmons).
[redacted], Valensi, Cleopatra, or Cleopatra Manoussaki.
[redacted], Van De Velde, Martha Maria, or Martha Van De Velde (alias Martha Maria Van Haver).
[redacted], Van Der Veen, Olga, or Olga Van Der Neen Wisner.
[redacted], Van Tilburg, Cornelius Arnoldes, or John Beckos.
[redacted], Velge, William.
[redacted], Verticchio, Giuseppe.
[redacted], Von Bomsdorff, Felix.
[redacted], Vonderohe, William Lilie, or William Lillie.
[redacted], Wadeikis, Veronica Irene.
[redacted], Wan, Fong.
[redacted], Wang, Francis Chwen-Tao.
[redacted], Warr, Rosa (nee Rosa or Rose Mahfooz).
[redacted], Wassner, Danuta, or Danuta Ziff.
[redacted], Wawrzkiewicz, Rura Serrano (nee Pura Serrano).
[redacted], Weinberg, Morris (Moishe).
[redacted], Weinberg, Tillie (nee Steinschneider or Taube, Toba or Tobe Weinberg).
[redacted], Weiss, Lieselotte.
[redacted], Wells, Adelheid Anna, or Adelheid Anna Schuecke (Schucke) (nee Klinner (Kinner)).
[redacted], Wing, Fung Sik, or Fung Yee Wing.
[redacted], Woo, Ji-Hung.
[redacted], Woo, Yun-Chwang, or Woo Chung.
[redacted], Woo, Eching Shen, or Mrs. Y. C. Woo.
[redacted], Yankelewitz, Leib or Leon.
[redacted], Yau, Au (Owyou).
[redacted], Yeung, Fung Kim.
[redacted], Young, Kenneth Abram.
[redacted], Yum, Ma.
[redacted], Yung, Yip Kung (alias Benjamin Yip).
[redacted], Zacks, Milly, or Millie Sachs, formerly Milka Zuk.
[redacted], Santamarina y Alvarez, Fernando Garcia, or Fernando Garcia Santamarina.
[redacted], Fry, Madeleine Thurza (nee Logan).
[redacted], Mitani, Masatane.

LESLIE A. CONNELL

The bill (S. 735) for the relief of Leslie A. Connell, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leslie A. Connell, of Tacoma, Washington, the sum of $2,622, in full satisfaction of his claim against the United States for reimbursement of (1) the sum of $2,500 paid by him in satisfaction of a judgment rendered against him as a result of his injuring a pedestrian while driving a Government-owned vehicle in the performance of his duties as a mail collector and (2) the sum of $122 paid by him for court costs, attorney fees, and filing fees in connection with such judgment: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

GEORGE O. DRUCKER AND OTHERS

The bill (S. 2460) for the relief of George O. Drucker, Livia Drucker and their minor daughter, Gloria Elizabeth Drucker was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker, who entered the United States on transit visas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 14, 1949, the date on which they entered the United States, upon payment of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper

quota-control officer to deduct three numbers from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

DR. LUTFU LAHUT UZMAN

The bill (S. 3125) for the relief of Dr. Lutfu Lahut Uzman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Dr. Lutfu Lahut Uzman, of Cambridge, Mass., who was admitted into the United States on a student visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Turkey.

ETHELYN ISOBEL CHENALLOY

The bill (S. 3259) for the relief of Ethelyn Isobel Chenalloy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Ethelyn Isobel Chenalloy, of Los Angeles, Calif., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available Chinese immigration quota.

RICHARD H. BUSH

The bill (S. 3260) for the relief of Richard H. Bush was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any salary payments made by any disbursing officer of the United States Army to Richard H. Bush (Army serial number RA6955646) for the period from January 21, 1946, to May 16, 1947, for which the said Richard H. Bush was retroactively rated and paid as a technical sergeant, shall be held valid and lawful.

WILLARD SIDMER RUTTAN

The bill (S. 3261) for the relief of Willard Sidmer Ruttan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 136 (e)), which excludes from admission to the United States persons who have been convicted of or admit having committed a felony, or other crime or misdemeanor involving moral turpitude shall not hereafter be held to apply to Willard Sidmer Ruttan.

ARMANDO SANTINI

The bill (S. 3378) for the relief of Armando Santini was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Armando Santini shall be held and considered to have been lawfully admitted into the United States for permanent residence as of July 12, 1948, the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

JOSE MANZANO SOMERA

The bill (S. 3554) for the relief of Jose Manzano Somera was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Jose Manzano Somera, temporarily residing in Chicago, Ill., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the appropriate immigration quota for the first year such quota is available.

HOWARD LOVELL

The bill (S. 4110) for the relief of Howard Lovell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard Lovell, of Florence, Colo., the sum of $5,000, in full satisfaction of his claim against the United States for compensation for injuries sustained by him while fighting a forest fire at Camp Carson, Colo., on January 17, 1950, as the result of an accident involving an Army truck, he having no remedy under the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

DR. FERNAND VAN DEN BRANDEN

The bill (S. 4133) for the relief of Dr. Fernand Van Den Branden was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Fernand Van Den Branden, of 10 Rue des Melezes, Brussels, Belgium, the sum of $13,269.82, in full settlement of all claims against the United States for property damage, personal injuries, and loss of earnings sustained, and medical and hospital expenses incurred as the result of an accident which occurred near Buchy (Moselle), France, on June 30, 1948, involving a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ATTENDANCE OF CERTAIN JUDGES AT JUDICIAL CONFERENCES

The bill (H. R. 4579) to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges of Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska was considered, ordered to a third reading, read the third time, and passed.

DR. CHAO-JEN CHEN, DR. JANET WANG CHEN, AND ELEANOR CHEN

The bill (H. R. 6228) for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen was considered, ordered to a third reading, read the third time, and passed.

YAMAGUCHI MICHIKO

The bill (H. R. 8834) for the relief of Yamaguchi Michiko was considered, ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF UNIFORM SYSTEM OF BANKRUPTCY

The bill (H. R. 9284) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was considered, ordered to a third reading, read the third time, and passed.

MRS. ENID LOUISE NOBLE ROMICK, JR.

The bill (H. R. 9475) for the relief of Mrs. Enid Louise Noble Romick, Jr., was considered, ordered to a third reading, read the third time, and passed.

FRANCES ETHEL BEDDINGTON

The Senate proceeded to consider the bill (S. 2888) for the relief of Frances Ethel Beddington, which had been reported from the Committee on the Judiciary with an amendment, in line 8, after the word "United", to strike out "States." and insert "States, upon payment of the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Frances Ethel Beddington, as of December 16, 1945, the date she was admitted temporarily to the United States, upon payment of

the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BERNIECE JOSEPHINE LAZAGA

The Senate proceeded to consider the bill (S. 3044) for the relief of Berniece Josephine Lazaga, which had been reported from the Committee on the Judiciary with an amendment in line 8, after the word "residence", insert "upon payment of the required visa fee and head tax", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Berniece Josephine Lazaga, Berkeley, Calif., who entered the United States on March 12, 1946, at San Francisco, Calif., as a nonquota immigrant student, shall be held and considered to have been lawfully admitted, as of such date, to the United States for permanent residence upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Philippine Islands for the first year such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE BRANDER PALOHEIMO AND EVA LEONORA PALOHEIMO

The Senate proceeded to consider the bill (S. 3241) for the relief of George Brander Paloheimo and Eva Leonora Paloheimo, which had been reported from the Committee on the Judiciary with an amendment in line 6, after the word "born", insert "alien", so as to make the bill read:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, George Brander Paloheimo and Eva Leonora Paloheimo, natives of Finland, shall be considered the natural born alien children of their adoptive parents, Mr. and Mrs. Y. A. Paloheimo, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LINDA LEO

The Senate proceeded to consider the bill (S. 3699) for the relief of Linda Leo, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That, for the purposes of the immigration and naturalization laws, Linda Leo, the minor child of Yee Leo, a citizen of the United States, shall be deemed to be eligible for admission into the United States under the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, if otherwise admissible under the immigration laws.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES McGILLIC AND BLOSSOM McGILLIC

The Senate proceeded to consider the bill (S. 3725) for the relief of James McGillic and Blossom McGillic, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, notwithstanding any statute of limitation or lapse of time or any provision of law to the contrary, suits may be instituted within 1 year after the date of enactment of this act by James McGillic, of Fargo, N. Dak., and Blossom McGillic, of Mandan, N. Dak., upon their claims against the United States for damages to their land and buildings, and to their crops, purporting to have resulted from the construction and maintenance of a dike by the Soil Conservation Service of the Department of Agriculture around such Service's nursery, which adjoins the land of the said James McGillic and Blossom McGillic in Morton County, N. Dak. In any such suit brought pursuant to this act, proceedings shall be had and the liability, if any, of the United States shall be determined in accordance with the provisions of law and applicable in the case of tort claims against the United States: *Provided, however*, That nothing in this act does or shall constitute an admission of liability on the part of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REV. ANDREW CHAI KYUNG WHANG

The Senate proceeded to consider the bill (H. R. 8759) for the relief of Rev. Andrew Chai Kyung Whang, which had been reported from the Committee on the Judiciary with an amendment on page 1, after line 10, to insert:

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ARCHIBALD WALTER CAMPBELL SEYMOUR

The Senate proceeded to consider the bill (H. R. 8973) for the relief of Archibald Walter Campbell Seymour, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Archibald Walter Campbell Seymour, who was born in India of British parents, shall be held and considered to have been born in Great Britain.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TOMOKO YAMAYA

The Senate proceeded to consider the bill (H. R. 9145) for the relief of Tomoko Yamaya, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Tomoko Yamaya, the Japanese fiancée of Paul H. Vine, a citizen of the United States and an honorably discharged veteran of World War II, and that the said Tomoko Yamaya may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Tomoko Yamaya is coming to the United States with a bona fide intention of being married to Paul H. Vine, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Tomoko Yamaya, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (8 U. S. C. 155, 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of the said Tomoko Yamaya, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tomoko Yamaya as of the date of her entry into the United States, upon payment of the required head tax and visa fee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

H. HALPERN & BRO., INC., OF BOSTON, MASS.

The Senate proceeded to consider the bill (H. R. 9236) for the relief of H. Halpern & Bro., Inc., of Boston, Mass., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 5, after the word "of", to strike out "$3,874.79" and insert "$661.86."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

E. C. BROWDER AND CHARLES KENYON

The Senate proceeded to consider the bill (S. 2830) for the relief of E. C. Browder and Charles Kenyon, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Charles", to strike out "Kenyon" and insert "Keylon"; in line 6, after the words "sum of", to strike out "$8,397.40" and insert "$4,800", and on page 2, line 4, after the name "Charles", to strike out "Kenyon" and insert "Keylon", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. C. Browder and Charles Keylon, of Harriman, Tenn., the sum of $4,800, in full satisfaction of their claim against the United States for damages sustained by them when they were notified by

the United States Government that condemnation proceedings previously instituted against the farm of E. C. Browder had been abandoned, and then notified at a later date that the Government intended to go forward with its condemnation proceedings, which actions by the Government caused the sale, purchase, and resale of farm equipment by E. C. Browder and his partner, Charles Keylon, and interfered substantially with farming operations: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of E. C. Browder and Charles Keylon."

STAVROS S. NIARCHOS

The Senate proceeded to consider the bill (S. 2921) authorizing the naturalization of Stavros S. Niarchos, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Stavros S. Niarchos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Stavros S. Niarchos."

JAMES SHELLENBERGER, JR.

The bill (S. 3513) for the relief of James Shellenberger, Jr., was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, I should like to hear an explanation of the bill.

The PRESIDENT pro tempore. Will the Senator in charge of the bill explain it?

Mr. McCARRAN. Mr. President, this is the case of a little boy who is virtually blind for life because of the negligence or carelessness of Army personnel in an Army hospital.

The actual beneficiary would be the boy, though the bill provides for payment to his legal guardian. The amount of the payment provided is $50,000.

This little boy is now 4 years old. He was born in an Army hospital in Italy, his father then being a captain in the United States Army, on official duty in that country.

At the time of this boy's birth, Army personnel in the hospital put drops in his eyes, which caused blindness in his left eye and reduced the effectiveness of his right eye to about 50 percent vision.

The Army admits that these injuries were caused by the mistake of Army personnel.

While there are no arbitrary standards for determining the amount of an award in such a case, the committee believes that $50,000 is not excessive for the injuries sustained by this baby.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3513) for the relief of James Shellenberger, Jr., which had been reported from the Committee on the Judiciary with amendments, on page 1, beginning at line 3, to strike out:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Shellenberger, Sr., of 3835 Lincolnway East, Mishawaka, Ind., on behalf of his infant son, James Shellenberger, Jr., the sum of $50,000, in full satisfaction of the claim of the said James Shellenberger, Jr., against the United States for compensation for permanent and complete loss of sight in one eye, partial loss of sight in the other eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in his eyes at the time of his birth in the United States Army 61 Station Hospital in Leghorn, Italy, in January 1947.

And insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of James M. Shellenberger, Jr., a minor, of Mishawaka, Ind., the sum of $50,000, in full settlement of all claims against the United States for the injury of said James M. Shellenberger, Jr., which resulted in the permanent loss of sight in his left eye, the partial loss of sight in his right eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in the eyes of said infant at the time of his birth in the Sixty-first Station Hospital, United States Army, at Leghorn, Italy, on January 8, 1947.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of James M. Shellenberger, Jr., a minor, of Mishawaka, Ind., the sum of $50,000, in full settlement of all claims against the United States for the injury of said James M. Shellenberger, Jr., which resulted in the permanent loss of sight in his left eye, the partial loss of sight in his right eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in the eyes of said infant at the time of his birth in the Sixty-first Station Hospital, United States Army, at Leghorn, Italy, on January 8, 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James M. Shellenberger, Jr., a minor."

REVIEW OF ORDERS OF FEDERAL COMMUNICATIONS COMMISSION

The bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, may we have a brief explanation of the bill for the RECORD?

The PRESIDENT pro tempore. Will the Senator from Nevada explain the bill?

Mr. McCARRAN. Mr. President, this legislation changes the method of review of certain orders of the Federal Communications Commission, the Maritime Administration, and the Department of Agriculture. At present these orders are reviewable in a trial de novo by a district court before three judges, at least one of whom must be a circuit judge, with a right of appeal to the Supreme Court. This bill would make those orders reviewable by appeal to the circuit court of appeals on the record made before the agency. Review by the Supreme Court would be by certiorari only.

The present mode of review has often disrupted the ordinary conduct of litigation by the district courts by requiring the attendance of three judges during the conduct of a trial when one would be sufficient. The right of appeal from the three-judge court directly to the Supreme Court has also forced the Supreme Court to consider cases where the questions involved were only of minor importance.

This change made by this bill is in accordance with the methods of review of orders of the Federal Trade Commission, the Securities and Exchange Commission, and the National Labor Relations Board. It is designed to accomplish a saving in judicial time and energy while still preserving the rights of the parties.

The bill carries the approval of the agencies concerned, the Attorney General, the judiciary, and practitioners.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McFARLAND. Mr. President, I should like to have the bill go over until I can study it a little further. It involves the Communications Act, if the Senator does not mind. Next week I shall probably join with the Senator in asking unanimous consent for its passage.

Mr. McCARRAN. I do not mind, except that we have had the bill before us for sometime, there has been considerable study, and I should like to dispose of it at this session.

Mr. McFARLAND. I desire to cooperate, but I believe we passed a bill in regard to the Communications Act. I regret that I have not had an opportunity to study the bill.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Does the Senator object to having the bill placed at the foot of the calendar?

Mr. McFARLAND. I do not think we have had sufficient time. I shall probably have an opportunity to consider it the first of next week.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. McFARLAND subsequently said: Mr. President, I ask unanimous consent to revert to calendar 2618, House bill 5487, to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended. I withdraw the objection I made with reference to that bill.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, which had been reported from the Committee on the Judiciary with amendments on page 2, line 12, after the word "Board", to insert "or the Maritime Administration"; in line 14, after the word "Commission", to strike out "or Board" and insert "Board, or Administration"; on page 3, line 5, after the word "Board", to insert "or the Maritime Administration"; on page 6, after line 19, to strike out:

SCOPE OF REVIEW

(d) The findings of the agency as to the facts, if supported by substantial evidence, shall be conclusive. No objection to the order of the agency shall be considered by the court unless such objection shall have been urged before the agency or unless there were reasonable grounds for failure to do so.

And on page 11, line 8, after the word "Agriculture", to insert "or the United States Maritime Commission, the Federal Maritime Board, and the Maritime Administration."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended."

EDWIN A. KNOUS

The bill (S. 3897) for the relief of Edwin A. Knous was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin A. Knous, of Ruth, Nev., the sum of $84.25, in full satisfaction of his claim against the United States for travel allowance and subsistence due for traveling on orders dated April 16, 1943, from San Francisco, Calif., to Miami, Fla., while a seaman, second class, in the United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delievered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

EXTENSION OF BENEFITS TO CERTAIN PERSONS IN MILITARY, NAVAL, OR AIR SERVICE

The bill (S. 4229) to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16 Seventy-eighth Congress, as amended, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, this is important legislation, and I think the RECORD should show exactly what the bill would do. I request an explanation.

The PRESIDENT pro tempore. Will the Senator in charge of the bill explain it?

Mr. McCARRAN. Mr. President, this is not one of my bills.

Mr. HENDRICKSON. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Without objection, the bill will be placed at the foot of the calendar.

Mr. HENDRICKSON subsequently said: Mr. President, I ask unanimous consent to return to Calendar 2621, Senate bill 4229, to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law 16, Seventy-eighth Congress, as amended.

Mr. AIKEN. Mr. President, an explanation of the bill was requested a few minutes ago, and then the bill was passed over temporarily.

The bill was sponsored by all the members of the Committee on Labor and Public Welfare, plus the Senator from New York [Mr. IVES]. It simply extends the benefits of the Vocational Rehabilitation Act to veterans serving in the Korean war to the same extent as they are applicable to veterans of World War II.

The PRESIDENT pro tempore. Is there objection to consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 4229) to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-Eighth Congress, as amended, which had been reported from the Committee on Labor and Public Welfare, with amendments on page 1, line 4, after the word "June", to strike out "25" and insert "27"; on page 2, line 11, after the word "June", to strike out "25" and insert "27", and on page 3, line 3, after the word "of", to strike out "the United States" and insert "a State, Territory, or possession of the United States or of the District of Columbia", so as to make the bill read:

Be it enacted, etc., That service in the active military, naval, or air service of the United States on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, shall afford basic entitlement to vocational rehabilitation under Public Law No. 16, Seventy-eighth Congress, as amended, needed to overcome the handicap of a disability incurred in or aggravated by such service for which compensation is payable under the provisions of subparagraph I (c), part II, Veterans Regulation No. 1 (a), as amended (or would be but for receipt of retirement pay), subject to the applicable provisions, conditions, and limitations of Public Law No. 16, Seventy-eighth Congress, as amended, except as follows:

(1) Vocational rehabilitation based on service as prescribed in this act may be afforded within 9 years after the aforesaid termination of the period beginning June 27, 1950.

(2) Notwithstanding the fact that vocational rehabilitation may have been previously afforded under Public Law No. 16, as amended, or that education or training may have been afforded under title II of the Servicemen's Readjustment Act of 1944, as amended, additional vocational rehabilitation may be provided hereunder to the extent necessary by reason of a handicap due to disability incurred in or aggravated by service, as provided herein.

(3) Any person eligible for vocational rehabilitation under this act who, at the time of such service, was not a citizen of the United States, shall be afforded such benefit only while a resident of a State, Territory, or possession of the United States or of the District of Columbia.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended."

ELIGIBILITY FOR MEMBERSHIP IN AMERICAN LEGION

The bill (S. 4240) to amend the act incorporating the American Legion so as to redefine eligibility for membership therein, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5 of the act approved September 16, 1919 (41 Stat.

285; U. S. C. of 1946, title 36, sec. 45), entitled "An act to incorporate the American Legion," as amended, is hereby further amended to read as follows:

"SEC. 5. That no person shall be a member of this corporation unless he served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941, to September 2, 1945; June 25, 1950, to the date of cessation of hostilities, as determined by the United States Government; all dates inclusive, or, who being citizens of the United States at the time of entry therein, served in the military or naval services of any of the governments associated with the United States during said wars or hostilities: *Provided, however,* That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates."

INCORPORATION OF AMERICAN LEGION

The bill (S. 4241) to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act approved September 16, 1919 (41 Stat. 285; U. S. C. of 1946, title 36, sec. 44), entitled "An act to incorporate The American Legion" is hereby amended to read as follows:

"SEC. 4. That the corporation created by this act shall have the following powers: To have perpetual succession with power to sue and be sued in courts of law and equity; to receive, hold, own, use, and dispose of such real estate and personal property as shall be necessary for its corporate purposes; to adopt a corporate seal and alter the same at pleasure; to adopt a constitution, bylaws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to use in carrying out the purposes of the corporation such emblems and badges as it may adopt and to have the exclusive right to manufacture, and to control the right to manufacture, and to use, such emblems and badges as may be deemed necessary in the fulfillment of the purposes of the corporation; to establish and maintain offices for the conduct of its business; to establish State and Territorial organizations and local chapter or post organizations; to publish a magazine or other publications, and generally to do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation."

SEC. 2. That section 8 of said act (41 Stat. 285; U. S. C. of 1946, title 36, sec. 48) is hereby amended to read as follows:

"SEC. 8. That said corporation and its State and local subdivisions shall have the sole and exclusive right to have and to use, in carrying out its purposes, the name 'The American Legion,' or 'American Legion'."

CONVEYANCE OF LAND TO THE VERMONT AGRICULTURAL COLLEGE

The bill (S. 4235) to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the Vermont Agricultural College, a State-owned corporation, upon acceptance by said agricultural college, without cost, the real property comprising nine hundred forty-two and forty-two one-hundredths acres, more or less, of the United States Morgan Horse Farm located in Addison County, town of Weybridge, Vt., and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the dean of the Vermont Agricultural College. Such real and personal property and research records shall be transferred upon the express condition that they shall be used by the Vermont Agricultural College for the benefit of agriculture for such period as may be agreed upon by the Secretary and the said college at the time of transfer. Deeds to the property conveyed pursuant to this act shall contain a reservation to the United States of all gas, oil, coal, and other minerals and all fissionable materials as may be found in such lands and the right to the use of the lands for extracting and removing same.

The authority herein contained shall expire on June 30, 1951, unless, prior to such expiration date, the dean of the Vermont Agricultural College shall have notified the Secretary of Agriculture of the acceptance of the lands and other property of the station under the terms of this act.

QUITCLAIM DEEDS TO LAND OF COAST GUARD LIGHT STATION, BROWN'S POINT, WASH.

The bill (H. R. 8851) to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Brown's Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Brown's Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the County of Pierce, State of Washington, was considered, ordered to a third reading, read the third time, and passed.

WAIVER OF NAVIGATION AND VESSEL-INSPECTION LAWS

The bill (H. R. 9681) to authorize the waiver of the navigation and vessel-inspection laws, was considered, ordered to a third reading, read the third time, and passed.

DEDUCTIONS FROM WAGES OF SEAMEN FOR PAYMENT INTO EMPLOYEE WELFARE FUNDS

The bill (H. R. 8349) to authorize deductions from the wages of seaman for payment into employee welfare funds was announced as next in order.

Mr. HENDRICKSON. I object.

Mr. MAGNUSON. Mr. President, I wonder if the Senator would reserve his objection.

Mr. HENDRICKSON. I shall be pleased to withhold my objection.

Mr. MAGNUSON. I hope the Senator will withdraw his objection. This bill happens to be a very important one, and it involves——

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

Mr. MAGNUSON. I yield.

Mr. HENDRICKSON. I shall be glad to withhold my objection, but I am objecting by request.

Mr. MAGNUSON. May I ask what Senator objects?

Mr. HENDRICKSON. The Senator from Ohio [Mr. TAFT].

Mr. MAGNUSON. I should like to explain the bill so that the RECORD may be clear.

The PRESIDENT pro tempore. Does the Senator from New Jersey withdraw his objection?

Mr. HENDRICKSON. No; I withhold it, Mr. President.

Mr. MAGNUSON. Mr. President, under the California law, it is mandatory that 1 percent of the wages of seamen be deducted and placed in the welfare fund. With the assent of the seamen these welfare funds are usually worked out in labor-management relations between the employer and the employee. The Federal law prohibits deduction for the welfare fund, but the California law requires it, and all maritime contracts in California are based upon that mandatory provision of the California law. The purpose of this bill is to remove the conflict so that the employer and the employee can do what is required by law in California. I am afraid that without this bill there may be some labor trouble involving the maritime situation on the Pacific coast.

I am hoping that the Senator will withdraw his objection, and that the bill may be brought up on Monday.

I wonder if the Senator from New Jersey will permit me to perfect the bill by offering an amendment.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill for that purpose?

There being no objection, the Senate proceeded to consider the bill (H. R. 8349) to authorize deductions from the wages of seamen for payment into employee welfare funds, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment on page 1, after line 8, to strike out:

(g) The provisions of this section shall not apply to, or render unlawful, deductions made by an employer from the wages of a seaman, pursuant to the written consent of the seaman, if (1) such deductions are paid into a trust fund established for the sole and exclusive benefit of seamen employed by such employer, and their families and dependents (or of such seamen, families, and dependents jointly with seamen employed by other employers and their families and dependents); and (2) such payments are held in trust for the purpose of providing, either from principal or income or both, for the benefit of such seamen, their families, and dependents, medical and/or hospital care, pensions on retirement or death of the seamen, life insurance, unemployment benefits, compensation for illness or injuries resulting from occupational activity, sickness, accident, and disability compensation, or any one or more of the foregoing benefits, or for the purpose of purchasing insurance to provide any one or more of such benefits.

And insert:

(g) The provisions of this section shall not apply to, or render unlawful deductions made by an employer from the wages of a seaman, (1) with respect to deductions to be paid into a trust fund established for the sole and exclusive benefit of seamen employed by such employer, their families and dependents or of such seamen, their families and dependents jointly with seamen employed by other employers and their families and dependents, and such payments are held in trust for the purpose of providing, either from principal or income or both, for the benefit of such seamen, their families and dependents, medical and/or hospital care, pensions on retirement or death of the seamen, life insur-

ance, unemployment benefits, compensation for illness or injuries resulting from occupational activity, sickness, accident and disability compensation, or any one or more of the foregoing benefits, or for the purpose of purchasing insurance to provide any one or more of such benefits: *Provided*, That such trust fund is established or continued pursuant to any provision of law, regulation, or other enactment of any State or Territory of the United States of America permitting the establishment or continuation of such trust fund in lieu of and as a substitute for some or all of the contribution and/or benefits provided for in such law, regulation, or other enactments: *And provided further*, That such deduction is pursuant to the written consent of the seaman; or (2) with respect to money deducted in payment of membership dues in a labor organization: *Provided*, That the employer has received from each seaman, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than 1 year or beyond the termination date of the applicable collective bargaining agreement, whichever occurs sooner.

The amendment was agreed to.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington will be received and lie on the table.

Mr. MAGNUSON. Mr. President, I should like to have it read so that the record will be clear.

The PRESIDENT pro tempore. The clerk will read the amendment offered by the Senator from Washington.

The LEGISLATIVE CLERK. On page 2, line 19, after the words "trust fund," it is proposed to insert "or to be applied in payment of premiums on a group insurance contract."

On page 3, line 1, after the third "and", to insert "in the case of payments into a trust fund."

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, I renew my objection.

Mr. MAGNUSON. Mr. President, I want to say, for the record, that the purpose of the amendment is to place some of these fees either in the labor-management joint account or in insurance companies. Some insurance companies handle these trust funds for the California seamen.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

RELIEF OF EDULJI DINSHAW AND SISTER, MRS. BACHOO DINSHA WORONZOW

The bill (S. 4069) for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, there are no agency reports in connection with this bill, and I wonder if the distinguised Senator from Nevada would be good enough to explain the situation.

Mr. McCARRAN. Mr. President, this bill grants the status of permanent residence to a 34-year-old native of India and his 36-year-old sister, also a native of India. He first entered the United States in October 1939 and again entered in July 1941 and has remained here since that time. His sister entered the United States in October 1939, and except for short periods of absences has been continuously in the United States since that time. The beneficiaries of the bill have holdings in enterprises in various parts of the world and maintain contact with persons who possess information which is of significance to the interest of the United States. Both beneficiaries are of the highest moral character and would make worthy citizens of the United States.

Mr. HENDRICKSON. Mr. President, I take it the Senator from Nevada would vouch for these two persons.

Mr. McCARRAN. I can vouch for them on the information which I have.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 4069) for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of their last entries into the United States upon payment of the required visa fees and head taxes. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

PAYMENTS TO STATES OF GRAZING FEES ON PUBLIC LANDS

The bill (H. R. 8821) authorizing payment to certain States of amounts withheld from grazing fees on public lands was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, Mr. President, let me say that Calendar Nos. 2629 through 2632 are without complete reports. I do not want to be technical, but I should like to have a thorough explanation of each of the bills as they come up.

Mr. O'MAHONEY. Mr. President, with reference to Calendar 2629, House bill 8321, there is a committee report. Many years ago Congress provided by law that 25 percent of the grazing fees collected in the Federal forests should be paid in lieu of taxes. Last year when we passed the bill codifying the various laws governing the Forest Service it was discovered that the Forest Service had fallen into the practice of using a portion of these fees for the improvement of the forest before making a computation to determine the 25 percent. In the law which was enacted this year Congress corrected the defect. So the bill before us is merely a provision authorizing the appropriation to 15 States of funds to which they would have been entitled had it not been for the unauthorized deductions which were made in the past.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF INTERNAL REVENUE CODE

The bill (H. R. 7932) to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress, was announced as next in order.

Mr. McCARRAN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 9, it is proposed to insert the following new sections:

SEC. 3. Section 2806 (d) of the Internal Revenue Code, as amended, is amended to read as follows:

"(d) All distilled spirits found in any cask or package, and any bottled distilled spirits found in any case, without having upon such cask or package or case each mark and stamp required therefor by law or regulations, shall be forfeited to the United States."

SEC. 3. Section 4 of the Federal Alcohol Administration Act (U. S. C., title 27, sec. 204) is amended in the following respects:

(1) Subsection (d) is amended to read as follows:

"(d) A basic permit shall be conditioned upon (1) compliance with the requirements of section 5 of this act (relating to unfair competition and unlawful practices) and of section 6 of this act (relating to bulk sales and bottling), with the twenty-first amendment and laws relating to the enforcement thereof, and with all other Federal laws relating directly or indirectly to distilled spirits, wine, and malt beverages, including taxes with respect thereto, and (2) conduct of the operations under such permit in conformity with the laws of the State in which such operations are conducted."

(2) Clause 1 of subsection (e) is amended by striking out '*Provided*, That for a first violation of the conditions thereof the permit shall be subject to suspension only.'

(3) Subsection (g) is amended to read as follows:

"(g) A basic permit may be issued for 1 year and shall expire on the 31st day of December next succeeding the issuance thereof unless suspended, revoked, or annulled as provided herein, or voluntarily surrendered: *Provided*, That the Secretary may without formal application extend any permit granted under this part after August 31, in any year to December 31 of the succeeding year. (1) If leased, sold or otherwise voluntarily transferred, the permit shall be automatically terminated thereupon, and (2) if transferred by operation of law or if actual or legal control of the permittee is acquired, directly or indirectly, whether by stock ownership or in any other manner, by any person, then such permit shall be automatically terminated at the expiration of 30 days thereafter: *Provided*, That if within such 30-day period application for a new basic permit is made by the transferee or permittee, respectively, then the outstanding basic permit shall continue in effect until such application is finally acted on by the Secretary of the Treasury."

(4) The second sentence of subsection (h) is amended to read as follows: "Such appeal shall be taken by filing, in the district court of the United States within any district wherein such person resides or has his principal place of business, or in the United States District Court for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part"; and the next to the last sentence thereof is repealed.

(5) Subsection (i) is amended to read as follows: "(1) No basic permit shall be suspended or revoked for a violation of any condition thereof relating to compliance with Federal law if the alleged violation of a Federal law has been compromised by any officer of the Government authorized to compromise such violation."

SEC. 4. All basic permits issued pursuant to the provisions of the Federal Alcohol Administration Act, as amended (Public, No. 401, approved August 29, 1935; U. S. C., 1940 edition, title 27, ch. 8, sec. 201 and the following), prior to the approval of this act shall expire on the 31st day of December 1951: *Provided*, That before the expiration date of any such permit it may be terminated, or, upon notice and hearing, suspended, revoked, or annulled as provided in the said Federal Alcohol Administration Act.

Mr. McCARRAN. This amendment, Mr. President, would make five changes in the Internal Revenue Code and the Federal Alcohol Administration Act.

The purpose of these changes would be—

First. To authorize issuance by the Internal Revenue Bureau of regulations forbidding obliterations of serial numbers on cases of bound whisky.

Second. To authorize the Internal Revenue Bureau to revoke a basic permit, granted under the Federal Alcohol Act, for a first violation.

Third. To make basic permits under the Federal Alcohol Act annually renewable.

Fourth. To make the Federal district courts, rather than the circuit courts of appeal, the forum for review of administrative action by the Internal Revenue Bureau revoking or suspending basic permits under the Federal Alcohol Act.

Fifth. To authorize suspension or revocation of a basic permit issued under the Federal Alcohol Act, for violation of Federal laws, such as the Price Control Act, relating only indirectly to alcoholic beverages, or for failure to conduct operations under such permit in conformity with State law.

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

Mr. McCARRAN. Yes.

Mr. HENDRICKSON. Was the amendment considered by the Committee on Finance?

Mr. McCARRAN. I do not know. However, the amendment has been bethe Committee on Finance for some 6 years. I have repeatedly brought it to the attention of the Committee on Finance. Yesterday this amendment, in the form of a bill, was reported favorably by the House committee. The same bill which I have proposed for many years before the Committee on Finance is now before the House, having been reported favorably by the House committee. Undoubtedly it will be passed by the House and come to the Senate.

Mr. HENDRICKSON. Does not the Senator believe it would be better legislative policy to wait until the House bill comes to the Senate, and then take up the subject?

Mr. McCARRAN. I advised the chairman of the Committee on Finance that I would offer the amendment which has been stated, because the same amendment, in the form of a bill, has been before the committee for many years. It has been approved by the departments, and the approval is on file before the committee.

Mr. HENDRICKSON. Mr. President, as I listened to the reading of the amendment it seemed to me it was quite complicated and complex. It is hard to understand what changes are proposed, even with the explanation which the Senator is now giving. I do not believe the subject is properly before the Senate at this time. It should be considered by the Committee on Finance and reported to the Senate by the committee before we give consideration to it on the floor of the Senate. I shall have to object to the amendment on that ground.

Mr. McCARRAN. Does the Senator object to the amendment?

Mr. HENDRICKSON. I object to the amendment.

Mr. McCARRAN. Then, I object to the bill.

Mr. LUCAS. Mr. President, I hope the Senator from Nevada will not object to this little bill.

Mr. McCARRAN. This little bill is no more important than the amendment I offered. The amendment I offered is germane to the bill, and is a part of the whole situation.

Mr. LUCAS. Mr. President, I appreciate that, and I am sorry that the Senator feels he should object to the bill simply because his amendment was objected to. I can understand the position of the Senator from New Jersey. I am a member of the Committee on Finance, and I do not recall that the committee has ever considered the amendment. The chairman of the Committee on Finance is not on the floor. He is working on the tax bill.

This bill, H. R. 7932, has been passed unanimously by the House of Representatives. I respectfully request the Senator from Nevada to let the measure go through. Then if the House passes the bill to which the Senator from Nevada referred, as he says it will, and the bill comes to the Senate, it seems to me that then would be the proper time for the amendment to be taken care of. I respectfully urge my good friend from Nevada to let this little measure go through, because while it is not too important and presumably could wait until next session, it was reported unanimously from the committee. There has been no objection to it.

Mr. President, I cannot make many more appeals like this to the Senator from Nevada. I am just about through.

Mr. McCARRAN. I have appealed many times to the Senator from Illinois. Sometimes my appeals did not take, and sometimes they did.

Mr. President, I thought my explanation would be ample to justify a fair consideration of the amendment. I was cut off by the Senator from New Jersey [Mr. HENDRICKSON] when I was making my explanation.

Mr. HENDRICKSON. Mr. President, I apologize to the distinguished Senator from Nevada.

Mr. McCARRAN. It is not necessary. I take it the Senator is going to object, and sought to save time.

Mr. HENDRICKSON. The Senator is exactly correct.

Mr. McCARRAN. That is all right. However, my amendment is strictly germane. My bill has been before the Finance Committee for years. I have a letter from the chairman of that committee stating that he would lay it before the committee. My amendment, in the form of a companion bill, has been reported favorably from the House committee. The measure will undoubtedly pass the House. It is approved by the departments. The departments consider the amendment highly essential.

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

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Did I correctly understand the Senator to say that he has a letter from the chairman of the Finance Committee indicating that this subject has been studied by the Finance Committee?

Mr. McCARRAN. I have a letter, but it is not of recent date. On one occasion when I introduced the bill and it was referred to the Finance Committee, I received a letter from the Senator from Georgia [Mr. GEORGE], saying that he would lay the bill before the committee.

Mr. HENDRICKSON. If this subject has been before the Finance Committee and it has had an opportunity to study it, I will withdraw my objection.

Mr. McCARRAN. I do not say that it has been considered. I do not wish to imply that, because I do not know enough about it. However, the subject has been pending there for years. It has been pending in the House, and finally it has been reported from the House committee.

Mr. HENDRICKSON. I still feel that it ought to have the consideration of the appropriate committee, since it is a finance matter.

Mr. McCARRAN. Mr. President, if I may, I should like to conclude my explanation.

The provisions of this amendment, Mr. President, are the same as the provisions of the bill, S. 22, which I introduced at the beginning of this session. In two previous sessions of the Congress, I have also introduced bills containing similar provisions. Those bills were intended to implement the recommendations made by a special subcommittee of the Judiciary Committee more than 6 years ago, as a result of its investigation of the alcoholic beverage industry.

The Internal Revenue Bureau of the Treasury Department and the Alcohol Tax Unit have always reported favorably on this proposed legislation. Those who administer these laws believe these changes are needed to clean up a bad situation in a segment of the liquor industry.

The Department has filed several favorable reports on these bills of mine. Very recently, in connection with an inquiry conducted by the Senate Special Committee To Investigate Organized Crime in Interstate Commerce, the so-called Kefauver committee, the officials who administer our laws for the control of alcoholic beverages reiterated their desire to see enactment of these proposals, and stated, in effect, that, if these recommendations should be accepted, the major problems which were worrying the Kefauver committee would be solved.

Only a day or so ago representatives of the Bureau of Internal Revenue appeared before the Committee on Ways and Means of the House of Representa-

tives to testify with respect to a bill pending there which is a companion bill to my own bill, S. 22. Following the testimony of these representatives of the Internal Revenue Bureau, the House Committee on Ways and Means voted to report that bill favorably to the other body.

Frankly, Mr. President, the situation is this: While it is not certain that the House will approve this legislation during the present session, it is most likely; but the chances are the Senate will not have an opportunity to vote on it except by voting on my amendment to the pending bill.

However, if the Senate accepts this amendment, it is perfectly clear that there will be no delay in the other body, since the provisions of the amendment have already been approved by the Ways and Means Committee of the other body.

These are strengthening provisions, Mr. President, designed to give the Internal Revenue Bureau authority which it urgently needs to cope with law violators and prospective law violators in the liquor industry.

I do not want to labor the matter, Mr. President, and will discuss only most briefly the specific provisions of my proposed amendment.

Much of the liquor which flows illegally in interstate commerce is traceable to liquor cases whose serial numbers have been removed; but under present regulations no serial number is required on cases of imported distilled spirits. Adoption of my amendment would plug up this loophole.

Many of those persons who operate in illegal or improper liquor transactions are known to field agents of the alcohol tax unit. However, they continue in business because under the Federal Alcohol Administration Act at the present time the alcohol tax unit is not allowed to deny permits to wholesalers and rectifiers unless ironclad proof can be secured that they have violated certain specific provisions of that act. Violation of provisions of other acts is not legally a basis for denial of a permit. Adoption of my amendment will plug that loophole also.

Under existing law, the only penalty for a first violation of the conditions of a basic permit issued under the act is suspension of the permit. No matter how serious the violation may be, the permit cannot be revoked for a first offense. My amendment would permit the administrative agency to have authority, in its discretion, to revoke a permit for a single violation if that violation is sufficiently serious. This cannot result in any inequities, since an order revoking a permit will always be subject to judicial review.

At the present time, basic permits issued under the Federal Alcohol Act are of indefinite duration. They continue in effect until suspended or revoked in accordance with the act. Such suspension and revocation, being subject to court review, often cannot be made effective for 1 or even 2 years, during which time the permit holder is enabled to continue in business, even though the administrative agency may have satisfied itself that he is not a fit person to be in business. Adoption of my proposed amendment would make basic permits annually renewable, which would be a very salutary thing.

In order to provide speedier determination of appeal from orders for suspension or revocation of basic permits, my amendment would also provide authority for filing such appeals in Federal district courts, rather than in circuit courts of appeals, as now provided. Making the district courts the forum for such litigation will not only aid the alcohol-tax unit in more speedily disposing of its work, but will also provide the permit holder against whom a suspension or revocation order is issued with an opportunity for a speedier determination of his rights than he can now obtain.

I have pointed out that under present law a basic permit issued under the Federal Alcohol Act can be suspended or revoked only for failure to comply with Federal laws relating to distilled spirits, wine or malt beverages. My amendment would permit suspension also for violation of other Federal laws which might relate only indirectly to alcoholic beverages.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, what is the pending question?

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. WHERRY. Oh, no, Mr. President. May I ask what calendar number we are now discussing?

The PRESIDENT pro tempore. Calendar No. 2630, House bill 7932.

Mr. WHERRY. I thought objection had already been made to the bill.

Mr. McCARRAN. Yes, objection has been made to the bill.

Mr. HENDRICKSON. Yes, Mr. President, objection was made to the bill.

The PRESIDENT pro tempore. Then the Chair misunderstood the situation.

Mr. LUCAS. Yes; objection has been made to the bill.

Mr. McCARRAN. Objection was made to the amendment and to the bill.

Mr. HENDRICKSON. That is true; yes.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The next bill on the calendar will be stated.

BILL PASSED OVER

The bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

APPOINTMENT OF CARL McFARLAND TO BE PRESIDENT OF MONTANA STATE UNIVERSITY

Mr. MURRAY. Mr. President, the Great Falls Tribune of December 10, one of Montana's leading newspapers, contains an article announcing the appointment of Carl McFarland, of Washington, D. C., as president of the Montana State University.

The many friends and acquaintances of Carl McFarland will be interested in this announcement and, therefore, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MURRAY. Mr. President, Carl McFarland went from the high school of Great Falls, Mont., to the State university, where he developed into one of that institution's most distinguished students. He took the law course at the university and entered upon the successful practice of law in his State immediately upon his graduation. At one time he served as State code commissioner and prepared a revision of the State Codes of Law of Montana, which is recognized by the legal profession as an outstanding accomplishment.

In 1937, President Roosevelt named Mr. McFarland as Assistant United States Attorney General, and he served in that capacity for several years before entering into a law partnership with the Honorable Homer Cummings, former United States Attorney General.

Mr. President, he has been practicing law in the city of Washington since 1939 and is recognized as one of the most distinguished members of the Washington bar.

His appointment as president of the Montana State University was made by the State education board by unanimous vote.

His many friends in Montana and throughout the country are pleased that this great honor has been bestowed upon Mr. McFarland and are confident that he will meet with a high measure of success in the administration of this educational institution of Montana.

I have been a close personal friend of Carl McFarland ever since he commenced the practice of law in the State of Montana, and hold him in high respect. I am gratified to read of the action of my State in selecting him to head the Montana State University.

EXHIBIT 1

[From the Great Falls Tribune of December 10, 1950]

DR. McFARLAND ACCEPTS STATE UNIVERSITY PRESIDENCY

HELENA, December 9.—Dr. Carl McFarland has accepted the presidency of Montana State University at Missoula, Gov. John W. Bonner announced today. Bonner said the Washington, D. C., attorney telephoned acceptance of the State education board's offer to head the school that gave him his law degree in 1930 and an honorary doctor of laws degree last year.

McFarland will report by letter when he will take over the $10,000-a-year job resigned this summer by Dr. James A. McCann, now president of Kansas State College.

"HAPPY," SAYS BONNER

The Governor said: "I am happy that Dr. McFarland accepted. He will be the first State university alumnus to be made president of the university. It speaks well for Montana when distinguished persons like Dr. McFarland are beginning to head important Montana institutions. I hope this trend continues."

McFarland went from Great Falls High School to the State university. He was State code commissioner before his appointment

by President Roosevelt as Assistant United States Attorney General in 1937. He has been in private law practice in Washington since 1939.

The university gave him an honorary degree this year when he gave the commencement address there.

The Governor announced Monday that the presidency was open to McFarland, with unanimous approval of the education board and university faculty.

Mr. McCARRAN. Mr. President, in conjunction with the remarks of the Senator from Montana I wish to say that those of us who have had opportunity for contact with Mr. Carl McFarland in Washington will greatly regret his removal from our midst. The State of Montana is to be congratulated in having acquired the services of such an able man. He has been in Washington for a considerable time. He was one of the great aids we had in drafting the Administrative Procedure Act which is now law. I shall regret his absence from the city of Washington, but I congratulate the State of Montana in acquiring such a splendid man to be the president of the University of Montana.

Mr. MURRAY. Mr. President, on behalf of the people of Montana I wish to thank the able Senator from Nevada for his very eloquent remarks.

Mr. ECTON. Mr. President, I desire to join my senior colleague in welcoming Carl McFarland to Montana as president of Montana State University. I also wish to congratulate the State Board of Education of our great State of Montana for being able to secure the services of an outstanding lawyer of the United States, a businessman of unexcelled qualifications, and a great educator. He is recognized as an educator, along with his business and legal qualifications.

Since he has been in Washington he has been in partnership with a legal firm in Helena. He is a graduate of Montana State University as well as holding degrees from some of the greater universities of the United States.

We are very happy that he has consented to come back to his home and to his alma mater, to act as its president in the coming years.

REDEFINITION OF ELIGIBILITY TO MEMBERSHIP IN AMVETS

The bill (S. 4254) to redefine eligibility for membership in AMVETS (American Veterans of World War II), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act approved July 23, 1947, Public Law 216, Eightieth Congress (61 Stat. 407; 36 U. S. C. 67e), is amended to read as follows:

"SEC. 6. Any person who served in the Armed Forces of the United States of America or any American citizen who served in the Armed Forces of an allied nation of the United States on or after September 16, 1940, and before the legal termination of World War II, is eligible for regular membership in AMVETS, provided such service when terminated by discharge or release from active duty be by honorable discharge or separation. No person who is a member of, or who advocates the principles of, any organization believing in, or working for, the overthrow of the United States Government by force, and no person who refuses to uphold and defend the Constitution of the United States, shall be privileged to become, or continue to be, a member of this organization."

Mr. JOHNSTON of South Carolina. Mr. President, on the call of the calendar a bill was passed over and went to the foot of the calendar.

The PRESIDENT pro tempore. The Chair will say that three bills went to the foot of the calendar. The clerk will state the first bill that went to the foot of the calendar.

MRS. JUAN ANTONIO RIVERA AND OTHERS

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. PEPPER. Would consideration now of the bills that went to the foot of the calendar during the call of the calendar, prejudice a Senator's right in respect to requesting that we return to a bill on the calendar which was passed over when it was reached?

The PRESIDENT pro tempore. If the Senator makes a unanimous consent request——

Mr. HENDRICKSON. Mr. President, I shall object to returning to any bills which when reached were not carried to the foot of the calendar.

The PRESIDENT pro tempore. That settles that point.

Mr. HOLLAND. Mr. President, the Senator from Illinois [Mr. LUCAS] was called out of the Chamber. He advised the junior Senator from Florida that it was his understanding that three bills had been placed by unanimous consent at the foot of the calendar and were to be considered as a part of the calendar immediately following the call of Senate bill 4254, Calendar No. 2632.

The PRESIDENT pro tempore. That is correct. The first bill which went to the foot of the calendar is now before the Senate.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HOLLAND. Will the call of the calendar be completed when the call of those three bills which have been placed at the foot is completed?

The PRESIDENT pro tempore. It will be completed then, yes.

Mr. HOLLAND. I thank the President pro tempore.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CHAVEZ. What bill is now before the Senate?

The PRESIDENT pro tempore. Senate bill 1976, Calendar No. 731. There is on the calendar an identical House bill, H. R. 5051, Calendar No. 1738.

Mr. McCARRAN. Mr. President, that is the bill the Senator from New Jersey [Mr. HENDRICKSON] asked about when Senate bill 1976 when to the foot of the calendar.

Mr. HENDRICKSON. Yes.

The PRESIDENT pro tempore. Is there objection to the consideration of either of the two bills?

Mr. HENDRICKSON. Mr. President, I wish to ask a question of the Senator from Nevada. Were the widows of these Bolivian fliers compensated at all by their own government?

Mr. McCARRAN. The answer, so far as I have any knowledge, is "No."

Mr. HENDRICKSON. Of course, it seems to me we should have some proof of that fact, because I do not believe it is proper for the United States Government to award these moneys to the widows if they already have been paid by their own Government.

I may say that the objection I made, which was entered by request, was based on the question I have just asked.

Mr. CHAVEZ. Mr. President, although I cannot assure the Senator from New Jersey that the widows have not been recompensed by their own Government——

Mr. HENDRICKSON. The Senator is positive of that fact, is he?

Mr. CHAVEZ. I am trying to make it clear.

Mr. HENDRICKSON. Oh, I thought the Senator said he could assure us of that.

Mr. CHAVEZ. No; I could not.

Nevertheless, knowing generally the persons involved, knowing the type of people they are, and the citizens of that particular country, my opinion, in the best of faith, would be that these widows have not received a penny.

Mr. HENDRICKSON. Mr. President, I appreciate what the Senator says, but certainly that is negative proof. In the light of no assurance that the widows have not been compensated by their own Government, I shall have to interpose my objection again—which, as I said before, is by request.

Mr. CHAVEZ. Of course, Mr. President, I do not blame the Senator from New Jersey for doing that; but I wish him please to believe this: As I have stated heretofore, if these persons were to walk in the Senate Chamber now, I would not know them. However, I have had persons from Bolivia, previously unknown to me, speak to me or write to me simply because they think I am kindly disposed toward them and toward people south of the United States border, and they have asked that I do the right thing. They have interceded, and have said, "Why can we not have a little justice?"

This measure has been recommended by our Air Corps, by the armed services, by our State Department, and by virtually everyone else.

Mr. President, I think the greatest characteristic of an American is, not our power to do things, but our spirit of fair play and decency.

Mr. HENDRICKSON. I agree with the Senator.

Mr. CHAVEZ. The United States Government, the most powerful Government in the world, had asked the men who were killed to come to the

United States on our ships. I venture to say, although I do not have the proof, that the widows and children of those men are now in need of something to eat.

It is unbelievable that our country, which can afford to give billions and billions of dollars to countries in Europe and elsewhere in the world, cannot give a few cents to these widows who live in South America.

Mr. HENDRICKSON. Mr. President, all in the world I ask is proof to the Senate that there will not be double compensation as a result of the enactment of this bill.

I know how sincerely the Senator from New Mexico feels about the loss these widows have suffered. However, I cannot understand why it is at all unreasonable to ask for proof positive that previous compensation has not been made by the Bolivian Government.

Mr. McCARRAN. Mr. President, I think the inquiry of the Senator from New Jersey is proper, and I do not object to it in the least. I think it is a wise inquiry.

Let me say that we made the same inquiry of the Department, and the Department advised us, as I now recall, that these women had received nothing, except what would be given generally to those who had lost their support. I do not know what that is.

Mr. HENDRICKSON. Mr. President, is it not possible to bring before the Senate a statement in regard to this matter, so that we can be assured on that point? If the majority leader would approve that action, I would be perfectly willing to have the bill considered at a later date, when we have the proof for which I have asked.

Mr. McCARRAN. Would the Senator from New Jersey and other Senators be satisfied to have the bill passed now, with the agreement that before the bill becomes law we must first establish that the widows have not received specific compensation?

Mr. HENDRICKSON. I would be quite satisfied with that arrangement, and I know that the Senator for whom I have objected to the consideration of the bill would be satisfied with that arrangement.

Mr. WHERRY. Mr. President, I think the way to accomplish that purpose would be to have us waive the rule in regard to the filing of a motion to reconsider, with the idea that the bill will be passed at this time. Then, if such evidence is not forthcoming, the Senator from New Jersey could move to reconsider the action of the Senate on the bill.

Therefore, I ask unanimous consent that the bill be passed now, and that we waive the rule in regard to filing a motion to reconsider, so that a motion to reconsider may be made and acted upon in the event the proof which has been requested is not forthcoming.

Mr. CHAVEZ. That is satisfactory.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "of"; to strike out "$10,000" and insert "$7,500"; in line 9, after the word "of", to strike out "$10,000" and insert "$7,500"; on page 2, line 1, after the word "of", to strike out "$10,000" and insert "$7,500", in line 3, after the words "sum of", to strike out "$10,000" and insert "$7,500", and in line 4, after the words "sum of", to strike out "$10,000" and insert "$7,500."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. By unanimous consent, a motion to reconsider is entered.

Mr. McCARRAN. Mr. President, let me inquire whether the bill on which the Senate has just acted is House bill 5051.

The PRESIDENT pro tempore. That is correct.

Mr. CHAVEZ. Mr. President, in order to have the RECORD perfectly clear in this connection, let me say that Calendar No. 1738, House bill 5051, is an identical bill which has been passed by the House of Representatives.

The PRESIDENT pro tempore. Yes; and that is the bill which has just been passed by the Senate.

There is a corresponding Senate bill, namely, Senate bill 1976, Calendar No. 731. Without objection, the Senate bill will be indefinitely postponed.

ANNUITIES OF MEMBERS AND ELECTED OFFICERS OF THE SENATE AND HOUSE OF REPRESENTATIVES

The PRESIDENT pro tempore. The next bill heretofore placed at the foot at the calendar will be stated.

The bill (S. 3682) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendments will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to insert the following new section:

SEC. 2. Section 3A of such act is amended by adding at the end thereof a new paragraph as follows:

"(11) Hereafter, no person who has had at least 6 years' service as a Member of Congress shall receive any credit for such service for the purposes of an annuity under section 4 of this act, but any such person who (A) has not served as a Member of Congress subsequent to August 2, 1946, or (B) failed to give notice as provided by paragraph (1) of this section of his desire to come within the purview of this act, may, upon application therefor, be paid an annuity computed in accordance with this section, beginning at age 62 or as of the date of such application if subsequent to age 62: *Provided*, That in the computation of such annuity, no credit shall be allowed for any service for which deposit has not been made in accordance with section 9 of this act."

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment submitted by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. At the end of the bill, after the amendment just agreed to, it is proposed to insert the following new section:

SEC. 3. (a) Section 85 of chapter 23 of the Printing Act, approved January 12, 1895, as amended (48 Stat. 1018; 39 U. S. C. 326), is amended by inserting after the words "until the 30th day of June following the expiration of their respective terms of office" a comma and the words "or until the expiration of six months following such expiration, whichever is the later."

(b) Section 7 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June thirtieth, nineteen hundred and five, and for other purposes", approved April 28, 1904 (33 Stat. 441; 39 U. S. C. 327), is amended by inserting before the period at the end thereof a comma and the following: "until the first day of December following the expiration of their respective terms of office, or until the expiration of six months following such expiration whichever is the later."

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3682) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the third paragraph of section 13 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end of the first sentence thereof a colon and the following: "*Provided*, That, in the case of an elected officer of the Senate or House of Representatives, such annuity shall commence on the day following the date on which salary shall cease provided such employee meets the age and service requirements for retirement at that time. An annuity granted under the provisions of section 3A shall commence on the day following the date on which salary shall cease or on the day on which the person entitled to such annuity attains age 62, whichever is later."

SEC. 2. Section 3A of such act is amended by adding at the end thereof a new paragraph as follows:

"(11) Hereafter, no person who has had at least 6 years' service as a Member of Congress shall receive any credit for such service for the purpose of an annuity under section 4 of this act, but any such person who (A) has not served as a Member of Congress subsequent to August 2, 1946, or (B) failed to give notice as provided by paragraph (1) of this section of his desire to come within the purview of this act, may, upon application therefor, be paid an annuity computed in accordance with this section, beginning at age 62 or as of the date of such application if subsequent to age 62: *Provided*, That in the computation of such annuity, no credit shall be allowed for any service for which deposit

has not been made in accordance with section 9 of this act."

SEC. 3. (a) Section 85 of chapter 23 of the Printing Act, approved January 12, 1895, as amended (48 Stat. 1018; 39 U. S. C. 326), is amended by inserting after the words "until the 30th day of June following the expiration of their respective terms of office" a comma and the words "or until the expiration of 6 months following such expiration, whichever is the later."

(b) Section 7 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1905, and for other purposes", approved April 28, 1904 (33 Stat. 441; 39 U. S. C. 327), is amended by inserting before the period at the end thereof a comma and the following: "until the first day of December following the expiration of their respective terms of office, or until the expiration of 6 months following such expiration whichever is the later."

Mr. McCARRAN. Mr. President, have we concluded the call of the calendar?

The PRESIDENT pro tempore. The call of the calendar has been completed.

AMENDMENT OF PUBLIC LAW 359—RECLASSIFICATION OF POSTMASTERS

Mr. JOHNSTON of South Carolina. Mr. President, in connection with Calendar No. 1500, the bill S. 3050, to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, I desire to say that I hope the Senate will take that up sometime in the near future, if possible before this session is over, in order that we may dispose of it.

Mr. President, in connection with Calendar No. 2249, the bill (S. 1978) to reclassify postmasters, assistant postmasters, and other positions in the postal field service, I want it understood that I did not object to that bill. I suppose the Senator from Delaware [Mr. WILLIAMS] objected to it. I was in favor of taking up the bill, but the Senator offered an amendment with which I did not agree.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Missouri [Mr. KEM] to take up Senate Resolution 371, under a previous order—for which the Chair was not at all responsible.

Mr. McCARTHY obtained the floor.

Mr. HOLLAND, Mr. JOHNSTON of South Carolina, and other Senators addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARTHY. I shall be glad to yield. I see there are a number of Senators who desire me to yield. I shall do so on condition that I do not thereby lose the floor, of course.

Mr. HOLLAND. Mr. President, the junior Senator from Florida is simply acting as majority leader in the absence of the Senator from Illinois. He was advised by the majority leader, however, before he left that a unanimous-consent agreement of some kind had been entered into, effective as of the time of the completion of the call of the calendar. Is that correct?

The PRESIDENT pro tempore. That is correct.

Mr. HOLLAND. And is that unanimous-consent agreement now being followed in the recognition of the Senator from Wisconsin?

The PRESIDENT pro tempore. That is exactly what is being done.

Mr. PEPPER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARRAN. Mr. President, I was going to ask the Senator to yield sufficient time so that I might move that the Senate proceed to the consideration of a small bill which was objected to on the call of the calendar.

Mr. WHERRY. Mr. President, I make the point that that is out of order.

The PRESIDENT pro tempore. It would require unanimous consent.

Mr. WHERRY. It would require unanimous consent.

Mr. McCARRAN. I beg the Senator's pardon. Why does it require unanimous consent?

Mr. WHERRY. Because there is a motion before the Senate, which is the unfinished business; and the only way the Senator could take up the bill would be by unanimous consent.

Mr. McCARRAN. When was the unanimous-consent agreement entered into?

Mr. WHERRY. I say, the unfinished business is a motion on the part of the Senator from Missouri to take up a resolution. A motion to take up a bill is now out of order. The only way it could be taken up would be by unanimous consent.

Mr. McCARTHY. I have no objection.

The PRESIDENT pro tempore. The Chair will state that he is so advised by the Parliamentarian.

Mr. PEPPER. Mr. President, will the Senator yield to me a moment for a brief statement?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARTHY. I yield 2 minutes to the Senator from Florida.

Mr. PEPPER. Mr. President, Senators will recall that for a period of, I think, a year, my colleague and I have endeavored to obtain action on a relief bill for a man named Piowaty. I imagine the name recalls the efforts we have made. I believe that it is a meritorious case, and so does my colleague, who, on behalf of the Committee on Agriculture and Forestry, submitted to the Senate a report which, I believe, was unanimous, in favor of the bill. The distinguished Senator from New Jersey felt it necessary to object today, at the request of a Senator who is absent—the Senator from Kansas [Mr. SCHOEPPEL]. I desire to give notice that I shall attempt, by motion or otherwise, to bring up this bill for consideration as early as possible. I feel it is only my duty to give the Senate an opportunity to do justice before the expiration of this session. I thank the Senator very much.

DREW PEARSON

Mr. McCARTHY. Mr. President, the other night I told one of my fellow Senators that today I intended to discuss the background of one of the cleverest men who has ever prostituted one of the noblest professions—a man, who, in my opinion, has been and is doing an infinite amount of damage to America and all of the institutions of our form of Government. When I told the Senator this, he said: "McCARTHY, don't do it." He said it would be like having stood in the mouth of the Cloaca Maxima and having tried to stop the flow. He said: "You will be merely inundated by the slime and smear and he will still go on every day and every week polluting otherwise fine newspapers and poisoning the air waves."

I realize that the task of exposing this man, or perhaps I should say this person, will be an unpleasant, disagreeable task, which will leave me more than a bit bloodied up also, but as I told the Senator the other night—when I was a boy on the farm my mother used to raise chickens. From those chickens the groceries for a large family were supplied, as well as mother's Christmas money. The greatest enemy the chickens had were skunks. In order to protect mother's chickens my three brothers and I had to dig out and destroy those skunks. It was a dirty, foul, unpleasant, smelly job. We learned early in life that the jobs that most badly need doing and are so often left undone are often the most difficult and unpleasant jobs.

I do not agree with the Senator who advised me the other night—I do not agree that this is an impossible task. I think that while it cannot be done overnight, this man can be exposed to the American people for what he is, at which time he will no longer be dangerous.

Before discussing the important place which he holds in the Communist scheme of propaganda, I would like to describe him in the words of some expert witnesses, well known and highly respected by the Senate.

First, let me quote one of the outstanding Senators from the other side of the aisle—one of the great Senators, not only of today but great in the entire history of this Senate, the Senator from Georgia [Mr. GEORGE]. On the floor of the United States Senate, on the 21st of February 1944, he said:

> [Pearson] began his whole tirade with a deliberate lie. * * * It is not often that an ordinary, congenital, deliberate, and malicious liar such as Drew Pearson refers to a printed record on which it is possible to pin him down. * * * What sort of a liar is he, Mr. President, when in the very face of the RECORD which he himself invites every word that he said is disproved? * * *
>
> Mr. President, I know some of the motive, some of the malice, back of this sudden attack by Drew Pearson on me. * * * Down deep is a fight against representative government. It is a smear campaign against the legislative branch of this Government. * * *
>
> Again I ask, what sort of a liar is Mr. "Skunk" Pearson? (CONGRESSIONAL RECORD, vol. 90, pt. 2, pp. 1903–1904.)

Next, let me quote Morris A. Bealle, a highly respected writer:

> All the boys in the Washington press galleries, except the leftist stooges and Communist sympathizers and "New" Deal dog

robbers, have an abiding contempt for this fellow who had brought prostitution of their great profession to its zenith. They say: "When bigger lies are told Pearson will tell them."

He goes on further to say:

"The truth is not in him; he is a pathological liar." (Washington Squirrel Cage, 1948 edition, p. 39.)

Pearson makes his living by blackening ch racters. He is a smear columnist, a professional character assassin, and the author of false and vile insinuations. (Washington Squirrel Cage, 1948 ed., p. 39.)

On the 17th of December 1941, Representative MARION T. BENNETT, of Missouri, described Pearson as follows:

Pearson and Allen * * * do not have the manhood or honor to admit their mistake. * * * These two columnists have prevaricated. * * * They are well known in informed circles because of their utter lack of regard for the truth and for being two of the most dishonest, unreliable, and vicious character assassins in America. They are a disgrace to the great newspaper profession. They apparently seldom take the trouble to ascertain the facts. * * * They make their living in the half light of minds diseased by the filth they alone can imagine. (CONGRESSIONAL RECORD, vol. 87, pt. 8, pp. 9943–9944.)

Mr. President, normally I should not take the time of the Senate in quoting witnesses, but I do think it is important that the record of this man be made clear for the benefit of the well-meaning and deluded newspaper publishers who still are buying his service.

I might say, Mr. President, in fairness to Mr. Allen, that apparently he could not stomach this association and broke it up himself. So it is barely possible that he may have been unfairly blamed for what Drew Pearson was saying; I do not know.

Again on the floor of the Senate on the 12th day of March 1945, a Democratic Senator described Pearson as follows:

It is not only generally known, but it is universally admitted, that Drew Pearson is the biggest and most notorious liar in America today. Not only is Pearson recognized as being the biggest liar, but he is also recognized as being the most perfect smear artist of the press and radio. He will go down in history as Drew Pearson, the sponge, because he gathers slime, mud, and slander from all parts of the earth and lets them ooze out through his radio broadcasts, and through his daily contributions to a few newspapers which have not yet found him out. (CONGRESSIONAL RECORD, vol. 91, pt. 2, pp. 2010–2011.)

On the 20th of May 1943, Representative FRANK BOYKIN, of Alabama, described Pearson as follows:

Drew Pearson is the damnedest liar that ever lived. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 12th of June 1948, the Senator from Maine [Mr. BREWSTER] stated:

I have been a little puzzled by the apparent malevolence of Mr. Pearson. * * * * * * these attacks of various kinds have developed upon me, with all the cunning and skill he commands—and it is very considerable. I have a very wholesome respect for his tenacity and ingenuity in presenting half-truths in order to fortify whatever views he takes, sometimes walking a very tight rope between situations. * * * he is able so to present a situation as to leave implications which are utterly unwarranted by a full disclosure of the facts. (CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 7957.)

On the 15th of December 1947 the Senator from Washington [Mr. CAIN] had the following to say:

The conversation described by Mr. Pearson never took place. * * * Mr. Pearson has unfairly, unreasonably, and senselessly abused Mr. REECE through an imaginary dialog which was spawned by an individual who has been malicious, irresponsible, and mischief making. * * * Pearson has lied * * * without reason or excuse. Through doing this he has insulted the intelligence of his readers and broken faith with his profession. (CONGRESSIONAL RECORD, vol. 93, pt. 9, pp. 11360–11361.)

On the 25th of April 1944 former Senator A. B. Chandler, of Kentucky, described Pearson as follows:

* * * There is a definition for that sort of liar. He is called a revolving liar. (CONGRESSIONAL RECORD, vol. 90, pt. 3, p. 3634.)

On the 21st of June 1943 EUGENE COX, of Georgia, described Pearson as follows:

This Washington Post happens to be the purveyor of the filth concocted by one Drew Pearson, whom I denounce as a filthy and cowardly villain, a venomous slanderer, and an insinuating rogue, who makes his living in the blackening of other men's reputations and the practice of blackmail blackguardism. (CONGRESSIONAL RECORD, vol. 89, pt. 5, p. 6185.)

He should not have said "The Washington Post"; he should have said "The Washington Edition of the New York Daily Worker." His statement appears in volume 89, part 5, page 6185, of the CONGRESSIONAL RECORD.

On the 20th of May 1943 Stephen Early, White House secretary, is quoted in the CONGRESSIONAL RECORD in regard to one of Pearson's stories as follows:

There is no truth in any detail of this story. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4724.)

On the 19th of November 1940 former Representative Hamilton Fish made the following statement:

The Pearson-Allen statement is damnably false. * * * This is not a personal issue, but if permitted to continue it may undermine the confidence of the American people in the integrity of our public officials and destroy our free institutions and democratic Government, which is now under attack throughout the world. * * *

The only way I know of (dealing with these contemptible people) is through libel action or horsewhipping or the old gun method. It is too bad that that has gone out. That used to be resorted to in the old days of Benton and Clay. They would have taken a gun and gone after them. (CONGRESSIONAL RECORD, vol. 86, pt. 12, p. 13685.)

On the 26th of December 1940 the following is found in an extension of remarks in the House of Representatives:

A typical example of the lack of regard for truth in the Merry-Go-Round, published by Drew Pearson and Robert S. Allen. * * * These smear columnists are rendering a disservice to the public and to public officials by their irresponsible and false statements and deliberate misrepresentations. (CONGRESSIONAL RECORD, vol. 86, pt. 18, p. 6983.)

I hesitate, Mr. President, to take up the time of the Senate in citing these expert witnesses, but I think it is important to do so before going on to what I consider to be a much more important facet of Mr. Pearson's activities.

On the 20th of May 1943, the following statement was quoted by Representative MORRISON, of Louisiana:

Drew Pearson, in my opinion, is the most contemptible, dishonest, and dishonorable smear propagandist in America, and by inference the most colossal liar in the Nation. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 10th of June 1947, Senator GILLETTE, of Iowa, in referring to one of Pearson's articles, stated:

The intimation * * * as stated in the article, is absolutely without foundation. (CONGRESSIONAL RECORD, vol. 81, pt. 5, p. 5511.)

On the 23d of November 1943, Congressman John W. Gwynne, of Iowa, made the following statement:

The statement of Drew Pearson did contain one truth, believe it or not. I think it must have been an accident. (CONGRESSIONAL RECORD, vol. 91, pt. 8, p. 10946.)

William "Bull" Halsey, fleet admiral, United States Navy, had this to say:

Pearson is a blackguard who, by insinuations and outright lies, tried to destroy public confidence in the Navy's air arm. The scoundrel didn't have the "guts" to take a plane ride with a man he said got his wings by fraud. (Washington Squirrel Cage, 1948 edition, p. 39.)

On the 28th of March 1935, the late Senator Pat Harrison, of Mississippi, made the following statement:

This is so mendacious, it is willful, it is so misleading and untruthful, it is such a damnable lie * * * that I cannot pass it by unnoticed. * * *

* * * These audacious, misleading, incorrect statements carried in the Merry-Go-Round, written by Mr. Drew Pearson, are written because of a motive. (CONGRESSIONAL RECORD, vol. 79, pt. 4, p. 4618.)

I intend to discuss the motive.

On the 24th of May 1949, Congressman CLARE HOFFMAN, of Michigan, described Pearson as follows:

A man who gratuitously smears innocent, defenseless individuals in order to sell his wares, advance his own financial interests, no doubt derives pleasure from the squirming and the suffering of his victims. Drew Pearson, who seldom misses an occasion to throw out a falsehood and insinuation or by innuendo to injure some innocent victim, if he runs true to form, must be chagrined by the death of James V. Forrestal, whom he so vigorously and meanly attacked, because Forrestal is dead and no longer will be humiliated or suffer because of Pearson's slanderous, libelous statements. (Appendix to the CONGRESSIONAL RECORD, vol. 95, pt. 14, p. A3182.)

Again, in April of 1939, Secretary of State Cordell Hull, in referring to a Pearson article, dated April 14, 1939, had this to say:

Those parts of it of which I have knowledge are so thoroughly inaccurate and misleading that they could not in my judgment be substantiated by anyone. (CONGRESSIONAL RECORD, vol. 84, pt. 5, p. 5416.)

Again on the 21st of December 1940, in a press conference Cordell Hull stated:

[The Merry-Go-Round article bore earmarks that] would indicate it to be a deliberate misrepresentation. It is very disagreeable when we are so hopelessly overwhelmed with emergency matters to have an article of whole cloth thrown into our faces and sent over the Nation with the representation that it is based on actual knowledge. (New York Times, December 22, 1940, p. 18, cols. 1–5.)

Again on the 30th of August 1943, in referring to a Pearson article, Hull stated:

I desire to brand these statements as monstrous and diabolical falsehoods. (New York Times, August 31, 1943, p. 1, col. 7.)

As quoted by the Senator from Georgia [Mr. GEORGE] on February 21, 1944, Hull again referred to Pearson as an "unmitigated and congenital" liar—CONGRESSIONAL RECORD, volume 90, part 2, page 1904.

Jesse Jones, as quoted by Representative O'Connor, of Montana, on the 2d of April 1942, had this to say:

There is no truth in the Merry-Go-Round story of April 1 about me * * *. Practically *all* references to me and my work by those columnists over the year has been made for the purpose of injuring me, and where there has been any basis for reference to me, the facts are maliciously distorted through innuendo. This article is typical of their column. (CONGRESSIONAL RECORD, vol. 88, pt. 3, p. 3289.)

The Senate will recall that in 1947 Congressman Robert Jones, of Ohio, was nominated for membership on the Federal Communications Commission. Pearson attacked the nomination of Jones, claiming he had reliable and reputable witnesses who would testify that Jones was a member of the Black Legion. Senators will recall it. The following is found in the answer in the court record in the case of Pearson against King Features and Westbrook Pegler, page 20 of the answer:

One Congressman Jones, of Ohio, was nominated for membership on the Federal Communications Commission. The said plaintiff opposed said nomination and contended that said Jones was a member of the Black Legion.

At a hearing conducted on the confirmation of the aforesaid Mr. Jones, the said plaintiff—

Pearson—

stated falsely that he had affidavits substantiating the membership of said Jones in such Black Legion. The said plaintiff produced as witnesses a person who had been an inmate of the insane asylum, and had a criminal record; a person so senile as not to know in what manner he had reached Washington or the hearing room; and a third witness, likewise with a criminal record, of no credibility whatever. The charges trumped up by said plaintiff were fakes and lies, as he then and there well knew. The witnesses he produced were for the most part perjurers, as plaintiff then and there well knew; the nomination of the aforesaid Jones was confirmed by the United States Senate by a unanimous vote, thus in effect finding that said plaintiff was a faker, liar, and suborner of perjury by a vote of 96 to 0.

In connection with the above the following statement was made by Congressman Jones to the Interstate and Foreign Commerce Committee of the United States Senate on July 1, 1947:

I believe that any competent lawyer, reading Pearson's testimony, would dismiss it instanter as the flimsiest hearsay and of no probative value. * * * Pearson's first charge is wholly false and entirely unsubstantiated. * * * The second charge is false. * * *

I am sure that the members of the committee have every right to take judicial notice of the fact that Pearson's credibility has been attacked upon scores of occasions. It is sufficient, I believe, to cite as witnesses in my behalf as to Pearson's reputation for truth and veracity * * * members of the Washington press corps who in a poll voted him the most unreliable commentator. (CONGRESSIONAL RECORD, vol. 93, pt. 6, p. 8092.)

The late Congressman Lesinski, of Michigan, had the following to say on the floor of the House of Representatives:

This is one of those damnable lies that has always been produced by Drew Pearson. (CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 7601.)

On the 25th of April 1944 the Senator from Tennessee [Mr. MCKELLAR] described Pearson colorfully and in detail. I shall quote only a few of the passages:

I do not know Pearson; but really he is an ignorant ass, is he not? * * * This ignorant, blundering, lying ass, who makes his living by lying on Senators and other public men. * * *

* * * If ever there was an opportunity for my temper to be aroused by plain lying, it would be aroused by the plain lying of this so-called Washington columnist. * * * He is just an ignorant liar, a pusillanimous liar, a peewee liar, and he is a paid liar. * * *

Pearson makes his living by making sensational lying statements about men in high office. * * * He actually makes his living that filthy way. He ought to have the contempt of every honest man.

* * * When a man is a natural-born liar, a liar during his manhood and all the time, a congenital liar, a liar by profession, a liar for a living, a liar in the attempt to amuse, or to be as he thinks smart, a liar in the daytime, and a liar in the nighttime. It is remarkable how he can lie.

* * * This revolving, constitutional, unmitigated, infamous liar, this low-lived, double-crossing, dishonest, corrupt scoundrel, who claims to be a columnist. He is not a columnist. He is a monumentalist. That is, a monumental liar. * * * This knave—and I am using very mild language. * * *

Gentlemen, I am not angry, I am just sorry that this great Nation of ours, this Nation of honest men, this Nation of Americans, has within its borders any person so low and despicable, so corrupt, so dishonorable, so groveling, so desirous of injurying the character and the accomplishments of his fellowmen, as this low-born, low-lived, corrupt, and dishonest Drew Pearson. (CONGRESSIONAL RECORD, vol. 90, pt. 3, pp. 3683–3687).

On Sunday this miserable, lying, corrupt, dishonest scoundrel, Drew Pearson, with a dishonest and disordered mentality and a putrid and corrupt morality, wrote and published another lying article about me. * * *

This is a lie out of the whole cloth, known to be a lie when Pearson wrote it, known to be a lie when Silliman Evans bought and paid for it, and no person with character sufficient to sleep with a hog or to associate with dogs or polecats would write such an article or would print such an article. Indeed, Pearson, in his mental make-up is a cross between a ranting maniac and a drunken Silliman Evans. * * *

The article had no resemblance to truth, but is simply the result of a disordered and corrupt mind working only for money paid for it by Silliman Evans. * * * (CONGRESSIONAL RECORD, vol. 92, pt. 7, pp. 9090–9091.)

On the 17th of October 1945, Congressman Joseph J. Mansfield, of Texas, made the following statement:

I consider this paragraph so grossly erroneous in point of fact that it should not be permitted to go unchallenged. (CONGRESSIONAL RECORD, vol. 91, pt. 13, p. A4359.)

On the 18th of December 1943, the Senator from South Carolina [Mr. MAYBANK] made the following statement:

Mr. Pearson's statement is false and unfounded. * * * an absolute falsehood has been printed in the Pearson article. (CONGRESSIONAL RECORD, vol. 89, pt. 8, p. 10867.)

On the 4th of May 1945, Congressman AUCHINCLOSS, of New Jersey, made the following statement:

The column of Drew Pearson * * * contains references * * * that are cruel, wholly false, and libelous. (CONGRESSIONAL RECORD, vol. 91, pt. 11, p. A2073.)

On the 20th of May 1943, Congressman JAMES H. MORRISON, of Louisiana, made the following statement:

* * * Drew Pearson lied on the radio and I know he lied on the witness stand which, down where I come from, is perjury. * * * I have had occasion to check into the record of Drew Pearson to see what kind of reputation he has for telling the truth. I find that United States Senators, Members of Congress, Cabinet members, generals and even the secretary to the President in no uncertain terms labeled him as a downright liar and garbage can collector of filthy, manufactured synthetic lies.

But Drew Pearson has not spent all of his time blackmailing, intimidating, and lying about public officials and Congressmen. His vocations describe a thwarted and frustrated man with a warped, twisted, and diseased idea of mankind and life. * * * I want the Members of this House to know that Pearson, who poses as a great liberal, is at heart a money miser and one of the greediest men for cash I have ever met anywhere any time. If he cannot get it honestly, look out for the blackmail. * * *

His contribution to the war effort is based on a low-down degrading, cowardly, yellow, stinking pen to defame, to vilify, to humiliate, and to attempt to destroy America's No. 1 hero, Gen. Douglas MacArthur. * * *

* * * Seldom do I have the unpleasant task of skinning a skunk. I hope I have done the job well. (CONGRESSIONAL RECORD, vol. 89, pt. 4, pp. 4722–4724.)

On the 20th of May 1943, Congressman Mott, of Oregon, described Pearson as follows:

Drew Pearson and Robert Allen are a pair of journalistic polecats. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4724.)

Former Senator Nye, of North Dakota, made the following statement:

Pearson is a master of the half truth. When a direct lie does not suit his purpose because it might be too dangerous, he can lie by inference by merely leaving out qualifying remarks and explanation. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 2d of April 1942, Congressman O'Connor, of Montana, labeled Pearson as a deliberate liar—CONGRESSIONAL RECORD, volume 88, part 3, page 3290.

The mother of Pearson's former wife had this to say about Pearson:

Drew, rose-sniffing, * * * child cheater, sentimental Drew. Vicious and perverted Drew. * * *

Incidentally, you GI Joes, when you happen to listen to the phony Quaker Pearson of a Sunday night—Bleeding Heart Drew—never forget that although he was 20 and in perfect health in 1917, he managed to "thee and thou" himself out of service in World War I. Then, as now, Drew was a yellow-bellied slacker. * * *

* * * Too many of these zanies are crazy all right, but they're crazy like foxes. * * *

But, to go back again, how can any normal-minded human being choose this filthy work of plotting, planning, sneaking, lying, spying, cheating, stealing, smearing, in the mere hope of one day overthrowing our American form of Government, for that's all it amounts to. (CONGRESSIONAL RECORD, vol. 91, pt. 13, p. A4548.)

Columnist Westbrook Pegler had the following to say about Pearson:

James V. Forrestal * * * was * * * a victim of the wanton blackguardism and mendacity of the radio which has been a professional specialty of Drew Pearson. Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative. (Appendix to the CONGRESSIONAL RECORD, vol. 95, pt. 14, p. A3183.)

On February 2, 1944, Congressman RANKIN, of Mississippi, described Pearson as follows:

Drew Pearson, one of the well-known slimemongers of the radio * * * revealed himself of one of the most vicious propagandists in America. (CONGRESSIONAL RECORD, vol. 90, pt. 1, p. 1081.)

On the floor of the United States House of Representatives, February 8, 1944:

* * * those of us who listened in on Sunday night heard Drew Pearson, one of the radio scavengers of America, in a most contemptible manner, falsely attack one of the most elegant ladies in Washington. * * * Every person who is familiar with the incident tells us that Drew Pearson was lying about her in his statement. (CONGRESSIONAL RECORD, vol, 90, pt. 1, p. 1419.)

On the floor of the United States House of Representatives, June 11, 1945:

Drew Pearson * * * went to bat for those saboteurs in the State Department who were exposed by the Dies Committee on Un-American Activities. * * * A high-ranking general in the United States Army told me more than a year ago that if he were to give out the Government secrets that were being broadcast by Drew Pearson * * * he would be court-martialed immediately, and ought to be. * * * Somebody in the State Department, in the War Department, and even around the White House, has been giving out secret information to Drew Pearson * * * to broadcast to the world regardless of its cost in the lives of American boys on the various fighting fronts. (CONGRESSIONAL RECORD, vol. 91, pt. 12, p. A2770.)

Walter Reuther, president of the United Automobile Workers, described Pearson as follows:

Pearson is not only a chronic liar but a fool. (Washington Squirrel Cage, 1948 edition, p. 39.)

He is right about his being a chronic liar; but make no mistake, Pearson is no fool. He is the most cleverly dangerous man in the country. If he were a fool he would not be dangerous.

On the 11th of May 1939 Senator Robert R. Reynolds, of North Carolina, had this to say:

Unfortunately, the only way a public official can avoid vilification by these two men, the authors of the Washington Merry-Go-Round, is to bow to their will and the will of those whom they serve. (CONGRESSIONAL RECORD, vol. 84, pt. 5, pp. 5413–5433.)

On September 1, 1943, the New York Times reported the late President Roosevelt's press conference, as follows:

Mr. Roosevelt called Mr. Pearson a liar. * * * The President continued, he had no hesitation in saying that the whole statement, from beginning to end, was a lie.

But there is nothing in that, he went on, since the man is a chronic liar in his columns. * * *

It is the kind of journalism that hurts the press, the President declared, besides hurting the country. (New York Times, September 1, 1943, p. 4, column 2.)

On the 25th of April 1944, Senator Tom Stewart, of Tennessee, made the following statement:

* * * I do not think this man Pearson has the ability to slander anyone. One must be honest before one can slander another, and one must be able to tell something which at least approaches the truth. (CONGRESSIONAL RECORD, vol. 90, pt. 3, p. 3687.)

On the 11th of March 1948, President Truman in a press conference made the following statement:

First I want to pay attention to a vicious statement that was made by a columnist. * * * I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. This is just a lie out of the whole cloth. (New York Times, March 12, 1948, p. 17, columns 2–3.)

On the 7th of July 1941, Senator MILLARD TYDINGS, of Maryland, made the following statement:

The spreading of rumors in a whispering campaign is not a crime against an individual; it is a crime against society. * * * And that is the kind of campaign which Drew Pearson has tried, in his nefarious manner, to conduct. * * *

"But he that filches from me my good name robs me of that which not enriches him and makes me poor indeed." This is what Pearson and Allen tried to steal. Where are they now? I have brought all the facts out into the light of day. Where are the skunks now? Down in their hole where they ought to be and where the company suits them. (CONGRESSIONAL RECORD, vol. 87, pt. 6, pp. 5831–5834.)

On the 18th of June 1945, Senator TYDINGS said further:

Washington Merry-Go-Round * * * is written by an individual who names himself Drew Pearson, but most persons who are familiar with his utterances on a variety of subjects generally call him "Pew Smearson." * * * Normally, I would pay no attention to such garbage but * * * I am unwilling by silence to see this deliberate lie passed on to the American people. * * *

I fail to find within the limits of parliamentary language words to describe this worm masquerading in the physique and the clothing of a supposed man. In the last war this scoundrel, although away above the draft age, found asylum in an SATC, and the only powder he ever smelled was in the presence of ladies who might have adorned the windward side of the parade ground; and today, sitting in a comfortable chair, far removed from any danger, without any scintilla of fact or truth to support the statement, this supposed purveyer of information besmirches the character of one of the most gallant soldiers.

He was referring to Pearson's attacks upon Gen. Douglas MacArthur at that time.

* * * I would call him a perpetual, chronic, revolving liar, and a few other things that I cannot add in the presence of this distinguished and rather ethical company. This man has engaged, to my personal knowledge, in the gentle art of blackmail, without any success. He has been guilty of attempting to buy public influence. I have the affidavits and the checks in my possession to substantiate what I am saying. He has been affiliated with one of the great gambling rackets of America, according to one who worked with him. (CONGRESSIONAL RECORD, vol. 91, pt. 5, pp. 6213–6214.)

The United States Department of the Army in April 1948 had this to say about one of Pearson's articles:

The implications in Mr. Pearson's statement are not only unfair, but are absolutely without foundation, as proved beyond question in the course of the investigation into the entire situation. (CONGRESSIONAL RECORD, vol. 94, pt. 10, p. A2492.)

On the 15th of March 1945 Congressman EARL WILSON of Indiana described Pearson as follows:

This ruthless, double-barreled, diabolical, puerile liar, Drew Pearson. * * * He is a liar, preceded by many uncomplimentary adjectives and is really everything he has been called and more. (CONGRESSIONAL RECORD, vol. 91, pt. 2, p. 2276.)

On the 13th of July 1950 Representative ANDREW JACOBS, of Indiana, had this to say about a Pearson article:

The statement was made out of the whole cloth. Now I could call him a liar, but I always believe in being a little more original than that. * * *

If we are nothing else in Indiana, we are generally pretty good sports. But that would be something that Mr. Pearson could not comprehend, being the kind of man he is. * * *

Pearson was a dishonorable man for attempting to assassinate his friend. * * * He being a poor sport himself—he just figured that everybody else would be a poor sport. * * *

That, Mr. Speaker, about demonstrates how much confidence you can put in this fellow Pearson. * * * It is impossible to know whether he is stupid or false, or both. I will bet it is both. (CONGRESSIONAL RECORD, July 13, 1950, pp. 10112–10116.)

As the Senate knows, one of the prime targets of this man Pearson has always been the head of the House Un-American Activities Committee. Any man who attempts to dig out the unnamed Communists comes in for Pearson's smear. Representative WOOD, of Georgia, being chairman of that committee, comes in for the usual treatment.

On the 15th of June 1950, Representative JOHN S. WOOD, of Georgia, made the following statement:

Ignoring the unsupported conclusions spawned in the distorted mind of this scandalmonger, Drew Pearson, as set forth in his column, I desire to make specific reply to his direct statements and insinuations. * * * He uttered a malicious lie. * * * His

unsupported statement * * * is a wicked and malicious lie * * * a wicked and gratuitous lie. * * * It ought not to be in the public interest that men in public office should be forced to suffer the slanders and falsehoods of one whose stock in trade consists of a wicked heart, a lying tongue, and a poisonous pen. And so * * * I have deemed it to be my duty to * * * condemn this dirty slander peddled by this arch liar and character assassin. * * *

This rogue * * * has built his name upon the wreckage of the reputations of others that he has wrought. * * * He has been slandering people, high and low, great and small, for years. This is his profession—and he has been condemned by millions of people upon whom he has unjustifiably inflicted injury. * * *

The chief legman and stooge of Drew Pearson today is one David Karr, a former member of the staff of the Daily Worker, of New York, the official publication of the Communist Party in America. * * *

Drew Pearson has consistently misrepresented, slandered, and abused every person—man or woman—who, because of love of country and constitutional liberty, have raised their voices against the spread of alien ideologies and against those who would overthrow our form of government. He has been the most effective weapon that the Stalinists have been able to use in America for the undermining of our whole constitutional system. To him there is nothing under the heavens that is sacred. He befouls and means to befoul everything he touches. He occupies the unique and unenviable position today of standing alone at the very pinnacle of all the slanderers and scandalmongers in all of America today. (CONGRESSIONAL RECORD, June 15, 1950, pp. 8653–8655.)

On September 23, 1950, Senator WILLIAM E. JENNER, of Indiana, had the following to say:

I have just had the honor and distinction of being attacked by America's No. 1 keyhole-peeping, muckraking, character-assassinating, propaganda-peddling prostitute of the Nation's press and radio—"P. U. Fearsome" * * *.

Mr. Drew Pearson is not an s. o. b. He is only his own filthy brain child, conceived in ruthlessness and dedicated to the proposition that Judas Iscariot was a piker. * * * There is money in this business in 1950 A. D. * * * for, as I intend to prove, this Drew Pearson is a self-appointed, self-made, cross t'd, dotted i'd, double-documented, super-superlative, revolving s. o. b. * * *

I cannot comprehend why such propaganda-peddling prostitutes as Drew Pearson, who make their living by feeding on the festering wounds of the characters they have stabbed in the back, continue to be supported by so many. * * * Never have I seen any person stoop to such depths of journalistic degradation and character assassination. (CONGRESSIONAL RECORD, September 23, 1950, p. 15673.)

On September 14, 1950, Congressman CHRISTIAN A. HERTER, of Massachusetts, made the following statement:

This entire article is a complete distortion of the facts. * * * Drew Pearson was fully aware of the true facts. (Appendix to the CONGRESSIONAL RECORD, pp. A6525–A6526.)

On May 19, 1950, the Senator from Georgia [Mr. RUSSELL] made the following statement:

Mr. Pearson abuses the freedom of the press for political blackmail. * * * It would be impossible for any Senator to attempt to add to Mr. Pearson's stature as the prince of liars. * * * He has been charged * * * again and again of being the creature who long ago wrested away the laurels of Ananias and placed them proudly on his own brow. * * * The Prince of Peace * * * looked down through 2,000 years, and in the eighth chapter of John, the 44th verse, described Pearson when he said: "There is no truth in him. When he speaketh a lie, he speaketh of his own; for he is a liar, and the father of it." (CONGRESSIONAL RECORD, May 19, 1950, p. 7306.)

I could go on almost indefinitely citing Senators, Representatives, and other well-known, well-respected men, who have labeled Pearson as a deliberate liar. However, I believe the cross-section of Democrats and Republicans just quoted should give to the country a fairly good picture of the extent to which Pearson can be believed.

I call attention again to the statement by former Representative Jones, of Ohio, now Federal Communications Commissioner, to the effect that the Washington press had voted Pearson as the most unreliable commentator. That really is going a long way.

I would like to also quote briefly from the answer filed by King Features and Westbrook Pegler in the Supreme Court of the State of New York in the case of Pearson against King Features Syndicate, Inc., and Westbrook Pegler. This gives a rather good documentation of the deliberate lying of Pearson.

The said plaintiff (Pearson) formed the design of destroying the late Hon. James Forrestal, United States Secretary of Defense. The aforesaid James Forrestal was an honorable, industrious, high-minded servant of the public, of extraordinary ability, whose services were rendered in vast excess of full measure, without hope of personal regard or for any other motive than patriotism. The said plaintiff (Pearson) schemed the destruction and discrediting of the said James Forrestal by the continuous broadcast and publication of a stream of vicious, false, scurrilous lies, concocted from the venom and pathological virulence of plaintiff's (Pearson's) putrid imaginings or pretended imaginings.

* * * * *

On the 16th day of January 1949, said plaintiff (Pearson) broadcast in the same manner, as hereinabove alleged as follows:

"The White House: Well, President Truman was about to accept the resignation of Secretary Forrestal, when last Sunday he heard Walter Winchell's broadcast about Forrestal's income-tax finagling in the 1930's. Whereupon, Truman sent for a transcript of the Winchell broadcast and literally hit the ceiling. 'I'm not going to let that little so and so,' he stormed, 'tell me who I'm going to keep in my Cabinet.'"

And a day later, he told Forrestal he could stay on, at least for the time being.

"However, the most important aspect of this incident is not so much Forrestal's income tax, though as I reported last year, it is a matter of record that Forrestal did escape paying $95,000 income tax by a subterfuge company in Canada. But much more significant is the fact that Mr. Truman should let important decisions of state be made or reversed by a radio commentator, no matter who he is. It's probably going to make some of us think twice about criticizing inefficient public officials for fear Mr. Truman will then decide to continue them in office.

"For my part, I personally think Mr. Forrestal is a very nice and charming gentleman, but I agree with Walter Winchell that a man who avoids taxes by concealing his money in a foreign country cannot command the respect of boys who are drafted into the Army."

This is what I call attention to particularly. Here we have the typical Pearson type of attack.

"And I would go further and state that a man who runs out the back door of his house into the alley, leaving his wife to cope with a jewel robbery alone, would not appear to have the courage or chivalry to be the best Secretary of National Defense."

In truth and in fact the subject matter of the aforesaid broadcast did not originate from the White House as said plaintiff (Pearson) falsely sought to have his audience believe, but originated from the same diseased mentality as hereinabove alleged. The incidents related in said broadcast were wholly false to plaintiff's (Pearson's) knowledge. It was not a fact that the late Secretary Forrestal ever defrauded, or attempted to defraud, the United States of any income taxes owing by the said Forrestal as said plaintiff (Pearson) then and there well knew. The pretense of said plaintiff (Pearson), that he had been admonished for criticism, was likewise a complete fake, inasmuch as the criticism of plaintiff (Pearson) on this and all other occasions was not based on criticism but on deliberate contemptible lying. It is not a fact that Mr. Forrestal ran out the back door of his house into an alley leaving his wife to cope with a jewel robbery alone. The wife of the late Mr. Forrestal was robbed of jewelry on a public street of the city of New York. Mr. Forrestal was asleep on an upper floor of his home and was completely unaware of any such occurrence. Mrs. Forrestal, on that occasion, was accompanied by other persons. There was, and is, no alley adjacent to any back door of the house then occupied by the late Mr. Forrestal. The robbers in the above incident were duly arrested and convicted after a public trial. The facts thereof were fully known to said plaintiff (Pearson) and his statement about the robbery far from being a comment and criticism was a thoroughly vicious, unprincipled, contemptible act of lying and fakery, impossible of accomplishment by anyone but a blackguard.

With respect to the charges of cowardice leveled by said plaintiff (Pearson) against the late James Forrestal, defendants allege that Mr. Forrestal wore the uniform of his country in World War I and served in the United States Navy and performed all such duties as were assigned to him to the complete satisfaction of his fellow citizens. In World War II the said James Forrestal served as Secretary of the Navy and for the purpose of better discharging the functions of said office visited actual combat areas under fire, and subjected himself in excess of anything required by his duties to the same risk of enemy action as was required of noncommissioned soldiers, sailors, and marines. A deliberate lie of the same sort concocted by the said plaintiff (Pearson) was uttered by him a few days before the Presidential election of 1944. On that occasion the said plaintiff (Pearson) stated that Thomas E. Dewey, Governor of New York, had obtained an agricultural deferment from the draft with the implication that since Governor Dewey was well known not to be seriously engaged in farming the Governor of New York was probably a coward and a slacker. The aforesaid statement was a characteristic lie of said plaintiff (Pearson), uttered on the eve of an election in which Governor Dewey was a candidate, at such a time that Governor Dewey had no adequate opportunity to circulate an answer thereto. In connection therewith one or more of the newspaper clients of said plaintiff (Pearson) forced said plaintiff (Pearson) to admit, as was the fact, that his publication was a fake and a lie, and that he had not even sought to obtain

information from Governor Dewey about his draft status. The said plaintiff (Pearson) then and there well knew that governors of States were wholly exempt from being drafted, whether engaged in farming or not, and the blackguard lie of said plaintiff (Pearson) was a part of a deliberate scheme to deprive Governor Dewey of votes in the Presidential election, which he otherwise might have received.

As contrasted with the war records and alleged cowardice as charged by said plaintiff (Pearson) of Messrs. Forrestal and Dewey, the war record of said plaintiff (Pearson) is as follows:

On October 29, 1918, the said plaintiff (Pearson) was a student at Swarthmore College, a Quaker institution of higher learning. At that time the said plaintiff (Pearson) lacked some 45 days of being 21 years of age. The said plaintiff (Pearson) had theretofore registered for the draft, in accordance with the provisions of law, and was in every way completely sound of body and fully qualified physically for induction into the combat or any other branch of the United States Army. On October 29, 1918, said plaintiff (Pearson) caused himself to be inducted into the Students Army Training Corps in which he served for 44 days and from which he was discharged on December 12, 1918, at a time when he was 21 years of age. The said plaintiff (Pearson) continued his college status during the aforesaid brief period and his services consisted of drilling 1 hour a day and his remuneration consisted of the usual pay of a private in the United States Army; board, room, tuition, clothing, and Government insurance. Subsequent to the aforesaid so-called military service the said plaintiff (Pearson) at no time pretended to have been a veteran of World War I until the elapse of approximately 20 years, at which time, and thereafter, he furnished to a reference work entitled "Who's Who in America" a claim that in 1918 he was in the United States Army. The mother-in-law of said plaintiff (Pearson), as stated by said defendants, publicly stated that said plaintiff (Pearson) had thee'd and thou'd his way out of World War I—to which defendants' publications related, although in one or more newspapers a misprint of World War II may have occurred—without objection or counterstatement by said plaintiff (Pearson). Likewise in the Congress of the United States the said plaintiff's alleged war record was ridiculed and derided by Senator MILLARD A. TYDINGS, of Maryland, without comment or rejoinder by said plaintiff (Pearson), and statements that said plaintiff (Pearson) was a yellow-bellied slacker were duly inserted in the CONGRESSIONAL RECORD without objection. As compared to Messrs. Forrestal and Dewey, whom he accused of cowardice and in the latter case slackerism as well, the war record of said plaintiff was as stated by defendants.

* * * * *

In connection with defendants' allegations that said plaintiff (Pearson) is a habitual, incorrigible, professional liar, as distinguished from an occasional or accidental liar, defendants allege that said plaintiff (Pearson) was publicly designated a chronic liar by the late President Franklin D. Roosevelt, as was the fact. With respect to the veracity of said plaintiff, Hon. Harry S. Truman, President of the United States, stated on the 11th day of March 1948, and stated truthfully:

"I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. That is just a lie out of the whole cloth. That is as emphatic as I can put it."

* * * * *

The said plaintiff published and broadcast, prior to the Presidential election of 1948, that one Walter Reuther would be a candidate for Vice President on the same ticket with Senator ROBERT A. TAFT. The aforesaid statement was a deliberate fake and lie, as said plaintiff (Pearson) then and there well knew, and brought forth the statement from said Reuther that said plaintiff (Pearson) was not only a chronic liar but a fool, and that statement of said Reuther was fair and just under the circumstances. The blackguardly purpose of said plaintiff (Pearson) was unjustly to cause the labor union followers of Reuther to believe that said Reuther had deserted their interests and had espoused the cause of Senator TAFT, which said followers for the most part regarded as inimical to organized labor.

* * * * *

The said plaintiff (Pearson) uttered and published a fake lying broadcast to the effect that General MacArthur, at some time before the recent war, had gotten rid of General Eisenhower, who at one time was one of his subordinates in the Philippines. The statement was a fake and a lie, as plaintiff (Pearson) then and there well knew, inasmuch as General MacArthur had sought and retained the services of General Eisenhower for a period additional to his original tour of duty, and always spoke of him in terms of the highest esteem.

Among the loftier flights of mendacity attained by said plaintiff (Pearson) was a broadcast by him to the effect that Senator MCKELLAR had drawn a knife against a fellow Senator on the floor of the United States Senate, and had been disarmed. No such incident ever occurred; plaintiff (Pearson) knew it had never occurred; his statement was a fake and a lie.

The said plaintiff broadcast during the recent war that if the One Hundred and Sixth Infantry Division had held out a few hours longer the Battle of the Bulge disaster would have been largely averted. The said statement was a fake and a lie, as plaintiff (Pearson) then and there well know. The One Hundred and Sixth Infantry Division held out not for hours but for days and sustained casualties of more than 50 percent. Its heroic efforts beyond the call of duty prevented a far more serious disaster than in fact occurred.

In connection with the medicine show broadcasts of said plaintiff (Pearson), to his knowledge and with his consent and assistance, there were broadcast statements that a patent medicine, peddled on said broadcast was a cure for constipation. The said claim was a fake and a lie, as plaintiff (Pearson) then and there well knew, and the broadcasters were ordered by the Federal Trade Commission to cease and desist from such false representations on or about January 23, 1945.

The said plaintiff (Pearson) broadcast during the recent war that Russian oil was being sent, or was about to be sent, to the United States for storage in worn-out wells in Pennsylvania, which said plaintiff (Pearson) at that time, unless suffering from acute lunacy, must have known was a nonsensical lying fake.

On or about February 13, 1946, the said plaintiff (Pearson) broadcast that Hon. James A. Farley had virtually forced Cardinal Spellman to take said Farley with him to visit the Vatican. The said publication was a fake and a lie and was retracted as such on March 12, 1946.

The said plaintiff (Pearson) published in 1945 a statement that British policies in Greece were motivated by the fact that the Hambros Bank of London, which was interested in the Greek situation and was the chief British creditor of Greece, had bailed Winston Churchill out of bankruptcy in 1912. The statement was a fake and a lie, as plaintiff (Pearson) then and there well knew, and the republication thereof by innocent reputable publishers caused them in the British courts to pay the sum of $25,200, and tender an abject apology and retraction.

* * * * *

The said plaintiff (Pearson) in the course of the recent war broadcast that General Patton would never again be permitted to command troops at a time prior to all the greatest victories won by General Patton and his armies on behalf of the United States. At the time of said publication said plaintiff (Pearson) knew that he had no sources of information whatever as to the future status of General Patton, and his reckless unfounded statement was a fake and a lie.

* * * * *

The broadcast of said plaintiff (Pearson) has consisted for a long time of cheap gossip, partisan propaganda, sneaking innuendo, and malicious, baseless accusations. When such material consisted of other than outright lies and fabrications, it consisted of half-truths and was broadcast in such a manner and with such expression as to convey damaging imputations against those to whom for any reason said plaintiff (Pearson) had conceived malice. Such malice, on numerous occasions, was incurred by persons who declined to furnish said plaintiff (Pearson) with sensational revelations and by those who were frank in the expression of their opinion that said plaintiff was a worthless dishonest scoundrel.

* * * * *

Not trusting my memory or even my old notes, when Pearson charged Forrestal with deserting his wife in the hands of gunmen, I called on Herman Stichman, the chairman of the New York State Housing Authority, who had handled the prosecution in November 1940. Mr. Stichman said there was absolutely no excuse to impugn Forrestal's conduct because he was asleep inside the house at 27 Beekman Place, when the stickup took place on the street outside at about 2 o'clock in the morning.

Mrs. Forrestal had spent the evening at the Persian Room at the Hotel Plaza with several friends. About 1:45 she and her escort, Richard B. W. Hall, got into Mr. Hall's car, driven by his chauffeur, and drove to Beekman Place. When they pulled up at the curb, Mrs. Forrestal said, "Instead of the chauffeur opening the door, a man jumped in the car in the back with us. He said, 'This is no joke; it's a stickup.' I told him it was a silly way to make a living. He had a gun. The gun was pushed up at Mr. Hall. There was another man with the chauffeur. At one point there were two men in the back of the car. Both had guns."

After they got Mrs. Forrestal's jewelry, valued at more than $100,000, the men ran to a car that was parked just ahead, leaped in and got away. Mrs. Forrestal saw four men altogether. When they had left, she rushed into the house, notified her husband, and called the police.

Mrs. Forrestal had been "fingered" by a woman named Dorothy Stirrat, alias Dolly Turner, a criminal known as "The Lady Finger." With her own escort, a member of the gang, "The Lady Finger," left the Plaza when Mrs. Forrestal and Hall left, followed the Hall car in her car, pointed it out to the gunmen who were waiting in another car close by, and wished them luck as they took out after the quarry. The stickup was so quiet that, far from awakening Jim Forrestal, it escaped the notice of a special watchman for the block who, for the moment, chanced to be conversing with a taxi man out of sight around the corner.

"The Lady Finger" got 10 to 20 years; Lomars, 10 to 20 years, and Joseph Weiss, alias Morris Seitchick, 30 to 60 years. Lomars held a union meeting and passed a resolution appropriating $5,000 for his defense on the ground that he was a labor spokesman and a victim of a Wall Street plot.

The Forrestal house is on the east side of Beekman Place. There is no alley through or behind the block through which Forrestal could have fled if he had been the coward that Pearson said he was.

Only a man as diabolically clever as Pearson could continue to maintain his huge reading and listening audience after being so completely and thoroughly labeled an unprincipled liar and a fake.

It is impossible for me to understand how so many reputable newspapermen can buy the writings of this twisted, perverted mentality which so cleverly sugar-coats and disguises his fiendishly clever, long-range attempts to discredit and destroy in the minds of the American people all of the institutions which make up the very heart of this Republic.

It is difficult beyond words to understand how reputable publishers and editors with such a deep obligation to their readers allow the streams of information to be polluted and poisoned by a man so thoroughly labeled and known to be a prostitute of the great profession of journalism.

So much for Pearson's disregard for truth and honesty and decency. Let us proceed briefly on to the even more dangerous part of this picture.

The heads of any of our intelligence agencies will testify that one of the principal aims of the Communist Party is to gain control of our lines of communication; that is, newspapers, radio, television, motion pictures, and so forth. It, of course, would be a miracle if they had not recognized in Pearson the ideal man for them—an unprincipled, greedy degenerate liar—but with a tremendous audience both in newspapers and on the air waves * * * a man who has been able to sugar-coat his wares so well that he has been able to fool vast numbers of people with his fake piety and his false loyalty.

Pearson has long had working for him—part of the time officially on his payroll, and part of the time in a slightly different status—one David Karr. The relationship is such that it is difficult to know who is the master and who is the servant. I may say that just what his status is is difficult to know, except that they are still working together today. I will give the Senate a complete picture of Karr's function in a minute.

To give you a picture of this man David Karr, let me quote Martin Dies, head of the Un-American Activities Committee, on page 512 of the CONGRESSIONAL RECORD for February 1, 1943.

This link between Pearson and Karr is the important link:

Here is the case of David Karr who is assistant chief of the foreign-language division of the Office of War Information at a salary of $4,600. That was Lattimore's division. For 2 years, Karr was on the staff of the Communist Party's official newspaper, the Daily Worker. There is not the slightest doubt that all members of the Daily Worker staff were required to be members of the Communist Party. Karr was a writer for the Communist-front publication, Equality, whose editorial council was composed largely of well-known Communists and Communist fellow travelers.

David Karr was also public-relations director of the American League for Peace and Democracy, one of the Communist fronts which Attorney General Biddle branded as subversive. Karr was a frequent writer for the league's magazine, Fight.

I also quote from a statement made by Congressman DONDERO on the floor of the House, page 9702 of the CONGRESSIONAL RECORD of October 10, 1945.

The ink was hardly dry on the Japanese surrender when a barrage of vilification and slander was launched against General MacArthur, led by the Communist Daily Worker, PM, and Drew Pearson, who is the voice of David Karr, formerly with the Daily Worker. For more complete information on this subject, I refer you to the story in the Washington Daily News of October 8, 1945. Even Dean Acheson, our own Acting Secretary of State, participated in that hue and cry, and it was echoed in London by Soviet Commissar Molotov. It has reached a climax in the Russian proposal to hamstring MacArthur with a four-power control board, the fruition of a well-synchronized and thought-out plan to sacrifice American interests to those of the Soviet Union.

Incidentally, while under questioning by Dr. Matthews before the House Committee on Un-American Activities, Karr admitted under oath that he knew the American League for Peace and Democracy, whose publicity he was handling, was a Communist-controlled organization. Some of the testimony is set forth on page A876 of the CONGRESSIONAL RECORD for February 18, 1944.

I have discussed this man Pearson with practically every former member of the Communist Party whom I have met during my recent and present investigation of Communists in Government. Almost to a man, they were agreed on a number of things: No. 1: That Pearson's all-important job, which he did for the party without fail, under the directions of David Karr, was to lead the character assassination of any man who was a threat to international communism. No. 2: That he did that job so well that he was the most valuable of all radio commentators and writers from the standpoint of the Communist Party. No. 3: In order to maintain his value, it was necessary that he occasionally throw pebbles at communism and Communists generally, so as to have a false reputation of being anti-Communist.

It appears that Pearson never actually signed up as a member of the Communist Party and never paid dues. However, that has not in any way affected his value to the party; nor has it affected his willingness to follow the orders of David Karr, who, of course, is a most active member of the party, and who carries instructions and orders to Pearson.

I ask those who are skeptical as to whether Pearson actually has been doing a job for the Communist Party to stop and review Pearson's record over the past 10 years. You will find that he has always gone all-out to attack anyone who is attempting to expose individual and dangerous Communists, while at the same time he goes through the fakery of criticizing communism and Communists generally. The heads of the House Un-American Activities Committee have always been his targets.

You will find also that he has always consistently and without fail launched a campaign of personal smear and vilification against any man in public life who has stood against any plan of socialization in this country, no matter how good or how bad the plan might be.

One of Pearson's extremely important tasks, assigned him by the Communist Party, through David Karr, was the destruction in the eyes of the American people of Chiang Kai-shek. That was one of his No. 1 jobs. There is, of course, no secret about the fact that one of the major aims of international communism was to create a Red China. As Lenin said:

He who controls China, controls the world.

It has never been a secret that Communist imperialistic Russia has always realized that the first step toward the creation of a Communist world was the creation of a Red China, then the creation of an entire Red Asia, and then the creation of a Red Pacific which would wash our western shores. But before the Communists could take over China, the American people had to be fooled into believing that the man who controlled the anti-Communist forces in China was corrupt and wicked to the extent that he should not receive our aid, and that the Russian-directed Chinese Communists were fine people, agrarian reformers, interested only in the welfare of China.

Pearson was assigned the job of leading the cabal of left-wing mocking birds in the destruction of Chiang Kai-shek. He did the job well.

His next major task was to destroy James Forrestal. Forrestal, as we recall, was the originator of the Truman doctrine for Greece and Turkey. It was the direct opposite of the Acheson-Marshall plan for Europe. The Forrestal plan, which Truman adopted, was to provide the necessary sinews of war to Greece and Turkey, so that they could withstand the pressure of imperialistic communism. In Europe, of course, the plan was to give economic aid and fatten the goose, in effect, with but little thought to military aid.

So Forrestal had to be destroyed, or Truman might apply the Forrestal plan to Europe. So again, Pearson was assigned the task—assigned it by the Communist Party, through David Karr. Again Pearson and his cabal did the job well—hounding Forrestal to death. He and the Communist Party murdered James Forrestal in just as cold blood as though they had machine-gunned him.

The next intended victim on the Communist Party list is Gen. Douglas MacArthur. As all of us know Douglas MacArthur is the one man who, above all others, has stood in the way of Communist domination of all of Asia and the islands of the Pacific. So MacArthur must go. MacArthur must be destroyed.

Again Pearson is assigned the job by the Communist Party, through David Karr; and Pearson is setting about that job with the same fervor, the same malice, the same disloyalty to America, the same degeneracy, as he set about the task of destroying Chiang Kai-shek and destroying James Forrestal.

It is up to the American people—and above all, up to the newspaper men who are buying Pearson's column and the

radio stations that are carrying his broadcasts—to see that this voice of international communism is stilled.

If the loyal American newspaper editors and publishers and radio station owners refuse to buy this disguised, sugar-coated voice of Russia, the mocking birds who have followed the Pearson line will disappear from the scene like chaff before the wind. The American people can do much to accomplish this result. They can notify their newspapers that they do not want this Moscow-directed character assassin being brought into their homes to poison the well of information at which their children drink. They can notify the Adam Hat Co., by actions, what they think of their sponsoring of this man. It should be remembered that anyone who buys an Adam hat, any store that stocks an Adam hat, anyone who buys from a store that stocks an Adam hat, is unknowingly and innocently contributing at least something to the cause of international communism by keeping this Communist spokesman on the air.

In that connection I should like to quote briefly from the December 12 radio broadcast of Earl Godwin:

> And you know, or do you know, that there is no one so timid about America as the average businessman. He wants to stand up and cheer if someone will be the cheer leader * * * but I've known only one stand out in front and attack Communists since I have been on the air who really would and communism * * * One department store sponsor was induced to let me go by a few letters from silly Georgetown pinkos who declared that as long as I was on the air under that sponsorship, they would never enter the store. In fact, none of them ever had entered it. But I take this opportunity to call attention to the flimsy pretext of patriotism that many timid Americans have today * * *

I say to the 150,000,000 normal people of America, the chips are down. They are truly down. The time has come for action. It is up to the American people, through their actions, to notify the sponsors of the voices of communism that have been polluting the airwaves and the newspapers, that they, the American people, are through paying for the soapboxes for those who preach the Communist Party line. I know there will be a great scream that I am trying to impair the freedom of the press, the freedom of these men to speak. I say let them speak where and when they will, but the American people do not have to buy the soap boxes from which they speak. If the American people take action and refuse to continue paying for the Pearson cabal, the Communist Party in the United States will have suffered a death blow.

Some of my colleagues in the Senate and the House who have been working with me on this matter may wonder why I have not touched upon one other important phase of this case. I want to assure them that it is not being neglected; and when all of the details of the documentation are completed, it will be presented to the Senate in detail.

Mr. President, I assume that Mr. Pearson will complain because this documentation is presented under congressional immunity. I think we can take care of that for him all right. If Mr. Pearson wants to waive his own special, self-created kind of immunity—for as Senators know, most of his property has been conveyed away to his wife, I assume, so that it is not subject to judgments for libel or slander—and will take legal action to provide that the property which he has been conveying out of his own name will at all times be subject to judgments for libel and slander, I shall be glad to repeat this, if he will submit the request in writing—and will tell me where and when he wants this repeated off the floor of the Senate.

ORDER FOR RECESS TO MONDAY

During the delivery of Mr. McCARTHY's address,

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

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

Mr. McCARTHY. I yield for a question.

Mr. HOLLAND. No, I do not wish to ask a question. I desire to propound a unanimous-consent request. I ask unanimous consent that the Senator from Wisconsin may yield to me for that purpose without losing the floor. The request has been agreed to by the minority leader and the acting majority leader.

Mr. McCARTHY. I yield for that purpose.

Mr. HOLLAND. Mr. President, because of the fact that a party conference is due to be under way shortly, and also because several Senators desire to be elsewhere, I ask unanimous consent that upon the completion of the remarks of the Senator who has the floor, the Senator from Wisconsin [Mr. McCARTHY], the Senate take a recess until 12 o'clock noon on Monday next.

Mr. HENDRICKSON. Mr. President, I shall be obliged to object to the request in that form.

Mr. McCARTHY. Mr. President, I ask that the Senator amend the request to include the Senator from New Jersey [Mr. HENDRICKSON]; so that after I shall have concluded my address and the Senator from New Jersey shall have concluded his address, the Senate then take a recess as suggested.

Mr. HOLLAND. I am very happy to amend the request accordingly.

Mr. HENDRICKSON. Mr. President, I wish to inform the Senator from Florida that included in the unanimous-consent agreement entered into earlier today was the privilege for me to make an address.

Mr. HOLLAND. Mr. President, I have so amended the request.

The PRESIDING OFFICER. The Chair so understands. The Chair understands that the Senator from Florida has amended his request accordingly.

Mr. HOLLAND. I amend my request at the suggestion of the two Senators so as to include the remarks of the Senator from Wisconsin and the Senator from New Jersey.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and it is so ordered.

CONFIDENCE IN CRISES

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a speech which I have prepared, entitled "Confidence in Crises."

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

CONFIDENCE IN CRISES

On VJ-day we had great dreams of a long period of pease. We were instrumental in creating the peace machinery which took the form of the United Nations Organization, in the hope that it might put an end to war in the reasonable future It is now evident after only five short years that our dream house was built on quicksand, for the dream was turned suddenly into the nightmare of Korea. This so-called police action by the UN, despite our refusal to face the fact, is actually an undeclared war, for the hard truth is that it has already cost the United States in casualties more than the Revolutionary War; more than the War of 1812; more than the Mexican War; and more than the Spanish-American War. Where the end may be, we cannot foretell.

As our dream of peace has turned into a rude awakening to war, we have discovered that expensive as war has always been, it can become even more costly. The cost of military preparedness and military measures has been inflated, along with the cost of living. One of the reasons for this increase is apparent when we consider that we are now spending approximately 75 cents of every Federal tax dollar in paying the cost of past wars or preparing for the next one.

Our situation in Korea is certainly critical—how critical we do not yet know. It is impossible at this time to say whether our efforts to keep the fighting localized there will be successful, or whether it will spread into all-out war with China and possibly even into a general, all-out world war. If this is the beginning of the world war III we have all been fearing, our opponent has chosen wisely, for both the time and place could hardly have been selected with greater advantage to him or greater disadvantage to us. The military defeats he has inflicted are the most humiliating in our history.

But humiliating as is our defeat and fearful as is the length of our casualty list, here in the Senate today a primary problem is the even more fearful loss of confidence by the American people in their leadership. The cause of this loss of confidence is not easy to determine. In checking your mail and in following the papers and radio, you will find, as I have found, that some place the blame on the failure or bad judgment of our leadership in the field. Others lay the blame at the door of our leaders here at home.

Regardless of where the fault may lie, the fact remains that confidence in American leadership has, at a most critical time, suffered greatly. The seriousness of this loss cannot be overestimated. It can have disastrous aftereffects unless it is restored and restored quickly. There are many suggestions as to how it may be restored. Some extreme voices suggest the use of the atom bomb, either on the enemy in Korea; on the people in Manchuria and China proper; or on the Kremlin itself. Senators, I know, will agree that this is not the answer. We were shocked recently to learn that the use of the atom bomb alone will not be necessarily decisive. As a matter of fact, we are told by our experts that the conventional type of high explosives are more effective on dispersed forces in uneven terrain. In any event it is now clear that we can no longer rely for our security on our atomic secrets—even if we still have any of those secrets left.

There are others who in their horror of war suggest appeasement as the answer. We have come to loathe the term "appeasement" since

tasting the fruit of the seeds sown at Munich. Senators will agree, I'm sure, that appeasement is not the answer.

There are still others who hold to the hope that the UN Organization can still prove to be the instrument for solving our dilemma and thus become the medium through which public confidence can be restored.

Here we come nearer to what seems to me to be the answer. The UN Organization has done a great deal of good. It has not proved adequate in security measures because of indiscriminate Russian vetoes but it has given us a degree of cooperation in many important fields, and, properly used, may still divert the newest plunge of the world into war. The difficulty is that preserving, as it does, complete national, sovereign independence of action has not proved sufficiently powerful to prevent Communist China from intervening; neither will it prove adequate to prevent the intervention of the Soviet Union, there or elsewhere.

We have learned the hard way that aggressor nations may be restrained only by the greater strength of free people. This was clearly demonstrated when the United States joined other free people in fighting the forces of aggression to win World War I. A like result was achieved when the free people of the world joined together earlier in the conflict to win the even greater struggle in World War II. The strength of free people can still avert world war III, or at least win it if it does start.

Mr. President, our present perilous situation has one basic cause—one which has not been given adequate attention. It is clearly there for us all to see, though apparently too few of us have seen it except in shadowy outline.

The Communists have, for all practical purposes, unified the foreign policy and the military policy of the entire Communist world, except for the defection of Tito. It is true that this unity has been brought about by methods we cannot emulate. It is true that it results from the establishment of totalitarian control by a small clique in the Kremlin, through the mechanism of an international Communist movement which unerringly follows the policy line laid down in Moscow. But the fact is that this unity exists, and, as far as foreign and military policy are concerned, it permits the Kremlin to dispose of the manpower and resources of a third of the world.

We have seen the consequences of this enforced unity. The Kremlin pushed the button and the Chinese marched. Tens of thousands of Chinese soldiers have died in Korea to serve the ends of the Russian dictators. The Kremlin has the capability now, of stopping this war and of unleashing new wars at a dozen other points in Asia and Europe.

As unity creates strength, disunity preserves weakness. The democracies possess 80 percent of the industry and most of the resources of the world, but they cannot employ them effectively for their common security because they are disunited.

Our steps toward a unified defense cannot be classified by even the most optimistic as more than partial. Progress toward that end is exceedingly slow. Steps toward a unified foreign policy are yet to be taken. The democracies continue to blunder along and nullify their potential collective strength by seeking to synchronize 12 separate foreign policies by the inadequate methods of diplomacy.

We can certainly increase our collective strength by collective rearmament. But we cannot create a collective situation of strength which will deter further Communist aggression unless we can create, by agreement, a unity of foreign policy and defense comparable to that which the Communists have already created.

Mr. President, I have a suggestion to make. It is not new. For nearly 2 years many of us in Congress, both Democrats and Republicans, have urged the President, the State Department, and the Congress to begin an exploration of the benefits of democratic union in the Atlantic community.

Those of us who support the principle of federation anticipated the day when circumstances would require a unity of purpose and concert of action by the world's free people. Our pleas fell on deaf ears. Our pleas fell on deaf ears not only in the Executive Department, but in Congress as well. Now we find ourselves confronted with an immensely more critical situation than we faced then.

The American people yearn and cry out for a strong policy and for strong leadership in following that policy. It is high time their yearning is satisfied and their cries are heeded.

Recent events in Korea serve to accentuate the urgent necessity for careful consideration of extending without further delay the American principle of federation to all people who practice our free way of life.

While it is true that we could not foresee Korea as the locale of attack, we felt an attack would occur somewhere, sometime, unless the free people were so strong that no aggressor would dare move against us.

It would have been far better and far wiser to have worked out our unification in the calm of peacetime. The situation now, however, leaves us no alternative. We must build now with all possible speed toward at least a minimum joinder of our foreign and military policies with those of our democratic allies.

Time is precious, because we cannot afford the loss of the productive skills, the resources, and the manpower of Western Europe; because we dare not risk the possibility of standing alone against the then prodigious power of the enemy in a showdown.

At the risk of becoming repetitious, may I again remind the Senate that it is time which kills us. This was never more true than now.

There are three steps which should be taken and taken at once if we are successfully to meet the challenge confronting us.

Here at home we should have immediate complete mobilization. Our fighting strength must be brought as quickly as possible to its maximum. Economic controls should be applied on everything straight across the board. This should have been done, in my judgment, on the same Sunday when the UN Security Council determined to resist aggression in South Korea.

Then, in concert with other free people, we should convoke a convention to explore and apply where feasible now, the principle of federation of free people, beginning with the sponsors of the Atlantic Pact. Anything less than a solid merger into a permanent partnership of the free will be only a snare and a delusion. The hard facts today deny us the luxury of further delusions. To fail now to move toward such an organic union with other free peoples is to face the future with tools totally inadequate to assure our security. It is to allow by default the continuance of the present trend toward world war III, with all its horrible consequences. I, for one, am not willing to bear this responsibility.

These three steps will restore the confidence of our own people. They will also renew the confidence of other free people throughout the world who look to America for decisive action in meeting the present crisis.

The first two steps will give us our maximum strength in a minimum of time. They will also give renewed confidence and courage to our allies and enable them better to build their own strength. Only by providing a proper example for them to follow can we properly exercise our leadership.

The third step will reassure them as to our permanent dedication to the preservation of freedom. Our past history causes them to doubt the permanence of our willingness to lead the free world. The inexorable march of history forced this unsolicited role upon us. We have no choice but to accept and having accepted, we dare not fail.

ATTAINMENT OF ECONOMY THROUGH TRANSFER OF EMPLOYEES

Mr. HENDRICKSON. Mr. President, on September 5 last, I introduced for appropriate reference, a resolution which was later specifically designated Senate Resolution 342.

The basic purpose of this resolution was the attainment of economies through a proper transfer of Federal employees, wherever such transfers are possible.

For the purpose of the RECORD, I now ask unanimous consent that the resolution in question be inserted in the body of the RECORD at this point, as a part of my remarks.

There being no objection, the resolution (S. Res. 342) was ordered to be printed in the RECORD, as follows:

Resolved, That it is the sense of the Senate that—

(1) in carrying out the provisions of section 607 (b) of the Federal Employees Pay Act of 1945, during the fiscal year ending June 30, 1951, the Director of the Bureau of the Budget should so determine the numbers of full-time civilian employees, and the full-time equivalent of part-time employment, on the basis of the relative needs of the various departments, establishments, and agencies of the Government for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of part-time employment) will not exceed the aggregate number of such employees (including the full-time equivalent of part-time employment) on June 30, 1950;

(2) vacancies authorized to be filled in the Department of Defense may be filled by the transfer of personnel from other departments, establishments, and agencies of the Government.

Mr. HENDRICKSON. Mr. President, I conceded at the time this resolution was offered that it was far from perfect, but that it certainly was a move forward and in the right direction; and I then expressed the hope, as I express the hope now, that the committee to which this resolution has been referred, namely, the Senate Committee on Post Office and Civil Service, will carefully consider the worthy objectives behind this legislation, and that as a result of their studies, the resolution will be perfected to that degree where our great Government, in these perilous times, may be able to save some of its valuable dollars, in terms of millions, without impairing the efficiency of any of our operations and functions.

In this connection I was tremendously impressed with an editorial which appeared in the Tuesday, December 12 issue of the Washington Post, entitled "Essential Trimming."

In this editorial the author convincingly argues that a good many billions of dollars can be saved by eliminating, reducing, or postponing contemplated outlays without inflicting undue hardship on the civilian population.

Again for the record, Mr. President, I ask unanimous consent that the copy of this editorial be incorporated in the

body of the RECORD at this point in my remarks.

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

ESSENTIAL TRIMMING

Elmer B. Staats, assistant director of the Federal Budget Bureau, recently forecast that the Presidential budget message will recommend elimination of all Federal grants to housing authorities for any purpose except the purchase of sites. Half of the $150,000,000 appropriated for hospital construction, he said, has been placed in reserve and will not be available. These cutbacks are necessary not only because the Federal Government is faced with huge military expenditures but also because the construction of new housing and hospitals increases demands for scarce materials and labor. Since our productive resources are limited, the needs of national defense are a compelling reason for deferring work on slum clearance and nonessential housing projects.

For the same reason drastic reductions in public works expenditures are essential. To be sure, primary highways are as essential to national security as steel mills, but many road projects contribute nothing to national defense. That is also true of many reclamation and electrification projects that help to swell the Government's budgeted expenses.

Substantial cuts can be made in other spending activities. The cost of CCC price-support operations, for instance, has been greatly reduced owing to the rise of farm prices and actual shortages of many basic farm products. Sharp reductions in the economic foreign-aid program are in order in view of the progress made by ECA countries and the introduction of military aid. Federal educational and relief grants can also be trimmed, since booming business insures full employment and enables State and local governments to extract more revenue from the income stream. Regional shifts of population resulting from expansion of defense industries will relieve school and housing shortages in some places and increase them elsewhere. Federal aid on a selective basis may be the solution of this problem.

As the Committee for Economic Development warns, "many expenditures of the Federal Government that are classified as 'nonmilitary' are essential to the national security; they cannot be reduced and may even have to be expanded. The situation does not call for indiscriminate slashes, in Government or elsewhere." Nevertheless, it is quite evident that a good many billions of dollars can be saved by eliminating, reducing or postponing contemplated outlays without inflicting undue hardship on the civilian population. The sacrifices entailed will be compensated for by a shrinkage of Federal deficits, reduced pressure on prices, and a speedup of defense production that would otherwise be impeded by civilian competition for manpower and strategic materials.

Mr. HENDRICKSON. Of course, I make no claim that the editorial to which reference has just been made in any way directly supports my humble effort to bring an end to excessive political patronage, payroll padding and expediency based upon purely political considerations, but any honest effort to attain the highly important objectives urged in the editorial certainly must recognize the ever-increasing need for an over-all study of Federal payrolls both here in Washington and throughout the country to the end that all governmental functions and the employees required to efficiently and effectively administer those functions, may be put in balance.

Senate Resolution 342 was designed specifically to initiate such a movement, and here and now, Mr. President, I appeal to the chairman and the members of the Senate Post Office and Civil Service Committee to use Senate Resolution 342 or some counterpart thereof to enable us to determine just how far safety will permit us to effect those economies which can be invoked in this field.

Certainly we must find a way to check flagrant abuses of gross overstaffing as they have been reported in the Coast Guard, the field services, the Bureau of Engraving and Printing, and other Departments and divisions of Government, even if it means charges and dismissals of those who are directly responsible for that overstaffing.

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

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Louisiana?

Mr. HENDRICKSON. I yield.

Mr. LONG. I am sure the Senator realizes, does he not, that some of the legislation which has been passed in an effort to give us a sound civil-service system has made it very difficult to reduce the number of unnecessary persons on the payroll. For example, if we were to go into a department and find an employee occupying a desk where very little work was being done, we could not merely dismiss that employee and thereby save that much money; for that person, in turn, would insist on his rights, and he would bump somebody out of his job further on down the line. The person who would lose his job would insist on his rights and would exercise his seniority. So it becomes a very complicated process merely to reduce the payroll by one person whose services might be unnecessary, in many cases.

Mr. HENDRICKSON. I quite understand the problem. I had the privilege of serving on the Post Office and Civil Service Committee of the Senate, and I know something of the tremendous problems which confront that committee.

Mr. LONG. I join the Senator also in feeling that our first interest should be economy for the Government and the taxpayers, even though in some cases it might work a hardship on an individual employee.

Mr. HENDRICKSON. I thank the Senator for his contribution.

Perhaps this is the cure, Mr. President, but whatever the remedy may be, it is clearly our responsibility to prescribe an appropriate antidote which will give the patient relief.

I fully realize that the task I would assign is extensive—that it will be time-consuming and by the same token, I am mindful that the Eighty-first Congress is fast approaching its sunset, so I shall not urge the impossible. However, I shall most certainly say that this is a matter which should have the immediate attention of the Eighty-second Congress and I here and now serve notice that my voice will not be stilled on this subject until I begin to see positive and effective action in the new Congress.

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

Mr. HENDRICKSON. I gladly yield to the distinguished Senator from Florida.

Mr. HOLLAND. I desire to commend strongly the position taken by the distinguished Senator from New Jersey, and I should like to ask him, at some place in his argument, if he has not intended to do so, to dwell upon the point, which it seems to me is highly important, that this is the best time we shall ever have to accomplish needed reductions in personnel.

Mr. HENDRICKSON. I, of course, agree with the Senator.

Mr. HOLLAND. There are two reasons for that; first, the fact that we are so critically in need of the funds which are being so used, and we are going to be so heavily pressed in the defense effort; and, second, that we do no injustice to anyone, because we are rapidly reaching the time of an acute manpower shortage, and there is certainly opportunity for gainful employment open to anyone who wants to work. So it seems to me that from both standpoints this is the best time the Nation will ever have, as well as the most necessitous time, for accomplishing the reduction in staff along the lines suggested by the able Senator.

Mr. HENDRICKSON. I, of course, agree with the distinguished Senator from Florida, and I shall deal with the subject matter he has just discussed.

I hope that despite the lateness of the hour in the current session, the wheels for that action may be set in motion by the appropriate committee forthwith, even though I say I know it is late.

Mr. President, while ever increasing and excessive Federal payrolls standing alone constitute a serious threat to our National economy, this is not the only field where we can show real sanity by "trimming our sails" to meet the "ill winds" which are ahead for us, as the Senator from Florida has indicated.

The Washington Post editorial points generally to the whole field of nonessential spending and because the members of the Senate of the United States must be familiar with the major functions of Government which fall into this category, I shall avoid cluttering the record with details.

I do want to emphasize, however, that it is the clear duty of the Congress in this critical moment when our whole way of life is swaying in the balance, to save our resources and to save our tax dollars wherever possible by (1) eliminating in some instances and (2) reducing in others and (3) postponing those outlays which can be curtailed without imposing unnecessary burdens and inflicting undue hardships upon the people of a country which is already carrying an unjust share of the burdens of so-called free nations of the world who claim they want to be free.

I now turn back for a moment to the motive which prompted the introduction of Senate Resolution 342 which was, as I have said, primarily to afford savings through curtailment of employment in some instances, reassignment of employees in others, and to bring an end to overstaffing wherever it exists.

To those who would charge that this effort on my part is political in nature and an aim to discredit certain of the executive and administrative branches of Government I would point to parts 1, 2, and 3 of the preliminary report of the House Subcommittee on Overstaffing in the Executive Departments and Agencies, created pursuant to House Resolution 114 of the Eighty-first Congress.

To minimize the printing costs I shall not ask to include these reports in the RECORD, although they deserve a place there; but so that they may be available to any Member of the Senate who is sufficiently interested in this subject, I shall prepare to supply them by mail.

However, because these careful studies so thoroughly support the ultimate objectives of Senate Resolution 342, I think it appropriate that we have a few quotations in the RECORD at this point.

In part I of the preliminary report, which had to do primarily with the Federal Security Agency, we find under the caption "Relationships," on page 12, the following observations:

In pursuing the relationships between fiscal management and the housekeeping functions down through the various levels of agency organization, an effort was made to determine the extent of monetary control over organization, personnel classification, procurement, travel, duplicating, automotive transportation, and other service functions, insofar as overstaffing is concerned. The picture is one of frustration. In theory, fiscal management has authority to review and make recommendations on any changes in organization, function, or personnel actions. Actually, this authority is on paper only due to the domination of the program operators over administrative officers throughout the agency. The fiscal officers, in most cases, know where the "fat" exists in both the administrative and program offices. They are, however, helpless to do anything about it as long as the program executives control appropriations.

Then, again, under the caption "General conditions," on page 13, we note the following:

There are 14 separate and distinct program appropriations made to the divisions in the Bureau of State Services from which money for administration is donated to the office of the bureau chief by his operating divisions. In such a complex arrangement, is it any wonder that a high percentage of budget and accounting personnel is required?

One interesting observation in part I of the report, which does not deal with payrolls, is that captioned "Procurement," from which I quote:

The data presented in table VI, average number of employees and relative cost of purchasing operations during fiscal year 1949, illustrate the extent of overstaffing in the procurement process in the Agency. It will be noted that of 121,014 purchase orders issued in fiscal 1949, half—50 percent—of them were for amounts of less than $20. Yet the average cost of issuing each order amounted to $5. In the Food and Drug Administration and the Office of Education, the proportion of orders under $20 was more than 60 percent and the average cost of issuing each order was in excess of $10. It cost the Office of Education $10,293 to spend $31,148 for an overhead of 33 percent. It should also be noted that the average work load for each of the 197 persons engaged in processing procurement orders was less than 3 per day—2.4—and half of them were for items costing less than $20.

But back to the subject of overstaffing, on pages 20 and 21, under the caption "Areas of unsatisfactory staffing," we note the following comments:

In evaluating the quality of administration in the Federal Security Agency, there are three organizational units which require careful scrutiny. They appear to be examples of gross overstaffing. They are (1) the Office of Education, (2) the Division of Management Planning and Services in the Bureau of Old-Age and Survivors Insurance, in Baltimore, and (3) the field-service units throughout the Agency.

1. The Office of Education numbers 355 employees. Of that number, 155 are in positions above grade GS–11. There are 102 secretarial employees representing 28.7 percent of the total work force in the office. The Division of Central and Auxiliary Services in this office numbers 98 employees.

2. Bureau of Old-Age and Survivors Insurance, Social Security Administration headquarters in Baltimore, Md.: The Division of Management Planning and Services in this headquarters has a personnel complement of 240 employees assigned in branches as follows:

Office of the Chief	3
Fiscal Management Branch	71
Administrative Management Branch	26
Management Services Branch	140
Total	240

Considering that this unit serves only at the bureau level and in view of the duplication of similar effort at other levels throughout the administration, this unit appears to be unreasonably large. In 1948 the Social Security headquarters office was reduced in conformance with the provisions of the Labor-Federal Security Agency Appropriations Act of 1949. The majority of the headquarters staff was moved from Washington to Baltimore at that time. It is clear that these additional units were not properly realined with the staff already existing at the new location. At any rate, as now constituted, this Division presents a fertile area for reorganization and reduction of employees.

3. Field service offices: One of the most unique characteristics of the Federal Security Agency is the existence of field service offices attached to almost every part of the organization. In fact, there are no less than 30 of these offices dispersed through the various bureaus and divisions, many of them duplicating efforts assigned elsewhere in the Agency. In many instances, their existence does not follow any acceptable organizational pattern. At least some of the key officials interviewed attempt to justify their existence as a vital part of the Agency's public-relations program. Employees in these units were described as the people who make speeches and acquire radio time to promote the Agency's program. Documentary evidence secured in the Agency reveals that some of the field service employees feel that a disproportionate part of their time is spent in public relations. This evidence is reproduced herein as exhibit 3 of the appendix.

Mr. President, I cannot recommend too strongly that the whole of part I of this report be given careful study by all Members of the Senate who either claim to be or are economy-minded.

Mr. President, I turn to part II of the report that it might highlight the record with but a single quotation—a quotation captioned "Conclusions":

The subcommittee finds that a substantial part of the $1,000,000 initially appropriated for the revision of the Consumer Price Index by this division was dissipated through gross overstaffing, inferior planning, untrained supervision, and improvident administration. The subcommittee believes that the supervision prevalent in this division has been inept, poorly qualified, and without the proper concept of the taxpayers' interest in the responsibility it has assumed. The subcommittee concludes that the allegations made by the employees who appeared voluntarily before it are justified and that these employees rendered a distinct public service in bringing these conditions to the attention of the subcommittee.

This clearly indicates that in one division, a division of the Labor Department alone, there is a chance to recapture a substantial part of a million dollars annually. Mr. President, I know that a million dollars is "peanuts" as we spend money today, but like the little drops of water and the little grains of sand, they make a mighty ocean and a mighty land. I cannot forget that a loving and devoted mother once told me that if I would take care of the pennies, the dollars would take care of themselves, and I find that principle to be so true, so dependable. I say if it is true in the family life, Mr. President, it is true in the community life, it is true at State levels of government and, of course, it cannot help but to be true at the national level, for a Nation is only the composite expression of its people.

Only to again stimulate an interest in this study, I quote from part III of the Preliminary Report of the House Subcommittee to Investigate Overstaffing in the Executive Departments and Agencies. With one exception, this survey deals exclusively with the administrative management of the Treasury Department, and that exception is a survey of fiscal accounting in the Government as it points up in the Treasury Department. I will only labor the Senate with one citation from that document, and that falls under a series of suggestions for improvement in the utilization of personnel at page 91. It is entitled "Effect Upon Staffing":

It is estimated that full acceptance of the suggestions outlined above would make it possible for the Fiscal Service of the Treasury Department to operate with 1,575 fewer employees. Table 12 shows the present and proposed staffing for the Fiscal Service, Department of the Treasury. In addition, the suggested realinement of functions in the Treasury Department could reduce related activities in other departments and agencies in a corresponding degree.

I am very much impressed, Mr. President, by the careful estimate of the subcommittee that the full acceptance of its suggestions would make it possible for the Fiscal Service of the Treasury Department to operate with 1,575 fewer employees.

I want to take this opportunity, Mr. President, to commend the House Committee on Post Office and Civil Service and its able subcommittee for these preliminary but no less enlightening studies. They should go far to prove to the Congress that there is a sizable waste of manpower in the Federal Government, and we cannot afford to waste manpower at a time when manpower is needed to man our national defenses in both industrial and military functions. Mr. President, I hold that it is our bounden duty in the Senate to supplement these splendid House studies and contribute some of our effort to the en-

lightenment of the whole Congress through appropriate studies in the Senate. In this connection I want to point out that there should be no overlapping.

We already have, through the Byrd committee and the Senate Committee on Expenditures in the Executive Departments, very valuable sources of information, but I do feel that we should consolidate in one committee the job of ascertaining with complete accuracy just where we can cut payrolls and to what extent, just where we can transfer employees from one department to another with resulting advantages to both departments, just where we can dispense entirely with functions which are obsolete and without value to the operations with which they are connected.

Mr. President, it must be crystal clear to the Senate that I am simply urging more serious and concentrated attention to the grave dangers which flow from the lack of a scientific approach to our ever-mounting public payrolls. It is dangerous, not only to the personnel involved but it also adds unduly to the well-nigh back-breaking burdens which will be squarely on our people in the next few months directly as the result of the current world crisis.

Mr. President, within a few days the Senate of the United States will be in the process of debating an extremely controversial new tax bill. No matter what stand we may take individually on that bill when the roll is called, we must all certainly be conscious of the fact that we will be imposing terrific new burdens on the people of America; and whether we call the bill by the name of excess-profits tax or by some other name, the ultimate cost will come from the pocket of Mr. Average Citizen. He is the one who pays and pays and pays always.

In addition to the tax bill, we are going to be called upon, in a matter of hours now, to act upon a staggering new emergency appropriation to supplement our military needs. Here again, no matter how essential this action may be, we will be giving new impetus to the runaway cost of Government which was unleashed some 18 years ago. Mr. President, we must face that fact.

It is only natural that as we confront these costly programs, we cannot help but be forcefully reminded that we are engaged in a tragic and costly war. Moreover, I cannot, as I think of that war and those boys as precious to their families here at home, fail for one minute to remember that those boys expect their Government to meet its obligations here on the home front.

Many of those heroic lads do not know precisely what our domestic obligations are, but you can be sure, Mr. President, that they expect us to know, and, sir, I say we should know or else we should yield our time-honored offices to others who do know and are fully prepared to take the consequences for what they do as they adequately meet all of our domestic obligations. Mr. President, can anyone deny that one of our primary domestic obligations is to keep our economy sound?. Let me say, sir, that a majority of those boys out in the Far East are prepared to answer that question and answer it quickly, and their answer would be emphatically "No."

O, Mr. President, as we undertake to fully meet, with fortitude and courage, all of our sworn obligations to the people of America, and particularly in this dark hour, to those youngsters who are carrying our burdens abroad, we should take stock carefully here at home. If we do this, we cannot fail to review some of the great lessons of history. Mighty nations before us, possessing superb defenses and heroic armies, failed totally and completely because the leaders of those nations, in time of great crisis, either overlooked completely or dared to defy simple economic principles which were as sound then as they are today. They too took calculated risks and with terrific and shattering consequences. So without belaboring the Senate with the many examples which history spells out for us in respect to the problem of sound fiscal controls and simple and sane economies, I shall only sum up with this observation, namely, that in my humble judgment, the Senate has a new call upon it as it treats with appropriations, taxes, and expenditures. It is apparent from history that the Congress has to learn again and again and always the hard way the value of the tax dollar, of which it is the sole custodian.

But on this occasion, Mr. President, in the midst of the horrible blood-letting in Asia, which in the flick of an eye can burst forth into another global war, we must see to it not only that first things come first, but also that first things are put first. So it follows that having acted to put our military defenses in order, we must distinguished clearly between essential and nonessential expenditures and this we must do so effectively that we do not impede in any manner our military and industrial mobilization.

These programs must be on a scale sufficiently strong and sufficiently broad to make aggressor nations in the world look always hereafter to the advantages of negotiating peace before they undertake again to move against America, the patient and long-suffering friend of mankind. So well must we balance our economic, industrial, and military strength that the bully and aggressor of tomorrow will shrink and cringe at the mere thought of moving against a mighty and united Nation which has only peace under well-ordered law as its objective.

Mr. President, I yield the floor.

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

Mr. HENDRICKSON. I yield.

Mr. LUCAS. The Senator has been talking about economy in government. He has made a very constructive address. However, I have not heard it all. The Senator has also been talking about our mighty united Government. He has been talking about a global war, which might be upon us at any moment. I am wondering if the Senator knows that this afternoon the majority of Republicans in a Republican conference in the House of Representatives voted to ask for the immediate ouster of the Secretary of State, Mr. Acheson.

Mr. HENDRICKSON. I did not know that. I have been busily engaged on the floor all afternoon with the calendar. At the conclusion of the call of the calendar I waited patiently to get my place on the floor. I know only what has happened in this Chamber this afternoon.

Mr. LUCAS. I agree with the Senator from New Jersey that we ought to be united. If there was ever a time when the people of the Nation ought to close ranks, it is now. We should forget about the assessment of the liabilities of the past, if there be such; forget about the mistakes of the past, if there be such—and I presume there are some. Now is the time, it seems to me, for the people of the Nation, and especially those in public life, to forget the past and trust in the future, and look the present situation squarely and courageously in the face. We must have unity of purpose and unity of thought, if we are to survive as a free nation.

We are all familiar with the announcement by the President of the United States that he will make a speech to the Nation tonight on the conditions which exist in this country at the present time, as they are associated with world conditions. The Secretary of State has announced that he will go to Brussels for the purpose of meeting with the French, the British, and others in order that they may at least attempt to reach a solution of the difficult problems which are before them in Germany and other parts of the world. On the eve of his departure——

Mr. HENDRICKSON. Let me say, Mr. President, that I am enjoying tremendously the distinguished Senator's remarks. He speaks a great deal of truth. I want to hear him through, but I am due at a Republican conference. I shall appreciate it if he will limit the remainder of his remarks to a question.

Mr. LUCAS. Did not the Senator yield the floor?

Mr. HENDRICKSON. I said I yielded the floor, but I am glad to retain it, and yield to the Senator from Illinois.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Chair will have to announce that upon the yielding of the floor by the Senator from New Jersey, according to the order previously entered the Senate will stand in recess until 12 o'clock noon on Monday next.

Mr. HENDRICKSON. I should like to say, in response to the Senator's remarks, that I shall never agree that we should not profit by the lessons of the past. There are many things in the past which I think we can bury with great advantage, but I think we must always be mindful, in all our official acts, of the lessons of the past.

Mr. LUCAS. Mr. President, will the Senator further yield before he yields the floor?

Mr. HENDRICKSON. I yield.

Mr. LUCAS. I certainly agree with the able Senator that we should profit by any mistakes made in the past. I believe that the last statement which the Senator made in his address was an admirable one. I congratulate him for it. But it seems to me pertinent, when we are talking about a unified America, to inquire how we can be unified when, on the eve of the departure of the Secretary of State upon what is probably one of the most important missions ever performed by any American

official, who ever traveled to the other side of the world, we find the majority of Members of the House of Representatives in the Republican ranks asking for the ouster of the Secretary of State. What a tragedy at this hour. How can the Secretary perform his solemn functions under such a cloud? What will the other nations of the free world think of such a charge?

It matters not what we may think about the man. He is the Secretary of State. He is the President's choice. His nomination was confirmed by the Senate. It seems to me that we are playing directly into the hands of Stalin. If I were Stalin—and I believe I understand something about that oriental mind—I would interpret this action as practically an invitation to strike wherever he wished, because he knows, as a result of this sort of procedure, that America is not united, that we are divided, and continue to be divided. With so many reckless and irresponsible charges constantly filling the air, one wonders whether or not some people are gambling with the fate of our country.

Mr. President, I have said little or nothing recently. I shall not be here very long. But I still believe in my country. I believe in the principles and free institutions which it represents. If the Republicans desire to throw the foreign policy into the forum of the Senate and the House of Representatives, there are many things that may be said about some of their so-called heroes who consider themselves practically God Almighty. We on this side of the aisle have remained silent. We have said little or nothing. We have hoped and prayed that America might be united in this crisis, and that political considerations might stop at the water's edge. But apparently that cannot be done.

I thank the able Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, I should like to say that I think we all have the same hopes and the same prayers in these perilous days.

DAVID KARR

Mr. ANDERSON. Mr. President, will the Senator from New Jersey be kind enough to yield to me?

Mr. HENDRICKSON. I yield the floor.

Mr. ANDERSON. If the Senator yields the floor, the Senate will be in recess.

Mr. HENDRICKSON. I will retain the floor. I am glad to yield to the Senator from New Mexico.

Mr. ANDERSON. I wish to take only a minute, if the Senator will indulge me.

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New Mexico?

Mr. HENDRICKSON. I yield.

Mr. ANDERSON. Mr. President, I was absent when certain remarks were made by the junior Senator from Wisconsin [Mr. MCCARTHY], but I understand that among other things certain statements were made with reference to David Karr. I rise at this time only to say that in order to protect reputations so far as I can, I think I ought to make it clear that I was a member of a select committee of the House of Representatives, chosen from the membership of the Appropriations Committee, to pass upon a great many cases certified by the Dies committee, or the House Committee on Un-American Activities.

Among those charges were certain charges against David Karr. The charges were examined as carefully as possible by the committee. They were examined in great detail by me. So far as I could find, and so far as any other member of the committee was concerned, no member of the committee found anything in the charges which would in any way justify the assertion that David Karr was connected with any Communist-front organization, or was himself in any way a Communist.

I thought it might be proper to make that statement since it was a matter of official record on the part of the House of Representatives, and that Mr. Karr might be justified in having his reputation protected to that slight degree.

I thank my dear friend from New Jersey very much for his courtesy to me.

Mr. HENDRICKSON. It is a pleasure. Mr. President, I yield the floor.

RECESS

The PRESIDING OFFICER. Under the terms of the order heretofore entered, the Senate will stand in recess until 12 o'clock on Monday next.

Thereupon (at 5 o'clock and 18 minutes p. m.) the Senate took a recess until Monday, December 18, 1950, at 12 o'clock noon.

NOMINATIONS

Executive nominations received December 15 (legislative day of November 27), 1950:

COAST AND GEODETIC SURVEY

The following named officers of the Coast and Geodetic Survey for appointment to the grades indicated, subject to qualification therefor as provided by law:

To be ensigns

Barbour C. Stokes, Jr., effective January 18, 1950

Robert E. Williams, effective March 7, 1951

Michael C. Fox, effective March, 18, 1951

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 15, 1950

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

DECEMBER 15, 1950.

I hereby designate the Honorable JOHN W. MCCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou whose will is sovereign and supreme, may we now render unto Thee the homage of our hearts and seek to bring our wills into harmony with Thy divine will.

We are daily praying for the dawning of that better day when humanity shall enter upon nobler and more magnanimous ways of living and when everything which estranges men and nations from one another shall be forever supplanted by the spirit of good will.

Grant that we may have the courage to attempt great ventures in brotherhood. May the members of the human family stand to one another in that same relationship of love and peace as Thou dost to each of them.

However desperate and dire our plight may seem to be, may we never be tempted to feel that all that is noble in our Christian civilization is at the mercy of the powers of darkness.

We pray that when anguish and fears grip our souls we may find our joy and strength in the glorious promise that "Thou wilt keep him in perfect peace whose mind is stayed on Thee."

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

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On December 11, 1950:

H. R. 2365. An act for the relief of the city of Chester, Ill.

On December 13, 1950:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 4234) entitled "An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. MCMAHON, Mr. FULBRIGHT, Mr. WILEY, and Mr. SMITH of New Jersey to be the conferees on the part of the Senate.

ANDREW REMSON, JR.

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I know the membership will rejoice with me that an Alabama boy, Andrew Remson, Jr., of Talladega, in my district, has distinguished himself by his career in the United States Military Academy at West Point and has now been elected a Rhodes scholar from Alabama to go to Oxford University for several years.

It is gratifying when young men who have choice opportunities also have what it takes to avail themselves of those privileges. I know that you will all rejoice with me that this splendid Alabamian has taken full advantage of his opportunities, improving them and himself to enhance the pride of all who know him.

This dispatch from West Point appeared in New York newspapers on November 26, 1950:

CADET ANDREW REMSON AWARDED WEST POINT HONOR

WEST POINT, N. Y.—Cadet Andrew C. Remson, Jr., son of Mr. and Mrs. A. C. Remson, 706 Maple Drive, Talladega, recently was presented with a gold star to represent his being a distinguished cadet in academics at the United States Military Academy. Cadet Remson received this honor because of his exceptionally high academic average in the class of 1951. He ranks No. 2 in his class of 480 men.

The academic course at the Academy is very similar to an engineering and social-science course in a university. Each daily recitation is graded, and the total grades are balanced on what other cadets do. Sports, military tactics, and other extracurricular activities are combined with academics in order to develop a well-rounded leader.

After his graduation as valedictorian from Talladega High School, Remson attended Marion Institute for a year. He served in the infantry as a sergeant for 2 years before being appointed to West Point by Representative SAM HOBBS.

At the Academy he has been active in intramural athletics and is a cadet color sergeant. He is a member of the German Club, Radio Club, Art Club, and Railroad Club.

Upon his graduation in June 1951 Remson hopes to be commissioned in the engineers.

On the next day I wrote his parents:

I am thrilled, as I know you are, and deeply gratified that this outstanding boy has already justified the regard I had for his capabilities and for him. In my opinion, this is only the first of the honors which will be his in the career ahead, and I shall always be proud to claim him as my appointee.

You have every reason to be proud to be his parents, as he has to be your son.

That prediction has so soon begun to be verified. On last Saturday, December 9, the Rhodes Scholarship Award Committee meeting in New Orleans selected him to be one of the four Rhodes scholars from the district composed of 6 States, finally chosen from the 12 designated to compete for the high honor.

THE RAILROAD STRIKE

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

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

There was no objection.

Mr. BARDEN. Mr. Speaker, this morning we are at war. Our Armed Forces are engaged in a life-and-death struggle with the Communist forces of China; over 300 carloads of United States mail, official business and personal, is being held up in Washington Union Station alone; military personnel stopped in their tracks; many boys trying to get home and for some it will probably be their last visit, are blocked; military supplies to our Armed Forces are being blocked. All America is being called on to make great sacrifices of their own blood, finances, and so forth, while the members of the Railroad Brotherhood of Trainmen are paralyzing our transportation system with strikes, not just against the railroads but against our Government and have challenged the United States Army. The Government should accept the challenge at once—and see to it that the Chinese Communists should not receive further assistance from any group in America, whether they be railroad unions, through wildcat or "tame cat" strikes, or any other group. I have carefully checked with counsel and the House Parliamentarian, and the Committee on Labor, of which I am chairman, under the Reorganization Act does not have jurisdiction. I wish it did have.

PERMISSION TO ADDRESS THE HOUSE

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

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

STATEMENT BY MARTIN DIES

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

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

There was no objection.

Mr. VELDE. Mr. Speaker, on September 22, I inserted in the CONGRESSIONAL RECORD a statement which had been made by the Honorable Martin Dies, former Representative from Texas. The original statement contained reference to the three news services, INS, UP, and AP. Subsequent to this insertion I received many requests for reprints and I presume that with all the requests I had telephonically and by letter, I can very well issue and send out at least a half million copies.

I have also had correspondence with Mr. Dies regarding this statement and he requested that he be allowed to change his statement with reference to the three news services for the permanent RECORD. Therefore, in the permanent RECORD there will be no mention of these news services. I am satisfied that Martin Dies realizes that any reporter assigned to the Un-American Activities Committee by these news services reported the news of the Dies committee objectively and honestly.

While I was not closely associated with newsmen until 2 years ago, I am satisfied that the three news services, the UP, INS, and AP, as well as the great majority of the American press, are free from Communist affiliations and are just as much interested in seeing the country rid of this menace as Mr. Dies is or I am.

THE RAILROAD WILDCAT STRIKE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, the radio and press are furnishing us with the astounding news that shipment of food, clothing, ammunition, and medicine to our troops in Korea is being held up by the railroad strike. I cannot imagine a greater act of ingratitude or one more unpatriotic. Until comparatively recently, a railroad employee was highly regarded. Lately, however, in a great many instances they have joined hands with members of the CIO and, therefore, have stooped to a very low level.

How anyone who calls himself an American could read the accounts of what is happening in Korea and then feign sickness in order to technically avoid being held in contempt of court is beyond me. I can imagine the feelings of the mothers and fathers who read of this disgraceful strike against the Government when at the same time our casualty list is the largest in history.

If present provisions of law are not adequate to deal with this situation, then I urge you to join with me in immediately providing necessary authority.

PENSIONS FOR DEPENDENTS OF CIVIL WAR VETERANS

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

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, several weeks ago I received a letter from a very sweet old lady who asked me if there was a possibility of the enactment of legislation that would increase her pension of $36 a month, which she receives as the widow of a Civil War veteran.

Noting that she was receiving a very small award, I wrote and asked her for the details as to her age, claim number, and so forth. When I received her reply I found she is 77 years of age and in great need of additional assistance. I had the Veterans' Administration officials search for the file and I am very happy to report that this morning I am advised the needy pensioner will receive a check for about $1,000 in back pension which is due her. It will be a wonderful Christmas for this old lady and I know it will make her holiday one long to be remembered.

However, the point I want to make is this: Had the Veterans' Administration been operated in an efficient and businesslike manner, this pensioner would have received an increase in her award, to $48 a month, when she reached the age of 70—7 years ago. Because she was ignorant of the law, and because the Veterans' Administration neglected to increase the award automatically, as should have been done, she has been obliged to struggle along as best she could on the small amount of $36 a month.

I believe that there must be many parallel cases in the files of the Veterans'

Administration. With this in mind, I suggested that all of the Civil War $36 awards be separated from the files and reviewed to ascertain whether or not the pensioners were receiving all that they were entitled to under existing law.

The first reaction I received to this suggestion was that the Veterans' Administration does not have the personnel necessary for such a survey. Such a statement cannot be condoned. I believe that five persons, working diligently, could review all of these claims—for there are not many—in a week.

It is time the Veterans' Administration officials cease saying that they cannot do this or that service for veterans and their dependents because Congress has not provided sufficient funds for personnel. You and I know that when the Administrator of Veterans' Affairs and his assistants come to the Capitol with their requests for money if they are properly presented they are always given what they deem necessary for good service to our veterans.

Congress should look into this situation promptly and carefully.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

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

[Roll No. 296]

Abbitt	Gorski	Miller, Calif.
Barrett, Pa.	Granahan	Miller, Md.
Beall	Gwinn	Morrison
Bennett, Mich.	Hare	Multer
Boykin	Havenner	Murray, Wis.
Bramblett	Hays, Ark.	Nelson
Brehm	Hébert	O'Toole
Buchanan	Heffernan	Pfeifer,
Buckley, Ill.	Heller	Joseph L.
Buckley, N. Y.	Herter	Pfeiffer
Burke	Hinshaw	William L.
Burton	Holifield	Poage
Case, S. Dak.	Huber	Powell
Cavalcante	Irving	Riehlman
Celler	Jackson, Calif.	Roosevelt
Chatham	Jacobs	Sabath
Chesney	James	Saylor
Chiperfield	Jenison	Scott, Hardie
Chudoff	Jennings	Scudder
Cole, N. Y.	Johnson	Shelley
Combs	Karst	Simpson, Pa.
Coudert	Kee	Smith, Ohio
Crawford	Keefe	Stanley
Crook	Kelley, Pa.	Talle
Crosser	Kennedy	Teague
Davies, N. Y.	Keogh	Van Zandt
Dawson	Kerr	Wadsworth
Dingell	King	Wagner
Dollinger	Klein	Walsh
Dondero	Kruse	Werdel
Douglas	Lichtenwalter	Whitaker
Eaton	Lodge	White, Idaho
Engel, Mich.	Lynch	Whitten
Fulton	McDonough	Widnall
Gathings	McMillan, S. C.	Wier
Gavin	McMillen, Ill.	
Gillette	Macy	

The SPEAKER pro tempore. On this roll call 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD ANNUAL REPORT FOR THE PHILIPPINE ALIEN PROPERTY ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Third Annual Report for the Philippine Alien Property Administration for the fiscal year ended June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE,
December 15, 1950.

RESIGNATION AS MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication:

DECEMBER 15, 1950.

Hon. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR SPEAKER: I have transmitted my resignation as Representative in Congress from the State of Wyoming, effective at midnight on December 31, 1950, to Hon. A. G. Crane, Governor of Wyoming. I am herewith enclosing a copy of my letter of resignation.

Yours very truly,

FRANK A. BARRETT.

DECEMBER 15, 1950.

Hon. A. G. CRANE,
Governor of Wyoming,
Cheyenne, Wyo.

DEAR GOVERNOR CRANE: I hereby resign as Representative in Congress from the State of Wyoming, effective at midnight December 31, 1950.

Yours very truly,

FRANK A. BARRETT.

PAN AMERICAN UN. ON

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5902) for the relief of the Pan American Union, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 13, after "organization", insert ": *Provided*, That the government of the District of Columbia shall reimburse the Treasury of the United States for such amount."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know what this bill does.

Mr. BURLESON. Mr. Speaker, this bill passed the House several weeks ago and has for its purpose the refunding to the Pan American Union the sum of $54,691.65 collected by the District of Columbia from that organization on an inheritance tax from the estate of Dr. Leo S. Rowe, who bequeathed the sum of $493,680.44 to the Pan American Union. The legal question has not been settled accurately as to whether or not an inheritance tax is due the District although the Board of Tax Appeals has held that it does. Neither has the Federal inheritance tax question been settled, that is, whether any tax is due the Federal Government.

It is thought that due to the conditions under which the bequest was made by Dr. Rowe and because the Pan American Union is a quasi-public institution, this action should be taken, technicalities under the law notwithstanding. I shall be glad to give further explanation if the gentleman wishes.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

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

Mr. BROWN of Ohio. Does this come in under unanimous agreement of the members of the committee?

Mr. BURLESON. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. AMLYE E. ASTON

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 884 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Amlye E. Aston, widow of J. Lee Aston, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $350 toward defraying the funeral expenses of said J. Lee Aston.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CHARLES E. WILSON

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

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

There was no objection.

Mr. JAVITS. Mr. Speaker, the President will shortly announce, if he has not already, the appointment of Charles E. Wilson as head of what will be the Defense Production Board. Mr. Speaker, this is very bad news for Joe Stalin and very good news for the American people. Mr. Wilson, president of General Electric, is the man who did so much to whip out the guns and planes and tanks as vice chairman of the War Production Board that overwhelmed the Axis from 1941 to 1945, inclusive, and this is the man who can do the job now.

I think that of all of the things that have happened in this country in the last few weeks, when the country was finally aroused out of a dangerous lethargy, this appointment is one of the best. It will mean a striking and potent force of pro-

duction will be unloosed; especially as it is coupled with the fact that Mr. Wilson will have no strings attached to him, will have direct access to the President, and that he is going to really head up the job.

This appointment bears out the argument on this floor when the Defense Production Act was under consideration that we wanted this economic mobilization job handled by one agency, and not spread around in different Government departments, but in one agency concentrating on this job. This is now accomplished. I think our country has a right to feel very good about it and the Kremlin, I am sure, to feel very bad about it.

SPECIAL ORDER GRANTED

Mr. VURSELL asked and was given permission to address the House for 15 minutes on Tuesday next, following any special orders heretofore entered.

PRICE AND WAGE CONTROLS ESSENTIAL

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

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Utah?

There was no objection.

Mrs. BOSONE. Mr. Speaker, I do not know how many of the Members of Congress do their own cooking in Washington, and I do not think there are many, if any, who do their own marketing. I happen to do both. I get thoroughly exasperated every time I leave a food store with a bag of groceries, and realize how much money I have spent and how light the bag is. I cannot help being worried and concerned about the many low income families in America who have many mouths to feed. There must be thousands who are merely working these days in order to pay their bare living expenses. There must be many these days whose total pay check hardly stretches over their bare living expenses.

If prices are going up any higher, the average parent will not have any money to pay the high taxes to keep our country secure. Some of you may be saying, "Well, if it weren't for labor asking for wage increases prices would not be spiraling." I do not think the facts bear this out. I believe that prices go up first—making living more expensive—and then labor asks for a pay increase. It is time that the vicious spiral leading to inflation subsides. I believe we should begin right now to check rising prices.

The people who are using the war to increase prices are, in my mind, traitors to our country.

I believe that the mandatory price and wage controls must be imposed right now.

EXTENSION OF REMARKS

Mr. LECOMPTE asked and was given permission to extend his remarks and include resolutions by Poweshiek County, Iowa.

Mr. GROSS asked and was given permission to extend his remarks in two instances and in each to include editorials.

Mr. WALTER asked and was given permission to extend his remarks and include an address by Msgr. Edward S. Swanstrom.

Mr. HART asked and was given permission to extend his remarks and include several newspaper editorials and a book review.

Mr. McCORMACK (at the request of Mr. PRIEST) was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks and include extraneous matter.

Mr. THORNBERRY asked and was given permission to extend his remarks and include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks in three instances, and in one to include an article by Charles Wilson.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a resolution adopted this morning by the Republican conference.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a condensed version of a speech made by Joseph P. Kennedy before the University of Virginia Law School Forum several days ago as it appeared in the press.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article.

Mr. D'EWART asked and was given permission to extend his remarks and include two resolutions.

Mr. LANE asked and was given permission to extend his remarks and include extraneous matter.

Mr. MANSFIELD (at the request of Mr. PRIEST) was given permission to extend his remarks and include a newspaper article.

Mr. WILLIS asked and was given permission to extend his remarks and include an article, notwithstanding the fact that it may exceed two pages of the RECORD.

Mr. SMATHERS asked and was given permission to extend his remarks and include an editorial appearing in the St. Petersburg Times.

Mr. MULTER (at the request of Mr. ADDONIZIO) was given permission to extend his remarks.

SECOND SUPPLEMENTARY APPROPRIATION BILL, 1951

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes (Rept. No. 3193), 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 to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. CANNON. 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. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and pending that motion, I should like to reach an agreement with the gentlemen from New York [Mr. TABER] as to time for general debate. It occurs to me that in view of the general approval of this bill on both sides of the aisle, we can get along with 2 hours of general debate.

Mr. TABER. I have felt that we really ought to have 3 hours. There is quite a good deal to the bill, and the Members will probably ask for very considerable explanations. I think not to exceed 3 hours would be about right.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, one-half to be controlled by the gentlemen from New York and one-half by myself.

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

There was no objection.

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. 9920, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, we are submitting the second supplemental appropriation bill for 1951. It is essentially a preparedness bill. It carries a total appropriation of $18,033,304,424, a reduction of $47,741,610 below the estimate of $18,081,046,034 submitted by the Bureau of the Budget.

The bill is principally for military preparedness, but a few items are included of an urgent nature for civilian purposes and it is largely from these that the small deduction has been made.

The amount provided in this bill for national defense will bring the aggregate amount provided for the armed services for the current fiscal year to a total of approximately $42,000,000,000. It will increase the over-all provisions for the fiscal year, in round figures, to $78,000,000,000. The total national income for the fiscal year is estimated to be between $41,000,000,000 and $42,000,000,000.

The amount we are now adding is for financing an immediate expansion of manpower and the stepping up of production, later to be augmented in step with developing needs and objectives. The details of the national defense portion of the bill will be supplied to you, to the extent that publicity limitations permit, by the able chairman of the subcommittee having jurisdiction of Defense Department appropriations, the Honorable GEORGE MAHON. Likewise, details will be supplied on other chapters of the bill by the several chairmen of the respective subcommittees having jurisdiction.

The funds here provided may be said to be the first increment of all-out preparedness for any eventuality. Other bills extending and expanding the program will follow as our Armed Forces

and those of our allies develop production and mobilization for national defense. We have made some progress heretofore along these lines, hoping vainly, as it now appears, that somehow, in some way, the necessity for drastic action might be averted.

After Pearl Harbor the United States was a second-rate power. England had a much larger navy, France a much greater army, and Hitler, decisively, a much larger air force. When the war closed we had more ships, more tanks, and more planes than all the rest of the world combined. We were the mightiest military power, at the close of the hostilities in 1945 that history has ever known. Our descent from that commanding position was rapid and precipitous. The instant firing ceased Members of Congress were buried beneath an avalanche of letters and telegrams demanding, requesting that the boys be brought home. Industry wanted its employees back, mothers wanted their sons back, wives wanted their husbands back. There was a universal demand that the boys come home. It was insistent and peremptory.

"The war is over. There is no reason to keep them longer. They are needed here at home," and it seemed sensible and logical.

Military commanders and State Department diplomats pleaded for time for orderly demobilization. They pointed out the importance of completing negotiations and the necessity for maintaining occupation until treaties could be written. But importunities would not be denied and we brought them home. I recall that when the budget came up the Committee on Appropriations recommended and the Congress approved the elimination of $100,000,000 for maintenance of troops abroad in order to compel more rapid demobilization.

They flocked to transports so hurriedly and precipitately that they left war material scattered all over Europe and Asia. Some got back without rifles. "What use was a gun. We were not going to fight any more." There would never be another war in all the tides of time.

But other powers did not demobilize. Almost unnoticed they continued to draft and drill additional troops. Their factories worked feverishly in day and night shifts turning out war supplies. And as their diplomatic representatives become more aggressive and insolent we suddenly realize that while we turned our attention to peaceful pursuits they have more tanks, more guns, more planes, more submarines than we and our allies—that we have lost our position of military preeminence and it has been taken over by totalitarian government pledged to destroy free government and democratic institutions.

Belatedly we are beginning to look to our priming. But it is an uphill task. It involves vast expenditures. War was never cheap. It is estimated that when the cost of World War II is paid to the last pension, the total expenditures for all war purposes will reach at least $1,000,300,000,000. The cost of the next war will be infinitely more. The pay of a private is now almost four times what it was in that war. The cost of an antiaircraft gun has gone up from $10,000 to $300,000. A division which could then be financed for $14,000,000 now costs $74,000,000. And everything else in proportion.

Our course that does not take into consideration the agony and the suffering and the destitution? And it does not take into consideration the havoc which the next war will bring to America and her people and their possessions. In the last two world wars America was untouched. Not a brick was dislodged. Not a railroad rail was moved. Not a bridge blown up. But in the next war, however alert we are, however well prepared, some of the thousands of enemy planes will seep through and our centers of population and production, our shining cities will be reduced to rubble. It has happened to every other country. This time it will come to America. And no section, however remote, will escape. Even if we win the clock of civilization will be moved back 500 years.

We must not have another war. But how can it be avoided? We cannot retire to our own backyard to be isolated and surrounded and exterminated. We cannot run away. England tried that.

I sat in the gallery of the House of Commons and listened to Chamberlain. He had come back from Germany where he had traded everything he had and much more to Hitler for one moment's brief respite, and sometime afterward Hitler utterly destroyed the very building, the historic House of Parliament, in which we sat at that time.

The prophet Amos, over 2,000 years before, had foretold exactly what would happen:

> He that fleeth shall not flee away, and he that escapeth shall not be delivered.

We have only one alternative—to become so strong that no enemy will dare attack us. We must arm; we must arm as rapidly as we can; we must be as strong as possible as soon as possible, and this bill proposes a start in that direction. At the same time, the bill is not in a strict technical sense a war bill. We report it out today in the hope that by adopting this program, that by implementing these plans we can avoid war.

We labor under another heavy handicap. During the war we developed a spending psychology. And from 1945 down to date, instead of husbanding our resources as a bankrupt nation should have done, instead of reducing the public debt periodically and materially, we have spent for civilian purposes, for things which we could have done without, such vast sums that we are financially crippled today as we face the stern necessity of a war for survival. We could not deny ourselves. We adopted every new program. When the committee attempted to stem the tide on the floor we were outvoted on both sides of the aisle. We now have difficulty in refunding the bonds that are now outstanding. Month after month, when we made a drive to sell bonds, we found that more bonds had been cashed than had been sold. We face the necessity for the sternest economy. No money must be spent that is not actually and imperatively required either in this bill or those which follow.

We are fortunate in having General Marshall at the head of the Department of Defense; we are exceedingly fortunate that he continues hale and hearty under the added burdens placed upon him. With his great capacity, his wide experience, his patriotic devotion we can rest assured that no precaution will be overlooked and every step will be taken to insure the defense of the Nation. To his great wisdom and superior leadership go the lion's share of the credit for the direction and successful prosecution of the last war. We could not have been better captained and commanded. We placed our faith in him before and we place our faith in him again. And so far as I am concerned it will be the policy of the House Committee on Appropriations to follow his tried and proven leadership. To that end we invite the cooperation of every Member of this House regardless of party or other affiliation.

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

Mr. TABER. Mr. Chairman, I yield myself 22 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish the gentleman would discuss what the procurement divisions of the Army and the Air Corps have done with the billions of dollars heretofore appropriated since Korea, so that we may find out if there is any negligence on the part of those agencies in getting the matériel which is necessary to arm our troops properly in order to carry on the war.

Mr. TABER. I will try to get to that to a certain extent as I go along.

Mr. Chairman, the State Department and the President have failed to protect the interests of the United States at Yalta, Potsdam, and in our dealings with the United Nations and China. The continuous appeasement of the Communist groups to the point where the threat of Communist domination of the world has become so apparent that even they could not avoid it has brought us to the most serious situation that I can recall in all the history of the United States.

We are faced with a situation where we must have many controls, many priorities and where the people of America must dig in and must cease to quibble about having a good time but work continuously, pay taxes and avoid the purchase of everything except absolute necessities all the time.

We have had presented to us appropriations involving close to 17 billions of dollars for the military. We must provide them. On the other hand, we must not provide for things that are not needed and that we can get along without. We need guns, ammunition, airplanes, tanks and ships and the men who will be required to man and operate them. We must have courage enough to tell folks back home that the military forces must have first call on everything, and that they must do without.

The Army must proceed in an orderly way and it cannot be allowed to waste this money by careless contracting and foolish and extravagant construction and operation.

We must expect just as much common sense in approaching this problem on the part of the Armed Services as we ask of the ordinary people.

When General Marshall tells us, as he has, that this is not the time to put universal military training into effect because it would absolutely interfere with and prevent the building up of our Armed Forces through the draft system which is already established, we must stop talking about that and get down to the things that are presently needed. If we need universal military training in the progress of events, that will be time enough to provide it. For my own part I shall be guided by what seems to be, for the time being, in the best interests of the military forces. That will be my aim as I go along.

The sacrifices that the people are asked to make are as nothing to what would hit them with Soviet control and Soviet domination over their lives. There must come on the part of the people a realization of the choice that faces them:

Slavery to a heartless and pitiless dictator like Stalin, or great sacrifices to preserve the liberties of mankind. And when those liberties are preserved this time, let us try to win the peace.

These estimates which relate to the dollars required for the military have been approved just as they were presented by the armed services.

They were approved in the amount of $51,000,000 for the Department of Defense, Office of the Secretary; $9,210,865,000 for the Department of the Army; $2,979,371,000 for the Navy; $4,603,011,000 for the Air Force.

This was all a cash appropriation. We have made enormous provisions for the Army for the construction of tanks. We have tried to supply, insofar as it might be possible, deficiencies in ammunition and munitions so that everything that is required, insofar as they are able to say that they can provide it, will be covered. There undoubtedly were a great many cases where individual items could have been cut without interfering with the efficiency of the armed services or the war effort, but there are so many other things that will have to be provided in the days to come, resulting from the turn of events in Korea and the more acute foreign situation, that it was impossible for us at this time to make the kind of a review that would permit us to pare down any of the items that were presented to us by the military.

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

Mr. TABER. I yield to the gentleman from California.

Mr. JOHNSON. Due to the fiscal policies of this administration there has been a spiral of inflation ever since 1945, as the gentleman knows. Is the gentleman able to tell the House how much of the cost of these various items aggregating about $16,000,000,000 is due to the inflation that we have had in the last few years?

Mr. TABER. Oh, I would say, taking in mind the whole picture—and I think we might just as well take in mind increases in compensation that have been given to the members of the Armed Forces and the allotments that have been provided, and all that sort of thing—that at least 30 percent of this $16,000,000,000 is due to the inflation that has been allowed to progress over the last 5 years. The whole bill calls for $17,820,000,000, as will be seen by referring to page 2 of the report. Six billion dollars of that, I have not the slightest doubt, is due to increases in prices and inflation.

The big items in this bill are, for the Army, $1,553,000,000 over-all for the Quartermaster Corps; $716,000,000 for increased personnel in the Army; $655,000,000 for the Signal Corps; $656,000,000 for the engineers; $4,000,000,000 for the Ordnance Department; and $575,000,000 for the provision of production facilities in the Army.

In the Navy the big items run as follows: For increased personnel, $184,000,000; for Marine Corps troops and facilities, $291,000,000; for Navy aircraft and related facilities, $158,000,000; for construction of aircraft, $156,000,000; for ships and facilities, $383,000,000; for construction of ships, $335,000,000; for Navy ordnance $707,000,000; for new public works, $303,000,000; and for the Navy's stock fund, $100,000,000.

For the Air Force there is provided for procurement of aircraft $2,114,000,000; for major procurement other than aircraft, $583,000,000; for acquisition and construction of real property, $807,000,000; for maintenance and operation, $704,000,000; for armed personnel, $264,000,000; and for research, $115,000,000. The total for the Air Force is $4,603,000,000.

I would say the percentage of build-up is perhaps greatest for the Army. There we are providing a force which at the end of the fiscal year on June 30 will be somewhere in the neighborhood of 1,250,000 men. Maybe they will go faster than that.

The committee has been guided unanimously, I would say, by this rule, that we should ask the military what they are able to use and then should try to provide it if it seems at all reasonable. It did not seem to be wise to the committee to provide a lot of things that they did not ask for or that they did not know whether they wanted or were not ready to order. We might all say without any difficulty that perhaps they will need much more than this, but until they can, in an orderly way, within their own organization tell you what they need and how to go after it, there is no reason for the committee to make provision. For my own part I am ready to let them have what they need. I recognize that we have not over a very considerable period taken advantage of many opportunities that we have had to produce real results. There has been a tremendous quantity of equipment turned over to the Chinese, which got into the hands of the Chinese Communists. On the other hand, most of that is not equipment which we could use today because it is not of the type of modern construction necessary today. Many of the things we had in the last war, like the Garand rifle and a few things of that sort, and most of the Navy ships are in shape so that they can be used. The aircraft, with the single exception of the B–29 which was in vogue at that time, is not of the most modern character. Frankly it staggers one when one sees what an airplane costs today because the cost is so terrific. It also staggers one when one sees what ordnance costs. Those figures are so high it is almost unbelievable. But just as I said before we are faced with the job of supplying these funds to cure the situation that the country finds itself in just as rapidly as we can supply them and just as freely as they may be asked for. We cannot, and we all might just as well recognize it, go into the kind of military production we would like to have. We cannot build up the personnel of the Armed Forces as fast as we would like, because there is a limit to the number that can be trained as we go along, but we have to do the best we can and take advantage of what our folks in our own Military Establishment can figure out can be used and produced.

Frankly, I have been disappointed in the situation in Korea. On the other hand, once in a while there is a glimmer of satisfaction. Such a glimmer came a couple of days ago when three or four of our jet planes went up against 24 of the Russian jet planes and cleaned them out. No country in the world has the capacity to produce that this country has, and that is because we have the free-enterprise system. We must preserve that system. We must expect it to do more than it has ever done before in the light of military production, and we must expect of the men who are called to service that same kind of superservice that has been given in the past, and which is the only thing which can today preserve the liberties of mankind.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I yield 35 minutes to the gentleman from Texas [Mr. MAHON], chairman of the Subcommittee on Appropriations for the Department of Defense.

Mr. MAHON. Mr. Chairman, if Members will pardon me I will not yield for questions until I have completed my remarks. The large charts which are before you will be of interest and I shall make reference to them and have them reproduced in the RECORD at the conclusion of my statement.

URGENCY OF PROGRAM FOR NATIONAL DEFENSE

Mr. Chairman, this is the hour which we had hoped could be averted. With the adoption of this appropriation bill we are coming closer than ever to the firm conclusion that full-scale war may possibly be upon us at any moment. It would seem certain that without a rapid build-up of our military strength all-out war would become inevitable. But with the military posture which this bill will help make possible, we still cling tenaciously and desperately to the hope that global war can be averted. Yet our hope

is sustained by a very tenuous thread and with every passing day the danger looms larger.

Let us hope that Winston Churchill was right when he said in the House of Commons a few days ago, speaking with caution and reservation, that it was his hope and belief that the free world still had a breathing spell, still had time to build up its strength.

Obviously we do not know what the future holds. It may well be that the Soviets themselves do not know when and if they will launch an all-out shooting war against the free world.

The program to gain strength which we are now placing into operation, this present significant trend of events in the United States and in Western Europe, might conceivably cause the Soviets to change their timetable. But we cannot be deterred by that fact. We know that at this time, and during the coming months, there can be no possible security for us in weakness.

MILITARY FUNDS PROVIDED IN FISCAL YEAR 1951

I should like to proceed immediately to a discussion of the military portion of this supplemental appropriation bill. The question may well be asked, Why this supplemental request at this time? inasmuch as we passed a supplemental appropriation bill in August of this year giving the Army, Navy, and Air Force an additional supplemental sum of $11,000,000,000 for this fiscal year, bringing the total to twenty-five billion. Yet in the light of events the answer to that question seems obvious. It will be more profitable to discuss the way this supplemental request fits into the pattern of our defense effort.

Here is the picture as you will note from the chart which is now before you. For the current fiscal year—fiscal year 1951—we have already provided in the regular bill and in the first supplemental, as previously indicated, the sum of $25,000,000,000 for the Army, Navy and Air Force and for the office of the Secretary of Defense. In this supplemental request, $16,800,000,000 is superimposed upon the previous figure; and when this bill becomes the law, the Department of Defense will have available for the current fiscal year the total sum of $42,000,000,000. I am speaking in round figures in order to facilitate an over-all understanding of the sums involved.

The question arises, Is the $17,000,000,000 provided in this bill adequate for the present? The Joint Chiefs of Staff in preparing the supplemental request now before you were not restrained by an arbitrary ceiling figure which had been imposed at the White House. The Joint Chiefs were free to use their own judgment and to request those sums which they felt were required for the defense of the country. The committee was careful to advise officials that Congress stood ready and willing to provide any sum, regardless of size, which might be required for the defense and security of the United States. Defense officials stood solidly on the ground that $17,000,000,000 is all that should be requested of Congress by the Department at this time. The committee has adopted the program recommended by General Marshall, the Secretaries of Army, Navy, and Air Force and the Joint Chiefs of Staff.

However, let me point out that when the $17,000,000,000 figure was agreed upon by the Department of Defense, the full-scale attack of the Chinese Communists had not been made in Korea. In other words, the $17,000,000,000 requested is unrealistic in the sense that it does not fully take into account the losses which have been recently sustained in Korea and the changed world picture which has been brought about by the full-scale entry into the Korean War to the Chinese Communists.

Defense officials were asked if further funds were not required at this time. Their response was that it was not possible to calculate accurately at the moment what our recent losses had been in Korea and what might possibly be necessary in the light of changing world conditions. They explained that to resurvey the needs of the entire Military Establishment and to reestimate the requirements would probably require weeks. It would mean that this pending supplemental bill would have to be sidetracked and the program for further military buildup deferred until next session of Congress. Defense officials were unanimous in appealing to the committee to pass the bill which is now before you and await a further assessment of the situation and the request for additional appropriations until more information should become available. This, we were assured, would cause no loss of time in our defense program. In fact, the quick passage of the pending measure would buy much previous time which would otherwise be lost.

The Defense Establishment is now formulating its request for appropriations for the fiscal year which begins next July. That program, the program for the fiscal year 1952, should be submitted to Congress within a very few weeks and defense officials make it clear that the fiscal 1952 program is coordinated with the present request. It will provide for the extension and enlargement of the military program now in operation and to be placed in operation by the pending measure.

Now as to whether or not additional requests will be made for military appropriations for the current fiscal year, my own judgment is that additional requests will have to be made for further funds. Indications are that additional requests may be made during the early part of the next session within the range of 5 to 10 billion dollars. Of course, further requirements would be somewhat dependent upon the changing world picture. If full-scale war should develop, it is apparent that additional huge sums would immediately be required.

I have pointed out upon several past occasions a fact which all Americans should recognize—the fact that all-out mobilization of manpower and resources for a full-scale shooting war would require a minimum annual appropriation of at least $100,000,000,000.

Millions of men would be called into uniform and there would be an immediate increase in tempo. General Marshall, as you will note from the hearings, does not think it is in the best military interests of the United States for us at the moment to begin full and total mobilization for war of our manpower and industry. This view, insofar as I am able to learn, is held by the Joint Chiefs of Staff and by all our top military officials. They feel that this program is what should be carried out right now; that it comprises the efficient and orderly steps which should be taken at this moment. Members of Congress, in considering this measure, should consider it with all these factors in the background of their thinking.

I know that all of us are most anxious to do everything within our power to expedite our defense program and improve our military position. In other words, all of us fervently believe in an all-out effort. Obviously, the words "total mobilization" mean different things to different people. I believe all thoughtful Americans desire a total devotion to the job at hand. Certainly there is no disunity or lack of agreement on the necessity for the most effective military program that can possibly be devised for the prevention of all-out war.

To throw 5,000,000 additional men into uniform overnight in a full-scale military manpower effort without adequate weapons to train and fight with and without adequate training installations would in the opinion of most military men injure the defense effort, shock our production economy and rob defense plants of the manpower so vital to rapid conversion and expansion of defense industry and rapid production of defense weapons.

If full-scale war should break out tomorrow, there would be a disposition for all of us to ask the question, "Why did we not have 8,000,000 men in uniform and in the possession of all necessary equipment in order to meet the frightful demands of the moment?" On the other hand, if full-scale war did not break out, we would ask, "Why has the Department of Defense kept 8,000,000 men in uniform for all this time, disrupting families, bankrupting the country and upsetting the production and the economy of the Nation?"

It must be remembered that dollars alone will not buy security. There are other factors which cannot possibly be glossed over.

Let us take a look at military spending as contrasted with military appropriations by Congress. Congress appropriates the money but the money is expended, under our form of government, by the executive branch.

As I have said, when this bill becomes the law, we will have appropriated for defense this year $42,000,000,000. I am referring only to the figures for the Army, Navy, and Air Force. I am not including the $12,000,000,000 which we have provided for atomic energy, military aid to Europe and other programs which are strictly national defense in character.

If you include that, the figure runs up to $54,000,000,000 for national defense.

Of the $42,000,000,000 appropriated by Congress and available to the Department of Defense, only about $19,000,000,-

000, less than one-half, will actually be expended out of the Treasury this year. The remaining sums will no doubt be obligated during this fiscal year, and they are essential in order that obligations can be incurred and the programs placed under way, but the actual money will not be withdrawn from the Treasury and spent until a much later date.

It should be pointed out further that the Department of Defense has on hand from appropriations made in prior years, not including the current year, the sum of $8,000,000,000, mostly for aircraft procurement, which is available for expenditure. In explanation let me point out that a long lead time is required in the procurement of many highly technical and expensive items and they must be ordered months in advance of the date they can be delivered.

A look at our experiences in World War II might be profitable. I shall speak of fiscal years. In 1941 the Defense Establishment received appropriations in the sum of $14,000,000,000 and expended $6,000,000,000. In 1942 the appropriation was $94,000,000,000 and the expenditure was $23,000,000,000. In 1943 the appropriation was $66,000,000,000 and the expenditure was $63,000,000,000. In 1944 the appropriation was $87,000,000,000 and the expenditure was $76,000,000,000. In 1945 the appropriation was $44,000,000,000 and the expenditure $41,000,000,000. The disparity between the appropriation and expenditure figures in World War II is accounted for by the same factors previously explained which apply to the current fiscal year.

It would seem from a comparison of World War II and current figures that we are going a considerable distance toward full mobilization. In other words, we are now entering a state of partial mobilization on a very firm basis which will increasingly become capable of rapid expansion to all-out production and mobilization. Regardless of moneys appropriated, the country will move forward on the basis of certain inevitable and inescapable limitations. What we seek is maximum effort and maximum performance.

In comparing present figures with World War II figures it should be borne in mind also that the defense dollar now will buy perhaps two-thirds to one-half of what it would buy during World War II hostilities.

PROCUREMENT PROBLEM

At this point it would be profitable to take a look at the procurement problem. It is perfectly clear that the Government must immediately and by compulsory means do a better job of channeling essential defense materials away from the manufacturer of ordinary civilian goods and into the hands of the manufacturer of defense items. Take the communications and electronics field. Manufacturers are doing a huge business in civilian production of such items as television sets. They are making large profits and they are not too excited about giving up civilian production and converting to defense production. Communications equipment has increased in price from one-fourth to one-half since the Korean fighting began and prices in this field have about doubled since World War II. This fiscal year we are providing the Army Signal Service with about $1,000,000,000 and the Navy and the Air Force are receiving a total for such purposes of about $2,000,000,000.

The point of this whole matter is that all manufactured items, airplanes, tanks, trucks, guns, and ammunition have vastly increased in price and are moving upward in cost every month. Production for nonessential civilian purposes must be drastically reduced, the pressure must be relieved, and American industry must proceed full speed ahead in defense production or we are not going to get our money's worth for the defense dollar and our rearmament effort will bog down. Of course, we do not discount the difficulties involved in the conversion program.

IMPACT ON THE ECONOMY

Previous appropriation bills since the hostilities of World War II ceased have had relatively little impact on the civilian economy. The bill before us today will start a chain of reaction which will have a terrific impact on American industry, and on our civilian economy. In this bill $8,000,000,000 is for major procurement, tanks, airplanes, guns, and other items of hardware. Out of the $42,000,000,000 provided for the Army, Navy, and Air Force for the fiscal year nearly $19,000,000,000 is for major procurement. In other words, and in a big way, we are coming into the hardware stage of our defense effort. Plans cannot be forever left on the drawing board while research and development people seek for the perfect weapon. At such a time as this we must have something in hand—much more than we now have—with which to fight. And let us hope that we may have time for the buildup and that our buildup may be a stabilizing influence which will swing the scales in the direction of peace.

ITEMS IN THE BILL

Now a few quick references to some of the provisions in the bill. It accelerates the antitank and antisubmarine program, so important to the defense of this country. It provides additional funds for the all-important radar fence.

It provides large additional funds for research and development in the field of guided missiles, and puts guided missiles in actual production for use by the services.

Additional funds for research and development are provided, bringing the over-all total for the year to $1,100,000,000.

It provides for a buildup of the United States Air Force from 58 groups to 68 groups, and paves the way for the 84-group program in the next fiscal year. This action upholds and vindicates those of us in the House who have worked for years for a more powerful air force.

Additional aircraft for the Navy is not provided in this measure in view of previous appropriations for this purpose, but additional ships will be taken out of moth balls, and the funds provided will insure more modern ships and a greater degree of readiness. The Navy will have 1,028 active ships in service.

Tanks in quantity are provided and other Army weapons through an over-all $4,300,000,000 provision for such purposes.

Under this measure the number of men in the Army, Navy, Air Force, and Marines on June 30 would be 2,766,000, distributed as follows: Army, 1,264,000; Navy, 684,000; Marines, 166,000; Air Force, 651,000. However, plans now being worked out will raise all these figures to higher levels and this is clearly required.

The bill provides the Army, with $9,200,000,000 when added to previous appropriations this year, runs the over-all total to $16,500,000,000. For the Navy the corresponding figures would be three billions and ten and eight-tenths billions; for the Air Force four and six-tenths billions, and thirteen and seven-tenths billions.

MILITARY SECURITY

The printed hearings of the military portion of the bill are more sketchy than ever before. In the hearings this year and in previous years we have urged officials to keep out of the record all information which would be helpful to the enemy and dangerous to the security of the United States. Yet we recognize that some information must necessarily be made available to Members of the House and the American people.

Here is what often happens. During our closed-door hearings the military people speak in guarded tones when they refer to information which would be helpful to the enemy, the record is carefully edited, and then a few days or weeks thereafter this hush-hush information, part or all of it, appears in the front page of the paper with the intimation, usually false, that it is an announcement from the Pentagon. This policy is inexcusable. It endangers American lives and the security of the United States. It tells the potential foe what our program is and informs him how to plan. This dangerous blabmouth procedure has already cost lives and dollars but during the succeeding months of our accelerated military program it might have more tragic and disastrous results. I again, as upon previous occasions, make a plea for the security of the United States in these matters.

The top officials in the Military Establishment are greatly concerned when there are leaks of information. It is to be hoped that at this critical time they may prevent further helpful announcements to the potential foe. It is likewise to be hoped that all other public officials, and American citizens generally, will also be more careful in these important matters. It is conceivable that the release of secret information might mean the difference between peace and war, victory and defeat.

CONCLUSION

We all recognize that this is a dangerous world and that from day to day we are in grave peril, but I feel some well-intentioned Americans are unwittingly broadcasting to the world some very dangerous statements. Those who rush into print to say that we are in worse shape

than we were the day after Pearl Harbor, those who proclaim that we have nothing to fight with and no defense plans in the event all-out war should strike tomorrow, those who shout from the housetops that we stand naked and defenseless before the world and intimate that the aggressor could bend us to his will in the event of war, those who say that the American people are frustrated, bewildered, and disunited—those who say things like that should weigh their words carefully lest they perhaps convince the aggressor that the free world is ripe for aggression and is waiting only to be plucked. Such untimely declarations when made without reference to other factors might possibly tend to incite the aggressor to full-scale attack. Yet we recognize that a balance in these matters must be found as it is urgently necessary that the American people be frankly informed of the dangers which confront us.

In World War I and in World War II, the aggressor attacked because he underestimated the might of America. The aggressor would probably never start a war which he did not think he could win. For my part, I am not going to encourage him to start one by giving him the hope that we would fall over and play dead and permit him to win it. If the worst comes to the worst, America through blood, sweat, and tears and frightful losses, I admit—but America would triumph again.

Now is the time to set the record straight. We hate war; we love peace and liberty; we do not want to fight. We are not prepared to wage all-out war at the moment. We do not propose to start a war, and we have no aggressive designs on any nation. If a full-scale war should start tomorrow we would be pushed back on many fronts. We would be critical because we did not have 10,000,000 trained men in uniform, with 5,000,000 of them in Western Europe; we would bemoan the fact that we did not have enough tanks and airplanes, and that much of our mighty fleet was still in mothballs; our losses would be great, and we would be humiliated wherever we would have to retreat; we would lose some battles and some campaigns. But we would have some men in uniform, some tanks, some airplanes, some ships, some ammunition, some atomic bombs, and the power and the will to deliver them upon those who had brought havoc to the world. We would have the greatest industrial and agricultural potential the world has ever known, the greatest reservoir of skilled labor and know-how the world has ever known, the greatest steel and oil production and capacity on the planet, the very sinews of war; and immeasurable capacity for united effort and an undaunted fighting spirit which is born again with every generation.

No, no, we are not ready for war—far from it—but I hope a recitation of a few fundamental truths will tend to set things in their proper perspective and warn the aggressor lest he be deceived by loose talk and miscalculate the will and the actual and potential might of the United States.

In conclusion, as a united and determined people, let us get on with the job of building up our defenses as effectively and as rapidly as possible. The time may be shorter than we think. Not 1 hour should be wasted. And as we devote our whole energies to the task of self-preservation and peace we can pray every day for the best while we rapidly prepare for the worst. The quick passage of the bill now before us is a significant part of the job at hand.

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

Mr. MAHON. I am pleased to yield.

Mr. FORD. Can the gentleman state whether the item for construction of ships amounting to $335,330,000-plus contains funds for the completion or the initiation of the so-called giant aircraft carriers?

Mr. MAHON. No. We have provided for about 18 additional minesweepers, and for accelerating the work on our submarines and our killer-type submarines, and on the reconversion of ships like the *Essex*, now being reconverted at a cost of $32,000,000 and many other programs. This carrier, which you speak of, is in the mill, a large carrier, but not as big as the one previously canceled. But the Navy is moving along in a very splendid way in its program. Of course the new carrier is in the cards, unless some change unknown to the committee is made.

Mr. FORD. What they anticipate is a reactivation of the ships of the class of the *Essex* and *Independence?*

Mr. MAHON. Not only that, but what is more important, they are being reconverted and made capable of carrying the heavier jet type of plane.

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

Mr. MAHON. I yield.

Mr. SADLAK. My question was along the line of the question asked by the gentleman from Michigan [Mr. FORD]. I thought the gentleman said in his statement that there was no additional provision for planes for the naval branch of the service, but simultaneously he said that more ships were being taken out of "mothballs."

Mr. MAHON. That is right. Earlier in the year we provided large sums to the Navy for the aircraft program. Admiral Sherman did not request at this time any additional aircraft for the Navy. Further requests will come next year. Many undelivered naval aircraft are in process of manufacture for the Navy.

The Air Force has available today $8,000,000,000 with which to pay for undelivered aircraft. The Navy does not have as big a program, but the Navy program is considerable. The Navy is in good hands and is growing in strength on the sea and in the air.

Mr. SADLAK. My question came because the gentleman was saying that more ships would be taken out of mothballs.

Mr. MAHON. Yes; and the airplanes have already been ordered to accommodate those ships.

Mr. SADLAK. There has already been provision for additional carriers, which would be taken out of mothballs?

Mr. MAHON. Yes. You have to order these airplanes a couple of years in advance.

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

Mr. MAHON. I yield.

Mr. NICHOLSON. I would like to ask if this chart, which calls for about $17,000,000,000, is for carrying on the program that we have now.

Mr. MAHON. It is for carrying on and expanding the program which we now have. It is for laying the groundwork of the program which could rapidly be expanded for the defense of the country.

Mr. NICHOLSON. Could the gentleman tell me how much of this goes into actual war effort?

Mr. MAHON. If the gentleman will look at the third column of figures, he will see "Procurement of tanks, ships, guided missiles," and all those things. There is provided $18,800,000,000 for that purpose in the current fiscal year. Eight billion in the bill pending before us is for procurement. During the previous years we have had to pay our men and feed them and clothe them and transport them and maintain and operate ships, aircraft, and so forth. The largest single portion of the money, percentagewise, had gone for that purpose prior to the Korean action.

Mr. NICHOLSON. I would like to ask the gentleman from Texas if this money we have been appropriating for the last 4 years has been entirely for upkeep of the Army, the Navy, and Air Force.

Mr. MAHON. No. The membership should not be confused or upset by the fact that since World War II, and prior to this year, we had appropriated $50,000,000,000 for national defense. Twenty billion dollars has gone to pay, feed, clothe, and transport the Armed Forces. I do not know of anybody who did not want to pay, feed, and clothe our forces. About $13,000,000,000 has gone for maintenance of these operations. Heaven knows we realize now that we should have spent the money to maintain and operate our defense program.

Eight billion dollars went for such things as procurement of combat weapons and those expenditures are paying dividends now, and in the future they will pay much larger dividends. Two billion dollars of the money went for research and development which kept us ahead of the world in the matter of military research and development and in the modernization of weapons. So we have nothing to apologize for with respect to where the money has gone. Some of us wish only that more had been provided in view of the situation which confronts us today.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I am only trying to do something to help out my country. As the gentleman must realize——

Mr. MAHON. I do not speak in impatience of the gentleman from Massachusetts; I speak with some impatience of the lack of understanding on the part of some of our people, not including my fellow House Members, as to where the

money has gone. If we had disbanded the Army, Navy, and Air Force and taken the $50,000,000,000 and spent it for tanks, airplanes, and other fighting weapons with nobody to man them or care for them, placing them in warehouses or out in the weather where they would deteriorate and become obsolete, the critics would of course have ample basis to complain. Rusted, obsolete weapons and no men in uniform to man them would really place us in a perilous position. All we need is more light and information on what we have been trying to do. The gentleman has been cooperating in doing what he could as a Member of the House for the defense of the country and I commend him. A speech I made on August 25, 1950, and which appears in the CONGRESSIONAL RECORD fully covers this subject.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I agree 100 percent with what the gentleman from Texas has said. I want my country to be armed 100 percent. All I want to know is whether this money is going for our own protection or for somebody else.

Mr. MAHON. All this money is for the defense of the United States, and I am sure we are unanimous in supporting this request. An expensive rearmament program is unavoidable, yet it is far and away the greatest tragedy in our time that in a world where so much needs to be done for the uplifting and betterment of mankind we should be compelled to give our best resources and our finest energies to the horrible demands of war.

I wish to insert at this point for reproduction in the RECORD the two charts to which I have referred and yield back the balance of my time.

Department of Defense, fiscal year 1951

APPROPRIATIONS

[Billions of dollars]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	4.1	3.2	9.2	16.5
Navy	4.1	3.8	2.9	10.8
Air Force	4.8	4.6	4.6	14.0
Office, Secretary of Defense	.3	.1	.1	.5
Total	13.3	11.7	16.8	41.8

Military strength—end of year

[In thousands]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	630	204	429	1,263
Navy (including Marines)	452	270	133	855
Air Force	416	132	103	651
Total	1,498	606	665	2,769

Department of Defense, fiscal year 1951—Army, Navy, Air Force, and Office of Secretary of Defense

[Billions of dollars]

	Regular bill	First supplemental	Second supplemental	Total	
				Amount	Percent
Military personnel: Pay, subsistence, clothing, etc.	4.3	1.3	1.7	7.3	17
Operations and maintenance of forces, plant and equipment	3.6	2.6	3.9	10.1	24
Procurement of tanks, planes, ships, and other major equipment	3.1	7.1	8.6	18.8	45
Public works	.3	.4	1.4	2.1	5
Research and development	.6	.1	.4	1.1	3
Civilian components, industrial mobilization, etc.	1.4	.2	.8	2.4	6
Total	13.3	11.7	16.8	41.8	100

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH.]

Mr. WIGGLESWORTH. Mr. Chairman, the future of America, the future of the Western World, depends in the last analysis upon military power. Given sufficient military power it may be unnecessary to use it. Without sufficient military power America cannot speak or act effectively, under present conditions. Military power offers the best hope of avoiding war and carries with it the best assurance of dealing effectively with the enemy in the event of war.

Five years ago, Mr. Chairman, America had military power in abundance. We had defeated all of our enemies. We were the most powerful military nation in the world's history. We were in a position to assure almost any peace that seemed just and lasting.

That opportunity, Mr. Chairman, was literally thrown away. Unconditional surrender; decisions at Tehran, Yalta, and Potsdam; the dismantling of fighting forces and equipment; and the dismal failure of our Far Eastern policy have all contributed.

Today, despite $19,000,000,000 worth of weapons and equipment supposedly in our possession at the end of World War II; despite $144,000,000,000 heretofore appropriated in the fiscal years 1946 to 1951, inclusive, for national defense and related activities, we are confronted by a picture calling for immediate action.

We know that our great reserve of military power is not adequately mobilized; that there has been little or no mobilization by our allies; that the administration still declines to accept aid from the Chinese Nationalists; and that the Communist Government in Soviet Russia, controlling directly or indirectly one-fifth of the world's surface and one-third of mankind, today, according to highest authority, has no less than 175 divisions under arms, one-third mechanized; with some 40,000 tanks, some 19,000 planes and several hundred submarines.

Mr. Chairman, surely the aims of the Communist Government in Russia must be clear to all by this time. The teachings of Lenin, avowed frequently by Stalin, 36 broken promises during a period of 12 years, 45 vetoes, aggression through satellites and general conduct at the United Nations, must have convinced any who heretofore have had any doubts.

The dangers of inaction or lack of effective action in America, Mr. Chairman, must be equally clear to all. We must prepare. National preparedness is called for and called for immediately.

We were unprepared, Mr. Chairman, prior to World War I. We were unprepared prior to World War II. We were unprepared prior to Korea. It must not happen again.

The recent record of the administration is not encouraging.

I have not personally read the report of the Johnson committee in the Senate, but I am told that it states flatly that the defense agencies have been lagging behind the public in awareness of the emergency, and that it charges specifically inefficiency, negligence, lack of coordination and, above all, complacency, in such important agencies as the Munitions Board, the General Services Administration, and the National Production Authority.

We know, Mr. Chairman, that over $700,000,000 provided on two occasions by this Congress for an expanded air force were in each instance impounded by the President and not allowed to be spent.

We know that $22,000,000 similarly provided by the Congress for Air Force research and development were impounded in the same manner. The hardship resulting from this action is referred to specifically in the hearings.

We know that at the end of the last fiscal year more than $1,700,000 provided by this Congress for national defense purposes and subject to obligation or expenditure during that fiscal year had not been obligated as of its close on June 30, 1950.

Mr. Chairman, I have listened day after day to almost every word of the testimony in connection with this bill and I want to emphasize that we were told specifically and repeatedly that the requests now under consideration do not represent a war budget or a full mobilization budget. On the contrary they represent, and I quote, "an initial step in a planned 4-year effort to give us some measure of security against disaster."

Mr. Chairman, it is clear from the off-the-record if not from the on-the-record testimony before your committee that vital items in the pending appropriations were estimated for back in the autumn before the recent developments in Korea and that they are entirely inadequate.

It is evident that the whole program now under consideration is based on a time element assumption which may prove as false as the assumptions made in respect to the North Koreans and the Communist Chinese in Korea.

In other words, Mr. Chairman, the program before us today in important respects is too little and too slow.

Mr. Chairman, the record of the past is history; the record of the present and the immediate future is in our hands.

The emergency confronting America at this time calls for realistic and

speedy action. The time element is vital. We must achieve a level of preparedness essential for the security and defense of America at the earliest possible moment. We must prepare, despite the enormous drain on our economy and the possible effects upon our standards of living.

As the Chancelor of Germany recently said, "There will be lasting peace only when the United States is able to confront the Soviet Union with a military force, to attack which the Russians would consider truly dangerous. Only then will the time have come to talk peace, lasting peace, with the Russians."

Mr. Chairman, there is no time to lose.

As has been pointed out, the bill before us carries the enormous total of $17,820,000,000.

The greater portion, or $16,844,000,000, goes to the three armed services, bringing their over-all total for the present fiscal year up to $41,841,000,000.

Of this total the Army will receive $16,400,000,000, the Navy $10,700,000,000, and the Air Force $13,800,000,000.

Under leave to extend my remarks, I include at this point in the RECORD four tables giving over-all break-downs for appropriations during the fiscal year 1951:

Preliminary distribution of appropriated and requested obligational authority, by major cost category

BASIC AND FIRST SUPPLEMENTAL APPROPRIATIONS

[Millions of dollars]

Cost category	Army	Navy	Air Force	Department of Defense	Total	
					Amount	Percent
I. Military personnel costs	2,125	1,943	1,544	----------	5,612	22
II. Operation and maintenance	2,301	2,004	1,827	----------	6,132	25
III. Major procurement and production costs	1,958	3,158	5,152	----------	10,268	41
Aircraft	37	2,320	4,285	----------	6,642	27
Ships and harbor craft	46	229	----------	----------	275	1
Other	1,875	609	866	----------	3,350	13
IV. Acquisition and construction of real property	180	149	367	----------	696	3
V. Civilian components	383	203	188	----------	774	3
VI. Research and development	140	249	224	[1] 120	733	3
VII. Industrial mobilization	59	15	14	[1] 70	158	1
VIII. Establishment-wide activities	103	50	27	358	538	2
Retired pay	----------	----------	----------	342	342	1
Office of the Secretary of Defense	----------	----------	----------	11	11	----------
Interservice and Department-wide projects	103	50	27	5	185	1
Wool reserve	----------	----------	----------	----------	----------	----------
Civilian relief in Korea	----------	----------	----------	----------	----------	----------
Prisoners of war	----------	----------	----------	----------	----------	----------
Contingencies	----------	----------	----------	[1] 85	85	----------
Total	7,250	7,770	9,343	633	24,996	100

PROPOSED SECOND SUPPLEMENTAL APPROPRIATION

I. Military personnel costs	1,135	287	265	----------	1,687	10
II. Operation and maintenance	2,473	603	859	----------	3,935	23
III. Major procurement and production costs	4,550	1,580	2,463	----------	8,593	51
Aircraft	17	91	1,780	----------	1,888	11
Ships and harbor craft	4	377	----------	----------	381	2
Other	4,529	1,112	684	----------	6,325	38
IV. Acquisition and construction of real property	320	303	807	----------	1,430	8
V. Civilian components	39	----------	23	----------	62	----------
VI. Research and development	112	154	121	[1] 50	437	3
VII. Industrial mobilization	67	34	53	----------	154	1
VIII. Establishment-wide activities	515	18	13	1	547	3
Retired pay	----------	----------	----------	----------	----------	----------
Office of the Secretary of Defense	----------	----------	----------	1	1	----------
Interservice and Department-wide projects	29	18	13	----------	60	----------
Wool reserve	350	----------	----------	----------	350	2
Civilian relief in Korea	100	----------	----------	----------	100	1
Prisoners of war	36	----------	----------	----------	36	----------
Contingencies	----------	----------	----------	----------	----------	----------
Total	9,211	2,979	4,603	51	16,844	100

TOTAL, FISCAL YEAR 1951

I. Military personnel costs	3,260	2,230	1,809	----------	7,299	17
II. Operation and maintenance	4,774	2,607	2,686	----------	10,067	24
III. Major procurement and production costs	6,508	4,738	7,615	----------	18,861	45
Aircraft	54	2,411	6,065	----------	8,530	20
Ships and harbor craft	50	606	----------	----------	656	2
Other	6,404	1,721	1,550	----------	9,675	23
IV. Acquisition and construction of real property	500	452	1,174	----------	2,126	5
V. Civilian components	422	203	211	----------	836	2
VI. Research and development	252	403	345	[1] 170	1,170	3
VII. Industrial mobilization	126	49	67	[1] 70	312	1
VIII. Establishment-wide activities	618	67	40	359	1,085	3
Retired pay	----------	----------	----------	342	342	1
Office of the Secretary of Defense	----------	----------	----------	12	12	----------
Interservice and Department-wide projects	132	67	40	5	245	1
Wool reserve	350	----------	----------	----------	350	1
Civilian relief in Korea	100	----------	----------	----------	100	----------
Prisoners of war	36	----------	----------	----------	36	----------
Contingencies	----------	----------	----------	[1] 85	85	----------
Total	16,461	10,749	13,946	684	41,841	100

[1] Departmental and/or category distribution to be determined by Secretary of Defense.

NOTE.—Details will not necessarily add to totals because of rounding.

Department of Defense proposed second supplemental appropriation, fiscal year 1951, by object classification

[Millions of dollars]

	Army		Navy		Air Force		OSD		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
01 Personal services, military	705.1	8	220.4	7	204.9	4			1,130.4	7
01 Personal services, civilian	263.9	3	93.1	3	30.5	1	0.5	1.0	388.0	2
Total	969.0	11	313.5	10	235.4	5	.5	1.0	1,518.4	9
02 Travel	22.6		18.0	1	32.6	1	.1	.2	73.3	1
03 Transportation of things	229.0	2	23.0	1	33.8	1			205.8	2
04 Communication services	2.7		2.8		3.1				8.5	
05 Rents and utility services	11.4		4.1		5.9				21.4	
06 Printing and reproduction	8.6		5.3		5.4				19.3	
07 Other contractual services	1,156.1	13	350.1	12	341.2	7	.2	.4	1,847.6	11
08 Supplies and materials	3,744.1	41	711.0	24	562.5	12			5,017.6	30
09 Equipment	2,790.6	30	1,291.9	43	2,696.9	59	.2	.4	6,779.6	40
10 Lands and structures	276.7	3	258.9	9	686.2	15			1,221.8	7
11 Grants, subsidies, and contributions										
12 Pensions, annuities, and insurance claims			.8						.8	
13 Refunds, awards, and indemnities	.1								.1	
14 Interest										
15 Taxes and assessments										
16 Investments and loans										
Undistributed							50.0	98.0	50.0	
Total	9,210.9	100	2,979.4	100	4,603.0	100	51.0	100.0	16,844.2	100

The Army request is based on 1,263,000 enlisted men, 105,000 officers, and 526,000 civilians; 16 divisions, if you please, or only one division more than those which we now have under arms.

The Navy request is based on 688,000 officers and enlisted men, 424,000 civilians, and a moderate increase in ship production, conversion, and acceleration.

The Air Force request is based on 651,000 officers and enlisted men and some 250,000 civilians, with the exception of 68 wings by the end of the present fiscal year and 84 wings during the following months.

You will notice from the tables inserted in the RECORD, that ordnance and expediting construction account for about 50 percent of the request by the Army; that ordnance, ships and facilities, both ship and air, account for some 60 percent of the request by the Navy; and that aircraft and other procurement account for about 50 percent of the request by the Air Force.

Mr. Chairman, the request under consideration is an enormous one. It has been impossible to consider the various items in detail because of the time available. The presentation by the services has been rapid. The consideration by your subcommittee has been rapid.

As appears from a table which I shall insert at this point in the RECORD, as of November 30 last, only 52 percent of the sums previously made available to the services had been obligated, and only 17 percent of the total had been expended. This of course suggests the possibility of postponement and further consideration of certain items at a subsequent date.

Department of Defense—Summary statement of estimated obligations and expenditures as of Nov. 30, 1950

	Total appropriated fiscal year 1951	Unobligated carry-over from fiscal year 1950, transfers, reimbursements, etc.	Total available	Obligations	Percent obligated	Expenditures
Department of the Army	$7,250,390,143	$174,861,308	$7,425,251,451	[1] $4,328,908,755	58	[2] $1,336,902,245
Department of the Navy	7,769,957,300	606,331,225	8,376,288,525	3,765,166,736	45	1,706,163,238
Department of the Air Force	9,342,787,000	47,835,593	9,390,622,593	5,071,262,522	54	1,014,616,597
Office of Secretary of Defense	633,300,000		633,300,000	200,794,872	32	132,540,164
Total	24,996,434,443	829,028,126	25,825,462,569	13,366,132,885	52	4,190,222,344

[1] Obligation amount for military construction is through Oct. 31, 1950, only.
[2] Through Nov. 22, 1950, except amount for military construction which is through Oct. 31, 1950, only.

Source: Budget Division, Secretary of Defense, Dec. 11, 1950.

It should also be noted that many of the items have been computed on a new mathematical basis called scoop. This almost defies analysis.

There are undoubtedly items in this bill which are too heavy and which may not be justified. There are undoubtedly other items that should receive further consideration. I have in mind particularly the requests of the Army Quartermaster Corps and the requests for construction items by all three defense services.

I repeat, however, that items of major importance in this request, items which are fundamental to the over-all programs of all three services, are clearly insufficient. Further, requests in the near future appear to be imperative.

In view of the vital importance of time, knowing that there will be further opportunity for review as further requests are presented to your committee, I support the national defense items in this bill and urge the administration to accelerate the mobilization program at the earliest possible moment.

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

Mr. WIGGLESWORTH. I yield to my able colleague from Massachusetts.

Mr. NICHOLSON. In this program are we taking care of a 70-group air force?

Mr. WIGGLESWORTH. The present program contemplates proceeding from 58 wings to 68 wings in the present fiscal year, and from there to 84 wings in the course of the next year.

Mr. NICHOLSON. If that is so, have we taken care of the Air Force for which we voted in the Eightieth Congress?

Mr. WIGGLESWORTH. I do not know how I can answer the gentleman any more specifically than to repeat what I have said, that at the present time we have some 58 wings, that we are proposing to increase to 68 wings in the next 6 months and to 84 wings in the course of the succeeding year.

Mr. NICHOLSON. If we pass this appropriation bill, if we do all these things, can the President then say, "We do not need it"? That is all I want to know.

Mr. WIGGLESWORTH. The President always has the power to impound appropriations.

Mr. NICHOLSON. My friend from Massachusetts, with whom I agree almost all the time, must realize that we voted in the Eightieth Congress to have a 70-group Air Force, and the President would not permit it. Is he going to permit it now?

Mr. WIGGLESWORTH. I tried to emphasize that in my opening remarks. I certainly hope with my friend from Massachusetts that there will be no repetition of the procedure to which he refers.

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

Mr. WIGGLESWORTH. I yield.

Mr. JOHNSON. Can the gentleman advise whether or not in the amount provided for the Army there is an item for military defense assistance program, and if so, how much is it?

Mr. WIGGLESWORTH. The gentleman refers to the overseas program?

Mr. JOHNSON. Yes.

Mr. WIGGLESWORTH. As far as I know there is nothing specifically provided here for that program. Those funds are taken out of appropriations already made, as I understand it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mrs. ROGERS of Massachusetts. What is being done for the Navy regarding the carriers and the naval air arm?

Mr. WIGGLESWORTH. I think there is nothing specifically here for naval aircraft, but there is considerable for other items in which I think the gentlewoman is interested.

Mrs. ROGERS of Massachusetts. Does that mean another carrier?

Mr. TABER. Carriers would come under ships. There are $335,000,000 for additional new ship construction.

Mrs. ROGERS of Massachusetts. What is a ship? What is the definition of a ship?

Mr. TABER. It might be a carrier, or it might be a destroyer, or minesweeper, or a battleship.

Mrs. ROGERS of Massachusetts. Does the gentleman know whether that carrier which was authorized and on which there was a cut-back will be built now?

Mr. TABER. I do not understand that it will, but I understand that another carrier of very substantial size will be in process.

Mrs. ROGERS of Massachusetts. Some of the Army have stated that the carriers are very much needed in this Korean situation and that it would have been a rather different story if we had had those carriers.

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

Mr. TOWE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TOWE. Mr. Chairman, I intend to vote for this bill. However, I am not convinced that this large sum of money is to be spent in a manner which will give us the defense we so badly need. The Congress has already appropriated many billions of dollars, yet we are now told by Secretary Marshall that the police action in Korea has bled us white of materials and men. What is the plan? What is our policy? I ask again, where are we going? How can we be assured that this $18,000,000,000 will bolster our defense? It now appears that no matter how many billions we spend we cannot get any assurance that the countries who are receiving material assistance from us either can or will fight when the chips are down. The time has come to devote all our energies toward defending ourselves. Perhaps if we start now we can defend the Western Hemisphere. In this connection I invite your attention to a speech made by former Ambassador Kennedy. What he says begins to make sense to me.

I understand that the President this very day will declare a national emergency. The administration talks of total mobilization, yet only this morning we read that Secretary Marshall advises against total mobilization.

While the administration is trying to make up its mind what its policy is abroad and at home, our men are fighting and dying. That is a terrific sacrifice, made largely because those who have directed our foreign policy have not known what they were doing.

On the home front many substantial businesses, from which workers earn their living, and from which the Government secures great tax revenue, will be put out of business unless there is some definite plan adopted immediately. In many instances manufacturers and others are unable to get material and at the same time defense orders are not available. All of this results from the fact that this administration does not seem to know what it is doing.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, in the time that has been allocated to me I am not going to be able to discuss some of the intricate portions of the bill. However, I can say to you that this bill has been closely scrutinized by the combined membership of your committee, the regular subcommittee which ordinarily has cognizance of these appropriations was joined by the members of the Deficiency Appropriations Committee and also the members of the so-called central committee.

So the conclusions reached and presented to you here today are not those exclusively of the subcommittee ordinarily handling appropriations of this character. You have heard very fine explanations of the details and particular items of the bill from those who preceded me, however, I would like to call your attention to something which I think is significant, and which will have something to do with your thinking on the subject in the future. The present bill which calls for $16,800,000,000 is of course an estimated and splendid program, although very belatedly presented to the Congress. Now listen to this: Developing from the first regular appropriation bill and the first supplemental bill there is, as nearly as I can establish at the moment, some $10,000,000,000 that have not yet been obligated or expended by the military. When you take the $10,000,000,000 in that category, and if this bill is passed, which I am sure it will be, and add to this $16,800,000,000, you have a total of $26,800,000,000 as the result. During the course of the hearings I addressed inquiries to the present inflated cost of procurement as related to dollars provided by our appropriation bills and the appropriations contemplated by this bill. From information furnished to me by the Procurement Division and those in authority and supervising the work of the Department of Defense, it is very definitely indicated that because of lack of controls in this country our present dollar has declined in its procurement value at least 20 percent, if not more. I think as much as 28 percent, but let us use 20 percent.

Consequently I would like to call to your attention as forcibly as I can that you must not anticipate that the moneys we have appropriated are going to buy dollar wise what a dollar normally would buy unless you have a controlled economy, if the present standards of procurement and the inflated position of the dollar prevails during the time required to make the future procurements. You are going to lose at least 20 percent of the value of the dollar, which is a very low estimate, but will at this rate amount to $5,300,000,000 of dollar buying loss. Do not forget this when regulations for control are requested.

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

Mr. SHEPPARD. I yield.

Mr. HINSHAW. In that $10,000,000,000 which the gentleman mentioned a moment ago as having been brought forward from other bills, does that include money which was not expended for the purpose of purchasing aircraft for the Air Force?

Mr. SHEPPARD. That includes any and all of the money that has not been expended and all that is left in the category as unexpended.

Mr. HINSHAW. In other words, that is the money that was impounded, which was to purchase the additional airplanes?

Mr. SHEPPARD. Not necessarily. Not in my mathematics. The impounding to which the gentleman refers had to do with the 70-group aircraft program and does not include this money. I am referring specifically to the money appropriated in the last regular bill and the first supplementary bill, on which my information is there is approximately $10,000,000,000 unexpended or unobligated. So you add that to what we presently have under consideration, and it would make $28,000,000,000 plus, which would be subject to the slip-off of 20 percent. This result would make a total of about $3,300,000,000 loss.

Mr. HINSHAW. If the gentleman does not have the breakdown, perhaps the gentleman could put it in the RECORD.

Mr. SHEPPARD. In order to do that I would have to call back all the procurement officers and ask them what particular amounts were left out of respective categories of expenditure, to wit, planes and various and sundry others. This could not be done in time for this RECORD.

Mr. HINSHAW. But there has been a withholding of these funds from commitment?

Mr. SHEPPARD. I cannot accept your statement literally. I will say that the money you refer to has either not been obligated or expended for the cause it was intended by the Congress and at the time.

Mr. HINSHAW. I recall the words of the gentleman's committee in the report on the appropriation bill last spring.

Mr. SHEPPARD. I thank the gentleman.

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

Mr. SHEPPARD. I yield.

Mr. BROOKS. I know the gentleman's concern, as is mine, is that we get this defense program moving at top speed at the first possible moment and that we turn out the airplanes, tanks, ammunition, and equipment that we so badly need as rapidly as is possible. That leads me to this question: Is there any major request for appropriation by the defense departments which was turned down by your committee?

Mr. SHEPPARD. Not one.

Mr. BROOKS. This bill represents substantially everything that the Defense Department needs at the present time?

Mr. SHEPPARD. That is exactly right, insofar as their testimony before the committee is concerned.

If you want to get expeditious consideration of your dollar expended, there is one way, and that is to have an immediate declaration of emergency and put everybody to work, instead of just a few of them in Korea.

The CHAIRMAN. The time of the gentleman from California [Mr. SHEPPARD] has again expired.

Mr. TABER. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, although I may be repeating some statements already made, I cannot impress too deeply upon the Members of the House the fact that this presentation is not a realistic or factual presentation. You must understand that the machinery that it takes to get all of these estimates up in detail requires time. Each service determines its needs. The Joint Chiefs of Staff review the requests. Those agreed upon go to the Bureau of the Budget. If there approved, it goes to the President, and in turn the request comes to Congress. These figures were developed by the Armed Forces on the facts as they existed prior to Thanksgiving Day and prior to the terrific setbacks and losses that we have since experienced in Korea. As a matter of fact, in many of the categories of supplies which were requested, there were some of us who felt that possibly we should urge upon the Armed Forces to accept a larger sum of money. We did make that suggestion, but we were met with the reply that this was an orderly process and to do otherwise would break up the orderly plan. Certainly if the set-backs in Korea had not busted up an orderly plan, nothing else has. This is not a realistic presentation. Our military leaders assured us that our needs are being reviewed daily and that they will make their further needs known at the earliest possible moment. That simply means, I am sure, that immediately upon the convening of the Eighty-second Congress there will come to this House and to the Senate requests for far more funds, based in part, at least, on our Korean experiences to make available to the men in our services many more supplies.

Essentially this bill will give the pay that is necessary for the augmented Armed Forces. It will give us more ships, more planes, more guns, more ammunition, more bombs, all to be used by this added increment of men.

Another situation that should be realized by the Members of the House is that there is a change in procedure in this budget. For many years past when contracts ran for many months we gave to the Armed Forces what is known as contract authorization. In other words, they were authorized to enter into contracts and then later on the money would actually be appropriated to pay what had become due upon these contracts. Under this particular budget presentation, you will find there is no contract authorization, but we appropriate for the entire program, no matter what was the length of the program, whether it be a 10-day program, a 10-month program, or longer. The entire cost of the program as it is now envisaged by the present prevailing prices is provided for. There is no provision made for the anticipated rise in the cost of materials and labor. All of those things must be adjusted at a later date.

Many of the facts were given to us off the record, and properly so. Frankly, I have stood aghast at some of the disclosures of facts made here relative to our military program, not only here on the floor of the House but in the hearings and in the reports. You will recall that last spring when the defense appropriation item was up I suggested that perhaps it might be a good plan to have executive sessions of the House and the Senate when we discussed these war measures, because we were telling altogether too much about what we were going to do; so much so that a potential enemy need not have a very costly spy system to find out all our secrets. All any enemy would have to do would be to have his agents sit in the gallery of the House while we were discussing the bill, read the RECORD, and read the reports and hearings, and they would know exactly what we had in mind and what we planned to do. Even though many details are not in the hearings and many details are not in the report, that does not mean that the members of this subcommittee do not know what the major essential facts and items are; we do. To a great extent due to the lack of time for detailed examination, we have had to accept the advice and recommendations of our military leaders upon faith; you in turn must take some of our statements on faith, because we cannot and indeed we should not disclose all the facts upon which this budget presentation and appropriation is based. It is distressing that this must be so. We would like, all of us on the committee would like, to have had many more detailed facts, but time did not permit. We would like for you to have more and more facts, but the world situation is so serious that it is not proper or expedient or wise to give those facts on this floor. Many facts can be given in private, if desired.

As far as present needs are concerned it may be helpful to know that with each passing day more and more of the carriers of every type that were in "mothballs" on both coasts are being restored to service just as rapidly as the crews can be obtained and just as rapidly as the machinery can be tuned up ready to go. That is true of many particular types of our naval vessels. We can be entirely thankful for a program set up and approved by this Congress to conserve these ships in the event of another outbreak which we hoped would never take place until long after those ships had turned to rust. The event has taken place, we have them available and they are being made ready rapidly. Many of those ships that were in the "mothball" fleet are today doing duty in Korean waters.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am very glad to learn that because I think it is very helpful for this country to know that and also the other countries of the world to realize that fact. The gentleman may remember that when we were on a committee there was always an appropriation for what we called lots and slabs for added necessities. I feel that the armed services still has those appropriations that have been made available without talking publicly about them to go ahead with our defense.

Mr. SCRIVNER. In closing, Mr. Chairman, may I say that the time has come when we must face the facts. This Nation must prepare and be strong, this Nation must pay for that program and while we are doing all that we must pray that our preparedness plans are timely—and that these men and munitions will never be needed in any war.

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

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, researchers have estimated the average era of peace in the history of the world to be but 7 years. Events of the last two generations reduce that average. We are not at peace now; but while we strive for peace, we must prepare for war. Uncertainty, indecision, delay must end.

To recount the errors of omission and commission of the past would serve no useful purpose. They must not be forgotten. We must draw on them for experience and use that experience as the compass by which we chart a clear, direct, and positive course.

We have lost an unwanted fight in Korea. In the words of one Army sergeant, "We weren't exactly beat. We were just fighting a lost cause against too damn many Chinese." Many thousands of our soldiers are now being evacuated from northeast Korea. Admittedly, we cannot reinforce the remainder in substantial numbers at this time. It would probably be the better part of wisdom to evacuate them all.

Because of our experience, the action we are taking in passing this supplemental military appropriations bill should be used as another step in a preparedness program far greater than that we have

undertaken since World War II. We must increased our Armed Forces as rapidly as practicable by the integration of volunteers, draftees, reservists, and the National Guard; providing the manpower with the best possible training, leadership, and weapons.

In order to support such a program for preparedness, we must mobilize our civilian manpower and industrial production. Legislation already passed by Congress to achieve that end ought to be utilized since it is evident the voluntary-compliance efforts of the past are not successful. If the law is inadequate, Congress will amend it.

Such an economic mobilization will require controls and allocations that I personally dislike and would not support in ordinary times. But these are not ordinary times. It will require increased taxes and reduced production of civilian goods. It will require the paring of Government expenditures for programs not essential to our survival to the bone. Politics, controversial domestic issues, "business as usual," must take a back seat.

In the process of mobilization, while continuing to work for peace, we must assess the world situation in the light of who is our friend and who is not. Those who give a clear indication that they choose to fight on the side of freedom will be aided in keeping with our own preparations and our ability to aid them. Assistance to those who are not our friends should not be extended.

These observations do not touch all of the problems we are faced with. They are not intended to do so. I believe those things at least are necessary in view of the challenge confronting us. Answer to the challenge by a direct and positive course will be immediately responded to with determination and cooperation by the American people.

We have all prayed such a course would not be necessary; but it is far better to be prepared for the worst and it not occur, than to be unprepared should the worst come.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I shall take just a few moments to explain one or two items in this bill which were considered by the Subcommittee on the Treasury and Post Office Departments. The Post Office had no request for additional appropriations at this time, but the Treasury did have several. The first was a request from the Division of Disbursements, which appears on page 5 of the bill, for $380,000. These funds are to take care of an increased workload arising out of the social-security-extension bill, which was passed after the enactment of the regular appropriations bill, and also to take care of the expenses incident to the issuance of checks in payment of a second special dividend on national service life insurance. The committee approved $300,000 instead of the $380,000 requested.

The Bureau of Customs requested $350,000 to take care of the increased workload at the ports of entry. They need some additional help. The committee did not feel, however, that they need all of the help requested, so we reduced their request to $225,000.

The Secret Service asked for $82,000 additional for special agents and $49,000 for White House Police for the protection of the lives of the President and the Vice President. After the recent attempt on the life of the President and in view of certain other information that was presented to the committee, we thought the additional protection should be provided and approved the full amount requested.

The other item is both substantial and important. It increases the operating expenses of the Coast Guard $18,600,000, and the funds for acquisition, construction, and improvement, $7,900,000. Those funds are to be used entirely in the port-security program. You will recall that when the first supplemental appropriation bill was before us the port-security program had not been perfected. Therefore, the Coast Guard was not in a position to request a specific appropriation. We did, however, in that bill authorize them to use not exceeding $10,000,000 of their regular appropriations for port security. The program is now beginning to take shape, and the Coast Guard requested these funds to finance it. Realizing the necessity of protecting our ports from atomic bombs and other explosives, the committee approved the entire amount requested.

That covers all of the requests of the Treasury Department.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, as the ranking Republican Member of the House Subcommittee on Appropriations for the Treasury and Post Office Departments, I concur in the statement just made by our distinguished chairman, the gentleman from Virginia [Mr. GARY]. I hope that the membership will find time to read the hearings on the presentation of the Chief of the United States Secret Service, Mr. Baughman, when he discussed the protection of the President and the Vice President. You will note in the bill before you today that we are not only providing funds for the protection of the Vice President but we are also providing for the first time legal authority for such protection. You will see, if you read the hearings, where I examined the Chief of the United States Secret Service at some length regarding the protection of the President when he appears in the House of Representatives to make a presentation on the State of the Union or otherwise before a joint session of the Congress. It is my considered feeling we do not have adequate measures for proper protection of the President when we hold such meetings, and, furthermore, that we do not have adequate protection for ourselves.

One of the mistakes of World War II was the administration's delay in facing up to inflation controls.

We do not want to see that experience repeated.

The first consideration, to my mind is—are we to be engaged in an all-out rearmament effort? Apparently not.

This country has not entered a stage that could be described as a war economy.

Back in 1942 half the Nation's entire income went for defense purposes. At the present time, while our national income is running well above $230,000,000,000, current expenditures for the Army, Navy, and the Air Force are at a rate of not much more than two billion dollars a month. That makes our defense effort roughly 11 percent as compared with 50 percent back in 1942.

I think that it is time we realized that we cannot regard our rearmament program as something to be carried out at half speed. Rather we should work at top speed—and that will mean controls and sacrifices I feel the American people, in return for safety and protection, are willing to meet the challenge if they are convinced that no time and no resources are being wasted to drive ahead with this new defense effort.

Now, there is another phase to defense here in our United States. It is civilian defense of our American cities and towns located in so-called target areas. I shudder when I think of how remiss we have been on this problem of civilian defense, when I hark back to the time that month after month our President permitted the United States National Security Resources Board, charged with jurisdiction over civilian defense, to go without a permanent Chairman. True, after the very able and distinguished W. Stuart Symington was named as head of that important body he started feverishly to work out a program of civilian defense, and now there is a new agency charged with carrying out this effort. But even at this moment we have no national law on this subject.

May I say to you in passing that only this week when we in the House of Representatives preponderantly voted to give Tito and the communistic Government of Yugoslavia $38,000,000 we also refused in the very bill before us today every cent requested by the Commissioners of the District of Columbia for civilian defense of our National Capital city, almost $400,000. Not 1 cent was allowed by the subcommittee. Not 1 cent appears in this bill before you. Of course, the members of the subcommittee will say to you that they had some doubts about the request.

Do you recall the speakers who advocated the grant to Tito and his Government? Almost every one said, "I have extreme doubt about this grant. I am holding my nose when I vote 'aye' on the bill." I voted "No."

I live in a target area. My cities of Paterson, Passaic, and Clifton, N. J., on the fringe of New York, are in a prime so-called target area in this atom-bomb world. Do you know what some of my mayors are telling me? "Mr. Congressman, we are waiting for the cue from the Federal Government. We are waiting to see what the Federal Government is going to do in the way of laws and appropriations before we legislate, before we appropriate any funds for civilian defense."

Do you know what I am telling my mayors? I am telling them, "Mayors, you may wait too late if you wait for the cue from the Federal Government. Mayors, you know as well as I know that the first law of life, the first law of na-

ture, is self-preservation. You now have a weighty responsibility. You ought to get on the ball."

Only today I picked up from the New York Times this little item about air-raid surveys in Great Britain. They are not waiting. They know that time is of the essence.

LONDON, December 14.—The Government has asked local authorities for a survey within 2 months of their existing air-raid shelters and estimates of additional shelters needed.

Where are the shelters in the District of Columbia? Where are the shelters in our Capital City today?

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

Mr. CANFIELD. I yield to the distinguished gentleman from California.

Mr. JOHNSON. I want to compliment the gentleman on mentioning civil defense. The same sentiment that was echoed to him in New Jersey came to me from every single city manager in my district. They want to know what the Federal Government is doing. They want to know their cue. They want to get ideas as to what they should try to do. I gave them the same answer the gentleman gave his mayors, that they had better start themselves because a delay might be fatal if they did not do anything about it, if they waited to hear from the Federal Government.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman may remember that the governors and mayors of various States and cities came to Washington recently and asked for guidance and help. They went back without any definite information to give to their people. If the gentleman reads the press, he knows that is true.

Mr. CANFIELD. Yes; that is true. They went back confused. There is no question about it. And we here are so unrealistic in facing the facts of life.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, the gravity of the present situation has been emphasized so repeatedly that there can be no question of the dangers which confront us. Time may indeed be running out on us. We have little choice but to be as well prepared as we can for any eventuality.

When we pass this bill, we in Congress will have done all that we can in defense preparations at this time.

It provides for an over-all build-up which more nearly approximates a war footing than any measure brought to you since World War II. It materially increases and modernizes our fighting strength.

It does so at terrific cost, considerably more than on June 25, more than double that of a comparative build-up in 1940. In a sense it ignores the lessons of Korea, for Korea is primarily a land war. Specialized ground combat units could be equipped and trained for land fighting at much less cost. This measure looks beyond the fighting in Korea and prepares us for defense in a broader sense. We have no alternative but to prepare to defend ourselves on land and sea and in the air. We do not know where the next attack will come.

A stronger defense will not come overnight. We cannot go home and say the passage of this bill has made us secure. This is a money bill and it takes time to convert it into armed strength. But we can say we have provided what the services need from us. As a matter of fact the services have not spent all the money previously voted for them. Now we simply are signing a check to permit a continuation of the build-up which we recognized as essential in September, and which we find must be increased in keeping with the increased gravity of events world-wide.

This is a $16,000,000,000 build-up, and the committee is unanimous in support of it. Obviously, the committee has not had time to thoroughly examine the justification offered in this request for funds. It is the best estimate we can make under the circumstances. We are placing a very great trust in the heads of the Armed Forces. Fortunately they are men in whom we can place great trust.

Historically, defense funds have become almost sacred in this country. I do not think that is a wholesome situation. Virtually anything can now be justified and secured in the name of defense. We in Congress lean over backward in our desire to provide for the security of the Nation and the comfort and well-being of its forces. That can lead to abuse. It can and possibly does lead to gadgeteering. An increasingly larger number of men is being required to operate the supply lines and the equipment which support our men at the front. In consequence I believe we today have in our Armed Forces a smaller percentage of men with guns in their hands than any other nation. Our men are better armed, and they are better provided for. That is pleasing and what we want. But these things do not necessarily provide the balance of victory. Witness Korea, where Reds with one pocket full of rice and another pocket full of ammunition whipped us soundly.

We can now more clearly evaluate the seeming disaster to our military forces in Korea. We have in truth lost a campaign. But we have not lost a war. Our forces were badly hurt but they were not destroyed. There remains strong UN fighting forces which have formed a defense line across the narrow waste of Korea which is fully capable of taking care of itself.

We need not delude ourselves on the possibility of winning in Korea for a long time. We do not have the resources at this time and our allies are not providing the additional forces which are needed. I doubt that we could justify the cost in manpower if we had the resources. We can hold on until we see fit to evacuate and we can do both successfully.

I hope the lesson in Korea has taught us we can never afford to become involved in a land war with China. Now that Red China has thrown down the gauntlet however, we can and should afford the Chinese Nationalists an opportunity to bomb Red commerce, railroad lines, and military factories. We should systematically encourage Nationalist guerrilla activities inside China. We will find Red China highly vulnerable, and we can develop sufficient confusion and unrest inside China proper to lessen her appetite for pulling Russian chestnuts out of the fire in Korea, Tibet, southeastern Asia, and finally, India.

These are not costly undertakings. They do not require the sacrificing of American lives. They simply encourage the Chinese to fight for a government of their own choice.

The most alarming sign of the times is our seeming inability to prevent the enemies of world freedom from picking the time and place where trouble starts. This, coupled with our willingness to attempt to handle the trouble almost alone, presents a situation where we can be bled to death, physically and materially. This, more than to fight us, is the first aim of the Kremlin. It is not necessary that we fight on our enemy's terms. Nor is it possible that we fight successfully alone. These truths we must accept.

I state again: the Chinese Nationalists offer a fertile source of manpower on Formosa. The Nationalists and the anti-Reds on the mainland of China offer many more. We ignore both. The Japanese offer trained men, 5,000,000 of them, and a tremendous industrial potential. Theirs is the biggest unused source of military strength in the world today. We help to feed the Japanese. We protect them. We neither ask nor get anything in return. To utilize their strength will require no new policy. We have demonstrated that we are not squeamish about whose help we get. I do not consider Japanese hands any redder than Tito's. And the Japs were our friends for many years before their war lords prostituted their thinking.

These forces, singly or jointly, can give our foes much more to handle in Asia than will be required to get their attention off us. And to those who are sticklers for legal form, I suggest the use of "volunteers," as other powers use them, and a treaty of peace with Japan, which is wholly within our right.

There are in Europe hundreds of thousands of refugees from communism. They will fight and fight well for a chance to go home again. Surely they have as much to fight for as the American boys who are now being prepared to fight in Europe if we are attacked on that continent.

Communism does not hesitate to use whatever weapons are at hand. With all its disregard for human life, the Kremlin is not today expending Russian lives. We live in a world which is wholly practical and not at all idealistic. We shall have to be practical too. We may save many American lives if we rely more upon allies who, because of their background, know much better than we how to deal with Communists.

But these things are not within congressional jurisdiction. We are the legislative, not the administrative branch

of government. Ours is the responsibility of providing the funds and the basic laws, of trying to follow through as the people back home would want.

There is in this bill funds which will nearly double our fighting effectiveness and provide us with modern weapons. That, I think, is the comparison in which you are most interested. I believe the security of our Nation requires this step which we now propose.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, we are here this afternoon about to bill the taxpayers of the United States for another $18,000,000,000. It does not make any difference in what language you speak, that is a vast amount of money and the people are entitled to know what commitments this spending is designed to implement and whether they are going to get dollar for dollar.

In other words, are those who have been enriching themselves on defense spending going to continue their luxurious ride at the expense of the security of this Nation?

President Truman, in his message to Congress on December 1, in connection with this legislation, had this to say and I quote:

> About $9,000,000,000 of these new funds will be used for major military procurement, and to expand facilities for military production.

Let it be remembered that in four fiscal years, after the end of World War II, more than $50,000,000,000 was supposedly spent on the Military Establishment of this country, yet when the blow fell in Korea it became apparent that only about eight and one-half billion dollars of this staggering expenditure actually went into the weapons of war and the trained forces necessary for their efficient use.

In the light of this extravagance, which must be charged to President Truman and his administration, are we supposed to believe now that we will get more in the way of actual defense for less than eighteen billion than we did for more than $50,000,000,000?

On the basis of dollar for dollar we are going to get less if for no other reason than that President Truman, by refusing to put price and wage controls in effect long ago, has permitted inflation to debauch the medium of exchange and rip wide holes in the Nation's economy. As to the price of inflation, according to the latest report of the Council of Economic Advisers, United States citizens are now able to save, percentagewise, less than half the amount they saved at the first of this year—3.1 percent compared with 7.6 percent. How much more suffering, under scarcities and black markets, can small manufacturers and their laid-off employees stand? In this connection, the previously mentioned Council of Economic Advisers reports that unemployment increased 300,000 in November, the last month tabulated, over October.

This Congress, long ago, provided President Truman with the powers to halt inflation, distribute materials equitably, stamp out black markets, and stop the gouging, but he has procrastinated. Why? Apparently he is not interested in the people we represent, but we should be, and I, for one, am.

Under Truman inflation, how much will the proposed appropriation be worth when spent next week, next month, or even tomorrow? What will it buy for our fighting men? And who will reap the profits, and to what extent?

Are we content to saddle the people with another $18,000,000,000 mortgage while closing our eyes to profiteering and inflation?

Nobody denies that it is necessary to build our military strength. But how can we do it, no matter how much is spent, if the purchasing power of money vanishes into the thin air of inflation or into the bottomless pockets of the profiteers?

The people of this country are bewildered, confused, and becoming desperate because of the stupidity, blundering, and procrastination that has been perpetrated upon them. At no time in the history of this Republic, in a time of crisis, have they suffered more from a lack of firm, intelligent, and courageous leadership.

The people of this country are fast coming to realize that their internal danger is becoming grave. They labor under no illusions as to their external danger. They have long since become convinced that they are at war even though there are some who still indulge in the pettifoggery of calling it a police action.

I do not know what the present occupant of the White House proposes to say in his message to the Nation this evening. I do know that under the Constitution and his oath of office he has the duty and the obligation to set forth, and where he has the authority, to put into effect those measures necessary to end the present chaos and provide the unity of purpose the people want and which is so desperately needed.

If unable or incompetent to meet the needs and demands of the hour, President Truman should resign forthwith and make way for someone who can meet this challenge.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the proposed appropriation for armaments.

Armaments per se have always meant nothing; armaments are merely the implementation of a policy. Armaments implementing a policy of genuine defense of a people's interest is one thing; armaments implementation in pursuance of a genuine defense policy is always in the interest of the Nation, but these armaments implement an insane war program which has never been in the interest of the Nation and it is today definitely not in the best interest or defense of the people of the United States.

This insane war policy culminated last June in our operation desperation in Korea. I do not believe I am subjecting myself to an accusation of immodesty when I now say beyond challenge that I stood up here as the only Member of this House in opposition to our intervention in civil war in Korea. I did so on the very day on which the President announced our disastrous adventure in Korea. I said then, on June 27, in the well of the House, after the majority leader had read the statement that the President had issued from the White House:

> Mr. Chairman, we have heard words read here by our distinguished majority leader which I think will mark a disastrous course, and the words I am using do not adequately describe the disastrous consequences this course will have on the people of the United States unless checked by the people themselves.

That was said on June 27. Events since June 27, I maintain, have vindicated the position I took at that time. There are very few people in America today who do not wish we had never gone into Korea. I said also at that time that the Chinese people would fight; and I explained that our action there was not in the defense of a single American interest in Korea, but that we were fighting against the national aspirations of the people of China, Korea, Viet Nam, and other peoples in Asia for national liberation and self-determination.

Now you here offer what? More appropriations for more armaments, leading to what? Leading to the acceptance of an increased armaments race and of the doctrine of the inevitability of war. Some Members have stood up here during this debate today and have stated that we were at war. The idea of the inevitability of war is being foisted on the people largely by those who sit in the high seats of government. That idea has been fostered here. Tonight it will be fostered again by the President of the United States in his address to the people of the country.

The only alternative that is offered to the people of the world and the only alternative that is offered to the people of the country as a result of this insane war policy which you are implementing with this appropriation is world conflict and use of the atomic bomb. This is the tragic end of the road on which you have been dragging the American people.

I stated also on June 27 in connection with the atomic bomb:

> Remember one thing: A bomb was dropped on Hiroshima. It had terrible consequences, but it did not frighten the people of China and it did not frighten the people of Korea and the people of Asia.

So the threat of the use of the atomic bomb has only alienated decent-minded people away from us. Events show that that threat has not frightened the people of China. The alternative of the use of the atomic bomb, the alternative of an armaments race, the alternative of the idea of inevitability of war, leave us completely bankrupt in the eyes of our own people here at home whose economic and social interests are being sacrificed every day to the interests of this insane war policy, to this armaments program, to the interests of this doctrine of inevitability of war. I say again what I have said since June 27 that there is no interest in Korea of the American people which warrants the shedding of one

precious drop of American blood, there is no interest there of the American people which warrants the disastrous consequences which have been inflicted on our soldiers, on our economy, and on the welfare of the American people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MARCANTONIO. Mr. Chairman, the best defense of these United States is not armaments, the best defense of these United States is a policy of peace. I say that our problems can be resolved without the sacrifice of a single interest of the American people; they can be resolved by a policy of courageously carrying out two steps—cease fire on both sides and at the same time honest negotiations for an honest conclusion for peace. But you cannot enter into those honest negotiations unless you recognize the right of the Chinese people to self-determination and the right of the people of China to national unity. We must accept the people of Asia and China as equals. You cannot enter into any honest negotiations for peace as long as you want to hang on to a corrupt dictator like Chiang Kai-shek and insist on establishing false, unjustified, and pretended defense lines for America in Formosa or in other parts of Asia. That will not make for an honest and effective conclusion for peace. That only carries out the insane program of war and despair abroad and at home.

The best defense of America does not lie in this armaments race implementing this insane program of war. Such a race will lead only to a war which at best no one will win, but which will destroy civilization as we know it. The best defense of America does not lie in the atom bomb. It can be thrown in both directions and destroy us, too. The best defense of America lies in a policy of peace and today specifically the best defense of America is peace with China.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I listened with a great deal of interest to what the gentleman from New York [Mr. MARCANTONIO] had to say just now. While Korea may be a terrible mistake, I do not think the gentleman from New York offers us a prescription to cure it. This bill, in my opinion, is about the best step we can take to overcome the situation caused by our reverses in Korea.

I wanted to say something else which does not directly concern this bill. Anyone reading this bill might get the idea that America is a warlike nation, that we were, by building armaments and through other war preparation activities, provoking people and nations into war. The few remarks I wish to make are that for an undeviated history of 50 years the considered policies of the United States have been peaceful. I wish to place in the record a few landmarks indicating conclusively that we are seeking peace for ourselves and the world.

In 1901 we entered into a treaty under the leadership of John Hay enunciating the open-door policy for China by which we virtually guaranteed the territorial integrity of that country.

In 1922, I think it was, after we had gone through World War I, we had a naval disarmament conference, inviting the leading naval nations to participate, which they did. Many people have laughed at that effort, ridiculed it, and made fun of what we proposed. In my humble judgment it indicated the heart and mind of a country that was groping and trying to find a way to make peace. Much as that disarmament conference was criticized at the time, I want to point out to you that very few, if any, statesmen in the United States Senate voted against that disarmament proposed by the conference, by which we proposed to and did sink the most tonnage. Considered in the light of the conditions following the war of 1917, it was a magnificent gesture in what we thought at the time was a step toward world peace.

Then we went along for a few years. We were still trying to find some way to avoid warfare among the nations of the world. In 1928 we sponsored the Kellogg-Briand Pact. Unfortunately the fine expressions and the noble principles set out in that document had nothing behind them to implement it. It laid down the basic principle that war would be the last resort of nations to settle disputes. It laid down the policy that every single effort in every direction, and by every means, to bring about the settlement of disputes between nations should be by negotiation and other peaceful methods. There was nothing in there, however, to implement any decision arrived at, nor was there machinery to force negotiations before going to war. The result was when that treaty might have been invoked at the outbreak of the world war, some of the signatory parties disregarded it. They plunged into war, disregarding the path provided by the Kellogg-Briand Pact, to which they were a party.

Then, what did we do in 1946? We kept a promise of almost 50 years with the Philippine Islands that when they were ready for their freedom we would give it to them. We won the war of 1898 and got the Philippines. Only 2 percent of the people of the Philippines could then read and write. We educated them, we trained them, we poured in billions and billions of dollars to help them educate their people, develop their economy, and get ready for self-government, and finally in 1946—and I think this is one of the greatest steps ever taken by a great nation—we finally gave them their freedom. On top of that we made an agreement to last 25 years to help stabilize their economy and get on a firm, sound economic basis. Some of us are wondering if that was a mistake, but any way it shows that we had no imperialistic designs, which some prominent people and nations are accusing us of having.

We furnished the leadership for the writing of the United Nations constitution. I do not think that that document is as well written as the original document of the League of Nations, but, anyway, it showed the considered judgment of our Nation and most of those who were in control of the conference to find peaceful methods to settle international problems.

Later on we were worried about atomic warfare and the Baruch plan was offered by the United States, which I think was almost too liberal for our own security, but it did lay down a realistic plan of inspection that I believe would have had the effect of outlawing atomic warfare. It was rejected by one of our allies.

We have done other things during the past half century that any unbiased reader, any unbiased historian or student of history, must interpret as being that fundamentally and basically the United States of America does not want war. We want to get along with the world. We want the world to solve its problems by some type of united security and some type of negotiation, but in every one of our efforts we have been thwarted.

I hope and I pray, like you do, that what we are doing today in stepping up our defense $19,000,000,000, and what we will do next January in stepping that up probably a great deal more than that, will not lead us into a general war whereby everybody will lose, even the winner. I merely, in my humble way, want to get down in the CONGRESSIONAL RECORD, for those who may read it, that we have this long record of effort in trying to bring about a peaceful world. We can truthfully say the United States has been a leader of the efforts, even though they have all been abortive up to date, to bring about world peace, for which the people of the world have dreamed and prayed and worked for over 2,000 years. This by no means is all the efforts we have made to provide world peace.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that industrial production will be very much stepped up under the leadership of Mr. Charles E. Wilson, the president of the General Electric Co.?

Mr. JOHNSON. I do not believe you could pick a better man in the whole United States than Mr. Wilson to handle that problem. He is a well-trained, statesmanlike industrialist. He will do an excellent job.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I had not intended to seek time to speak at this time, but because of certain testimony given by our national defense leaders and also because of some utterances in debate today, I do desire now to express a few sincere opinions.

I am not one who thinks it would be a great service to the men in the Kremlin for our people to know and recognize the extent of the danger, the gravity of the peril to freedom not only all over the world but right here in our own country. Perhaps the men plotting that peril know its scope and extent better than I. Suffice it to say that in my opinion the danger is far more grave than at the time of Pearl Harbor, for the

reasons that then we had powerful allies who had their strength mobilized and were already in the fight. Today we do not have an ally whose strength is mobilized. Moreover, our own strength is mostly unmobilized. Yet we face the organized and mobilized might of a large part of the land mass, the resources, and the human masses of Eurasia.

What disturbs me by a reading of the testimony of the national defense leaders before the Appropriations Committee and by some statements which have been made here is an apparent hesitation to make an all-out approach to what clearly appears to be an all-out danger. If this hesitation is born of a feeling that an all-out attempt at defense preparation on the part of our country would precipitate further acts of aggression by our acknowledged foes, I would recall to you that those arguments were uttered repeatedly in the Congress of the United States before Pearl Harbor. "Oh, we dare not build up an air force or fortify this or that lest we precipitate war," it was said. Mr. Chairman, let us not repeat the mistake.

If that hesitation arises out of some lack of confidence in the willingness of the American people to face up to the dangers confronting their country once they know and recognize those dangers, then I must say I do not share that lack of faith.

If that hesitation is based upon an apprehension that the people of the United States could not contain themselves in the event of a diminution of a Communist threat after our strength is fully mobilized, that full mobilization would make war inevitable even though the threat to freedom shall have lessened, then I must deny that democracy and freedom is untrustworthy with power, can only be safe and trusted as a handmaiden of weakness.

If that hesitation is based upon a real fear for what may happen to our way of life because of years of governmental controls, restrictions, regulations, taxes, inflation, and all that these mean, then I must say that I share the apprehension fully. Many dangers to freedom are involved, internally, I mean.

But, Mr. Chairman, the threat from aggressive communism with its mobilized military hordes is stark and immediate. This growing menace has already snuffed out the liberty and democratic character of a whole series of nations. We must prepare fully and immediately to repel this threat, taking our chances with acknowledged attendant dangers.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the able gentleman from Ohio.

Mr. BROWN of Ohio. I am sure the gentleman well knows the high respect I have for him and his patriotism and intelligence. I do not understand the gentleman to be criticizing the Congress for its failure to build up the national defense of this country, do I?

Mr. GORE. That was not the purpose of the remarks of the gentleman from Tennessee.

Mr. BROWN of Ohio. I hope the gentleman will permit me at this point in his remarks to call the attention of the people to the fact that the Congress of the United States on three different occasions did vote to increase our air force from 48 groups to 70 groups, and that that increase which the Congress provided for never came about until after the attack in Korea. I think I should point out the Congress of the United States did provide for armed forces totaling over 2,000,000 men, and yet in spite of that fact our armed forces numbered slightly over 1,400,000 men at the time of the attack in Korea. I hope there will be no inference drawn from the gentleman's remarks—and I am sure the gentleman did not mean it that way—that the Congress of the United States has been dilatory in its duties. The responsibility for the failure of the American people and the American Nation to be prepared at this time rests squarely with the executive branch of the Government and not the Congress. We have voted every dollar that has ever been requested for national defense purposes.

Mr. GORE. I thank the distinguished gentleman from Ohio for his contribution.

In reply I would be pleased to advise him that it was not my purpose in rising to be critical of anyone, let alone to be critical of the Congress of the United States. Of course, there is blame enough for all of us. There is blame enough for both parties in the Congress. I have no desire to be partisan now. There is job enough for all of us—every member of both parties, not only in the Congress, but every official in our Government and every citizen of America. It is not my purpose to be hypercritical, realizing that in these terrible times officials of the executive branch no less than ourselves are under terrific strain and pressure. Instead, it is my purpose to voice some deeply disturbing thoughts that I have.

In calling to the attention of this body what appears to me to be a great, grave threat to the very existence of our country, and my doubts about the adequacy of our measures to vouchsafe our security, I do not predict doom for my country or read its obituary. I desire to arouse and exhort my Government and my fellow-countrymen to recognize the danger for what it is and to prepare to safeguard our Nation.

Our basic fault with a partial mobilization effort is that it doesn't get the necessary job done, it being very hard to obtain sacrifice from one unless sacrifices are required of all.

Let me address my remarks now to one part of this bill which comes from my subcommittee dealing with the Atomic Energy Commission. There you will find one instance in which an all-out attempt is being made. Not only are we appropriating enormous sums by this bill to build additional fissionable-material-production facilities, but, as has been announced in the press today, there is money contained in the bill for the construction of plants in other countries to make available a greater supply of uranium so that there may be in the hands of our country in the future a continuing supremacy of atomic weapons. Were it not for the superiority we have in atomic stockpiles, I fear that we might be faced with an imminent threat in Alaska, if we are not under present circumstances. We can be thankful for this atomic-weapon headstart. We must keep it. Other preponderances stand in our favor—a superior navy, a qualitatively superior air force, productive capacity, and a virulent, free people.

Mr. Chairman, for these reasons and others, I urge a policy, not of overcautiousness—deliberateness, yes; but not overcautiousness—rather a policy of imagination and courage, faith in the people, faith in our institutions, and faith in the cause for which I fear we are bound to fight.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. GORE] has again expired.

Mr. CANNON. Mr. Chairman, that concludes the general debate.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

FEDERAL SECURITY AGENCY

OFFICE OF EDUCATION

Promotion and further development of vocational education

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the act of March 18, 1950 (Public Law 462).

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"For an additional amount for National Institute of Health, operating expenses, $2,625,000, including the objects specified under this head in the Federal Security Agency Appropriation Act, 1951."

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, events of the past week leave no doubt that our country must be fully prepared for all-out war. We must be equipped to wage an offensive attack in remote areas and be alert to the likelihood of battle close to or at our shores. In addition, we have to recognize the immediate necessity for strengthening the civilian backbone which experience has taught us is the mainstay of our war effort.

For both military and civil defense, health and medical advances are of the utmost importance. In the last war—a war which unfortunately has only been recessed—we were able to succeed in combat and maintain production largely through the application of scientific and technical knowledge amassed beforehand and given impetus during the emergency period. These lessons must not be lost.

We are engaged in a struggle in which we are at a tremendous numerical disadvantage. We can counter or offset this situation only by technical and sci-

entific superiority. In health and medical services both for military and civilian standards, we are short-handed. We cannot afford also to be short-sighted.

As we all know and have recognized through enactment of the doctor draft, medical manpower is one of the weakest links in our chain of armor. Shortage, not only of doctors, but of technicians, nurses, and other specialists, has brought us perilously close to the stage where we cannot be certain of sustaining our health and strength. The most important factor in this picture is research and research manpower.

Trained personnel cannot be obtained overnight and cannot be obtained even in a period of years. We can and must take the next step of expanding research and scientific endeavor so as to multiply the capacity and increase the ability of each doctor and nurse. Through discovery of disease cures and drugs, application of research findings, improvement of clinical and patient care and rehabilitation of the ill and injured, we can increase manyfold the quality and quantity of medical service, even though we cannot hope to increase medical manpower to the point of minimum adequacy.

Above all, we must emphasize research in the basic sciences. The source and origin of power and potential in this area are the universities, medical schools, and research centers of our Nation. From these alone can we hope to get the flow of discoveries and men which will be the mainstay of the medical effort. From this potent resource we have only recently obtained the miraculous discoveries of cortisone, the much publicized drug which has proved potent in a wide array of diseases, and findings concerning blood composition, fractions, and preservation, which may revolutionize treatment of patients suffering from shock and burns.

I appreciate the vast recent appropriations to the military, some of which will be applied to medical research, but the armed forces must properly, and of necessity, concern themselves mainly with the application of research findings, development of methods, and care of casualties. The research which they support bears directly and immediately upon performance of their military function. In order to make this research and care more effective, precisely the type of work which I have described as emanating from the schools and research foundations is of greatest significance. Without constant delving and searching in fundamental problems of physical and mental disease, we cannot hope to provide the knowledge and material indispensable to the medical functions essential in military and civil defense. We can go only so far in maintaining our healthy individuals and caring for our sick on the basis of present knowledge. Expansion of research presents unlimited prospects in maintaining an economy of high production and in assuring strong military forces.

Despite these considerations, the House Appropriations Committee deleted a request for the relatively small sum of $2,600,000 for basic research authorized under the recently enacted medical research law. Public Law 692, approved August 15, 1950, authorizes specific support of research and training in arthritis and rheumatism, multiple sclerosis, cerebral palsy, epilepsy, poliomyelitis, blindness, leprosy, and other diseases. The law also directs the Surgeon General to establish in the Public Health Service a National Institute of Arthritis and Metabolic Diseases and a National Institute of Neurological Diseases and Blindness. Passage of the research legislation in August at the time of significant military and civil-defense preparations and following the decisions to cut back or defer nonessential programs, clearly implied recognition of its importance for the national welfare and security. The nature and extent of the diseases and disabilities to which this new legislation directs action manifestly indicate their close relationship to the mobilization effort and heightened civilian production.

Shortly after enactment the Senate approved a $3,000,000 appropriation for this work, but this action was not confirmed by the conference committee. Despite this set-back, the Surgeon General proceeded in recognition of the urgency of these programs. He promptly established the institutes and has convened the advisory councils of outstanding non-Government experts which are prescribed by law to review and approve specific projects. The councils have already begun work on the assumption that programs approved by Congress would receive financial support.

In addition to the military and civil-defense considerations, it is important to realize the background which led to passage of this law. It is estimated that some 7,000,000 people, or about 5 percent of the population, suffer from arthritis and rheumatism, costing the Nation about $750,000,000 a year in lost wages, relief payments, and medical care. Hay fever and asthma affect some 3,400,000 Americans; goiter and thyroid diseases afflict 1,200,000 people; and diabetes incapacitates another million; at least 330,000 suffer from peptic ulcers. Many of these are among the physical handicaps building up the alarming rate of military rejections.

Among the neurological diseases, the situation is comparable, if not worse, since these afflictions distort mind and body and have not yet been completely accepted by the public as health problems. Those who suffer from cerebral palsy number more than 500,000; epilepsy affects over 800,000 and multiple sclerosis destroys bodily control of 175,000 more. Tragic blindness handicaps 200,000. For these, adjustments to normal living is trying and difficult. The economic costs to the Nation arising from these diseases—not considering the pain involved—run into billions of dollars, whereas the sums so far spent for research on causes and means of prevention and cure are negligible.

These statistics, striking though they may be, do not completely define the real issue. That basic issue is one of extending hope and measures of relief and possible cure to millions who will find the courage and strength to man our guns and to support those who do. Of greater importance are the possibilities held out by research in the prevention of disability and disease.

The National Institutes of Health, research organization of the Public Health Service, has developed plans for conduct of the basic investigations authorized. Financial support is the sole important factor now holding up commencement of work.

Mr. Chairman, this Committee on Interstate and Foreign Commerce passed this legislation by a unanimous vote. Congress passed this legislation last August authorizing the setting up of these two new institutes by a unanimous vote. It was too late at the time this bill was sent to the Senate for justifications to be presented to the subcommittee of which I am chairman. As a consequence the Public Health Service justified these expenditures before the Senate Committee on Appropriations. The Senate allowed an expenditure of $3,000,000.

Because of the fact no one from our subcommittee served as a conferee the $3,000,000 Senate item was stricken out in the conference.

All I am asking the House to do this afternoon is to include in this supplemental or deficiency appropriation bill a sum of $2,625,000 so that these two institutes which have already been authorized and set up by the Surgeon General of the Public Health Service can start in operation this fiscal year. The only way we can start these two institutes operating is to give them money with which to operate between now and the first of July 1951. I know that the Bureau of the Budget has already allowed a budget request for these two institutes for the next fiscal year, but because of the fact that they have already allotted the sum of $3,000,000 that has been provided by the Senate and because we as Members of this body have not before had an opportunity to vote on whether or not they should have any money with which to operate, I think it is only fair and just that the Congress have a chance today to vote to put these two institutes in operation for the benefit of millions of people in this country at the present time.

In all of my work in the Congress and in the past 10 years since I have been a Member of this body, I do not know of any other governmental organization that has worked in a more cooperative spirit with private agencies and with the American Medical Association as has the various institutes on heart, cancer, and mental health. We all know of the success that has been obtained by those institutes over the past 5 or 6 years since they have been operating with funds appropriated by the Congress in that time.

All I want to do is to grant some relief to these millions of people, because we believe that the answer is in sight. We know by actual experience through development, through research and discovery of two what we have been told by leading doctors in the country are

perhaps the greatest medical discovery since Pasteur's work on bacteriology. I refer to the two wonder drugs, cortisone and ACTH. For the first time in history men and women who have been afflicted over the years and have been bedridden by rheumatoid arthritis and other forms of arthritis after a few injections of these wonder drugs are up walking around at the present time and are resuming the work that they had previously engaged in 4 or 5 years ago.

I know this from actual experience. We have a clinic that just started in Rhode Island. I saw a man there only 2 weeks ago who was a former railroad worker, who had been bedridden for 5 years. After treatment with this wonder drug, cortisone, for 2 months, he has resumed his work as a railway worker. If this can be accomplished for that individual and the millions of people who are suffering and laid up and bedridden at the present time, it is not only the responsibility of the Congress but, in my opinion, we would be fair and just to them due to the possibilities now through the discovery of these great drugs. They will not only relieve pain but will put men and women back on their feet who have been bedridden for years.

This is an opportunity for the Members of the Congress to do something not only for the war effort but for the millions who are suffering from this disease at the present time.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. CANNON. Mr. Chairman, at the conclusion of the remarks of the gentleman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes, one-half of the time to be controlled by myself and one-half by the gentleman from New York.

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

There was no objection.

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

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman from Rhode Island sponsors a great humanitarian cause, a challenging program for America. Is this the same program with which the gentleman from Wisconsin [Mr. KEEFE] was so concerned in previous years?

Mr. FOGARTY. This is the same program that the gentleman from Wisconsin has done so much to put into effect and I am sorry he is not here today because I know he is 100 percent behind it. I was hoping he would be here in the closing days of his service to the country and to the Congress so that he could speak and that the Congress in turn would by its action in voting these appropriations show its appreciation to the gentleman from Wisconsin for the wonderful work he has done in the past 12 years since he has been a Member of this body.

Mr. CANFIELD. The gentleman by his amendment asks for one-nineteenth of the $38,000,000 we gave to Tito and his government during the past week. He is asking for the sum of $2,000,000 for the health and welfare of America. I am supporting the gentleman in his effort.

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

Mr. FOGARTY. I yield to the gentleman from Tennessee.

Mr. PRIEST. As the author of the bill creating these two institutes and as chairman of the subcommittee on health reporting the bill to the Congress, I want to express my appreciation for the effective statement the gentleman has just made. I join him in feeling that it would be a tragic delay to wait 6 months to continue this great work with ACTH and cortisone. I hope the gentleman's amendment will be adopted.

Mr. FOGARTY. I appreciate the words of the gentleman from Tennessee.

I sincerely hope that the Members of the House this afternoon will give some consideration to this most worthy cause. I was never more sincere in my life when I say to you this afternoon that we could not pay for anything more humane than such a program as this; the possibility of helping these people who cannot help themselves; that medical science does not know anything about. There is not a doctor existing in the world today that can do anything for a man that has multiple sclerosis. The only thing he can do is to give you an idea of about how long you may live. It is a progressive disease that no one can do anything about, and until we make a mass attack on some of these killing diseases of humanity we are never going to find the answer, because the work is not being done at the present time. I am just as sure as I stand here today that the accomplishment that we will be able to render the people of our country by appropriating this $2,000,000 cannot be termed in numbers of dollars, only in the relief of the suffering and the pain of the millions afflicted with this disease at the present time.

Intensified research in the field of arthritis and metabolic diseases offers exceptional opportunity for success. Recent important research discoveries and tools, such as cortisone, radioactive isotopes for tracer work, and electron microscopy, have provided bases and methods previously unknown with which to work. As I indicated, immediate results, notably in the metabolic diseases, would have a direct effect in improving military medicine and sustaining civilian health.

A comprehensive research program covering fundamental investigations, development, and production of drugs and therapeutic agents, clinical trials and application, with specific attention to arthritis and other metabolic diseases, is planned. These would be undertaken by qualified scientists, supported by grants-in-aid, and by those now and to be employed at the National Institutes of Health.

Research on rheumatoid arthritis and related diseases will receive additional emphasis and support, not only because of their high incidence but because of their singularly tragic and crippling effects. Efforts will be made to increase the supply of remedial drugs, to develop improved methods of diagnosis, to investigate causes and possible prevention of these diseases.

The success of cortisone and of ACTH—adrenocorticotropic hormone—in treatment of rheumatoid arthritis and other diseases call for increased attention to isolation and manufacture of similar compounds. Research to determine the course of these compounds in the body, as well as organs involved, must be undertaken through intensive laboratory and clinical testing. In this connection I want to relate the case of penicillin, which is directly in point. Following the realization of the potentialities of this antibiotic, production and more production was ordered. From September 1941 until March 1945 production difficulties were met and finally conquered. In large part, these program aims were achieved through coordination by the Office of Scientific Research and Development. By 1943, when chemical procedures had been fairly well standardized, production in the small pilot plants had increased to 40,000,000 units a month from 10,000,000 in 1942. It was then time to build factories, and priorities were issued in 1943 by the War Production Board. Defense Plant Corporation financed construction costs where needed and the Public Health Service undertook testing of products. The result of the completed integrated venture is told succinctly in Scientists Against Time, the history of OSRD, page 350—and I quote:

> Since the aim of the program was to produce penicillin, its success is best indicated by the figures of production. In evaluating these figures, 1,000,000 units may be taken as the average amount required to treat a single patient. In June 1943, 425,000,000 units were produced; in December 1943, 9,195,000,000 units, a twenty-two-fold increase; in June 1944, 117,527,000,000 units, a further thirteenfold increase; in December 1944, 293,376,000,000 units; in June 1945, 646,818,000,000 units. As production increased the cost of the product fell. A package of 100,000 units which originally sold at wholesale for $20 now sells for considerably less than $1, of which 20 percent is the cost of packaging.

Through this effort, sufficient quantities were provided for military and civilian use and at an extremely modest cost. The mobilization of both research and engineering talent to conquer a complex problem demonstrates, beyond guesswork, the need for providing support which can lead to a similar effort, if determined to be necessary.

In the event of large scale atomic or radiation attack, it will be of utmost importance to have supplies of blood or blood substitutes available. Research on blood substances and substitutes in shock and burn conditions must be continued. You may have heard about the

recently announced discovery by PHS scientists of the efficacy of a saline solution which can be taken orally for treatment of thermal burns. This most significant addition to civilian defense has already been adopted by defense officials. Other blood research will analyze characteristics of white cells which change in different diseases, thus providing guides before and after operations. Blood work has been classed by the defense agencies as of prime importance at this time.

In neurology and blindness, the Service plans to attack not only specific diseases but to initiate a pioneering program emphasizing basic studies in disease identification, relationships and body reactions. Hopeless invalidism once characterized those afflicted with multiple sclerosis, epilepsy, cerebral palsy, and other neurological diseases. Today, new methods of rehabilitation, new treatments and drugs indicate miraculous improvement and freedom from utter dependency. But only a beginning has been made. Rehabilitation is based on trial and error—not on basic knowledge. Drugs are only partly successful, they aid only in certain forms of these disorders. There are no "cures" even in sight. Scarcely a start has been made on prevention. Research in the neurological disorders stands today about where research in the infectious diseases stood 30 years ago.

The $2,600,000 requested to start these programs would be used to organize the new institutes and to begin outside support to universities and research agencies to undertake complementary studies and to support instruction in clinical and research techniques. This aid is absolutely essential to increase the supply of specialized manpower and to stimulate entry of young scientists into these fields. Research grants will be awarded only after competent technical review by outside consultants and the Advisory Councils.

Of this sum, $250,000 would be used for grants for research in control and rehabilitation methods. Far-sighted physicians and social-service workers have long felt that research in and development of methods of home and clinic treatment of arthritic and rheumatic diseases is needed to enable the chronic and crippled individual to be a useful member of society. In neurology and blindness, special grants are equally essential for research in the initiation, development, and improvement of control and rehabilitation methods and devices. These grants to be awarded to qualified agencies, institutions, hospitals, and universities, will also be made on the recommendation of the appropriate National Advisory Council.

I cannot too strongly urge favorable action on a request which, in monetary terms, is extremely modest in proportion to the total defense expenditure. It must be evident, however, that in terms of its value, in terms of waging war and enjoying peace, it is one of the most profitable and productive investments we can make.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, knowing the deep sincerity of the chairman of our subcommittee, of course, it is distasteful to me personally to find myself in opposition of his amendment. However, I would point out this, that this is not an urgent thing. These diseases have been suffered since the beginning of time.

We are concerned primarily now with the urgency of appropriations for military defense of this Nation without which even those people so suffering cannot live. It is quite possible, knowing the headway made with cortisone and ACTH, that by delaying this program until the regular appropriation comes in next year you may find that it will be possible to more clearly, succinctly, and successfully set this program up so that there will be a greater understanding of the problem, a greater understanding of the possibilities thereof. Of course, I might point out that this is just a very small camel that is getting a very small nose under the tent. But, before this program is over it will run into many, many millions of dollars, and this is merely one of the social activities for which there were no budgeted funds which must at this particular time give way to the urgent demands for military defense.

Mr. TABER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, there is no budget estimate for this item. When we approach a problem of this kind I like to see it done carefully, especially in times when we need every dollar there is. The amendment itself that has been offered indicates that it has not had careful consideration because it calls for $2,665,000 to operate an activity which would have to start not earlier than the 1st of February and continue through about 5 months. The whole request that is going to be allowed by the budget for next year is only $3,000,000. Now, it has been handled on such an elaborate basis that it shows the trouble we get into when we attempt to do things without them being properly budgeted and without having the facts developed so that we know where we are at. We ought not to adopt amendments and embark upon programs that are going to cost many millions of dollars when we need every dollar for defense.

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

Mr. TABER. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. In view of the fact that the budget allocated $3,000,000 for this fiscal year, it was justified.

Mr. TABER. That was for a whole year.

Mr. FOGARTY. No.

Mr. TABER. This is for 5 months. That is all that could be available for it. It is so elaborate and so beyond all reason that I do not see how the House could give it favorable consideration.

Mr. FOGARTY. The budget did justify $3,000,000 for this fiscal year.

Mr. TABER. I wonder if the gentleman feels that $3,000,000 for 1 year is the same as $2,600,000 for 5 months.

Mr. FOGARTY. The $3,000,000 was not for 1 year, because the bill was not signed into law until August 15, and this was justified on the basis of starting sometime around the first of October. This amount I have is only $2,600,000.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, this is a very appealing amendment. It has a very laudatory purpose. I wish we had means to take care of it. I wish we could do something about it. But, Mr. Chairman, there is a stream of butchered and suffering men pouring back from the front every day. And we are borrowing the money to take care even of these. To ask us to divert funds from the hospitalization of the human wreckage being steadily ground out at the front is one of the most absurd and unreasonable propositions ever offered on this floor.

Mr. Chairman, St. Paul said, "This one thing I do." That is what the American people must reiterate today, "This one thing we do. We must win this war." We must devote our time and resources to that one task until the Nation is safe. In order to do it, we must quit spending money for anything not directly connected with, and contributing to, the success of the war. We do not have money enough for essential military needs and services, much less money enough to waste on other things, however desirable they may seem at the time.

Mr. Chairman, we must have some teamwork on this floor. We must have some coordinated effort on the part of Members here to spend the small amount of money we have left where it will do the most good in defense of the Nation. I trust we will have the support of all patriotic Members to that effect.

I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 26, noes 59.

Mr. CANFIELD. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: Section 1214 of the General Appropriation Act, 1951, shall not be applicable during the fiscal year 1951 to the item 'Grants for hospital construction' contained in chapter V of said act."

Mr. CANNON. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Rhode Island desire to be heard on the point of order?

Mr. FOGARTY. I do not, Mr. Chairman.

The CHAIRMAN. The Chair has examined the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] against which the gentleman from Missouri [Mr. CANNON] has made a

point of order. It appears to the Chair rather clearly that the amendment seeks to amend existing law. Therefore, it would be legislation on an appropriation bill, in violation of the rules of the House. The Chair sustains the point of order.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: For construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000, to be allotted to the several States as provided in such part C, except that such amount shall be available during the fiscal year 1951 only to the extent necessary to bring the allotments to the several States during such fiscal year to the total basis of $150,000,000, as authorized."

HOSPITAL SURVEY AND CONSTRUCTION PROGRAM

Mr. FOGARTY. Mr. Chairman, there is probably not one Member of Congress who is not familiar with the Hospital Survey and Construction Act and the accomplishments of this program in all the States and Territories since its inception on August 13, 1946. As chairman of the Appropriations Subcommittee hearing this program, I have become more particularly interested in the program, its objectives and accomplishments.

It was in the period just prior to and at the beginning of our Nation's activities in World War II that the acute shortage of adequate health facilities for those of our people who needed hospital care became apparent. Not only was there a lack of hospital beds but the distribution of beds as indicated by the location of hospitals showed the greatest need to be in the rural areas and those areas close to industrial centers.

Recognizing the inadequacy of our hospital plant, leaders in the health field joined with public-spirited citizens, acquired the support of the American Medical Association, and established a Commission on Hospital Care under the auspices of the American Hospital Association. This commission studied the Nation's hospital resources and made recommendations concerning a long-range plan for providing adequate hospital facilities. The Congress passed the Hill-Burton Act in 1946 which provided for a program of hospital survey and construction in all the States and Territories. This act provided for a joint Federal, State, and community effort. The program has, in general, been proceeding most satisfactorily. In 4 years of operation 72,000 hospital beds have been added. Over 300 projects have been completed and are in operation. Over 1,500 projects have been approved and over 800 of these are currently under construction. However, over 800,000 additional hospital beds are still necessary to meet the minimum needs for hospital services in this country. This estimate does not take into consideration the increased need due to the present international situation.

You will recall that the amendments to the Hospital Survey and Construction Act passed by the Eighty-first Congress, increased from $75,000,000 to $150,000,000 the contract authority for hospital construction. The Eighty-first Congress also provided for a similar contract authority of $150,000,000 through 1955. The action by this Congress in continuing the contract authorization at $150,000,000 for fiscal year 1951 despite attempts to reduce it was a unanimous one. I believe it was a gratifying recognition of the success of the program to date and recognized importance of adequate hospitals to the Nation's health. One cannot challenge the fact that a healthy nation is a strong nation.

The action by this Congress was important since it assured the States and the local communities of the support of their government in their plans for hospital construction. This is extremely important in view of one of the program's primary objectives, namely national planning. Each State continues to survey its hospital needs and to revise and develop its plans, thinking always of the needs of city and town. The development of an orderly construction program must include the needs for special facilities such as mental disease, chronic disease and tuberculosis, as well as those relating to general hospitals. In planning for good hospital programs designed to provide adequate hopsital service for our total population, it would seem that the States should have adequate assurance of Federal support.

You will further recall that the Public Health Service and the State agencies administering this program operated under continuing resolutions as authorized by Congress during the first 2 months of the present 1951 fiscal year. In so doing, the several State agencies made grant commitments to hundreds of communities throughout the Nation on the basis of contract authority of $150,000,000. Project sponsors in these communities on the basis of grant commitments from their respective State agencies entered into specific contracts. The contracts related to the acqusition of sites, preparation of architectural plans and specifications, engineering services, conduct of fund raising campaigns, the authorization and sale of bonds and other related contractual operations, thus committing a substantial portion of the sponsor's share of project costs. The States and communities had every reason to assume that the Congress and the Executive Branch of Government would observe its commitments, particularly since it was this very Congress which last year expanded the program and in the spring voted the full one hundred and fifty million contract authorization. Nevertheless, the Bureau of the Budget in implementing section 1214 of the General Appropriations Act which required a five hundred and fifty million savings chose to cut this program in half by establishing a reserve of $75,000,000 against the $150,000,000 voted by the Congress. The effect upon State and community planning and upon the program in general is almost immeasurable. The many months, and in some cases, years of planning are completely disrupted.

The State agencies administering the program have had to revise their schedules for the present fiscal year. I am advised that in so doing over 450 projects scheduled for inclusion in the 1951 program—over 450 communities are having to have their projects postponed to a later fiscal year or in some instances, completely eliminated from the program. These projects would provide over 22,000 hospital beds to the Nation's critical bed supply. Over 150 of these communities have raised their own funds from local subscriptions, bond issuances, or local taxation and must now await Federal funds in ensuing fiscal years. In other localities the situation is even more serious. There are 88 communities distributed over 31 States which have acquired sites, raised local funds, and proceeded with architectural plans into the final drawing stage. Many more have in fact acquired sites, employed architects, raised funds, or otherwise obligated themselves. In these instances local obligations have been incurred, relying upon the good faith of the Congress. We cannot permit them to feel that we, the same Representatives in the same Congress, let them down.

Not only did the establishment of a $75,000,000 reserve for the present fiscal year seriously disrupt the program, but in support of this action the information issued is misleading. A number of State governors were advised that there was a balance of approximately ninety-one million dollars available from 1950 funds and that the $75,000,000 to this $91,000,000 would exceed the $150,000,000 required for the 1951 program. Similarly, press notices appearing in newspapers throughout the Nation noted a carry-over of $92,000,000 to the present fiscal year.

However, you are aware that contract-authorization amounts for this program, made available by the Congress for a given fiscal year, remain available during a 2-year period. Thus the 1950 contract authorization for hospital construction—available for obligation during a 2-year period—was $150,000,000. At the end of the first year of availability—June 30, 1950—$58,000,000 had been committed to projects under construction by that date. Seventy million to projects not under construction, with a balance of twenty-two million not specifically earmarked to projects. These latter two items total ninety-two million. The program, of course, continued to operate since the funds were available for another full fiscal year. By September 12, 1950, when the reserve was established, of these 1950 funds, eighty-five million was committed to projects under construction, sixty million to projects not yet under construction, leaving a balance of approximately five million. However, it must be emphasized that neither the ninety-two million nor the sixty million represent free and available balances. Of these funds, all but five million had been committed to projects sponsors and applicants—communities which, relying upon commitments or initial approval of their projects by the State agencies and the Public Health Service, proceeded to acquire sites, raised funds through bond issues and other means, hired architects and consultants, and proceeded with the detailed preparation of construction plans and specifications.

The remaining balance of five million could be regarded as a reserve for change-order increases during construction. Virtually all of the 1950 funds had been committed and were therefore not available for the 1951 program; the statements, therefore, that larger sums were available for the 1951 program is misleading, and at best represent a failure to correctly understand the program.

Lest it be thought that I am supporting needless expenditure on the home front in the light of the national crisis, may I point out the national defense aspects of hospital construction activities. It may be regarded as providential that the hospital survey and construction program is adding hospitals in the rural areas to a larger extent than in the urban areas. Of approximately 1,500 projects already approved three-fourths are for general hospital construction and about one-half of these are for completely new hospitals. At least 75 percent of these new general hospital projects are located in places with populations below 10,000. There is a trend that shows that physicians are establishing their practices in these small towns instead of remaining in the urban areas as has been the pattern during the past two decades. The modern medical practice requires instruments of precision, X-ray facilities and laboratories. These modern hospitals include such facilities and permit medicine to be practiced on the high level being taught in our medical schools. Adequate health facilities attract adequately trained health workers and result in better patient care in areas which previously did not have physicians. Today we need more than ever adequate hospitals in the areas outside of the larger centers of population. Need I spell out in detail why I make that statement. I do not think it necessary. Times such as those of today when our international, national, and personal tranquillity has been unbalanced means that we must find ways and means of preserving the very basis of our democracy, the most precious possession our democracy cherishes, namely, the individual. I point out that the health of that individual is one of our greatest assets and must be guarded. Our whole economy is dependent upon the health and productiveness of that individual.

In a geared-up production period so essential to our existence in the world today there will be shortages of material and manpower in all fields. Plans and methods pertaining to this vital subject are occupying many of us in this Congress. I have no doubt that they will be adequate for the job to be done. I submit that we will have sufficient materials and manpower available during this period of the greatest productivity this Nation has ever known to permit the underpinning of all our essential resources. It is inconceivable to me that we would permit deficiencies in materials, supplies, and manpower to limit the building of vital health facilities which are so greatly needed. Facilities for the health of our people; the care of the sick; the hospital care of those needing it; the public health services needed must be available. The maintenance of the health properly conducted is an essential commodity at any time. In times of stress, in times of a possible catastrophe either from physical forces or from bacterial forces brought about either by man or by nature we need the protective influence of adequate health resources properly organized and conducted.

The fact that we need at present more, better, and serviceable health facilities—hospitals, health centers, and community clinics cannot be disputed. A review of the State plans as required by the Hill-Burton Act, Public Law 725, Seventy-ninth Congress and as amended by Public Law 380, Eighty-first Congress shows that a minimum need of over 800,000 hospital beds should be added to the 1,000,000 beds now in existence. We must achieve that goal even for a peacetime existence. The Hill-Burton program is geared to that end. Let us not now further handicap ourselves by postponing these efforts through permitting that program to be cut back to $75,000,000 in 1951. The Federal Government has an obligation to work with the States and local communities in carrying out this program as planned. We cannot, we should not shirk our responsibility. We must keep our covenant with the people of this country.

I have studied this matter and I have developed a great appreciation of the need for adequate health facilities. I am prepared to offer at this time an amendment which will permit the hospital survey and construction program to continue to go forward. It is with a feeling of great pride that I seek to keep our covenant with the citizenry of this precious democracy.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, 2 minutes to be reserved to the committee and 3 minutes to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON. Mr. Chairman, this is, in effect, the same proposition presented by the last amendment. Even in prosperous times, when we had no appreciable debt and had no war in the offing, we made no appropriation for such items as this. Now we have the most stupendous debt the world ever saw and a menacing war situation confronting us. We are already giving them $75,000,000—money we do not have—money that is needed in the war program.

These civilian hospitals are nondefense items. They are local responsibilities and should be supported by the localities which they serve. The local municipalities, counties, and States are solvent and are operating in the black, while the Federal Government is in the red and going deeper every day. We should use this money where it is really needed, for field hospitals, base hospitals, first-aid stations at the front, and for veterans' hospitals, and let the communities take care of their own civilian hospitals. The bill before us is a bill for national defense. It is to be hoped no further inroads will be made on the funds from which the defense items must be appropriated.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has expired.

The gentleman from New York [Mr. TABER] is recognized for 3 minutes.

Mr. TABER. Mr. Chairman, this same money was appropriated last year in the bill and it presently is impounded in the Treasury of the United States by the President because in looking the picture over he did not believe that the necessity for this fund was as great as the necessity for the expenditure for the war effort.

I may say that in my own territory there was a case where they wanted some of this money but could not get it because it was impounded. They went out and raised the money themselves to build their own hospital facilities, and did build them. They can do it everywhere else if they will.

I hope that we will not upset the picture that the President has created in here. The $75,000,000 was once made available. We should not try to make another $75,000,000 available when the President impounded the first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The amendment was rejected.

The Clerk read as follows:

Page 1, line 17: The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951."

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

The CHAIRMAN. The gentleman will state it.

Mr. NORRELL. Mr. Chairman, I make the point of order against the language beginning after the comma following the figures "1951" and reading as follows: "is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951,'" that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON. We concede the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri concedes the point of order; the point of order is sustained.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this matter was threshed out in the committee this morning. The action just taken is the action of our distinguished chairman, acting through the gentleman from Arkansas [Mr. NORRELL]. Some other language, Mr. Chairman, is also subject to a point of order and I make it against the entire paragraph; then I want to offer an amendment.

The CHAIRMAN. Does the gentleman mean to strike the paragraph?

Mr. THOMAS. Yes, that paragraph and the next one, all of it dealing with the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas to strike out the language?

Mr. TABER. Mr. Chairman, reserving the right to object, that would cover the rest of the paragraph and the following paragraph after that to which a point of order is pending?

The CHAIRMAN. The gentleman will please indicate the language that he wants stricken.

Mr. THOMAS. All of the language under that head pertaining to the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. STEFAN. Mr. Chairman, reserving the right to object, I think the Committee ought to know what language is being stricken. I ask that the language that is to be stricken be read.

The CHAIRMAN. The chairman has requested the gentleman from Texas to read the language that he has included in his request. The Clerk will read it.

The Clerk read as follows:

DEPARTMENT OF COMMERCE

MARITIME ACTIVITIES

Ship construction

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950," and inserting in lieu thereof "June 30, 1951."

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

Salaries and expenses

Limitations under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000," and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, and I do this because I think the Members would like to know what is going on. The reason it was necessary to have this read was so that Members might get some idea of what is proposed to be stricken by the request of the gentleman from Texas. The language which has been read constitutes an amendment that was adopted in the full committee this morning. The printed copies of the bill available to the Members of the House do not show that language, so that the only way we can tell what is here being done is either to understand what the Clerk has just read or to ask the gentleman from Texas to explain what he proposes to do. May I say this as the basis for reserving the right to object? The budget as it was presented to the subcommittee made available certain balances for the construction of some faster ships, cargo ships, estimated to be from 10 to 14 knots. The gentleman from Texas proposed in the subcommittee the addition of some additional funds to the other balances which would have made possible the construction of a large number of cargo vessels. I anticipate—perhaps I should not anticipate—that the purpose of the gentleman from Texas in asking that this language be stricken is that he wants to offer some language which would be in order that would make possible the purpose that he sought to accomplish by adding the other money, but which was stricken out here on a point of order that was made by the gentleman from Arkansas.

I should like to yield to the gentleman from Texas if he cares to state whether or not that is the fact, and then I shall withdraw my reservation of objection.

Mr. THOMAS. Our distinguished friend who will soon leave us and go to the Senate has stated it correctly. Of course, the language that was stricken on the point of order by the gentleman from Arkansas was the budget language. No one raised that question before in committee this morning and, of course, it is subject to a point of order.

Mr. CASE of South Dakota. I withdraw my reservation of objection, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMAS: Page 9, after line 16, insert :"Department of Commerce, maritime activities, ship construction: For the construction of cargo vessels in accordance with the provisions of the Merchant Marine Act of 1936, as amended, $350,000,000."

Mr. THOMAS. Mr. Chairman, that very simple language that you have just heard read appropriating $350,000,000 is exactly the same that we did in about 20 lines in the bill as reported from the committee.

May I give you the history back of it? The language that was stricken on the first point of order took the vitals out of the first half of it, namely, about $126,000,000.

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

Mr. THOMAS. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman struck some additional language, salaries and expenses. Would that be affected by the present amendment?

Mr. THOMAS. No, sir, because the same amount of money is included in this exact language. Here is the problem, and I will state it to you very frankly. We are trying to build some fast cargo ships. The Maritime Administration, under its new cleaned-house management, I might say, have developed these plans whereby we can build some 20- to 22-knot ships. They will go unescorted.

This is the most economical ship that we can possibly have; not only economical in money but economical in saving manpower of the Navy and everybody else concerned in the escorting of ships. We are told by the Maritime Administration that we need several hundred of these ships. We were also told that they will be built on the Atlantic coast, the Gulf coast, and the Pacific coast, and that it will take 11 to 14 months to build them. I plead with you, my colleagues, we have heard many fine speeches today on national defense. Let us not have it hurled at us again, "Too little, too late." Eleven to fourteen months is a tremendously long time to wait to build these ships. We ought to have them now. Of course, we have 1,600 what we call ugly ducklings laying up on the Atlantic coast, the Pacific coast, and the Gulf coast, last war's ships. Certainly we used poor judgment in building them, because we cannot give them away now. Industry cannot use them. They are too slow. They will make only 10 knots. They have to go escorted, and when they go escorted, they make only 7½ knots. It has been testified by the experts in the Maritime Administration that they are the most expensive ships we can possibly have. Of course, we are going to use most of them. We are going to use them where the ships do not have to go escorted, and bring in such materials as bauxite and other heavy, bulky cargoes, moving the ships up and down our coastlines, to South America, and so forth. This is purely a national defense item. The subcommittee voted for it unanimously, and it was adopted by the full committee. I ask your support of it.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PHILLIPS of California. Mr. Chairman, I rise to support the chairman of the subcomimttee in his statement, and in his request that this amendment be adopted. The Maritime Commission, under new leadership and direction, went to the Budget Bureau and then came to the Congress asking for an extension of time in order that they might use all funds available at the present time to build a new and faster type of cargo ship. The motion of the gentleman from Arkansas was to strike out that request and to stop the building of any new-type vessels after December 31 of this year. I do not believe that was his intention. I believe he would have offered some substitute motion. The subcommittee hearing the evidence from the present Maritime direction realized that the figures had

been made up by the Bureau of the Budget prior to the present break in the war situation in Korea, and we decided it was necessary to give the Maritime Commission permission, and money, to start building more of the faster type ships if we are to have them available for the use of men and materials when they will be needed.

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

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Continuing my statement, Mr. Chairman, the subcommittee, therefore, feeling that this was a matter of time if we are to have vessels ready, when it would take a year or more to build them, and if it is necessary to open shipyards in order to build them. It will be necessary to have enough ships under construction to keep the work going and train the men, so we felt that it was desirable to give this agency more money than actually had been requested by a Budget Bureau which had acted upon a situation prior to the present situation in Korea.

I hope, therefore, that the House will vote as the Appropriations Committee voted upon the same matter in the committee meeting this morning, and vote to adopt the amendment offered by the gentleman from Texas [Mr. THOMAS].

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment.

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

Mr. NORRELL. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 10 minutes after the expiration of the time of the gentleman from Arkansas, one-half of the time to be controlled by the gentleman from Missouri and one-half by the gentleman from New York [Mr. TABER].

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

Mr. THOMAS. I object.

Mr. NORRELL. Mr. Chairman, the membership of the House is entitled to know why the point of order was made a while ago on the two paragraphs. Of course there is no law authorizing such appropriation. The reason there is not is that the budget which was submitted to the committee contained no estimate for these ships. It did contain a fine all-around program of shipbuilding and other national-defense articles. There was no budget estimate for this amount. If this amendment is adopted there will be no estimate from the budget providing the $350,000,000 involved here. It is not in the President's budget. It has been vetoed by the Joint Chiefs of Staff of the defense forces of the United States. There is a reason for that, and the reason is that there are now in storage over 2,000 commercial ships not being used. They do not need them and have not even called them out yet. Are we going to spend $350,000,000 not authorized by the President, not mentioned and provided by the budget, and vetoed by the Joint Chiefs of Staff at a time when we have over 2,000 commercial ships in storage and not in use I say to you that we should follow the recommendation of the Joint Chiefs of Staff with reference to the activities of the War Department during this war.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is an item which the committee has put in with a budget estimate. My understanding of the actual situation is that the Maritime Commission has made a contract for a set of plans which perhaps are not quite completed, with the Bethlehem Steel Co., shipbuilding division. They propose to build a ship which will have a speed of 20 knots.

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

Mr. TABER. I yield.

Mr. THOMAS. May I say to my friend I think he is in error when he says there was no budget estimate. There was a budget estimate for 16 of the ships. Your subcommittee, and incidentally the gentleman from Arkansas did not hear one word of that testimony, and is not a member of the subcommittee. As I was saying, your subcommittee took that budget estimate and built it up and authorized 34 more, making a total of 50 on the theory that we should not be too little and too late.

Mr. TABER. I think that is correct. They expect that these ships will cost $6,000,000 each, but for budget purposes they want $7,500,000. I would be willing to go ahead on what the Budget suggested, just about $100,000,000; but when you make it two hundred and fifty or three hundred and fifty million more than the Budget asked for, for a ship that has never been built and nobody knows how well it will work, it is a little difficult for me to follow that kind of business. It looks to me as if they were asking so much money that they would be so cumbersome in their operation and so ridiculous in going into things that have not been tried on a very large scale, that we ought not to do it. I hope the amendment will not be agreed to.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. The gentleman from Arkansas [Mr. NORRELL] made the statement that we had available at the present time several thousand vessels. I would like to ask the gentleman if he knows exactly, so that a correction can be made on that.

Mr. TABER. I think we have 1,600 so-called Liberty ships in mothballs, ready to be fixed up.

Mr. PHILLIPS of California. Not necessarily in mothballs, but just lying around.

Mr. TABER. Well, they are supposed to be ready. Then they have about 125 of the so-called Victory ships that have not been placed in commission.

Mr. PHILLIPS of California. How fast are those ships?

Mr. TABER. Oh, they are perhaps 15 knots.

Mr. PHILLIPS of California. In other words, the Liberty ship is the slowest ship, and that will make about 10 knots, and the other about 15.

Mr. TABER. That is correct.

Mr. PHILLIPS of California. Those results are not satisfactory in wartime, are they?

Mr. TABER. Neither are the others that are designed, because the snorkel submarines are supposed to go 26 knots. These that are designed are only supposed to go 20 on a surface run, and once in a while, under forced draft, 21 or 22. That is where the trouble comes in. You are asking for a more expensive ship than the ones you have got, and you are not solving the question.

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

Mr. TABER. I yield.

Mr. REDDEN. The gentleman from Arkansas [Mr. NORRELL] said the Joint Chiefs of Staff vetoed the production of these ships. Could the gentleman tell us on what ground they vetoed the production of these ships?

Mr. TABER. Well, I do not know whether they vetoed it or not. All I know is that they approved the budget with an estimate for about 15 of these ships. I may be wrong. It may be 16, or something like that, whereas this would call for something like 70.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I move that all debate on this amendment, and all amendments thereto, do now close.

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

The question was taken; and on a division (demanded by Mr. GORE) there were—ayes 83, noes 114.

So the motion was not agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. THOMAS) there were—ayes 42, noes 61.

So the amendment was rejected.

Mr. HAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAND: On page 9, after line 17, insert a new paragraph to read as follows:

"Federal assistance in major disasters: To carry out Public Law 875, Eighty-first Congress, an act to authorize Federal assistance to States and local governments in major disasters, and for other purposes, approved September 30, 1950, the sum of $5,000,000."

Mr. HAND. Mr. Chairman, this amendment really is offered in a sense to test the good faith of our body and of the administration. On September 30, 1950, the act was passed, Public Law 875, which provided for Federal assistance to States and local governments in the event of a major disaster.

Section 2 of that act defines a major disaster to mean a flood, hurricane, storm, or other catastrophe in any part of the United States which in the determination of the President threatens to be of sufficient severity to warrant Federal aid.

Whether or not you agree with the wisdom of passing the act, it was passed by the Congress and approved without any substantial opposition on September 30, 1950. A very short time after it

was approved, in fact, November 25, 1950, a storm of almost unexampled severity struck in virtually all parts of the United States. I am concerned with the effects of that storm which devastated large areas in my district, not only for the district which I represent, but for other districts which were likewise severely affected by the emergency. For example, part of my district is now flooded with water. There are required sand bags at least as an emergency measure to prevent further floods. There is a very considerable loss of life in one of my counties on the Delaware Bay shore. There has been a tremendous loss involving millions of dollars of property on the Atlantic shore in my area.

As I say, whether or not you feel this type of legislation is such that the Congress ought to pass or whether you feel the States should take care of their own emergencies, even though they may be of a catastrophic nature, the fact is that the Congress passed that Act. After the storm on November 25, we came down to see whether or not we could get relief under the Act which this Congress passed and I found upon inquiry that the administration and the Congress never implemented it by an appropriation of money required and authorized by the act.

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

Mr. HAND. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am somewhat familiar with that act because I, too, have floods in my district, but I believe there are some funds remaining on hand which are not expended as yet. Has the gentleman appeared before the proper agency?

Mr. HAND. I may say to the gentleman from Nebraska that my impression is that under a previous act which was repealed by this act, there were some small funds remaining, but my official information is to the effect that the $5,000,000 authorized by this act which we passed on September 30 have never been appropriated. If we are acting in good faith the appropriation should be made because the act was passed for the very purpose of taking care of the situation which struck many of us on November 25.

Mr. STEFAN. Has the gentleman appeared before an agency to secure some of the unexpended balance or before the committee to ask for an appropriation?

Mr. HAND. I may say to the gentleman that I have not because my impression is the funds remaining are entirely inadequate. Indeed, the funds authorized by this act on a national basis are likewise inadequate.

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

Mr. HAND. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman will find that funds were appropriated but the President impounded them recently and they cannot be spent for the purpose for which they were intended. It seems to me if we can afford to give money to all these countries all over the world we ought to be able to do something for our own people back in the States of New Jersey, Pennsylvania, and other States.

Mr. HAND. Of course, I certainly agree with the gentleman. I may say further that on wiring the President for action under this act he wrote me a very sympathetic letter saying he would like to act if he could and that he would make an investigation. As I said before, I really want to test our good faith. Did we pass this act on September 30 as merely a useless gesture or merely as a sop to make the localities or States think we were going to do something for them, or did we mean business? If we meant business, here is our opportunity. We are in the emergency now and here is an opportunity to implement that law which we passed by the appropriation of a comparatively small sum compared with the total bill we are discussing. All we ask is $5,000,000.

Mr. Chairman, I ask for favorable consideration of my amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

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

There was no objection.

Mr. CANNON. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, this of course is a new program, it is a nondefense item and there is no budget estimate for it. Nor was it included in the program sent down to us by the Defense Department. It may be said further that the weather experienced here in the last few weeks is mild compared with the weather experienced by our armies in North Korea the last few weeks.

This is neither the time nor the bill for an item of this character. I trust the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HAND].

The amendment was rejected.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For an additional amount, $64,500,000, to remain available until expended: *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.

Mr. TABER. Mr. Chairman, I make a point of order against the proviso on line 9, running down to line 12 on page 11 that it is legislation on an appropriation bill.

Mr. GORE. Would the gentleman withhold the point of order until I could plead with him and give him the reasons why the subcommittee put this in?

Mr. TABER. I will withhold it.

Mr. GORE. The Atomic Energy Commission called upon the Tennessee Valley Authority to build at the quickest possible moment a huge steam plant to furnish power for the gaseous diffusion plant producing uranium—U235—at or near Paducah, Ky. The TVA said that with the greatest possible speed the steam plant could not be producing power as quickly as needed by the AEC production facilities, and that if they were forced to resort to competitive bidding they might not find a supplier who could supply the generators and the turbines quickly enough to meet the emergency schedule. Therefore, this language is necessary in order to meet the urgent dead line given by the Atomic Energy Commission. I plead with the gentleman not to make his point of order.

Mr. TABER. You see, they originally had a budget estimate of $84,000,000; then they dropped down to $75,600,000 and now they are down to $64,500,000.

Mr. GORE. That was the action of the subcommittee as a result of a modification of plan by the AEC.

Mr. TABER. Indicating that they did not know what they were doing. It would seem like, if they followed business methods, they might get down even further. It would seem to me that we should insist on that point of order.

The CHAIRMAN. Does the gentleman desire to be heard further on the point of order?

Mr. GORE. If the gentleman insists on the point of order it must, in my opinion, be sustained, but I do feel that the gentleman will make a grievous error in insisting upon it.

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. TABER. I insist on my point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from New York makes the point of order that the language referred to is legislation on an appropriation bill. The gentleman from Tennessee concedes the point of order.

The Chair sustains the point of order.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 11, after line 12, insert a new section, as follows:

"RENEGOTIATION OF CONTRACTS

"SEC. 602. (a) All negotiated contracts for procurement in excess of $1,000 entered into during the current fiscal year by or on behalf of the Atomic Energy Commission and the Tennessee Valley Authority, and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948.

"(c) The authority, in the Renegotiation Act of 1948, of the Secretary of Defense with respect to contracts entered into by the Department of Defense shall, with respect to

contracts entered into by the Atomic Energy Commission, be vested in the Atomic Energy Commission, and shall, with respect to contracts entered into by the Tennessee Valley Authority, be vested in the Tennessee Valley Authority."

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Chairman, inasmuch as the balance of the amendment is technical in nature, I ask unanimous consent that the further reading be dispensed with and that it be printed at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. GORE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CASE of South Dakota. Mr. Chairman, the Members of the House who are familiar with the history of renegotiation during World War II will recognize the term. Early in World War II, by amendment to the Sixth Supplemental Defense Act of 1942, we instituted renegotiation to curb war profiteering. It started as a rather simple amendment but was expanded into a considerable statute. The result of that, however, was that during World War II the Government made recovery of something over $10,000,000,000 in cash, to say nothing of improved forward pricing on new contracts.

When we had under consideration the special appropriation bill in the spring of 1948 to provide for supplemental appropriations for the national defense, and in particular where we provided the additional funds to set up a 70-group air force, the House adopted an amendment I offered which reinstated renegotiation for those funds and any funds consolidated therewith. So, as has been brought out, and as I brought out during the debate on the tax bill the other day, renegotiation is in effect with respect to contracts let by the defense establishment for the Army, Navy, and Air Force because of the funds that have been consolidated with the money that was provided in the special Supplemental Appropriation Act of 1948.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Was that renegotiation confined to the contracts for that 70-group air force?

Mr. CASE of South Dakota. No; it applied to all the money that was provided in that 1948 bill which included other branches of the Defense Establishment. The language in that act also provided that those funds should be consolidated with other funds and the commingling of those funds has continued renegotiation. This was brought out in a colloquy I had with the gentleman from Georgia [Mr. VINSON] when we put into effect some of the first Korean emergency legislation last summer.

This proposal now offered is to extend renegotiation to the Atomic Energy Commission and to the Tennessee Valley Authority.

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

Mr. CASE of South Dakota. I yield to the gentleman from Texas.

Mr. THOMAS. Would the gentleman's amendment do any more than bring the TVA and the Atomic Energy Commission under the terms of the Renegotiation Act?

Mr. CASE of South Dakota. That is all it does. It brings TVA and the Atomic Energy Commission under renegotiation the same as the Defense Establishment is. There is reason for it from the Government's standpoint, and that is so that we shall not permit excessive profits where we are turning vast sums over to the Atomic Energy Commission on estimates that one of their members said in the hearings were high, wide, and handsome.

Mr. THOMAS. If my memory serves me correctly, the Atomic Energy Commission stated at the hearings that they had no objection to being brought under the terms of the Renegotiation Act.

Mr. CASE of South Dakota. That is correct.

Mr. THOMAS. The TVA representatives said that also, but that they would like the privilege of going back to their main office and studying the proposition, later giving us a letter on it. Whether or not they have given us a letter on it I do not know. I have not seen it.

Mr. CASE of South Dakota. I have their letters on it, and the pertinent sentences are:

From a letter by Gordon Dean, Chairman of the AEC, under date of December 11, 1950, I read:

> At the outset we would like to state that the Commission is fully in accord with the objective of renegotiation legislation which is to prevent excessive profits derived from defense contracts. * * * If H. R. 9564 were enacted and if the Commission were brought within its terms, a uniformity of policy and interpretative decisions on renegotiation would result.

The letter from TVA is dated December 8, 1950, and was signed by Gordon R. Clapp, Chairman of the Board. The gist of it is in these sentences:

> While we believe it is less important to the Government to make TVA contracts subject to renegotiation than those of other agencies, we would have no objection to the renegotiation of our contracts if the renegotiation proceedings were conducted by some other agency or agencies. We understand that it has been the policy in the past for the Government agency having the largest volume of contracts with a particular supplier to handle the renegotiation proceedings with that supplier for all Federal agencies.

From the standpoint of the contractor, this amendment should be in the bill, because many of the construction contractors are doing business with the Defense Establishment where the contracts are subject to renegotiation, but if they build for the Atomic Energy Commission they are not subject to renegotiation on that portion of their business. Their whole business should be treated alike from the standpoint of the contractor and from the standpoint of the Government.

This is one way to curb excessive war profits; it is an essential step in the prevention of excessive war profits.

Mr. REED of New York. Mr. Chairman, will the gentleman yield further?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Is there not another reason, that it is an emergency and the contractors do not know themselves how much their profits or losses will be?

Mr. CASE of South Dakota. That is exactly true.

Mr. REED of New York. Consequently the Defense Department tells them to go ahead regardless, and they will adjust it later.

Mr. CASE of South Dakota. Yes. That was the origin of renegotiation, to have a device where we could keep up all speed and yet make it possible to protect the Government. The subcommittee discussed this matter. It was brought to the attention of the agencies in our hearing. The amendment is offered with the approval of the gentleman from Texas, the chairman of our subcommittee. It has been drafted by those who are familiar with existing law and who are experienced in such matters. It seeks simply to put the contracts of the Atomic Energy Commission and the Tennessee Valley Authority under the same law that applies to the funds of the Defense Establishment.

I ask for the adoption of the amendment.

Mr. GORE. Mr. Chairman, I seek recognition and further reserve my point of order.

Mr. Chairman, the amendment offered by the distinguished and able gentleman from South Dakota, is a lengthy, complicated, and far-reaching one. I have tried to read and analyze it at the Clerk's desk. It contains some 250 or 300 words of technical language. It operates as an amendment of the renegotiation law. That is a subject which is even now being considered by the Committee on Ways and Means. I am sure the distinguished gentleman has a worthy purpose in mind. I do not know that I would disagree in any respect with the objective which he seeks, but I am not sure what the objective is and I am not sure what the effect will be, nor do I believe any Member of this body, other than perhaps the author of the amendment himself, has such knowledge. Therefore, I feel, in the name of orderly procedure, we should not adopt here by way of a quickie amendment a far-reaching amendment to the renegotiation law, which I favor.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield; but before the gentleman speaks, may I take this opportunity to congratulate the gentleman and the people of his State upon the promotion given to him and the great honor that has come to him. I want to say that although the gentleman's retirement from this body will be a great loss, the other body will gain a most valuable Member who in due time will become one of its outstanding and most valuable Members.

Mr. CASE of South Dakota. Mr. Chairman, when a gentleman prefaces his yielding to another gentleman with language like that, it always cramps the style of the Member who is yielded to in making a point which in any sense modifies the earlier remarks of the gentleman yielding.

Mr. GORE. Having served on the committee with my beloved friend for so long I know how delicately he can cramp a man's style. But I am not attempting to do so in this case. My remarks are genuinely and sincerely made.

Mr. CASE of South Dakota. Nevertheless, Mr. Chairman, I do appreciate very much the remarks of the gentleman. I cannot at this time take the time of the House to respond in that particular but I certainly do appreciate them and as well as the other very many kind remarks that Members have been making, either personally or in the deliberations of this body at various times.

However, Mr. Chairman, with respect to this matter, I was hoping the gentleman would not insist upon his point of order in order that the matter might go before the other body. Renegotiation of contracts started that way. The very first amendment which instituted renegotiation was a very simple one which did not have very much detail in it. But it was accepted by the House in March of 1942, and the details were worked out by the other body.

As a result of that we accomplished great savings. If we do not do this at this time then these contractors who are getting these contracts will not be on notice, and the contracts will not carry the clause proposed in the amendment that every such contract shall carry a clause making it subject to the Renegotiation Act of 1948. In view of the fact that the defense establishment is operating under that, and in view of the fact further that the Atomic Energy Commission and the TVA people both in their correspondence have said that they are in favor of the principle and have no objection to coming under the renegotiation law, I was hoping the gentleman would not insist upon his point of order, and permit it to be initiated at this time.

Mr. GORE. In reply, permit me to say I have no objection to the objectives which I think the gentleman has in mind. However, it is not the TVA or the Atomic Energy Commission which by this amendment will be brought under the renegotiation law. It is an amendment of the renegotiation law the extent of which is not now apparent to me. It is a far-reaching amendment, and I believe the Committee on Ways and Means, representing this body, will give careful consideration to the proposal and will report proper legislation covering the matter very soon. In fact, the committee has already completed hearings on the subject.

Mr. CASE of South Dakota. This does not amend the renegotiation law except to bring the Atomic Energy Commission and the TVA under it. It does not change the way it operates at the present time with respect to the Defense Establishment.

Mr. GORE. Again, let me say that the renegotiation law applies to contracts. It is not a question of applying it to Government agencies.

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

Mr. GORE. I yield.

Mr. CARROLL. Will the $18,000,000 we are about to vote on be subject to the renegotiation clause which existed in other appropriation bills?

Mr. GORE. To the extent that the renegotiation law would apply; yes. The committee of which the gentleman is a distinguished member will, I am advised, soon have the whole question of the renegotiation law under further study.

Mr. CARROLL. If the gentleman will permit one further question with reference to the military program in this appropriation bill. Is it subject to renegotiation legislation existing in other appropriation bills at the present time?

Mr. GORE. I believe that statement is true with respect to a large percentage of the bill.

Mr. Chairman, I insist on the point of order.

Mr. CASE of South Dakota. The $17,000,000 will be subject to renegotiation, but the billion for TVA and the Atomic Energy Commission will not be.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] has offered an amendment which has been reported. The gentleman from Tennessee [Mr. GORE] has made a point of order against the amendment, on the ground that it contains legislation on an appropriation bill.

Mr. CASE of South Dakota. Mr. Chairman. I concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order, and therefore the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the aprpoval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided*, That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier in the day we had the privilege of listening to a splendid address by the gentleman from Tennessee [Mr. GORE].

In order that the record may be kept straight concerning the House of Representatives and its Committee on Appropriations, I would like to read into the RECORD some of the remarks of the Subcommittee on Appropriations dealing with the National Defense Establishment contained in House Report 1797, Eighty-first Congress, second session, filed on March 21, 1950. It reads as follows:

For some 3 or 4 years prior to consideration of the fiscal year 1950 appropriation for the Air Force it had been advocated that a 70-group program was the minimum peacetime Air Force capable of providing adequate security to the United States. Such a program had been supported by Generals Eisenhower and Spaatz, the President's Air Policy Commission, and the Joint Congressional Policy Board. The House of Representatives was strongly behind a program to give to the country an Air Force greater than the 48 groups proposed in the budget estimates for fiscal year 1950. The action of the Congress in enacting the National Military Establishment Appropriation Act, 1950, confirmed its position as to the greater Air Force.

At the conclusion of World War II the Air Force was operating toward a goal of a balanced peacetime establishment capable of meeting the requirements of national security and of providing a proper mobilization potential in the form of a sound and adequate aircraft industry, a trained reserve potential and a physical plant capable of supporting these elements. The core of that establishment was to be composed of 70 first-line groups which gave the name to the entire program, commonly known as the 70-group program.

The 70-group goal had been set while the war was still in progress and it was hoped it could be attained through an orderly reduction from the peak strength of 273 groups reached by the Army Air Force during the war. However, due to the rapid demobilization of the Military Establishment, the Air Force by the end of fiscal year 1947 had been reduced to a level of 38 groups. At this point the trend was halted and the Air Force gradually began to rebuild its strength.

The initial objective was to reach a level of 55 groups by the end of 1947, the groups to be fully manned and to have at least a minimum of training using equipment from World War II, to be in full operational status by the end of fiscal year 1948. The next step toward the 70-group goal was established as a strength of 66 groups to be attained by the end of fiscal year 1949, the remaining 4 groups to be activated during fiscal year 1950.

The reports of the two governmental policy groups referred to above, published during the early part of 1948, were important factors in substantiating Air Force policy and the thinking of the Congress in these regards. Both reports recommended prompt action to recreate the strength of the Air Force through an orderly expansion toward the 70-group goal as the minimum needed to assure national security in time of peace.

During the Eightieth Congress, there was considered a bill authorizing a peacetime 70-group Air Force with a personnel strength appropriate for such a force and including authority to procure 5,200 aircraft a year. The bill had the full approval of those in authority including the President. Under these circumstances the Air Force moved toward an orderly build-up to a 70-group force, including the necessary equipment, personnel, and training to augment the program.

While budget requirements were under consideration for fiscal year 1950, and prior to the submission of the budget to Congress, the President placed specific limitations on the military departments with respect to appropriations for fiscal 1950. These limitations, or ceilings, were well under the amount necessary to carry out the previously planned Air Force programs. To follow the directive required a major reduction in the number of Air Force units and a determination of those areas where reductions could be taken that would least affect the capacity to carry out the program assigned to the Air Force. By the time of committee hearings on the budget estimates it had been determined that

the budget ceiling would support no more than 48 groups and those groups to maintain maximum capacity to properly perform their assigned tasks would require some changes in composition.

About the time of the hearings on the 1950 budget estimates, the Air Force had reached a level of about 59 activated groups (not fully implemented). A reduction to the 48-group structure would present a problem of cancellation of procurements and earlier-made plans with some loss to the Government. Most careful consideration was given to the matter by the committee and in the interest of efficiency and savings in not losing that which had been acquired toward the 70-group program which, in the judgment of the committee based upon its own knowledge and the advice from such distinguished men and groups as mentioned above, was essential for the defense of the Nation there was passed by the Congress, sent to the White House and signed by the President, a bill carrying funds for the Air Force in excess of the budget estimates.

The Appropriations Committee then said:

In signing the National Military Establishment Appropriation Act, 1950, the President issued a statement indicating objections to the action of the Congress in increasing funds for the Air Force and directing "the Secretary of Defense to place in reserve the amounts provided by the Congress in H. R. 4146 for increasing the structure of the Air Force," which amounted to an item veto, a power not possessed by the President.

Those are strong words, Mr. Chairman. The committee has stated that when the President directed that these funds be placed in reserve, it "amounted to an item veto, a power not possessed by the President."

Then they go on as follows:

Under article I, section 8, of the Constitution of the United States, the following is provided:

"The Congress shall have the power * * * to declare war * * * to raise and support armies * * * to provide and maintain a Navy." It is evident that the Congress is given the responsibility of providing for the national defense.

On the question of increasing the Air Force program from 48 groups to 58 groups, there was much debate and consideration in the Congress over a period of months prior to the adoption of the 58-group program. In other words, the bill which was passed by the Congress and approved by the President embraced the 58-group program, but the impounding of funds by the President reduced the program from a 58-group program to a 48-group program. A major question of policy was determined by the Congress, and funds were provided to implement the policy but the will of Congress was circumvented.

It is perfectly justifiable and proper for all possible economies to be effected and savings to be made, but there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds. If this principle of thwarting the will of Congress by the impounding of funds should be accepted as correct, then Congress would be totally incapable of carrying out its constitutional mandate of providing for the defense of the Nation.

In carrying out the Presidential directive to place in reserve the amounts provided in the law for increasing the structure of the Air Force above the budget requests it now appears from information presented to the committee that the amounts of $157,999,000 cash and $577,755,000 contract authority were placed in reserve. These amounts are at variance with the amounts mentioned in the report of this committee and the amount referred to in the message transmitting to Congress the budget estimates for fiscal year 1951. The committee in its report on the fiscal year 1950 appropriation bill indicated that the budget estimates for the Air Force should be reduced by $51,000,000 through reductions in such fields "as civilian personnel, civilian and military travel, subsistence, clothing and equipage, transportation, economies, and price trends being taken into account."

After explaining the specific reductions in the amount of $51,000,000 the committee plainly stated in its report that the Air Force program was to be increased above the budget estimate in the amount of $800,000,000 plus the above amount, which together would provide funds in the amount of $851,000,000 to accelerate the Air Force program "of which $208,067,000 is in cash and the balance is in contract authorization."

The President in his message to the Congress submitting the 1951 budget in referring to the aircraft procurement program and its costs stated:

"This contemplates that $851,000,000 of 1950 authorizations being held in reserve will be applied against requirements for aircraft to be contracted for in 1951."

Based upon these facts and the direction of the President to the effect that there should be placed "in reserve the amounts provided by the Congress * * * for increasing the structure of the Air Force," it follows that the specific sums of $208,067,000 cash and $642,933,000 contract authority should have been placed in reserve. It now appears from information submitted to the committee (hearings, p. 1313) that the amounts of $157,999,000 cash and $577,755,000 contract authority were placed in reserve, which leaves a difference of $40,068,000 cash and $65,178,000 contract authority.

The committee inquired:

"Mr. MAHON. * * *

"Having failed to secure the 58-group program—at least, the beginning of the 58-group program—the next question arises as to our position now. Are we now in possession of a 48-group program and is our level of aircraft procurement and our level of training and our level of operation such that we can and will, moving in the direction we are now moving, maintain a 48-group program? I would like a well-considered answer to that.

* * * * *

"Let me restate this to see if I exactly understand. The present program before this committee, if projected from year to year, which is a program of about $1,350,000,000 for Air Force procurement, would not bring about or maintain a modern 48-group program.

* * * * *

"By how much do we miss the mark?"

The answer submitted to the committee is as follows:

"Assuming an annual availability of $1,350,000,000 for aircraft procurement, it is estimated that the following states of aircraft inventory modernization will exist at the end of fiscal year 1956. These figures are applicable against the first-line inventory requirements of 48 United States Air Force and 11 Air National Guard groups.

"United States Air Force and Air National Guard groups: First line, 42 groups; second line, 17 groups; total, 59 groups."

In other words, at the rate of aircraft procurement in the present bill, instead of having 48 modern groups in the United States Air Force in 1956, we would have 42 first-line groups. It should be carefully noted that the 59 groups above referred to include the Air National Guard.

Under the budget as submitted to the Congress for fiscal year 1951 it is stated that the strength of the Air Force is to be—

"It is contemplated that the active Air Force will be organized into 48 groups and 13 separate squadrons, approximately its present strength. The Air National Guard and Air Force Reserve will be organized into 27 groups and 25 base wings, respectively."

Thus it will be noted that a projection of the same amount of funds annually for aircraft procurement will produce at the end of fiscal year 1956 a lesser number of modernized groups than is contemplated under the present program for fiscal year 1951. World conditions do not indicate that such a downward trend is justified and it is the opinion of the committee that a restudy and revaluation of military strength projected into future years should be made.

I reiterate, as has been said here before, this Congress and its predecessors have voted not only every dime for national defense which has been requested by the Executive, but it has also increased the amounts both before and since World War II, and since the war certainly those additional moneys for the purchase of modern aircraft for the Air Force have been placed in reserve until Korea happened. But not until Korea was it recognized by the executive department of this Government that we needed to increase our Military Establishment pending events which we here all foresaw. The House of Representatives can congratulate itself on having been foresighted even beyond any foresight evidenced or displayed by the executive department while we commiserate with our country and the armed services over our woeful lack of preparedness at this critical hour.

The Clerk concluded reading the bill.

Mr. WHITE of California. Mr. Chairman, I am going to vote for this bill to arm this Nation, but I should like to offer a humble suggestion for a change in basic policy for the Nation.

In my opinion, we have enough to do to enforce the Monroe Doctrine to protect the Western Hemisphere from aggression.

I am opposed to sending our sons to die all over the world in a war that solves nothing more than did World Wars I and II. We should reduce our commitments to defending this hemisphere. That program we may be able to carry out. The present program of our country trying to stop war wherever it breaks out is insane and foolhardy. I want my sons to live to defend their own country—not to die in a war in foreign fields. I feel sure I speak for many other fathers and mothers in this Nation.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, 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. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit H. R. 9920 to the Committee on Appropriations with instructions to report the bill back to the House forthwith with the following amendment: Page 31, after the period in line 4 insert the following: "*Provided*, That none of the funds appropriated in this act shall be paid to any person, partnership, firm, or corporation which denies equality in employment because of race, color, or creed."

Mr. CANNON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken and on a division (demanded by Mr. MARCANTONIO) there were—ayes 1, noes 219.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, for the purposes of irrigating land, delivering water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, described in the report of the Commissioner of Reclamation approved by the Secretary May 3, 1950, entitled 'Plan for Development, Canadian River Project, Texas,' project planning report No. 5–12.22–1, at an estimated cost of $86,656,000, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act. The use by the project of waters arising in Ute and Pajarito Creeks, N. Mex., shall be only such use as does not conflict with use, present or potential, of such waters for beneficial consumptive purposes in New Mexico.

"SEC. 2. (a) Notwithstanding any recommendations in the above-mentioned report to the contrary, only the costs of construction allocable to flood control and, upon approval by the President of a suitable plan thereof, to the preservation and propagation of fish and wildlife, and operation and maintenance costs allocable to the same purposes, shall be nonreimbursable.

"(b) Actual construction of the project herein authorized shall not be commenced, and no construction contract awarded therefor, until (1) the Congress shall have consented to the interstate compact between the States of New Mexico, Oklahoma, and Texas agreed upon by the Canadian River Compact Commission at Santa Fe, N. Mex., December 6, 1950, in conformity with Public Law 491, Eighty-first Congress, and (2) repayment of that portion of the actual cost of constructing the project which is allocated to municipal and industrial water supply and of interest on the unamortized balance thereof at a rate (which rate shall be certified by the Secretary of the Treasury) equal to the average rate paid by the United States on its long-term loans outstanding at the time the repayment contract is negotiated minus the amount of such net revenues as may be derived from temporary water supply contracts or from other sources prior to the close of the repayment period, shall have been assured by a contract satisfactory to the Secretary, with one central repayment contract organization, the term of which shall not exceed 50 years from the date of completion of the municipal and industrial water supply features of the project as determined by the Secretary.

"(c) The repayment contract shall provide, among other things, (1) that the holder thereof shall have a first right, to which right the rights of the holders of any other type of contract shall be subordinate, to a stated share or quantity of the project's available water supply for use by its constituent industrial and municipal water users during the repayment period and a permanent right to such share or quantity thereafter subject to payment of such costs as may be incurred by the United States in its operation and maintenance of any part of the project works; (2) that, subject to such rules and regulations as the Secretary may prescribe, the care, operation, and maintenance of such portions of the pipeline and related facilities as are used solely for delivering such water to the contract holder, and its constituent organizations shall, as soon as is practicable after completion of the municipal and industrial water supply features of the project, pass to the contract holder or to an organization which is designated by it for that purpose and which is satisfactory to the Secretary; and (3) that title to such portions of the pipeline and related facilities shall in like manner pass to the contract holder or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with the project.

"SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act."

Mr. GUILL. Mr. Speaker, the spirit of cooperation prevailed today in the House of Representatives and in the other body. They extended to the Panhandle of Texas the opportunity to, some day, realize a dream that will eventually culminate in the construction of the Canadian River dam. The efforts of many men have been put forth in trying to make this dream become a reality. I think this is the time to commend each of them individually, and the people of the Panhandle of Texas can thank the teamwork in the House and the Senate for making this legislation possible.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. 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 Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program of next week?

Mr. McCORMACK. On Monday we will have the call of the Consent Calendar, and if any of the following bills do not pass by unanimous consent, they will be taken up under suspension of the rules:

H. R. 9802, granting succession to the War Damage Corporation. That bill comes from the Committee on Banking and Currency.

H. R. 9900, vocational rehabilitation of the armed services, extending Public Law 16, for those in the service now.

H. R. 9911, the Servicemen's Indemnity Act of 1950.

H. R. 8848, a bill providing for a survey of the prisoners of World War II, the effects of undernourishment, and so forth, upon them.

I shall ask unanimous consent that it be in order to consider, on Monday, District bills, and if granted, there will be two bills.

Mr. MARTIN of Massachusetts. The gentleman can do that now.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order to consider District bills.

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

There was no objection.

Mr. McCORMACK. The first District bill is Senate Joint Resolution 209, the District rent-control bill, extending it in conformity with the national action.

S. 1122, to amend the code relating to children born out of wedlock.

Tuesday is undetermined, but I have no knowledge of any legislation on that date.

On Wednesday we will take up H. R. 9798, the civilian-defense bill. I talked with the chairman of the Committee on

Armed Services. He expected it to be reported out Monday by his committee and asked me to bring it up Wednesday, which I am doing.

Then there is a public-works bill, H. R. 9893, coming out of the Committee on Armed Services. Chairman VINSON gave me the same information relative to that bill.

Thusday and Friday are undetermined. Any further program will be announced later, although at this time I know of none.

Mr. MARTIN of Massachusetts. Can the gentleman tell us what the program is for Christmas?

Mr. McCORMACK. I will come to that. Conference reports, of course, may be called up at any time.

In relation to Christmas: The best information I can get on the tax bill in the Senate is that it will be reported out of the Senate committee tomorrow, the report to be filed in the Senate on Monday, with the intention, as I understand, of bringing it up Tuesday. How long it will be debated there, of course, I cannot state; I would not undertake to. But it is hoped that if they get through Wednesday or Thursday at the latest, it will go to conference. If the conference report is not agreed upon by Friday of next week, then it is the intention to bring it up on January 1 and to adjourn from Friday of next week until Tuesday of the following week, from Tuesday until Thursday and from Thursday until January 1.

I have no knowledge of any legislation that would come up the week after next. I think it advisable for us to adopt that procedure even if we could adjourn, say, on Friday next. I think it is perhaps the better procedure for the Congress to be in session rather than taking an adjournment sine die in the light of the situation as it exists.

Mr. MARTIN of Massachusetts. When will the conference on the appropriation bill that we just passed be apt to come up?

Mr. McCORMACK. Probably the chairman can tell us.

Mr. MARTIN of Massachusetts. I yield to the gentleman.

Mr. CANNON. That, of course, will depend on action taken by the Senate. As soon as the Senate messages it back, we will immediately go to conference. That should not be long. I take for granted that will be before the Christmas holidays.

Mr. McCORMACK. That is the best information I can give at the moment, and it is definite. I like to be as definite as I possibly can when giving information to the House.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

AMENDMENT OF SECTION 26 (D) (6) OF INTERNAL REVENUE CODE

Mr. CAMP. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9794) to amend section 26 (d) (6) of the Internal Revenue Code.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(A) Adjustment of net income and resulting tax—years beginning prior to January 1, 1948: If, for any taxable year beginning after December 31, 1940, and prior to January 1, 1948, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in accordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (C), and if the closing inventory of a subsequent taxable year, ending prior to January 1, 1956, reflects a replacement, in whole or in part, of the goods so previously liquidated, the net income of the taxpayer otherwise determined for the year of such involuntary liquidation shall be adjusted as follows:

"(i) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost; or

"(ii) Decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods over the aggregate cost thereof reflected in the opening inventory of the year of the involuntary liquidation.

The taxes imposed by this chapter and by chapter 2 for the year of such liquidation, for preceding taxable years, and for all taxable years intervening between the year of liquidation and the year of replacement shall be redetermined, giving effect to such adjustments. Any increase in such taxes resulting from such adjustments shall be assessed and collected as a deficiency but without interest, and any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 2. Section 22 (d) (6) of the Internal Revenue Code is amended by the addition of the following:

"(B) Adjustment of net income and resulting tax—years beginning after June 30, 1949: If, for any taxable year beginning after June 30, 1949, and prior to January 1, 1954, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in acordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (D), the net income of the taxpayer otherwise determined for the year of such involuntary liquidation and for the year of replacement shall, with respect to goods involuntarily liquidated, be adjusted as follows:

"(i) Adjustment of net income for the year of involuntary liquidation: (a) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; and

"(ii) Adjustment of net income for the year of replacement: (a) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of liquidation over the aggregate replacement cost thereof for the year of replacement; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of replacement over the aggregate replacement cost of such goods for the year of liquidation.

As used in this subparagraph, the term "aggregate replacement cost" for the year of involuntary liquidation means the average cost of goods of the kind involuntarily liquidated that were purchased, manufactured, or otherwise produced by the taxpayer during such year or, in the absence of such cost for the year of liquidation, the average cost of such goods purchased, manufactured, or otherwise produced in the latest preceding taxable year in which such purchase, manufacture, or production occurred. If, in any taxable year, goods involuntarily liquidated have been partially replaced and an adjustment has been made for such replacement under subdivision (ii) of this subparagraph, no further adjustment shall be made under subdivision (ii), of this subparagraph with respect to such replaced goods, unless in a year following such partial replacement there has occurred an involuntary liquidation to which the provisions of this subsection are applicable. If the closing inventory of the taxpayer for the last taxable year ending prior to January 1, 1956, does not reflect a complete replacement of the goods involuntarily liquidated, the net income of the taxpayer otherwise determined for the year of involuntary liquidation shall be further adjusted, with respect to the goods not replaced, as follows:

"(iii) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; or

"(iv) Decreased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation. The taxes imposed by this chapter and by chapter 2 for the year of liquidation, for preceding taxable years, for the year of replacement, and for all taxable years intervening between the year of liquidation and the year of replacement, shall be determined or redetermined, as the case may be, giving effect to the adjustments prescribed in this paragraph. Any increase in such taxes resulting from adjustments to net income under subdivisions (iii) and (iv) of this subparagraph shall be assessed and collected as a deficiency but any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 3. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(C) Definition of involuntary liquidation—years beginning prior to January 1, 1948: The term "involuntary liquidation," as used in this subparagraph, means the sale or other disposition of goods inventoried under the method described in this subsection, either voluntary or involuntary, coupled with a failure on the part of the taxpayer to purchase, manufacture, or otherwise produce and have on hand at the close of the taxable year in which such sale or other disposition occurred such goods as would, if on hand at the close of such taxable year,

be subject to the application of the provisions of this subsection, if such failure on the part of the taxpayer is due, directly and exclusively, (i) to enemy capture or control of sources of limited foreign supply; (ii) to shipping or other transportation shortages; (iii) to material shortages resulting from priorities or allocations; (iv) to labor shortages; or (v) to other prevailing war conditions beyond the control of the taxpayer."

SEC. 4. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(D) Definition of involuntary liquidation—years beginning after June 30, 1949: The term 'involuntary liquidation,' as used in this subparagraph, means the sale or other disposition of goods inventoried under the method described in this subsection, either voluntary or involuntary, coupled with a failure on the part of the taxpayer to purchase, manufacture, or otherwise produce and have on hand at the close of the taxable year in which such sale or other disposition occurred such goods as would, if on hand at the close of such taxable year, be subject to the application of the provisions of this subsection, if such failure on the part of the taxpayer is primarily due, directly or indirectly, (i) to foreign governmental restriction of sources of limited foreign supply; (ii) to shipping or other transportation shortages; (iii) to material shortages resulting from priorities, allocations, or Government stockpiling programs; (iv) to labor shortages; (v) to inability because of material shortages to purchase in the customary manner at established prices; (vi) to seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof; (vii) to disruption of normal trade relations between countries; (viii) to fires, storms, shipwreck, floods, droughts, crop blights, epidemics, or other casualty, or to theft; or (ix) to other conditions beyond the control of the taxpayer."

SEC. 5. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(E) Replacements: If, in the case of any taxpayer subject to the provisions of subparagraph (A) or subparagraph (B), the closing inventory of the taxpayer for a taxable year, subsequent to the year of involuntary liquidation but prior to the complete replacement of the goods so liquidated, reflects an increase over the opening inventory of such goods for the taxable year, the goods reflecting such increase shall be considered, in the order of their acquisition, as having been acquired in replacement of the goods most recently liquidated (whether or not in a year of involuntary liquidation) and not previously replaced, and if the liquidation was an involuntary liquidation shall be taken into purchases and included in the closing inventory of the taxpayer for the year of replacement at the inventory cost basis of the goods replaced.

"(F) Election irrevocable: An election by the taxpayer to have the provisions of this paragraph apply, once made, shall be irrevocable and shall be binding for the year of the involuntary liquidation and for all determinations for prior and subsequent taxable years insofar as they are related to the year of liquidation or replacement.

"(G) Adjustment in certain cases: If the adjustments specified in subparagraph (A) are, with respect to any taxable year, prevented, on the date of the filing of the income-tax return of the taxpayer for the year of the replacement, or within 3 years from such date, by any provision or rule of law (other than this subparagraph and other than sec. 3761, relating to compromises), such adjustments shall, nevertheless, be made if, in respect of the taxable year for which the aljustment is sought, a notice of deficiency is mailed or a claim for refund is filed, as the case may be, within 3 years after the date of the filing of the income-tax return for the year of replacement. If the adjustments specified in subdivisions (iii) or (iv) of subparagraph (B) are, with respect to any taxable year, prevented, on the date of the filing of the income-tax return of the taxpayer for the last taxable year ending prior to January 1, 1956, or within 3 years from such date, by any provision or rule of law (other than this subparagraph and other than sec. 3761, relating to compromises), such adjustments shall, nevertheless, be made if, in respect of the taxable year for which the adjustment is sought, a notice of deficiency is mailed or a claim for refund is filed, as the case may be, within 3 years after the date of the filing of the income-tax return for the last taxable year ending prior to January 1, 1956. If, at the time of the mailing of such notice of deficiency or the filing of such claim for refund, the adjustment is so prevented, then the amount of the adjustment authorized by this paragraph shall be limited to the increase or decrease of the tax imposed by this chapter and chapter 2 previously determined for such taxable year which results solely from the effect of subparagraph (A) and subparagraph (B), and such amount shall be assessed and collected, or credited or refunded, in the same manner as if it were a deficiency or an overpayment, as the case may be, for such taxable year and as if, on the date of the filing of the income-tax return for the year of the replacement or (if subdivision (B) is applicable) for the last taxable year ending prior to January 1, 1956, as the case may be, 3 years remain before the expiration of the periods of limitation upon assessment or the filing of claim for refund for the taxable year. The tax previously determined shall be ascertained in accordance with section 734 (d). The amount to be assessed and collected under this paragraph in the same manner as if it were a deficiency or to be credited or refunded in the same manner as if it were an overpayment shall not be diminished by any credit or set-off based upon any item, inclusion, deduction, credit, exemption, gain, or loss, other than one resulting from the effect of subparagraph (A) or subparagraph (B). Such amount, if paid, shall not be recovered by a claim or suit for refund, or suit for erroneous refund based upon any item, inclusion, deduction, credit, exemption, gain, or loss, other than one resulting from the effect of subparagraph (A) or subparagraph (B)."

Mr. CAMP. Mr. Speaker, I offer a committee amendment:

The Clerk read as follows:

Committee amendment offered by Mr. CAMP: Strike out all after the enacting clause and insert the following: "That section 22 (d) (6) (relating to the involuntary liquidation and replacement of elective inventories) of the Internal Revenue Code is hereby amended as follows:

"(a) By amending the title of subparagraph (A) thereof to read as follows:

"'(A) Adjustment of Net Income and Resulting Tax.—Years beginning prior to January 1, 1948.'

"(b) By striking out in subparagraph (A) thereof 'January 1, 1951' and by inserting in lieu thereof 'January 1, 1953.'

"(c) The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1940.

"SEC. 2. Liquidations in taxable years beginning after December 31, 1949, and prior to January 1, 1954.

"(a) In general: Section 22 (d) (6) of the Internal Revenue Code is hereby amended by the addition of the following subparagraph:

"'(F) Years Beginning After December 1, 1949, and prior to January 1, 1954.

"'(i) Adjustment of net income and resulting tax: If, for any taxable year beginning after December 31, 1949, and prior to January 1, 1954, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in accordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (B) (as modified by clause (ii) of this subparagraph), and if the closing inventory of a subsequent taxable year, ending prior to January 1, 1956, reflects a replacement in whole or in part, of the goods so previously liquidated, the net income of the taxpayer otherwise determined for the year of such involuntary liquidations shall be increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost, or decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods over the aggregate cost thereof reflected in the opening inventory of the year of the involuntary liquidataion. The taxes imposed by this chapter and by chapter 2 for the year of such liquidation, for preceding taxable years, and for all taxable years intervening between the year of liquidation and the year of replacement shall be redetermined, giving effect to such adjustments. Any increase in such taxes resulting from such adjustments shall be assessed and collected as a deficiency but without interest, and any overpayment so resulting shall be credited or refunded to the taxpayer without interest.

"'(ii) Definition of involuntary liquidation: For the purposes of this subparagraph the term "involuntary liquidation" shall have the meaning given to it in subparagraph (B) and, in addition, it shall mean a failure, as referred to in that subparagraph, on the part of the taxpayer due, directly and exclusively, to disruption of normal trade relations between countries. For the purposes of this subparagraph the words "enemy" and "war," as used in subparagraph (B), shall be interpreted pursuant to regulations prescribed by the Secretary, in such a way as to apply to circumstances, occurrences, and conditions, lacking a state of war, which are similar, by reason of a state of national preparedness, to those which would exist under a state of war.

"'(iii) Application of subparagraphs (C) and (E): Subparagraphs (C) and (E), to the extent that they refer to any taxpayer subject to the provisions of subparagraph (A) or to the adjustments specified in or resulting from the effect of subparagraph (A), shall be as applicable to a taxpayer subject to the provisions of this subparagraph or to adjustments specified in or resulting from the effect of this subparagraph as though they specifically referred to this subparagraph. For this purpose, and with respect to the taxable years covered by this subparagraph, the reference in subparagraph (E) to section 734 (d) shall be taken as a reference to section 450 (d).'

"(b) Effective date: The amendment made by this section shall be applicable with respect to taxable years beginning after December 31, 1949."

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.

AMENDING CHAPTER 26 OF THE INTERNAL REVENUE CODE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present con-

sideration of the joint resolution (H. J. Res. 553) amending chapter 26 of the Internal Revenue Code.

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That chapter 26 of the Internal Revenue Code is amended by adding at the end of subchapter E a new section designated 3183 to read as follows:

"SEC. 3183. National emergency transfers of distilled spirits.

"(a) Transfers permitted: Under regulations prescribed by the Secretary, distilled spirits of any proof, including alcohol (the term 'distilled spirits' or 'spirits' as hereinafter used in this section shall include alcohol) may be removed in bond in approved containers and pipe lines from any registered distillery including a registered fruit distillery (such registered distillery and registered fruit distillery hereinafter referred to as 'distillery'), internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse to any distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse for redistillation, or storage, or any other purpose deemed necessary to meet the requirements of the national defense: *Provided*, That any such distilled spirits may be stored in approved tanks in, or constituting a part of, any internal revenue bonded warehouse or industrial alcohol bonded warehouse: *Provided further*, That any such distilled spirits removed to an industrial alcohol plant or industrial alcohol bonded warehouse may be withdrawn therefrom if of a proof of 160 degrees or more for any tax-free purpose, or upon payment of tax for any purpose, authorized by part II of subchapter C; and any such distilled spirits removed to a distillery or internal revenue bonded warehouse may be withdrawn therefrom if of a proof of 160 degrees or more for any tax-free purpose authorized by part II of subchapter C or for any purpose authorized in the case of like spirits produced at a distillery: *Provided further*, That any such distilled spirits, upon removal from a distillery or internal revenue bonded warehouse for transfer to an industrial alcohol plant or industrial alcohol bonded warehouse or for any tax-free purpose authorized by part II of subchapter C, shall be subject to the provisions of part II of subchapter C: *Provided further*, That when any distilled spirits are removed under the provisions of this section to a distillery, industrial alcohol plant, or industrial alcohol bonded warehouse, the tax liability of the proprietor of the distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse from which the spirits are removed, and the liens on such distillery, industrial alcohol plant, or industrial alcohol bonded warehouse, shall cease; and at and from the time the distilled spirits leave the distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse the tax shall be the liability of the proprietor of, and the liens shall be transferred to the premises of, the distillery, industrial alcohol plant, or industrial alcohol bonded warehouse to which the distilled spirits are transferred: *Provided further*, That when any distilled spirits are removed under the provisions of this section to an internal revenue bonded warehouse the proprietor of such warehouse shall be primarily liable for the tax on the spirits at and from the time the spirits leave the premises from which transferred: *Provided further*, That the provisions of section 2901 of the Internal Revenue Code shall apply in respect of losses of any distilled spirits transferred, or removed for transfer, under this section to a distillery or internal revenue bonded warehouse; and the provisions of section 3113 of the Code shall apply in respect of losses of any distilled spirits transferred, or removed for transfer, under this section to an industrial alcohol plant or industrial alcohol bonded warehouse: *And provided further*, That sections 2836, 2800 (a) (5), and 3250 (f) of the Internal Revenue Code shall not apply to the redistillation of such spirits at a distillery nor shall section 2870 of the code apply to the removal of such spirits from any distillery or internal revenue bonded warehouse.

"(b) Exemption from statutory requirements: The Secretary may temporarily exempt proprietors of distilleries, internal revenue bonded warehouses, industrial alcohol plants, or industrial alcohol bonded warehouses from any provision of the internal revenue laws relating to distilled spirits, except those requiring payment of the tax thereon, whenever in his judgment it may seem expedient to do so to meet the requirements of the national defense. Whenever the Secretary shall exercise the authority conferred by this subsection he may prescribe such regulations as may be necessary to accomplish the purpose which caused him to grant the exemption.

"(c) Termination of section: The authority conferred upon the Secretary by this section shall expire 5 years from the date of enactment of this section."

The joint resolution 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.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. REED of New York. Mr. Speaker, under existing law the Government may and is presently withdrawing beverage distilled spirits for emergency industrial use in connection with the increased production of synthetic rubber. However, under existing law there is no provision for the transportation in bond, the storage, the denaturalization or distillation of these spirits under internal revenue supervision after the withdrawal free of tax for use in the defense program. House Joint Resolution 553 will make possible the utilization for industrial purposes of distilled spirits produced at beverage distilleries as provided for during World War II. It is of the utmost importance that this be done in order to safeguard the continuation of our production of synthetic rubber.

INCOME TAXES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 554) amending section 3804 of the Internal Revenue Code.

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 3804 of the Internal Revenue Code is hereby amended by adding at the end thereof the following new subsection:

"(f) Additional time to be disregarded: In the case of an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a 'combat zone' for the purposes of section 22 (b) (13), at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for the purposes of such section, or hospitalized outside the States of the Union and the District of Columbia as a result of injury received while serving in such an area during such time, the period of time disregarded under this section, notwithstanding the limitations of subsections (a) and (c), shall include the period of service in such area, plus the period of continuous hospitalization outside the States of the Union and the District of Columbia attributable to such injury, and the next 180 days thereafter."

The joint resolution 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.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. DOUGHTON. Mr. Speaker, the purpose of this joint resolution is to suspend the time limitations with respect to the performance of acts required under Federal tax laws, including the filing of income-tax returns and the payment of Federal income taxes, where such performance is impracticable or impossible by reason of the service by an individual in the Armed Forces of the United States or in support of such Armed Forces in a combat zone.

The period of time to be so disregarded is the period of service in the combat zone, plus the period of continuous hospitalization attributable to injury received during service in the combat zone, and the next 180 days thereafter.

Under existing law the Commissioner of Internal Revenue does not have the authority to authorize general extensions of time for filing income tax returns and making payment of income taxes by members of the Armed Forces serving in Korea. Since some members of the armed services now in Korea would, under existing law, be required to file an amended declaration by January 15, 1951, prompt enactment of the joint resolution is imperative.

ESTIMATED TAXES

Mr. CURTIS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9913) to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 145 of the Internal Revenue Code (relating to penalties

with respect to failure to file returns, pay tax, etc.,) is amended by adding after subsection (e) a new subsection (f), as follows:

"(f) In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the penalties prescribed by this section shall not be applicable if the taxpayer failed to meet the requirements of section 294 (relating to substantial underestimate of estimated tax), by reason of the increase in tax on individuals imposed by the Revenue Act of 1950."

SEC. 2. Subparagraph (2) of subsection (d) of section 294 of the Internal Revenue Code is amended by adding at the end of subparagraph (2) a new sentence reading as follows: "In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the additions to tax prescribed by this subsection shall not be applicable if the taxpayer failed to meet the 80-percent and 66⅔-percent requirements of this section by reason of the increase in tax on individuals imposed by the Revenue Act of 1950."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 145 of the Internal Revenue Code (relating to penalties with respect to failure to file returns, pay tax, etc.) is amended by relettering subsection (e) as subsection (f) and by adding after subsection (d) a new subsection (e), as follows:

"'(e) In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the penalties prescribed by this section shall not be applicable if the taxpayer failed to meet the requirements of section 294 (d) (2) (relating to substantial underestimate of estimated tax), by reason of the increase in normal tax and surtax on individuals imposed by section 101 of the Revenue Act of 1950.'

"SEC. 2. Paragraph (2) of subsection (d) of section 294 of the Internal Revenue Code is amended by adding at the end of paragraph (2) a new sentence reading, as follows: 'In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the additions to tax prescribed by this subsection shall not be applicable if the taxpayer failed to meet the 80-percent and 66⅔-percent requirements of this paragraph by reason of the increase in normal tax and surtax on individuals imposed by section 101 of the Revenue Act of 1950.'"

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.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, the present law requires a taxpayer to estimate his income in advance and pay the tax currently. If during the year he finds that he has underestimated his tax, the law contains provisions for filing an amended estimate. If a taxpayer fails to estimate and pay an amount which is equal to 80 percent of the tax finally found to be due, he is subject to a penalty.

H. R. 9913 provides in substance that if the taxpayer's estimate or declaration is in an amount sufficient to be 80 percent of the tax that would be found due under the tax rates that existed prior to the increase in rates provided in the Revenue Act of 1950, that no penalty will be assessed.

The purpose of this act is to make it unnecessary for a taxpayer to file an amended estimate or declaration if his declaration already filed would not be subject to penalty under the tax rates that existed prior to the 1950 Revenue Act. The passage of this measure will save trouble and expense for millions of taxpayers. It will mean a saving of considerable sums to the Government in that these amended estimates will not have to be received and processed. There will be no loss in revenue to the Treasury. The additional amount of taxes due from an individual will be paid when he files his final return on or before March 15.

AMENDMENT OF SECTION 313 (B) OF THE TARIFF ACT OF 1930

Mr. YOUNG. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8344) to amend section 313 (b) of the Tariff Act of 1930.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 313 (b) of the Tariff Act of 1930 be amended to read as follows:

"(b) Substitution for draw-back purposes: If imported duty-paid sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and/or linseed, and oil, and duty-free or domestic merchandise of the same kind and quality are used in the manufacture or production of articles within a period not to exceed 1 year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of draw-back equal to that which would have been allowable had the sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and/or linseed, and oil, used therein been imported; but the total amount of draw-back allowed upon the exportation of such articles, together with the total amount of draw-back allowed in respect of such imported merchandise, under any other provision of law, shall not exceed 99 percent of the duty paid on such imported merchandise."

With the following committee amendment:

Page 1, line 7, strike out "flaxseed and/or linseed, and oil", and insert "flaxseed and linseed, and flaxseed and linseed oil."

The committee amendment was agreed to.

Mr. JENKINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: On page 2, line 7, strike out "flaxseed and/or linseed, and oil", and insert "flaxseed and linseed, and flaxseed and linseed oil."

Mr. JENKINS. Mr. Speaker, as reported out unanimously by the Committee on Ways and Means, the committee amendment at page 1, line 7, applies on page 2, line 7.

The 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.

YUGOSLAV EMERGENCY ASSISTANCE ACT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a report on the bill S. 4234.

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

There was no objection.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA—CONFERENCE REPORT

Mr. RICHARDS submitted a conference report and statement on the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. MAHON. 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 Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I take this one-fourth minute in order to express my deepest gratitude to the Speaker and to Chairman J. HARDIN PETERSON, of the House Committee on Public Lands, and to Mr. MCCORMACK, the majority leader, and to Speaker JOE MARTIN, the minority leader, and to Mr. CRAWFORD and Mr. D'EWART, and all members of the Committee on Public Lands and to the House membership on both sides of the aisle for the favorable action taken today on the conference report on H. R. 2733, the bill providing for the Canadian River project in the Panhandle-Plains area of Texas.

The House approved this measure on August 4, 1949, the bill having been introduced by our former colleague, Hon. Gene Worley, and piloted through the House by him and myself.

The Senate having taken favorable action today, I am pleased to see the House concur in the final version of the bill and I believe that this project will prove to be in the best interests of the Panhandle-Plains area of Texas and the country as a whole. Thanks very much.

EXTENSION OF REMARKS

Mr. BIEMILLER (at the request of Mr. MARSHALL) was given permission to extend his remarks and include some printed material.

Mr. MURDOCK asked and was given permission to extend his remarks and include an address made by the gentleman from Colorado [Mr. ASPINALL].

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include extraneous matter in each.

Mr. WIGGLESWORTH asked and was given permission to revise and extend the remarks he made today and include certain tables.

Mr. MAHON asked and was given permission to revise and extend the remarks he made today and include certain tables.

Mr. HINSHAW asked and was given permission to revise and extend the remarks he made today in Committee of the Whole and include certain material from a committee report.

Mr. HINSHAW asked and was given permission to extend his remarks and include a debate between the gentleman from Virginia [Mr. GARY] and himself on the subject of How To Prevent Strategic Materials From Going to the Soviet Bloc.

Mr. POULSON asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. LOVRE asked and was given permission to extend his remarks in two instances and include various articles.

Mr. MACK of Washington asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. SHORT asked and was given permission to extend his remarks and include a newspaper article.

Mr. HAND asked and was given permission to extend his remarks in connection with the appropriation bill.

Mr. REES asked and was given permission to extend his remarks and to include an editorial.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that the committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and

H. R. 8136. An act for the relief of Giuseppe Umberto Mantalban-Troy.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 297. An act for the relief of Ruggiero Di Costanzo;

S. 995. An act for the relief of Irene George Livanos;

S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;

S. 1528. An act for the relief of Elmer Beller;

S. 1816. An act for the reimbursement of the S. A. Healy Co.;

S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeleine;

S. 2420. An act for the relief of Shaoul Minashi, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;

S. 2702. An act for the relief of Louis E. Gabel;

S. 2799. An act for the relief of Johan Wilhelm Adriaans;

S. 2803. An act for the relief of Angela Maria Pisano;

S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.;

S. 2968. An act for the relief of Chen Hua Huang;

S. 3066. An act for the relief of Dionisio Aguirre Irastorza;

S. 3067. An act for the relief of Andres Aguirre Irastorza;

S. 3091. An act for the relief of Master Stanley (Zachne) Hiller;

S. 3250. An act for the relief of Marne Post, No. 28, American Legion, New Martinsville, W. Va.;

S. 3329. An act for the relief of Kiyomi Kitamura;

S. 3406. An act for the relief of Lee Yee Yen;

S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia);

S. 3444. An act for the relief of Victor Francis Oberschall;

S. 3484. An act for the relief of Barbara Sugihara;

S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;

S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;

S. 4072. An act for the relief of Ella Stufka and her son;

S. 4074. An act for the relief of Pamela Bentley; and

S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 6546. An act to amend the Philippine Property Act of 1946;

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights;

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949; and

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

ADJOURNMENT

Mr. YOUNG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.), under its previous order, the House adjourned until Monday, December 18, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1782. A letter from the Acting Administrator, Housing and Home Finance Agency, transmitting the Fourth Quarterly Report on the administration of the advance planning program authorized under Public Law No. 352, Eighty-first Congress, approved October 13, 1949; to the Committee on Public Works.

1783. A letter from the Attorney General, transmitting a letter relative to the case of Francesco Romano, file No. A-2927242 CR 27868, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1784. A letter from the Attorney General, transmitting a letter relative to the case of Alexander Sevanik, file No. A-6988687 CR 28064, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1785. A letter from the Attorney General, transmitting a letter relative to the case of Parashos Georgios Spanolios, file No. A-2857898 CR 27032, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1786. A letter from the adjutant general, United Spanish War Veterans, transmitting the proceedings of the Fifty-second National Encampment of the United Spanish War Veterans, held in Atlantic City, N. J., September 24–28, 1950, pursuant to Public Law No. 249, Seventy-seventh Congress (H. Doc. No. 736); to the Committee on Armed Services and ordered to be printed, with illustrations.

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:

Mrs. NORTON: Committee on House Administration. House Resolution 884. Resolution granting 6 months' salary and $350 funeral expenses to Mrs. Amlye E. Aston, widow of J. Lee Aston, late an employee of the House of Representatives; without amendment (Rept. No. 3192). Ordered to be printed.

Mr. KERR: Committee on Appropriations. H. R. 9920. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; with amendment (Rept. No. 3193). Referred to the Committee of the Whole House on the State of the Union.

Mr. KING: Committee on Ways and Means. H. R. 3858. A bill allowing the consumer of gasoline to deduct for income-tax purposes, State taxes on gasoline imposed on the wholesaler and passed on to the consumer; with amendment (Rept. No. 3194). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 1122. An act relating to children born out of wedlock; with amendment (Rept. No. 3195). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. Senate Joint Resolution 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended; without amendment (Rept. No. 3196). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3197). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 9910. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; without amendment (Rept. No. 3198). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 553. Joint resolution amending chapter 26 of the Internal Revenue Code; without amendment (Rept. No. 3199). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 554. Joint resolution amending section 3804 of the Internal Revenue Code; without amendment (Rept. No. 3200). Referred to the Committee of the Whole House on the State of the Union.

Mr. CURTIS: Committee on Ways and Means. H. R. 9913. A bill to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; with amendment (Rept. No. 3201). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG: Committee on Ways and Means. H. R. 8344. A bill to amend section 313 (b) of the Tariff Act of 1930; with amendment (Rept. No. 3202). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 8881. A bill to permit educational, religious, or charitable institutions to import textile machines and parts thereof for instructional purposes; with amendment (Rept. No. 3203). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee of conference. S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency-relief assistance to Yugoslavia; without amendment (Rept. No. 3204). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. WALTER:

H. R. 9919. A bill to redefine eligibility for membership in AMVETS (American Veterans of World War II); to the Committee on the Judiciary.

By Mr. KERR:

H. R. 9920. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; to the Committee on Appropriations.

By Mr. BURDICK:

H. R. 9921. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9922. A bill to prohibit age requirements or limitations with respect to the appointment of persons to positions in the competitive civil service during periods of war or national emergency; to the Committee on Post Office and Civil Service.

By Mr. CHELF:

H. R. 9923. A bill to provide that the House of Representatives shall be composed of 450 Members, and for other purposes; to the Committee on the Judiciary.

By Mr. O'BRIEN of Michigan:

H. R. 9924. A bill to authorize a Federal civil defense program, and for other purposes; to the Committee on Armed Services.

By Mr. RHODES:

H. R. 9925. A bill to provide free postage for members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. ANGELL:

H. J. Res. 551. Joint resolution to provide for the conveyance to Portland, Oreg., of certain property to be maintained by such city as an air-raid shelter during emergencies with the need therefor, and for other public and municipal purposes at all other times; to the Committee on Public Works.

By Mr. LARCADE:

H. J. Res. 552. Joint resolution to amend section 402 of the Defense Production Act so as to require that if price or wage controls are exercised under that section, they be exercised for prices and wages generally and ceilings be set at the levels prevailing from May 24, 1950, to June 24, 1950; to the Committee on Banking and Currency.

By Mr. DOUGHTON:

H. J. Res. 553. Joint resolution amending chapter 26 of the Internal Revenue Code; to the Committee on Ways and Means.

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. KEATING:

H. Con. Res. 295. Concurrent resolution for the release of Archbishop Stepinac and the Greek children held by Yugoslavia; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Res. 885. Resolution providing for investigation of low-flying airliners; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Florida:

H. Res. 886. Resolution to provide for a national call to prayer on Sunday, December 24, 1950; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOLLIVER:

H. R. 9926. A bill for the relief of Charlie Bodady; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9927. A bill for the relief of Mering Bichara; to the Committee on the Judiciary.

SENATE

MONDAY, DECEMBER 18, 1950

(Legislative day of Monday, November 27, 1950)

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

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

O Thou Immanuel, God with us, again by Thy grace the journeying months have brought us near to the shining glory of the holy night. Amid the tumult and terror of man's inhumanity to man, we hear anew the tidings of the angels' song and the music that is not of earth.

May an understanding sympathy that knows no boundaries of border or race find lodging even in bitter hearts hardened by cynicism. May a longing for purity that sees God and the Godlike on the common earth be born in minds stained by unhallowed thoughts. Save us from a festivity that knows nothing of receptivity and from decoration that forgets dedication. May the holly of this joyous season enshrine the holy, and its crimson beads be but emblems of the myrrh of sacrifice, the gift of contrite hearts. We ask it in the name of Bethlehem's Babe. Amen.

THE JOURNAL

On the request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 15, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 8344. An act to amend section 313 (b) of the Tariff Act of 1930;

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code;

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950;

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes;

H. J. Res. 553. Joint resolution amending chapter 26 of the Internal Revenue Code; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. LUCAS, and by unanimous consent, a subcommittee of the Committee on Public Works was authorized to sit during the session of the Senate today.

On request of Mr. LUCAS, and by unanimous consent, a subcommittee of the Committee on Public Works was authorized to sit this afternoon during the session of the Senate.

AUTHORIZATION FOR COMMITTEE ON FINANCE TO MEET AND FILE REPORT

Mr. KERR. Mr. President, speaking for the chairman of the Senate Finance Committee, the Senator from Georgia [Mr. GEORGE], I ask unanimous consent that the Committee on Finance be authorized to sit during this afternoon, and to file its report during the recess of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Carlson	Cordon
Anderson	Chapman	Donnell
Brewster	Chavez	Douglas
Butler	Clements	Dworshak
Byrd	Connally	Eastland