IV of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. ROBERTS:

H. R. 5703. A bill to provide for the issuance of a special postage stamp in honor of the newspaper carrier boys of America; to the Committee on Post Office and Civil Service.

By Mr. KERSTEN of Wisconsin:

H. Con. Res. 168. Concurrent resolution expressing the hopes of the American people for the early liberation of the people of Albania from their present enslavement and for early restoration of their basic human rights and freedoms, and for other purposes; to the Committee on Foreign Affairs.

By Mr. TRIMBLE:

H. Res. 458. Resolution to print the prayers offered by the Chaplain, the Rev. Bernard Braskamp, D. D., at the opening sessions of the House of Representatives of the United States from February 1, 1950, to the end of the first session of the Eighty-second Congress; to the Committee on House Administration.

By Mr. VAIL:

H. Res. 459. Resolution creating a select committee to study and review the records of House committees and Government agencies in connection with the loss, release, or transmittal of atomic information to foreign governments, and to deal more effectively with the individuals responsible for such loss, release, or transmittal; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing the Congress of the United States to revise the treaty of peace with Italy; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States, to revise the treaty of peace with Italy; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES:

H. R. 5704. A bill for the relief of Giorgio De Biasi; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 5705. A bill to authorize and direct the sale of certain land in Alaska to Thomas Jones, of Fairbanks, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. HOLMES:

H. R. 5706. A bill for the relief of Meiko Shindo; to the Committee on the Judiciary.

By Mr. MACHROWICZ:

H. R. 5707. A bill for the relief of Joseph Wojciechowski; to the Committee on the Judiciary.

H. R. 5708. A bill for the relief of Adam Wojciechowski; to the Committee on the Ju iciary.

By Mr. MANSFIELD:

H. R. 5709. A bill for the relief of certain claimants against the United States who suffered property losses as a result of the failure of the Big Porcupine Dam on the Fort Peck project, Montana; to the Committee on the Judiciary.

By Mr. RADWAN:

H. R. 5710. A bill for the relief of Sportservice Corp.; to the Committee on the Judiciary.

By Mr. ROGERS of Texas:

H. R. 5711. A bill for the relief of Erika Ruf; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 5712. A bill for the relief of Nagarjibhai Premabhai Patel, Dahyabhai Nathubahi Patel, Ramubhai Nataubhai Patel, Dahyabhai Govindji Patel, Dahyabhai Muraji Patel, Dahya Jaram Patel, Manganlal Parbhubhai Patel, Naganlal Vasanju Patel, Shantilal Kuvarji Patel, and Nagarbhai Madhavbhai Patel; to the Committee on the Judiciary.

PETITIONS, ETC.

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

463. By the SPEAKER: Petition of American War Dads Auxiliary, Kansas City, Mo., urging the use of all conscientious objectors in military services in noncombative positions; to the Committee on Armed Services.

464. Also, petition of American War Dads Auxiliary, Kansas City, Mo., urging the creation of adequate housing facilities for families of servicemen who wish to live near the training camps; to the Committee on Banking and Currency.

465. Also, petition of American War Dads Auxiliary, Kansas City, Mo., relative to the release of information pertaining to United States commitments and special agreements with the Security Council of the United Nations regarding military assistance as well as full information as to the method of selection and the name of the present chairman of the Military Staff Committee of the United Nations; to the Committee on Foreign Affairs.

466. Also, petition of American War Dads Auxiliary, Kansas City, Mo., urging speedy and adequate aid for the midwestern rehabilitation program; to the Committee on Public Works.

467. Also, petition of American War Dads Auxiliary, Kansas City, Mo., urging the continuation of the Committee on Un-American Activities and to appropriate ample and adequate funds for its use; to the Committee on Rules.

468. Also, petition of St. Cloud Townsend Club No. 1, St. Cloud, Fla., vigorously protesting the proposed opening of welfare rolls to public exposure; to the Committee on Ways and Means.

469. Also, petition of St. Petersburg Townsend Club No. 13, St. Petersburg, Fla., vigorously protesting the proposed opening of welfare rolls to public exposure; to the Committee on Ways and Means.

470. Also, petition of Associated Townsend Clubs of Hillsborough County, Tampa, Fla., vigorously protesting the proposed opening of welfare rolls to public exposure; to the Committee on Ways and Means.

SENATE

FRIDAY, OCTOBER 12, 1951

(Legislative day of Monday, October 1, 1951)

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:

Our Father God, to whom a thousand years are but as one day, while last life's ebbing hours make us bold and swift and brave to do Thy will. In this exalted Chamber of governance, we beseech Thee, pour the riches of Thy grace upon those who here stand in the Nation's name. Give them fairness of appraisal, poise amid confusion, the kindly heart nobility of goodness, and the simple faith in man that is more than coronets. Teach us so to live and so to toil, and so to play our part in this age on ages telling that we may face with clear conscience the gaze of our contemporaries and the judgment of posterity. We ask it in the name that is above every name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, October 11, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on October 11, 1951, the President had approved and signed the following acts:

S. 1013. An act for the relief of Sister Monica Grant; and

S. 1499. An act for the relief of Georgette Sato.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed, without amendment, the bill (S. 1450) to provide for the exchange of certain lands owned by the United States of America for certain privately owned lands.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4550) to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination, and for other purposes.

The message further announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 5230. An act providing for the conveyance to the State of North Carolina of the Currituck Beach Lighthouse Reservation, Corolla, N. C.;

H. R. 5650. An act making supplemental appropriations for the fiscal year ending June 30, 1952, and for other purposes;

H. R. 5684. An act making appropriations for mutual security for the fiscal year ending June 30, 1952, and for other purposes; and

H. J. Res. 331. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Chicago International Trade Fair, to be held in Chicago, Ill., March 22 to April 6, 1952.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2080) for the relief of Inooka Kazumi, and it was signed by the President pro tempore.

LEAVES OF ABSENCE

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that I may be

absent from the session of the Senate on Monday next to attend a funeral which means much to me.

The VICE PRESIDENT. Without objection, the leave is granted.

On his own request, and by unanimous consent, Mr. HENDRICKSON was excused from attendance of the sessions of the Senate next week.

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

On his own request, and by unanimous consent, Mr. FERGUSON was excused from attendance on the session of the Senate on Monday, October 15, 1951.

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

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may transact routine business, including insertions in the RECORD, without debate.

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

MEMORIAL

The PRESIDENT pro tempore laid before the Senate the memorial of Louis L. Pfohl, of Buffalo, N. Y., remonstrating against the enactment of legislation providing military training during peacetime, which was referred to the Committee on Armed Services.

PUBLICATION OF PUBLIC ASSISTANCE ROLLS—RESOLUTION OF PIERCE COUNTY (WIS.) TAXPAYERS ASSOCIATION

Mr. WILEY. Mr. President, there has been a great deal of controversy in the Congress and throughout the country as a result of the debate on making public the names of persons on public assistance rolls.

I have received a letter from Oliver S. Youngman of the Pierce County Taxpayers Association in which that group has placed itself squarely on behalf of removal of the secrecy clauses in inspection of public relief rolls, and on behalf of full information, in order to help correct the many abuses which have cropped up.

I am glad to note incidentally that the Senate and House conferees have just adopted the so-called Jenner amendment under which the Federal requirement for secrecy will no longer obtain.

I present the resolution of the Pierce County (Wis.) Taxpayers Association for appropriate reference, and ask unanimous consent that it be printed in the RECORD.

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

Whereas analysis of general relief rolls made in some localities indicate a laxity of waste and funds; and

Whereas indications are that further laxity and waste of funds would be uncovered if other welfare programs were objectively studied, in view of what already has been found in some general relief programs; and

Whereas certain public assistance rolls are now open to inspection; and

Whereas it is not the intention to deny aid to the needy, but to make administrative procedures open to public inspection; and

Whereas it is felt that responsible individuals and organizations should have the right to inspect all rolls: Now, therefore, be it hereby

Resolved, That the Pierce County Taxpayers Association ask the State legislature, through its legislative representatives, to adopt a resolution requesting Congress to remove the secrecy clause covering the inspection of relief rolls, which would lead to tightening of administrative procedures, elimination of abuses, and the adoption of policies which will help to keep the undeserving off the rolls, and that a copy of this resolution be sent to our United States Senators and Representative in the House asking action to open all social-security rolls this session, if at all possible.

Adopted at River Falls, Wis., this 3d day of October 1951.

EXEMPTION OF POLICE AND FIRE RETIREMENT SYSTEMS FROM PROVISIONS OF OLD-AGE AND SURVIVORS INSURANCE LAW—RESOLUTION

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a resolution adopted at the 1951 convention of the Minnesota Police and Peace Officers' Association, held in Mankato, Minn., on June 25–26, 1951, relating to the exemption of police- and fire-retirement systems from the provisions of the old-age and survivors insurance law, be printed in the RECORD and appropriately referred.

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

Whereas there have been numerous attempts in recent years in the Congress of the United States and the various State legislatures to include police and fire retirement systems in the old-age and survivors insurance system; and

Whereas the benefits of social security are based largely upon the amount of wages earned rather than years of service and such a change would result in lessened benefits for all members of established systems, and

Whereas it is evident that such legislation if enacted would mean the eventual dissolution of police pensions and the abolishment of police-relief associations; and

Whereas, because of the hazardous nature of the services performed by police officers, it is imperative that they be afforded more adequate protection in their pension funds than is offered by social security; and

Whereas it is further evident that such a step would be detrimental to the best interests of the public welfare, since any curtailment of disability and retirement provisions of police pensions would seriously affect the morale of police officers services: Therefore be it

Resolved, That the Minnesota Police and Peace Officers' Association in convention assembled at Mankato, Minn., go on record as being in favor of the exemptions of the police- and fire-retirement systems from the provisions of the old age and survivors insurance law, as now provided, and that we oppose any inclusion, or permissive legislation which by inference, would lead to inclusion, and that copies of this resolution be furnished our Senators and Representatives in the Congress of the United States.

WILLIAM N. OATIS—RESOLUTION OF NEW JERSEY PRESS ASSOCIATION

Mr. HENDRICKSON. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the New Jersey Press Association at its meeting on October 5, 1951, relating to the case of William N. Oatis.

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

William N. Oatis, representing the Associated Press, was the last free reporter in Czechoslovakia, which had closed the iron curtain on every other free newsman.

William N. Oatis is a reputable, honest, American news reporter. For doing his job as an honest reporter, he is held in jail as a spy by the Soviet government of Czechoslovakia. This perversion of justice outrages the dignity of the free press everywhere in the world.

The New Jersey Press Association, representing all the newspapers in New Jersey, believes it is the responsibility of the United States Government to call the attention of the world to the tyranny of the Soviet officials of Czechoslovakia and to take every action possible for the release of William N. Oatis.

The New Jersey Press Association therefore urges the United States Government to break off diplomatic and trade relations with Czechoslovakia, to cancel visas issued to Czechoslovak citizens, and to freeze the assets of Czechoslovakia in this country, until such time as William N. Oatis is freed.

EXECUTIVE ORDER RELATING TO SECURITY RESTRICTIONS — LETTER AND RESOLUTION FROM NEW JERSEY PRESS ASSOCIATION

Mr. HENDRICKSON. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter from the New Jersey Press Association dated October 5, 1951, addressed to Hon. Harry S. Truman, President of the United States, together with a resolution adopted by the New Jersey Press Association on October 5, 1951, requesting President Truman to modify his Executive order relating to security restrictions.

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

OCTOBER 5, 1951.

His Excellency HARRY S. TRUMAN,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Enclosed herewith is a resolution which was passed unanimously today by the New Jersey Press Association at its thirtieth annual press institute at Rutgers University, New Brunswick, N. J.

It is sincerely requested that you give this matter extremely careful thought.

The membership of this association, the oldest of its kind in continuous existence in this country, sincerely hopes you will very seriously consider taking the action recommended in the enclosed resolution.

Respectfully yours,

NEW JERSEY PRESS ASSOCIATION,
By HUGH N. BOYD, *President.*

Whereas President Truman has extended security restrictions to Federal civilian agencies by his Executive order; and

Whereas this arbitrary action denies the press its Constitutional right of access to information; and

Whereas this denial may inevitably lead to withholding of information from the public: Be it

Resolved, That the New Jersey Press Association use every appropriate method at its

disposal to demand that President Truman modify this Executive order so that the public may have news and information which is its right under the Constitution.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEHMAN, from the Committee on Labor and Public Welfare:

S. 513. A bill to provide for a study of the mental and physical consequences of malnutrition and starvation suffered by prisoners of war and civilian internees during World War II; with amendments (Rept. No. 945).

By Mr. HUMPHREY, from the Committee on Labor and Public Welfare:

H. R. 3298. A bill to amend section 503 (b) of the Federal Food, Drug, and Cosmetic Act; with amendments (Rept. No. 946).

By Mr. JOHNSTON of South Carolina, from the Committee on the District of Columbia:

S. 1368. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes; with amendments (Rept. No. 947).

By Mr. HOLLAND, from the Committee on Public Works:

H. R. 5593. A bill authorizing the Sabine Lake Bridge and Causeway Authority, hereby created, and its successors, to construct, maintain, and operate bridges over Sabine Lake, at or near Port Arthur, Tex.; to construct, maintain, and operate all causeways, approaches, and appurtenances pertaining thereto; and to finance said objects by the issuance of bonds secured by the said properties and income and revenues; and for other purposes; with amendments (Rept. No. 948).

EXPORT CONTROLS AND POLICIES IN EAST-WEST TRADE—REPORT OF A COMMITTEE (REPT. NO. 944)

Mr. O'CONOR. Mr. President, from the Committee on Interstate and Foreign Commerce, I submit, pursuant to Senate Resolution 365 of the Eighty-first Congress, and Senate Resolution 56 of the Eighty-second Congress, authorizing a study and investigation of export policies and control regulations, a report on export controls and policies in East-West trade. I ask unanimous consent that a statement prepared by me be printed in the RECORD.

The PRESIDENT pro tempore. The report will be received and printed, and, without objection, the statement will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR O'CONOR (AS CHAIRMAN OF THE SENATE SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE ON EXPORT CONTROLS AND POLICIES)

Just about a year ago a merchant-marine engineer gave evidence before the Subcommittee on Maritime Matters concerning activities of American-flag ships in carrying petroleum products and other materials of strategic significance to Communist China. The testimony of this man and of others concerning goods passing through United States ports, referred only to a limited number of specific shipments but left the subcommittee with a rather clear impression that the particular trade described was but a small portion of the whole trade in strategic materials between western countries and Russia and her satellites.

Having had this glimpse of the manner in which the west was contributing to the war potential of the East, the Senate passed Senate Resolution 365 on December 21, 1950, authorizing an investigation and study of this subject and continued it by Senate Resolution 56 on February 1, 1951. Under this authority the Subcommittee on Export Controls and Policies today files a report of the work which it has done.

The Maritime Subcommittee in October and November and the Export Controls and Policies Subcommittee through the succeeding months conducted detailed examinations of specific transactions which, although not necessarily illegal, appeared frequently to be such as to jeopardize western security interests. It soon became apparent, however, that endless study of the details of specific incidents would yield but little unless considered as a part of an examination of the entire world picture.

Of course, our first interest was in the operations and policies of United States Government agencies. By the 1st of March the domestic export controls had by one means or another become sufficiently broad in application both as to area and as to character of goods covered, and the Department of Commerce Orders T1 and T2 had very effectively removed American-flag ships from the China trade.

However efficient the domestic export controls and policies may have become their true effectivness could be measured only in terms of ultimate effect on our enemies, present or potential. The finest of export and shipping controls would be but an iron curtain around our own merchants if other western countries were to permit the shipment of strategic materials to the East or if American overseas operations did not support the purposes of our domestic controls. Rumors and reports were frequent and substantial that the West German export controls provided not a loophole but an open door through which critical materials were going to supply the Communist war machines.

Accordingly, the subcommittee sent its investigator, Mr. Kenneth R. Hansen, to Western Germany in April of this year, to study the situation. At that time, Mr. Hansen's report which appears in the subcommittee report as appendix A, disclosed a shocking situation which had been permitted to exist in an area in which the United States Government had direct responsibility and authority. So effective was the shock of these disclosures that, according to the latest information, substantial steps have been taken by the High Commissioner's office and by the Federal Government of Germany to correct the situation. A State Department letter outlining some of these steps appears in the report as appendix B. It is gratifying to note the manner in which the authorities have sought to correct the deficiencies pointed out by the subcommittee.

It is difficult to justify or excuse the lack of productive activity and apparent lack of interest in this field by United States authorities in Germany, for a period which extended almost from the close of hostilities until the subcommittee investigation of the problem in April of this year.

Having aired the situation in Western Germany, and after calling for remedial action, the subcommittee next turned its interest to the Far East, certain areas of which had become notorious as channels through which the Chinese Communists were equipping and maintaining their war economy with western goods. Notable in this trade according to almost all reports were the British crown colony of Hong Kong and the Portuguese colony of Macao. They were not alone, however, for almost every area in the Far East was involved to a greater or lesser degree in legal trade which could not be justified in the light of the Korean conflict, or was a source or channel of illegal trade.

In order to get some true and undistorted facts of the situation the subcommittee sent Mr. Hansen to that area in June and July of this year. A report of what he found is attached to the subcommittee report as appendix C. Although it is yet too soon to evaluate the results of the subcommittee's activities in this field there has already been some improvement, but the road to adequate trade control still lies almost entirely ahead.

The subcommittee also studied the use of various western flag ships in trade with the Communist mainland, and found that, during the early part of this year at least, a large proportion of those known to be in the China trade were of Panamanian registry. That situation has now been changed by prompt action on the part of the Republic of Panama. Correspondence relating to the new measures taken by Panama in compliance with the spirit of the United Nations embargo is attached to our report as appendix B.

I would like, if it were possible, to tell the Senate today that the West is no longer providing the military machines of the eastern bloc with materials which enhance their war potential. Such is not the case, and the best that I can say at this time is that substantial portions of this trade have been curtailed and are under increasing control. The nations in the West are beginning to have an increased awareness of the need for fully coordinated trade control and manipulation in dealing with Russia and her satellites which have been functioning quite effectively as a closely knit trading unit.

Several of the areas which have exhibited the most grievous laxity in export controls have been spurred to that necessary action compatible with our mutual security interests by legislative acts of this Congress and in some measure by the disclosures of this subcommittee. Provisions are now being made to render technical export control assistance to those countries which are most lacking in efficient export control machinery.

Cooperative action by other western countries still leaves much to be desired, as indeed does the degree of coordination of activities and agency functions of our own executive branch. It is becoming apparent that further progress toward adequate export controls and policies will rely more and more on attacking the basic problems confronted by many areas which, for underlying political and economic reasons occasion policies and operations which allow the undesirable flow of materials strategic to the Communist bloc from the free nations. Export controls and policies are but a part, an important part, of the total defense measures necessary at this time.

I cannot too strongly urge that the executive branch of our Government by diligent effort, intelligent appreciation, and awareness of this problem which, as little as a year ago was a stepchild domestically and which has not yet been afforded full stature in United States Government operations abroad, press even more definitely for those measures which are still sorely lacking at a time when we are engaged in a deadly struggle with the forces of the Communist world.

I might add that this problem is one that can never be solved once and for all while this basic struggle remains between East and West. I trust that the recent legislation in this general field will be used effectively to aid our friends and circumvent our enemies in the never ending tug-of-trade war which accompanies such international strife.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, October 12, 1951, he presented to the President of the United States the enrolled bill (S. 2080) for the relief of Inooka Kazumi.

BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. SALTONSTALL (by request):

S. 2263. A bill for the relief of Balbina Borenstein; to the Committee on the Judiciary.

By Mr. O'CONOR:

S. 2264. A bill for the relief of the city of Baltimore, Md.; to the Committee on the Judiciary.

By Mr. LANGER:

S. 2265. A bill for the relief of Thomas J. Thompson; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 2266. A bill to authorize and validate payments of periodic pay increases for temporary indefinite employees of the Department of the Navy within the period of March 17, 1947, to July 1, 1948; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 2267. A bill to create a northern division in the western judicial district of Tennessee; to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2268. A bill establishing a general policy and procedures with respect to payments to State and local governments on account of Federal real property and tangible personal property, and for other purposes; to the Committee on Expenditures in the Executive Departments.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. SPARKMAN (for himself, Mr. GILLETTE, Mr. SMATHERS, Mr. MAGNUSON, Mr. DOUGLAS, Mr. DUFF, Mr. IVES, Mr. CLEMENTS, Mr. LEHMAN, Mr. HENNINGS, Mr. MARTIN, Mr. HENDRICKSON, Mr. HUNT, Mr. KEFAUVER, Mr. FULBRIGHT, Mr. HUMPHREY, Mr. GREEN, Mr. FLANDERS, Mr. TOBEY, Mr. HILL, Mr. KILGORE, Mr. HICKENLOOPER, and Mr. LODGE):

S. 2269. A bill for the creation of the Commission To Study Relations Between the United States and Other North Atlantic Nations; to the Committee on Foreign Relations.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. CAIN:

S. 2270. A bill for the relief of John J. Hopkins; to the Committee on Post Office and Civil Service.

By Mr. CASE:

S. J. Res. 109. Joint resolution to direct the Secretary of the Army to restore the white crosses or other religious markers which until recently were above the graves of the honored war dead at the National Memorial Cemetery in Hawaii; to the Committee on Interior and Insular Affairs.

PAYMENTS TO STATE AND LOCAL GOVERNMENTS ON FEDERAL REAL PROPERTY

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill providing for payments by the Federal Government to State and local governments on real property within those jurisdictions owned by the Federal Government. The bill was drafted by the executive office of the President and is the result of considerable study in recent years.

I ask unanimous consent that a statement by me, together with an explanation of the bill which was prepared by the Bureau of the Budget, and a statement of estimated expenditures, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and without objection, the statement by the Senator from Minnesota, the statement prepared by the Bureau of the Budget, and statement of estimated expenditures will be printed in the RECORD.

The bill (S. 2268) establishing a general policy and procedures with respect to payments to State and local governments on account of Federal real property and tangible personal property, and for other purposes, introduced by Mr. HUMPHREY, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

The statement prepared by Senator HUMPHREY, the explanation of the bill prepared by the Bureau of the Budget, and the statement of estimated expenditures are as follows:

STATEMENT BY SENATOR HUMPHREY UPON INTRODUCING A BILL FOR THE TAX PAYMENTS TO STATE AND LOCAL GOVERNMENTS ON FEDERAL REAL ESTATE

Local governments depend upon property taxation for more than half of their total revenues, so they are particularly concerned when the Federal Government acquires real estate and thereby removes it from the property tax base while at the same time activities associated with that Federal property frequently impose service burdens upon these local governments. This is a particularly urgent problem in view of the fact that the Federal Government is increasingly acquiring additional property in connection with our national defense program.

The Congress has in the past accepted responsibility for payments to local governments, but most agencies today are still without general authority to make payments on their properties. A uniform overall formulation is needed to provide uniform treatment wherever possible. The bill which I am introducing would replace more than twenty piecemeal provisions and should reduce the need for selective legislation such as the laws granting special aid to schools especially affected by the defense effort.

The Bureau of the Budget has recommended that annual payments by the Federal Government should be made on property acquired after January 1, 1946, except in cases where the Federal Government has made payment since that date or earlier or where special hardship exists. On that basis the estimated cost of the program would be about $32,000,000 a year. The level of expenditures after the first few years would be determined by the value and kind of future Federal property acquisitions. There will be some difference of opinion with regard to this cut-off date. I believe that the Committee on Expenditures in the Executive Departments should hold hearings and further discuss this detail. I am inclined to believe that the date should be earlier than 1946, since the Federal impact began in 1939 and 1940, but I am aware of the fact that to provide a cut-off date earlier than World War II would greatly increase the expenditure by the Federal Government.

My own experience as a mayor and as chairman last year of the Senate Subcommittee on Intergovernmental Relations has persuaded me that this problem is vital and should be acted upon as soon as possible. The integrity and independence of the local government is at stake. The bill is presented in the hope that it will provide a basis for further hearings and intelligent action. The adoption of a reasonable solution to the problem will help spread Government costs more equitably and, in my judgment, strengthen our Federal-State system of government. Unless the local government is strengthened the fabric of our democracy and our federal system of government is weakened.

EXPLANATION OF DRAFT BILL FOR PAYMENTS TO STATE AND LOCAL GOVERNMENTS ON FEDERAL REAL PROPERTY

BACKGROUND

The problem of payments to State and local governments on account of Federal real property has received considerable attention for a number of years. It is not a new problem but one that has attracted renewed attention because of property acquisitions occasioned by the national defense program—acquisitions which in many instances take valuable properties off the property-tax rolls.

Existing statutory provisions for payments on Federal realty do not represent a clear-cut, uniform policy. On similar classes of property some agencies pay taxes, others make payments in lieu of taxes, and others make no payments. When control of a piece of property changes from one Federal agency to another the status of the property may change from full taxation or tax-equivalent payments to complete exemption, without any change in the purpose which the property serves. At every recent session of the Congress a score or more of bills has been introduced relating to this subject. Evidence of interest in this problem by federal governments elsewhere is seen in the inauguration by the Canadian Government, last year, of a plan for making payments to localities on account of Dominion property.

Tax losses to State and local governments resulting from Federal acquisitions of property was one of several questions in intergovernmental fiscal relations discussed at a conference arranged by the Secretary of the Treasury with the approval of the President and held April 21 and 22, 1949. In this conference the Federal Government was represented by the Secretary of the Treasury, the Chairman of the Council of Economic Advisers, and the Director of the Bureau of the Budget. State and local governments were represented by officers of several associations of State and local government officials. The Bureau of the Budget was asked to take the lead in an effort to work out a comprehensive set of recommendations on the subject of payments to State and local governments on account of Federal real property.

GENERAL DESCRIPTION OF BILL

The present draft bill embodies a set of recommendations reflecting comments and suggestions on earlier drafts received from various Federal departments and agencies—mainly those owning or using substantial quantities of real property. Extensive discussions have been held with staffs of most of the Federal departments and agencies concerned and on a general basis with staffs of the associations of State and local government officials that were represented at the April 1949 conference.

The payments which the bill would authorize would depend largely upon the use to which the property is put by the Federal Government. This approach takes into account the recommendations of the Federal Real Estate Board in its report on the subject in 1943, and also reflects the discussion at the Treasury conference of April 1949. The result is a classification of Federal properties without regard to departmental or agency control.

The basic objective of the bill is that of avoiding, as far as feasible, inequities between State and local taxpayers, on the one hand, and Federal taxpayers, on the other,

in the distribution of the tax burdens and governmental costs associated with Federal Government acquistion and use of real property. The bill reflects a general presumption that property-tax costs of property devoted to activities that are predominantly of national interest should be borne largely by Federal taxpayers whereas property-tax costs of activities that are chiefly of local interest and benefit might well be borne by local taxpayers. Application of these principles in the draft bill results in the division of Federal properties between a paying group and a nonpaying group, with transition payments available for some of the items in the latter category.

Formulation of standards that can be used throughout the Government is complicated by the tremendous variety of purposes for which the Federal Government owns and uses property. Classification of properties according to their use presents difficult problems, particularly for a bill which cannot enumerate all the individual kinds of properties or their uses but must rely upon a statement of broad standards and intentions. Although most parcels of property owned by the Federal Government can be classified rather definitely in accordance with the general guide lines proposed, many border-line cases will require a close examination of specific facts. This is not an uncommon situation in property taxation. It is intended that more specific guides will be provided in administrative regulations to be issued under the law.

It is anticipated that in many instances complex holdings will consist of a well-defined aggregate of properties closely associated with a particular Federal activity and that, in such cases, the predominate use to which the installation is put will govern the classification of the entire installation. However, some installations comprise a number of individually identifiable areas or segments which may be used for different purposes, and these areas or segments would be classified separately. The treatment would depend upon the facts of each particular case.

The classification of properties under this bill will continue existing statutory provisions for payments to State and local governments for some groups of properties and preserve the exempt status of other groups. Existing revenue-sharing statutes, for example, will for the most part be left undisturbed and so will the provisions for payments in lieu of taxes on federally owned low-rent housing. Federal property used for any purpose for which privately owned property would be exempt under State laws will not be subject to any payments. Likewise, Federal property used for services to the local public, such as post offices, weather stations, and land offices, will remain exempt except for special assessments. Continuing exempt, except for special assessments and transitional payments, is a wide variety of miscellaneous properties such as prisons, cemeteries, and properties devoted to land utilization projects.

A special category of payments is authorized to cover exceptional cases in which local governments burdened by Federal activities are not able to obtain relief under the more general provisions of this legislation or from other sources.

The bill would not apply within the District of Columbia and the island possessions, which have usually been the subject of special arrangements adapted to their special relationships to the Federal Government.

OUTLINE OF THE BILL

The bill consists of introductory sections declaring the general policy, specifying a short title, and giving special definitions, followed by five titles as follows: Title I, Payments on Tax-Exempt Properties; Title II, Consent to State and Local Taxation; Title III, Consent to Special Assessments; Title IV, Payments to Local Governments Not Otherwise Compensated for Substantial Financial Burdens; Title V, General Provisions.

Titles I and II, taken together, would establish a classification of Federal properties as a basis for periodic payments to State and local governments, with separate standards of payment provided for each category of property. The categories and standards may be summarized as follows:

Three groups of properties subject to administratively determined payments:

(a) An inclusive group of properties serving national or broad regional interests, for which payments will be based primarily on an estimate of taxes, with adjustments for special services required, or furnished by, the Federal Government in connection with the properties. For most of these properties, the estimate of taxes will be based on the value of the properties exclusive of improvements made or personal property added by the Federal Government after acquisition of the property. For commercial and industrial properties, however, the value of Federal improvements and tangible personal property will also be considered. In any particular case payment of taxes upon properties now subject to taxation under other statutes may be continued, in place of administratively determined payments, if the policy of the act will be better served thereby.

(b) Resettlement and certain defense housing projects, for which full tax-equivalent payments, less offsets for services supplied by the Federal Government, will be made.

(c) Other properties upon which, ultimately, no payments will be made under titles I and II after a period of diminishing transition payments.

2. Two groups of properties exempt from all payments, other than special assessments and any hardship payments under title IV:

(a) Properties used for purposes for which properties under private ownership would be exempt from taxation.

(b) Properties used primarily for services to the local public.

3. Three groups of properties for which consent to State and local property taxation is given:

(a) Properties acquired by the Federal Government in connection with loans or contracts of insurance or guaranty, while held pending disposition.

(b) Properties leased or sold under conditional sale contracts to private persons.

(c) Properties now subject to taxation if the owning agency decides, in any particular case, that the policy of the act will be better served by permitting taxation to continue.

Title III consents to the levying of special assessments for local improvements for all classes of Federal real property covered by the bill.

Title IV would give authority for payments to local governments not otherwise compensated for substantial financial burdens arising in connection with Federal real property or activities. These payments may relate to services provided to Federal property, to persons living on Federal property, or to persons employed on Federal property.

Title V provides for an administrative system in which the basic responsibility for all payments is lodged in the property-using or owning agencies, and responsibility for assuring uniformity of policy through issuance of regulations and interpretations is vested in a Commission.

Section 1, short title: The short title of the act is the "Act for payments to State and local governments on Federal real property."

Section 2, declaration of policy: The first subsection of the declaration of policy states the broad, general objective of the bill. This objective is to avoid, insofar as feasible, inequities in tax burdens between State-local and Federal taxpayers arising from the acquisition or use of property by the Federal Government. If Federal property holdings were distributed more or less evenly over the country, the burdens thereby imposed upon taxpayers of State and local governments would also be widely, and perhaps equitably, distributed if no payments were made on Federal property. Instead, Federal property tends to be concentrated in particular localities. These holdings may impose burdens upon the local taxpayers through reduction of the property tax base or through special requirements for local government service by Federal agencies. If the holdings are devoted mainly to national ends, it seems appropriate that the costs be spread over the taxpayers of the Nation. If, on the other hand, federally owned realty is intended to serve primarily the locality in which it is situated, there would be an inequitable burden imposed on Federal taxpayers if they not only paid for the Federal property but for local governmental costs as well. The objective of this bill therefore is to establish a system of payments which as far as possible will prevent these inequities from arising in connection with Federal property.

Subsection (b) is a policy declaration to State and local governments that, in consideration of the payments provided under this bill, there should be no denial to Federal property or its residents of the services ordinarily rendered by the State or local governments. This policy declaration is intended to discourage the discriminations or special charges which some local governments establish against residents of Federal property. Although a pronouncement of this kind cannot by itself have a mandatory effect, a provision in subsection 101 (b) would preclude making payments under section 101 to State or local governments which deny their usual services to Federal property or the residents on Federal property.

Section 3, definitions: Some words and phrases used in the bill are defined restrictively or used in a special sense. Attention is called particularly to the following:

The definition of Federal real property excludes certain classes of real property to which the provisions of the bill are not intended to apply. The exclusions are (1) subsurface mineral rights if they are held by the Federal Government without title to surface rights, (2) all federally owned low-rent housing, and (3) public domain lands. Federal subsurface mineral rights ordinarily do not result in the imposition of any substantial burdens upon State and local governments. Furthermore, any valuations placed upon these rights for purposes of taxation or payments in lieu of taxes would necessarily be highly speculative. Federally owned low-rent housing projects are excluded in order that they may be treated on a par with locally owned projects. Under the Housing Act of 1949, payments in lieu of taxes may equal 10 percent of shelter rent. Public domain lands are excluded because the bill is concerned primarily with tax losses actually experienced. Revenue-sharing arrangements applying to public domain lands are not superseded.

Tangible personal property, wherever used in this bill, comprises only that tangible personal property which by reason of its attachment to real property has afixed location. Specifically, this has reference to machinery, equipment, boilers, transmission lines, and the like—property which in some jurisdictions might be considered realty and, in others, personalty even though it has a fixed location. Tangible personal property, as defined, does not include such movable items as vehicles, inventories, furniture, or supplies.

State and States includes each State and Territory. It does not include the District of Columbia nor Puerto Rico. The intention is to exclude from the scope of this bill all property of the Federal Government which

is located within the District of Columbia and in island possessions, since these have usually been the subject of special arrangements.

Local government includes any political subdivision of a State. It does not include the District of Columbia or local units in island possessions.

Tax as used throughout the bill, except in title IV, means only a levy according to value on real property or tangible personal property with fixed location: For purposes of title IV, this restriction upon the meaning of the word is removed, so that "tax" would have whatever meaning it is given by State or local law in the jurisdiction concerned.

TITLE I—PAYMENTS ON TAX-EXEMPT PROPERTIES

Immunity from State and local taxation is retained for all types of Federal properties classified under this title, except for the option in subsection 101 (c) to continue tax payments upon certain properties, but administratively determined payments are provided for three main subcategories of these properties.

Section 101, payments on certain properties serving national interests: (a) This section, in general, authorizes payments upon Federal properties not specifically treated elsewhere in the bill. Properties excluded from the provisions of this section consist of—

(1) Resettlement and certain defense housing properties (upon which tax-equivalent payments are authorized by section 102); properties continued exempt from permanent payments by section 103; and properties acquired through foreclosure, or properties under contracts of lease or conditional sale (these properties being subjected to taxation by title II).

(2) Property acquired or constructed prior to January 1, 1946, will not be eligible for payments under section 101 unless taxes, payments in lieu of taxes, or shared revenues have been paid to the applicant government on account of the property since that date. This cut-off date would permit payments in connection with those World War II properties still held by the Government which were previously the basis of Federal payments, but would provide no payments on many of the wartime acquisitions. The use of a cut-off date reflects a presumption that adjustments for the exempt status of older Federal properties have been made through the process of tax capitalization. To make payments on account of Federal properties acquired before some reasonably recent date would bestow windfalls on many present owners of taxable property who purchased their properties at prices which already reflected the local tax readjustments necessitated by Federal removal of other properties from the tax roll. Other cut-off dates considered during the drafting of the bill were September 8, 1939, the date of declaration of a national emergency prior to World War II, and July 1, 1950, approximately the beginning of the Korean campaign and the present mobilization effort. The payments are not to be retroactive; the date is employed only to identify properties on which future payments will be authorized. The same cut-off date is also applied in determining eligibility for transition payments under section 104. Allowing older Federal properties to be eligible for payments under section 101 if they have been subject to payments of some kind since the cut-off date recognizes that when property is withdrawn from uses for which revenue sharing is authorized, or when other Federal payments on account of the property are stopped, the effect upon the local government is much the same as if the property were removed from private taxable ownership.

(3) Property which has never been in private taxable ownership will not be eligible for payments under section 101 unless, since the cut-off date, there have been revenue-sharing payments or payments in lieu of taxes made upon it. An exception to this general provision is made when the applicant government has come into existence since the date of enactment of the bill. In such cases, the requirement that payments of some sort must formerly have been made is waived.

(b) Since the properties included in this section serve primarily national or broad regional interests, the bill provides for at least part of the tax cost of the real property and tangible personal property used for these activities to be borne by Federal taxpayers. A State or local government would not be eligible for payments, however, if it discriminates against Federal property or the residents on Federal property in the way in which it provides, or fails to provide, the usual governmental services.

The payments proposed for this broad category will be based upon the following considerations:

(1) Taxes collected upon the property for the last 2 years during which it was in private ownership. If the property was tax-delinquent before its acquisition by the Federal Government, the taxes charged against it might be discounted in some measure in estimating the tax loss. In the case of property which has been in Federal ownership for more than 5 years, these facts may be omitted to avoid the difficulty of searching old tax records to ascertain the amount of taxes charged and whether there was delinquency.

(2) Revenue losses to a State or local government which may have resulted from the cessation of revenue-sharing or payments in lieu of taxes on particular Federal properties. Property formerly subject to revenue-sharing, but removed from that status because of a change in the use made of the property or for other reasons, might be eligible for payments under section 101.

(3) Adjustment of the estimated tax loss on acquired property periodically to current tax rates and assessed valuations, but this is not required oftener than once in 5 years. In effect this merely means determining approximately what the current taxes would be on the property exclusive of improvements made by the Federal Government after acquisition of the property. The bill provides for applying the effective tax rate to a valuation estimated by the Federal owning or administering agency; the effective rate is used to adjust for differences between the assessed and fair values of taxable properties generally in any taxing jurisdictions.

(4) In the case of properties used for commercial or industrial purposes, an amount determined by applying the average effective tax rate to the value of improvements made to such property and of tangible personal property added to such property by the Federal Government. The amount determined under this paragraph, however, is limited to 10 times the tax equivalent on the property exclusive of Federal improvements and Federal tangible personal property, as determined for purposes of paragraph (3) of subsection 101 (b). The ceiling on the amount of any payment based on Federal improvements or tangible personal property might be lowered in any particular case by the general proviso at the end of section 101 that no payment shall be a greater amount than will constitute a reasonable contribution by the Federal Government to the support of an adequate level of local government services.

(5) Additional expenditures which may be imposed upon the State or local government for providing services to the Federal Government or the residents on Federal property.

(6) The value of any local-type services provided by the Federal Government as an incident to its activities. This value is to be measured by the cost to the State or local government of rendering like services. This may warrant a credit against the payment otherwise computed.

(7) Any other facts relevant to a fair determination. The factors listed in subsection 101 (b) do not constitute a formula, but are intended to represent the considerations upon which the amount of a payment will be based. In some cases only one of these factors will be relevant to a determination for a specific piece of Federal property. In other cases several of the listed factors will be germane. In some cases there will be facts other than those listed in this subsection which should be taken into account in adapting the provisions of this bill to a particular Federal property ownership situation, in order to carry out the policy of this legislation. However, since this title is intended to operate within the framework of a property-tax system, it is not intended that "other facts relevant" will include indirect benefits to the locality such as larger payrolls, increased consumer expenditures, and larger collections from sales and income taxes which might be attributable to Federal activities.

Subsection 101 (b) contains an "antiwindfall" provision to prevent payment of unreasonably large amounts to particular local governments. It is recognized that many large Federal installations are situated in areas which may be sparsely populated, contain little privately owned taxable property, have very limited needs for governmental services, and these needs may actually be reduced by the presence of the Federal installation. Although the factors specified for consideration in arriving at the amount of any individual payment appear to be sufficiently comprehensive to preclude payments excessive in relation to the reasonable needs of the local government, the proviso at the end of subsection 101 (b) makes that intent explicit.

(c) Subsection 101 (c) authorizes the continuance of actual tax payments, rather than administrative payments, for individual properties which any Federal statute has previously made subject to State or local taxation, if the owning agency and the Commission agree that the policy of the act will be better served thereby. In jurisdictions where the limits on borrowing authority, for instance, depend upon the assessed value of all taxable property, removal of such property as that of the Reconstruction Finance Corporation from its taxable status might create difficult local financing problems. In some instances it may be more convenient for the Federal agency, as well as the local governments, to continue existing tax arrangements. Some properties previously subject to taxation might fall into the categories of properties acquired by the Federal Government in connection with loans or contracts of insurance or guaranty, or properties under lease or sale contracts. These categories are made subject to taxation by title II, and subsection 101 (c) would not apply to them.

(d) The provisions of this bill are applicable to TVA nonpower properties on which no payments are now made, but no change is made in the present provisions of the Tennessee Valley Authority Act for payments of a percentage of gross power proceeds to State and local governments where TVA power properties are located. The provisions of the proposed bill would apply, however, to nonpower properties of TVA acquired after the specified cut-off date.

(e) Any payments made under section 101 of the bill to the State or local governments of Arizona or Nevada in connection with properties in the Boulder Canyon project would be deducted from the $300,000 now being paid annually to each of these States under the Boulder Canyon Project Adjustment Act of 1940.

Section 102, housing properties: (a) Included in section 102 are the federally owned

housing properties constructed under (1) the rural resettlement or rehabilitation projects, and (2) the various defense housing acts. These include, in addition to housing properties operated by the Housing and Home Finance Agency, housing properties transferred from that agency to other agencies, and housing constructed under the specified acts by or for other Federal agencies. The provisions of this section would not apply to housing in these categories located within the District of Columbia where payments in lieu of taxes on such housing would continue under authority in the Lanham Act, which to this extent would not be repealed by this bill.

(b) The payments provided by this section approximate the taxes that would be paid upon the real property if it were not exempt from taxation, less a credit for any services performed by the Federal Government that are ordinarily provided by the State or local government. The amount of any deduction is to be based upon the cost to the State or local government for rendering like services.

This section continues essentially the present provisions for the resettlement and the Lanham Act housing properties, and extends these provisions to similar properties now exempt. The bill proposes to make payments only upon application by the State and local governments, whereas the present payments are made without application. The criterion for determining the deduction for services is new.

As indicated on page 5 above, federally owned low-rent housing properties are excluded from the bill, thus leaving present arrangements for these properties unchanged.

Section 103, exemptions: (a) Paragraph (a) provides exemption from payments under title I for Federal properties which, if privately owned and similarly used, would be exempt from taxation under the constitution or laws of the State in which the property is located.

(b) Paragraph (b) exempts any Federal property used primarily for services to the local public, such as courthouses and post offices, on the assumption that the tax cost of such property should in the main be borne by State and local taxpayers rather than by Federal taxpayers. This is not to deny that there is a national interest in the use of these properties, but it is assumed that the local-service aspect predominates.

(c) Paragraph (c) exempts property acquired for the various land conservation programs—land utilization projects, the national forests, national parks and monuments, and fish and wildlife refuges. With respect to such property, however, section 104 provides for declining payments during a transition period of 10 years.

(d) Paragraph (d) designates and exempts from payments a list of miscellaneous properties for which exemption appears warranted on various grounds. Among these properties are prisons, hospitals, certain aids to air and water navigation, and properties used in police and regulatory activities. For the properties exempted by paragraph (d), however, declining payments during a transition period of 10 years are provided in section 104.

Section 104, transition payments: (a) Transition payments are provided for certain properties which will be exempt from continuing payments under this bill. The temporary payments will give State or local governments a definite period of time in which to adjust their finances to the removal of the property from the tax rolls or from uses which have made the property subject to revenue-sharing or payments in lieu of taxes. No transition payments will be made on (1) properties used or held primarily for purposes for which property under private ownership would be exempt from taxation under the constitution or laws of the State of location; (2) properties used or held primarily for services to the local public; or (3) properties which have not been subject to taxes, payments in lieu of taxes, or shared revenue payments since January 1, 1946. Acquisition of property for the various land conservation programs includes exchanges by the Departments of Agriculture and Interior as well as purchases or gifts. Although exchanges may result in little or no net change in the Federal acreage, particular local governments may be adversely affected. Hence, this type of acquisition is included and transition payments might be made on properties acquired through exchange.

(b) Declining payments under section 104 will be made in accordance with a schedule based upon the average taxes, payment in lieu of taxes, or shared revenue payment received by the applicant government on account of the property in the 2 years prior to the change in ownership or use which resulted in its eligibility for payments under this section. Starting at the level of the previous average payment, the transition payments decline every second year by one-fifth of that amount and cease 10 years after the change in ownership or use. Payments will not be retroactive with respect to the years in which properties were held prior to the effective date of this act. Thus, for eligible properties which have been held for 4 years as of the effective date, transition payments will be made for 6 years.

(c) In the case of properties subject to revenue-sharing arrangements, e. g., national forests, payments under this section will be reduced by the amount of revenue-sharing payments made under any other statute. This arrangement is intended to integrate the provisions of this bill with existing revenue-sharing statutes without disturbing the permanent application of those laws.

TITLE II—CONSENT TO STATE AND LOCAL TAXATION

This title grants consent to State and local governments to impose property taxes on three general classes of Federal property: (1) Property acquired by the Government to protect its financial interest in connection with loans or contracts of insurance or guaranty; (2) property which is leased or sold by conditional sale to taxable persons and is not otherwise subject to State or local taxation; and (3) property subject to taxation under laws superseded by this bill with respect to which the owning agency decides (with the approval of the Commission) that taxes should continue to be paid.

Consent to State and local taxation is not a new policy. Many statutes already authorize property taxes, in the same manner and to the same extent as on privately owned property, upon the federally owned property of the Reconstruction Finance Corporation and other lending agencies. The provisions of this bill would have the effect of narrowing the range of Federal properties subject to taxation, since the RFC, for instance, would in the future make tax-equivalent administrative payments unless the agency and the Commission agreed to continue payment of taxes on particular properties. The bill would, however, for the classes of properties subject to taxation, include tangible personal property with fixed location, and this would in some instances constitute an extension of the present consent.

Section 201 provides for taxation of properties acquired by the Federal Government through foreclosure of loans or loan guaranties while held pending disposition or until put to permanent use by the Federal Government. This group will include the property acquired by the Federal lending agencies which is now subject to taxation under various statutes governing these agencies. This provision will also apply to other Federal agencies which may acquire property through foreclosure but do not now have authority to pay taxes. This section provides that those foreclosed properties which remain in Federal ownership and are converted to a permanent use shall then be reclassified and become subject to payments, or become exempt, according to their permanent use.

The section provides that foreclosed properties in the possession of the Federal Government shall be subjected to any special tax treatment accorded similar property in private ownership. This is intended to take care of situations such as those which might arise in connection with Rural Electrification Administration properties. In some taxing jurisdictions these properties may be exempt from property taxes or subject to special tax treatment in place of ordinary property taxes. This section would permit continuation of the same treatment while the property was held by the Federal Government pending disposition.

Language of subsection 201(b) is intended to protect the Federal Government from over-assessment by providing that Federal property may not be assessed at a larger percentage of true value than is used in valuing property generally in the jurisdiction imposing the tax. If it should be necessary to withhold payment of taxes pending negotiation of the assessment, or for other reasons, the Federal Government will not be subject to penalties for late payment, nor may its property be subjected to any lien, foreclosure, or other proceedings. It appears that such an immunity from penalties would extend to the Federal Government even if it were not expressly provided in the bill, but the saving clause is included to avoid possible controversy with local officials. Under some circumstances, however, payment of penalties might be to the advantage of the Federal Government. Therefore, the subsection makes such payment optional with the owning agency.

Section 202 permits taxation of the Federal interest in property under lease or conditional sale. The protections against over-assessment and penalties appearing in section 201 are repeated in section 202. This section would not affect leasing arrangements, such as those under the Flood Control Act of 1941, which provide for sharing the lease revenues with State or local governments. Neither would it apply to leased housing properties covered by section 102 of this bill.

TITLE III—CONSENT TO SPECIAL ASSESSMENTS

Section 301, properties subject to special assessments: Section 301 grants consent to State and local governments to levy special assessments for local improvements on all Federal real property except those properties devoted to uses which are exempt from special assessments under private ownership. Such assessments, properly employed, are essentially land-service charges for particular improvements which enhance the value of the property.

A requirement attached to the consent is that the Federal Government shall be accorded the same rights and privileges in approving, rejecting, or contesting local improvements as are available to owners of private property.

Consent to special assessments is not a new policy for the Federal Government. All real property of the RFC, for example, is now subject to special assessments for local improvements.

A provision similar to those in title II is intended to protect the Federal Government against penalties and proceedings against the property.

TITLE IV—PAYMENTS TO LOCAL GOVERNMENTS FOR SUBSTANTIAL FINANCIAL BURDENS NOT OTHERWISE COMPENSATED

This title authorizes the Commission to establish, when and if it deems desirable, a

supplementary system of payments in certain types of cases. This system would be used when special circumstances surrounding the ownership and use of particular pieces of Federal property result in the imposition upon local governments of burdens for which relief is not provided by other titles of this bill or by other statutes. Primary reliance in carrying out the purposes and policies of the act would be placed upon those titles which use the property tax as the chief basis for determining payments. Whether or not any supplementary system of payments will be required can be determined only on the basis of actual experience under this legislation. Should such a need become evident, the inclusion of title IV would provide the necessary authority and flexibility.

The types of cases which might be dealt with, if necessary, by special payments of the kind authorized in title IV include the following:

(1) Cases in which the employees on a Federal property make their residence in a neighboring community where the resulting increase in population is not accompanied by a proportionate increase in tax revenue;

(2) Cases in which there is intensified use of existing Federal property acquired before the cut-off date of January 1, 1946, provided in title I, since this more intensive use of the property may create new local government problems;

(3) Cases in which special circumstances create some Federal responsibility for helping to finance local government in connection with properties otherwise exempt from payments under section 103;

(4) Cases in which payments made under title I or II are found to be inadequate to discharge the Federal responsibility.

Subsection 401 (b) requires that, as a condition of eligibility for payments, the applicant government must make a reasonable tax effort and avail itself of any other financial assistance to which it might be entitled.

This subsection contains a list of factors to be considered in arriving at equitable payments. To promote uniformity among the owning agencies in the application of these provisions, the Commission in its regulations is to specify or recommend the relative weights to be given to the factors. In addition to considering additional local expenditures necessary to provide services to the Federal Government, to persons living on Federal property, and to persons employed on Federal property, a number of offsetting factors are considered. These include the taxes, payments in lieu of taxes, or shared revenues made available to the applicant local government, directly or indirectly, by the Federal Government, and taxes paid directly or indirectly by persons living or employed on Federal property, or taxes paid in connection with any property, trade, business, occupation, or transaction on the Federal property. Other relevant facts may also be considered.

In title I, where the payments are more closely related to the property-tax system, the offsets which would act to reduce the size of Federal payments are for the most part limited to the value of local-type services provided by the Federal Government. Title II gives consent to the taxation of certain Federal properties in the same manner as if they were in private taxable ownership, and since a private taxpayer would not be entitled to any reduction in his tax because of direct or indirect benefits to the taxing jurisdiction attributable to the use he makes of his property, it is consistent for the Federal Government not to reduce its tax payments by any such offsets. Under title IV, however, where any payments made to particular jurisdictions might be in excess of the taxes for which a private owner of similar property would be liable, it seems appropriate to assess broadly the impact of Federal property ownership and activities upon the local government concerned.

TITLE V—GENERAL PROVISIONS

Section 501. Commission for Payments to State and Local Governments on Federal Real Property: (a) The primary administrative responsibility under this bill is lodged in the agencies holding or using Federal property. However, to promote a uniform interpretation and application of the Government-wide policy, the bill provides for the issuance of rules and regulations by a three-member Commission composed of the Director of the Bureau of the Budget, the Secretary of the Treasury, and the Administrator of General Services. The rules and regulations will prescribe policies, standards, and procedures under which the owning agencies will carry out the functions under the bill. The Commission may review, insofar as it deems necessary, the determinations of the property-owning agencies with respect to classification of their properties and the amount of their payments, and advise or consult with them on questions of interpretation of the law and regulations. These arrangements are intended to insure a reasonable amount of uniformity throughout the Government in the application of statutory provisions which are designed to be flexible enough to permit the use of discretion by owning agencies in arriving at equitable payments over a wide range of situations.

(b) As a basis for evaluating the operation and effects of the legislation, provision is made for annual reports by the Commission to the President, and for a more extensive report, with recommendations, to be submitted to the President not later than 5 years after the effective date of the act for transmittal to the Congess.

(c) The Commission is authorized to appoint a director who will employ, supervise, and fix the compensation of necessary personnel. Members of the Commission may make available to the Commission, on a temporary basis, staff of their respective agencies.

(d) Each Federal agency is directed to carry out the rules and regulations promulgated by the Commission and may issue such orders and regulations relative to its own operations as may be desirable.

Section 502, advisory committee: Section 502 provides for the establishment of a committee to advise the Commission with respect to administration of the act. The committee is to consist of not more than 20 members representing the public, Federal agencies, and national associations of State and local government officials. This advisory committee can be of much assistance in the early period during which this legislation is being put into effect, and also on a continuing basis to consider issues as they arise.

Section 503, applications for payments: (a) Payments under title I of this bill will be made to State and local governments only upon application. In this application each government will presumably be required to supply necessary supporting data to aid the Federal agency in making its final determination. Applications may be made by a governmental unit directly or through the office administering its tax on real property.

(b) Payments under title IV, if authorized by the Commission, will be made to local governments and only upon application filed in accordance with the rules and regulations.

(c) Section 503 provides also that unless an application is filed each year for which there might be payments under title I or title IV, there will be no liability for that year at any subsequent time. It is contemplated that simple renewal forms will be made available (and provision is made for such forms in sec. 501). The applications are to be filed for the tax year under the property tax laws of each particular State or local government.

Section 504, determination and method of payment: The chief objective of the arrangements embodied in this section is to place responsibility for making payments in the hands of personnel best acquainted with the individual properties and in a position to take into account local laws and practices and to evaluate the service burdens imposed and the offsetting services rendered by the Federal Government.

(a) The question whether a property is subject to payments under this act or under other statutes is to be determined by its Federal ownership and use as of the first day of the tax year of the State or local government concerned. The determination and any payment under this law is to be made by the Federal agency which has jurisdiction over the property on that date.

(b) Upon application by a State or local government, each agency will decide the amount of the payment, if any, under title I and title IV. Decisions on applications for payments, and any payments based upon such applications are to be made by the eighth month of the tax year to which the payments apply, or by the date fixed by State or local law for payment of taxes if that date is later. The determinations of the owning agencies are final. Payments may be made to the appropriate tax-collection officer in the local jurisdiction or to any other officer designated by State law. Although the payments are intended to be for the use of the applicant government, the Act is not to be construed as limiting the authority of any State with respect to its local governments.

(c) Payments are to be made by each Federal agency from its own appropriations or other available funds. Any overpayment is to be offset against payments otherwise due the same State or local government in subsequent years.

Section 505, applicability: (a) Inauguration of a general system of payments on account of Federl real property will involve considerable work, of course, during the first year or two of operation especially. In order to permit adequate preparations and to spread the administrative load which the Commission and the property-owning agencies will have to carry, applications for payments under title I will not be accepted until 1 year following enactment of the bill. This will provide a period of at least 20 months between the effective date of the act and the date when the first payments need to be made.

(b) New tax payments required by this bill will not begin before the second tax year which begins after enactment of the act.

(c) Any payments in lieu of taxes or any tax payments required under existing legislation will continue to be paid until payments begin under this bill. Thus there should be neither overlapping nor gaps in integrating this general act with any existing legislation providing payments on account of Federal property.

(d) Special assessments for local improvements will be payable beginning immediately after enactment of the bill.

(e) The dates for receiving applications and making payments under title IV will be fixed by the Commission if it decides to exercise its authority under that title.

Section 506, authorization for appropriations: The bill assumes that expenditures under its provisions will be required of the affected agencies, and it provides authorization for appropriations to cover necessary expenditures.

Section 507, exemption from Administrative Procedure Act: Payments under title I and title IV of this bill are to be administratively determined and presumably would

be governed by the Administrative Procedure Act in the absence of a specific exemption. Since these payments are to be made as a matter of grace and provision is made for a coordinating commission, as well as for a representative advisory committee, it is not necessary to subject the decisions of the Federal agencies to judicial review and the other formal procedures of the Administrative Procedure Act. It would be inappropriate to apply these procedural requirements to the consent to taxation and special assessments in titles II and III. Accordingly, all functions performed under this bill are to be exempt from the operation of the Administrative Procedure Act, as amended, except as to the public information requirements of section 3 of that act. The applicable section specifies the kinds of rules that agencies shall state or publish, requires that appropriate matters of official record shall be made available to properly interested persons, and requires that ruling and orders either be published or otherwise made available to public inspection.

Section 508, repeal and savings provisions: The intent of this legislation is to provide a comprehensive system of payments on Federal property as a substitute for the various existing statutes applying to individual agencies. The preamble of this bill is intended to affirm the immunity to State or local taxation for all Federal property to which this bill applies except for the classes of property with respect to which immunity is waived under title II and title III. Consequently it is necessary to repeal portions of a number of laws which affirm the immunity of the Federal Government from property taxes or which waive such immunity or provide for payments in lieu of taxes. It is also necessary to indicate the statutes under which payments are being made which will not be repealed. Subsection 508 (a) (1) contains the citations to the statutes that would be affected by repeal, and subsection 508 (a) (2) contains the citations to the revenue-sharing and other laws that would not be affected by this bill. Certain revenue-sharing laws which apply only to public domain lands have not been listed, since such lands are excluded by definition from the Federal property to which this bill applies. Subsection 508 (b) repeals a section of Public Law 874, Eighty-first Congress (20 U. S. C. 237), which provides payments in lieu of taxes to certain school districts on account of Federal property acquisition. The citations to the United States Code of the statutes listed in subsection 508 (a) 1, 2, are included here with an identification of the agencies or types of properties involved.

Acts or parts of acts affected by repeal provisions: Farmers Home Corporation, Bankhead-Jones Farm Tenant Act (7 U. S. C. 1024a, b); Federal Farm Mortgage Corporation (12 U. S. C. 1020f (a)); Federal Intermediate Credit Banks (12 U. S. C. 1111); production credit corporations (12 U. S. C. 1138c); Home Owners' Loan Corporation payments under National Housing Act (12 U. S. C. 1463 (c)); Federal Housing Administration (12 U. S. C. 1706, 1714); Federal National Mortgage Association (12 U. S. C. 1719); Federal Savings and Loan Insurance Corporation (12 U. S. C. 1725e); titles VI, VII, VIII of the National Housing Act (12 U. S. C. 1741, 1747j, 1748f); Reconstruction Finance Corporation (15 U. S. C. 607); Commodity Credit Corporation (15 U. S. C. 713a-5); Columbia Basin project (16 U. S. C. 835c-1); Veterans' Administration, loan-guaranty program (38 U. S. C. 694j (a) (6)); Resettlement of rural-rehabilitation projects constructed under NIRA and Emergency Relief Appropriation Act of 1935 (40 U. S. C. 432–433); surplus property of Government corporations (41 U. S. C. 239a (9)); title I, Housing Act of 1949 (slum clearance and urban redevelopment) (42 U. S. C. 1456 (c) (3)); Lanham Act Housing (42 U. S. C. 1576); Atomic Energy Commission (42 U. S. C. 1809 (b)); Inland Waterways Corporation (49 U. S. C. 153f).

Acts or parts of acts not to be repealed: Payments to counties, submarginal land program, Farm Tenant Act (7 U. S. C. 1012); payments to States, national forests fund (16 U. S. C. 500); payments in lieu of taxes, Superior National Forest (16 U. S. C. 577g); payments to counties, Migratory Bird Conservation Act (16 U. S. C. 715s); payments to States, licenses under Federal Power Act (16 U. S. C. 810); payments to States and counties, TVA (16 U. S. C. 831l); school construction, federally affected areas (20 U. S. C. 251–280); maintenance and operation of schools, federally affected areas (20 U. S. C. 236–244); payments to States, Mineral Leasing Act for acquired lands (30 U. S. C. 355); payments to States, Flood Control Act (33 U. S. C. 701c–3); payments to Arizona and Nevada, Boulder Canyon Project Adjustment Act (43 U. S. C. 618a (c)); payments to Alaska under Alaska game law (48 U. S. C. 199K); payment of taxes by Alien Property Custodian (50 U. S. C. App. 36); payments to school funds, Arizona and New Mexico (36 Stat. 562, 573); payments to Oklahoma, Osage Indian royalties (41 Stat. 1250).

Section 509, separability: This section contains the customary provision to the effect that the invalidity of any provision of the act or the application thereof to any person or circumstance shall not affect the remainder of the act nor the application of such provision to other persons or circumstances.

Section 510, effective date: The act is to become effective on the date of its enactment.

ESTIMATED EXPENDITURES UNDER THE PROPOSED BILL FOR PAYMENTS TO STATE AND LOCAL GOVERNMENTS ON FEDERAL REAL PROPERTY

The bill contains a cut-off date of January 1, 1946, which would in general preclude administratively determined payments upon properties acquired by the Federal Government before that date. The cutoff date does not apply, however, in the case of those properties which have since that date been subject to Federal payments of some sort. Neither does the cutoff date apply to those titles of the bill which authorize the payment of taxes, the payment of special assessments, or the supplementary system of payments in cases involving burdens not otherwise compensated.

Annual expenditures under the bill in the early years of its operation will be determined largely by the cutoff date selected. Federal property-owning agencies were asked to furnish cost estimates based on each of three possible cutoff dates—January 1, 1946, and also September 8, 1939, and July 1, 1950. For purposes of the estimates, the agencies were asked to assume property holdings as they actually were at the end of the fiscal year 1950, and also to assume that the bill was enacted several years earlier, so that all parts would have been in full operation in that fiscal year. The agency replies are summarized in the following table. The estimates are necessarily rough, since they depend on estimates of property values, local tax rates, and other factors. In addition, they omit some properties upon which payments might be made. No estimates are included for the supplementary system of payments authorized by title IV of the bill. Any estimates for that title would be highly speculative, since the supplementary system would not come into operation automatically upon enactment of the bill, but rather would be inaugurated at the option of the Commission and used only to the extent that experience proved such payments to be necessary. Because of these and other limitations upon the data, the figures should be interpreted as indicating only the general order of magnitude of expenditures under the proposed legislation.

The specific estimates of expenditures in the attached table are based on information furnished by the agencies before insertion in section 101 (b) (4) of the first proviso, which sets a ceiling on amounts to be paid on account of Federal improvements and tangible personal property. Further information from the agencies indicates that with the 1946 cutoff date this proviso might reduce the total amount shown in the table for title I by something over $2,000,000. Although in the time available the agencies were not asked to furnish similar information based on the other cutoff dates, a rough estimate suggests that the ceiling might reduce payments by about $1,000,000 with the 1950 cutoff date and by about $25,000,000 with the 1939 cutoff date. These revisions are reflected in the table.

The amounts estimated by the Department of Defense are shown separately. They indicate a larger total of new expenditures under the proposed bill than for all other agencies combined.

Estimated annual expenditures under the proposed bill for payments to State and local governments on Federal real property if the act had been effective during the fiscal year 1950

[In millions]

Basis of expenditures	Estimated expenditures based on cut-off date in—		
	1939	1946	1950
Title I (administratively determined payments):			
Department of Defense	$92.8	$6.3	$3.3
Other agencies	38.4	24.3	18.5
Less adjustment for limit on payments on current improvements [1]	−25.0	−2.0	−1.0
Total, title I	106.2	28.6	20.8
Title II (taxation):			
Department of Defense	20.0	20.0	20.0
Other agencies	1.4	1.4	1.4
Total, title II	21.4	21.4	21.4
Title III (special assessments):			
Department of Defense	[2]	[2]	[2]
Other agencies	.4	.4	.4
Total, title III	.4	.4	.4
Title IV (supplementary system of payments)	[2]	[2]	[2]
Administrative expense:			
Department of Defense	1.8	.8	.4
Other agencies	1.1	.8	.4
Total, administrative expense	2.9	1.6	.8
Expenditures under proposed bill:			
Department of Defense	114.6	27.1	23.7
Other agencies	41.3	26.9	20.7
Less adjustment for limit on payments on certain improvements (title I) [1]	−25.0	−2.0	−1.0
Total, expenditures under proposed bill	130.9	52.0	43.4
Expenditures under laws superseded by proposed bill:			
Department of Defense	1.0	1.0	1.0
Other agencies	18.7	18.7	18.7
Total, expenditures under superseded laws	19.7	19.7	19.7
Expenditures under proposed bill less expenditures under superseded laws:			
Department of Defense	113.6	26.1	22.7
Other agencies	22.6	8.2	2.0
Less adjustment for limit on payments on certain improvements (title I) [1]	−25.0	−2.0	−1.0
Total, expenditures under proposed bill less expenditures under superseded laws	111.2	32.3	23.7

[1] See preceding text for explanation.
[2] Not available.

COMMISSION TO STUDY RELATIONS BETWEEN UNITED STATES AND OTHER NORTH ATLANTIC NATIONS

Mr. SPARKMAN. Mr. President, on behalf of the junior Senator from Iowa [Mr. GILLETTE], myself and 21 other Senators of both political parties, I introduce for appropriate reference a bill providing for the creation of a temporary, nonpartisan commission, patterned after the Hoover Commission, "to study relations between the United States and other North Atlantic nations."

Many of us feel there is urgent necessity for more effective operation of the North Atlantic Treaty Organization to assure the strongest possible defense and the fullest possible return on the American taxpayer's dollar. The proposal we are introducing today has great constructive potentialities. The commission we are proposing be established could be of immense value to our country. It could, for example, formulate practical suggestions for achieving more effective operation of NATO, thereby reducing the heavy burden on the American taxpayer. It would provide wider participation of Congress and the public in this vital area of our foreign policy. It would improve public understanding of the North Atlantic Treaty Organization, its problems and our relations with its other members. It could assure greater harmony within the United States regarding these relationships.

We believe this bill also will give further assurance to our citizens that Congress is alert to the need and is doing all that it can to insure that high taxes for mutual security are producing the best possible results.

I am happy to announce that this bill has broad bipartisan support, including that of seven members of the Senate Foreign Relations Committee. Joining with the Senator from Iowa [Mr. GILLETTE] and me in cosponsoring the bill are the junior Senator from Florida [Mr. SMATHERS], the senior Senator from Washington [Mr. MAGNUSON], the senior Senator from Illinois [Mr. DOUGLAS], the junior Senator from Pennsylvania [Mr. DUFF], the senior Senator from New York [Mr. IVES], the senior Senator from Kentucky [Mr. CLEMENTS], the junior Senator from New York [Mr. LEHMAN], the junior Senator from Missouri [Mr. HENNINGS], the senior Senator from Pennsylvania [Mr. MARTIN], the junior Senator from New Jersey [Mr. HENDRICKSON] the junior Senator from Wyoming [Mr. HUNT], the junior Senator from Tennessee [Mr. KEFAUVER], the junior Senator from Arkansas [Mr. FULBRIGHT], the junior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Rhode Island [Mr. GREEN], the junior Senator from Vermont [Mr. FLANDERS], the junior Senator from New Hampshire [Mr. TOBEY], my colleague the senior Senator from Alabama [Mr. HILL], the senior Senator from West Virginia [Mr. KILGORE], the senior Senator from Iowa [Mr. HICKENLOOPER], and the junior Senator from Massachusetts [Mr. LODGE].

I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill (S. 2269) for the creation of the Commission To Study Relations Between the United States and Other North Atlantic Nations, introduced by Mr. SPARKMAN (for himself and other Senators), was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. Recognizing that the United States has joined with other Nations of the North Atlantic community, within the framework of the United Nations, in an effort to secure peace and prosperity in the world; recognizing the difficulties under which the North Atlantic Treaty Organization now operates and the need for a more effective operation of the North Atlantic Treaty Organization; recognizing that in order to accomplish the common aims of these Nations in the North Atlantic Community the relationship between these Nations should be developed and enlarged; recognizing the importance of securing the economies and saving to the American taxpayer which can be derived from such a developed and enlarged relationship, from the greater cooperative effort resulting therefrom, and from a more effective operation of the organization; and recognizing that shipments to NATO from the United States must arrive on time and in the stipulated quantities; and recognizing that the public should be better informed and have greater participation in the formation of policies with respect to the North Atlantic community, it is hereby declared to be the policy of Congress that there should be created a commission composed of private citizens and public officials to make a thorough study of the interrelated problems existing between the United States and the other nations of the North Atlantic community, to consider ways and means of achieving a more effective operation of the North Atlantic Treaty Organization, as well as the economies obtainable therefrom, and closer cooperation between the United States and the other North Atlantic community nations within the principles and purposes of the Charter of the United Nations and having in mind the obligations and responsibilities of the United States as a member of that organization; and to submit to Congress a report on its findings and recommendations.

CREATION OF THE COMMISSION TO STUDY RELATIONS BETWEEN THE UNITED STATES AND OTHER NORTH ATLANTIC NATIONS

SEC. 2. In order to achieve the purpose of section 1 of this act, there is hereby established a nonpartisan commission to be known as the Commission To Study Relations Between the United States and Other North Atlantic Nations (in this act referred to as the Commission).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from among the officers of the executive branch of the Government, and two from private life.

(2) Four appointed by the President of the Senate, two from the Senate, and two from private life.

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Of each class of two members mentioned in subsection (a), not more than one member shall be from any one political party.

(c) Any vacancy occurring in the membership of the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) The term of each appointed Commissioner shall be for the duration of the Commission as set for in section (8) herein.

ORGANIZATION OF THE COMMISSION—QUORUM

SEC. 4. The Commission shall elect a chairman and a vice chairman from among its members. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 5. (a) Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) The members of the Commission who are officers in the executive branch of the Government shall each receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any (notwithstanding sec. 6 of the act of May 10, 1916, as amended, relating to dual employment (5 U. S. C., sec. 58)), as is necessary to make his aggregate salary $15,000; and they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) The members from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 6. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1949. The Commission also may procure, without regard to the civil-service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act entitled "An act to authorize certain administrative expenses in the Government services, and for other purposes," approved August 2, 1946 (5 U. S. C., sec. 22a), but at rates not to exceed $50 per diem for individuals.

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provision of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

EXPENSES OF THE COMMISSION

SEC. 7. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 8. (a) It shall be the duty of the Commission to make a thorough study of the

interrelated problems existing between the United States and the other nations of the North Atlantic Community, to consider ways and means of achieving a more effective operation of the North Atlantic Treaty Organization, as well as the economies obtainable therefrom, and closer cooperation between the United States and the other North Atlantic Community Nations in accomplishing the purpose of the North Atlantic Treaty without impairing the obligations and responsibilities the United States has undertaken in the Charter of the United Nations, and to submit to Congress a report on its findings and recommendations.

(b) The Commission shall submit to the Congress on or before March 1, 1952, an interim report of its study. A final report of the Commission containing its full findings and its recommendations shall be submitted not later than March 1, 1953.

(c) Ninety days after the submission to the Congress of the final report provided in section 8 (b) the Commission shall cease to exist unless otherwise continued by Congress.

POWERS OF THE COMMISSION

SEC. 9. (a) The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) The Commission is authorized to secure directly from any executive department, bureau, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission upon request made by the chairman or vice chairman, if possession of such information, suggestions, estimates, and statistics by the Commission will not endanger the common defense and security.

(c) The Commission is hereby authorized and empowered to secure and establish sufficient office facilities and procure supplies as are necessary to carry out the work of the Commission. All expenses for carrying out the provisions of the act shall be paid from the appropriation provided in section (7) herein.

PRINTING OF SENATE DOCUMENT NO. 69, EIGHTY-SECOND CONGRESS, RELATING TO CERTAIN VIEWS ON MILITARY SITUATION IN FAR EAST

Mr. BRIDGES submitted the following resolution (S. Res. 222), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Senate document room, 8,000 copies of the individual views of certain members of the Joint Committee on Armed Services and Foreign Relations of the Senate relating to the military situation in the Far East (S. Doc. No. 69, 82d Cong.).

HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by their titles and referred as indicated:

H. R. 5230. An act providing for the conveyance to the State of North Carolina of the Currituck Beach Lighthouse Reservation, Corolla, N. C.; to the Committee on Expenditures in the Executive Departments.

H. R. 5650. An act making supplemental appropriations for the fiscal year ending June 30, 1952, and for other purposes; and

H. R. 5684. An act making appropriations for mutual security for the fiscal year ending June 30, 1952, and for other purposes; to the Committee on Appropriations.

H. J. Res. 331. Joint resolution authorizing the President to invite the States of the Union and foreign countries to participate in the Chicago International Trade Fair, to be held in Chicago, Ill., March 22 to April 6, 1952; to the Committee on Foreign Relations.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix as follows:

By Mr. SPARKMAN:

Address delivered by Hon. John W. Snyder, Secretary of the Treasury, before the National Association of Supervisors of State Banks in St. Louis, Mo., with reference to problems confronting banks and bank supervisors.

Joint statement and letters of Charles A. Boswell and Lewis A. Moore, in connection with National Employ the Physically Handicapped Week.

By Mr. WILEY:

Address on the subject The Strength of Free Men, delivered by Hon. Richard C. Patterson, Jr., United States Minister to Switzerland, at Union College, Barbourville, Ky., on September 24, 1951.

By Mr. McMAHON:

Editorial entitled "Threat and Promise," published in the Christian Century of October 3, 1951, referring to a recent speech made by Senator McMAHON on the future military policy of the United States.

By Mr. HICKENLOOPER:

Statement and editorial from the Cedar Rapids Gazette, of Cedar Rapids, Iowa, describing the philanthropic activities of the El Kahir Chanters, of the El Kahir Temple, AAONMS.

By Mr. BENTON:

Article entitled "Is the Medal of Honor Being Cheapened?" written by Harold G. Stagg, and published in the American Legion Magazine for October 1951.

By Mr. SMATHERS:

Article entitled "Allapattah Lions Kick Field Goal for Uncle Sam," published in the Miami Herald on Sunday, September 23, 1951, describing activities in improving the relationship between the United States and the people of Yugoslavia.

By Mr. SPARKMAN:

Article entitled "Baptist Brotherhood Is Told of Albania's King by Grant," published in an Augusta (Ga.) newspaper, with reference to an address by Hugh G. Grant to the First Baptist Brotherhood, recounting his experiences in Albania.

By Mr. HUMPHREY:

Broadcast by George Grimm from Station WCCO recounting the burial in Isle, Minn., of Marine Sgt. Paul Moose, an Indian killed in Korea.

Article entitled "Let's Look at Record on Demobilization," published in the Minneapolis Morning Tribune of September 8, 1951, with reference to the demobilization of American Armed Forces after World War II.

THE ITALIAN TREATY

Mr. O'CONOR. Mr. President, I urge that our Government redouble its efforts to bring about a revision of the Italian treaty. Today, Columbus Day, when the world is reminded of the great debt we owe to the land from which came the discoverer of America, we are informed that Russia will insist upon retaining the drastic terms now included in the Italian Treaty. The Kremlin realizes that the people of Italy are essentially anti-Communist.

At San Francisco recently the United States and almost fifty other countries signed the Japanese Treaty. That treaty establishing a peace of reconciliation gives the Japanese people an opportunity to join the world community on a basis of honorable equality.

Following the San Francisco conference the Foreign Ministers of the United States, Great Britain, and France decided to transform completely their relationship with the Federal Republic of Western Germany. They announced that the aim of their three Governments was to include a democratic Germany, on a basis of equality, in a continental European community to form a part of a constantly developing Atlantic community. Thus, in recent weeks decisions of major importance have been made to restore our chief enemies of World War II to positions of equal partnership with the free world.

This policy of reconciliation with Japan and Germany is commendable but it contrasts ironically with the disadvantageous situation in which our friend and ally, Italy, now finds itself as a result of the peace treaty concluded in 1947. Long before Japan and Germany were still stubbornly resisting our assaults in two hemispheres, the Italian people had earned the right of becoming our cobelligerents and had entered the struggle against the German forces.

Our policy toward Italy has differed sharply toward defeated Germany and Japan. Yet strangely enough, it is Italy, our associate during the war and our formal military ally since the conclusion of the North Atlantic Treaty in April 1949, which now suffers from an unfair and unjust peace treaty while Germany and Japan are being afforded much kinder treatment.

It is ridiculous that such a respected member of the western community should suffer from any dishonorable stigma imposed by an outdated peace pact. The time has clearly arrived to revise the Italian Treaty.

The deficiencies in the treaty which ought to be corrected are, generally speaking, of three types. First, and what may well be the most important from the Italian point of view, are the moral. Second are the territorial. And third, the military. The moral defects of the Italian peace treaty are not only painful to Italian national pride, but they are obviously incompatible with Italy's status as an equal partner in the western democratic community and as an ally in the North Atlantic defensive coalition.

Italy has been our military ally in the North Atlantic Treaty Organization since 1949, and is a participant in General Eisenhower's Western European army. Italy is also a benefactor of our military aid program. In a word, the Italians, with our assistance, are striving valiantly to become good North Atlantic soldiers. But I regret to say that the endeavors of the Italian armed forces are seriously handicapped by the treaty imposed upon it.

The treaty severely curbs Italy's defense potential and cripples her efforts to contribute to cooperative security. By its terms the Italian frontiers are practically demilitarized for a distance of 12 miles; scientific experimentation with or construction of atomic weapons or guided missiles is forbidden; and guns with a range of over 18 miles—which is not a great distance as modern warfare goes—are banned.

Italy's armed forces are drastically limited. The navy is restricted to a size permitting little more than patrolling activities. A maximum quota of 25,000 men for all its services is imposed. The Army is set at a size of 185,000 troops, plus 65,000 carabinieri or national police. The Air Force is permitted only a trifling 200 fighter planes, and no bombers. Imagine trying to resist modern aggression with these token forces.

In view of the pressing necessity of strengthening the Western World by every available means, I strongly urge that the United States quicken its efforts to reach agreement with the other treaty signatories on the terms of revision. Thus we can demonstrate to the world the high regard we have for the Italian nation. The American people, concerned as they always are with the principles of right and justice, most certainly desire prompt revision. Congress, therefore, as the representative of the people, can well lend its power and prestige to this righteous cause. It will make all of us proud to give to Italy today the sort of treaty which events, unfortunately, prevented it from receiving in 1947.

APPROPRIATIONS FOR DEPARTMENT OF DEFENSE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. O'MAHONEY. Mr. President, I feel that before the conference report is taken up for discussion there should be a quorum call, so I suggest the absence of a quorum.

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

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

Butler, Md.	Fulbright	McFarland
Butler, Nebr.	George	McKellar
Cain	Hayden	Monroney
Carlson	Hendrickson	Murray
Case	Hickenlooper	O'Conor
Chavez	Hill	O'Mahoney
Connally	Humphrey	Saltonstall
Cordon	Ives	Schoeppel
Dirksen	Johnston, S. C.	Smith, N. C.
Dworshak	Knowland	Stennis
Ecton	Langer	Taft
Ellender	Lehman	Wiley
Ferguson	Lodge	Williams
Flanders	McCarran	Young

Mr. McFARLAND. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], and the Senator from Arkansas [Mr. McCLELLAN] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senators from Rhode Island [Mr. GREEN and Mr. PASTORE], the Senator from Texas [Mr. JOHNSON], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], and the Senator from Louisiana [Mr. LONG] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Utah [Mr. BENNETT], the Senator from Missouri [Mr. KEM], the Senator from Pennsylvania [Mr. MARTIN], and the Senator from New Jersey [Mr. SMITH] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. JENNER], the Senator from California [Mr. NIXON], the Senator from Maine [Mrs. SMITH], and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Wisconsin [Mr. McCARTHY] and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The PRESIDENT pro tempore. A quorum is not present.

Mr. HENDRICKSON. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. BENTON, Mr. BREWSTER, Mr. BRIDGES, Mr. CAPEHART, Mr. CLEMENTS, Mr. DUFF, Mr. FREAR, Mr. HENNINGS, Mr. HOEY, Mr. HOLLAND, Mr. HUNT, Mr. KEFAUVER, Mr. KERR, Mr. MAGNUSON, Mr. MALONE, Mr. MAYBANK, Mr. McMAHON, Mr. MILLIKIN, Mr. MOODY, Mr. MORSE, Mr. ROBERTSON, Mr. RUSSELL, Mr. SMATHERS, Mr. SPARKMAN, Mr. THYE, Mr. UNDERWOOD, Mr. WATKINS, and Mr. WELKER entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

SUPPLEMENTAL APPROPRIATIONS, 1952—CHANGE OF CONFEREE

Mr. McKELLAR. Mr. President, the junior Senator from Nebraska [Mr. WHERRY] has been ill, as all of us know, and still is ill. He has previously been appointed a conferee on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5215) making supplemental appropriations for the fiscal year ending June 30, 1952, and for other purposes. He probably will not be here during the remainder of the session.

I am happy to hear that the junior Senator from Nebraska is much better, and I hope he will soon be in his usual excellent health. He is a fine man, and I regret very much that he is not here.

I now ask unanimous consent that the Senator from Massachusetts [Mr. SALTONSTALL] be appointed a conferee in the place of the junior Senator from Nebraska [Mr. WHERRY] on the bill H. R. 5215.

The VICE PRESIDENT. Without objection, the Chair appoints the Senator from Massachusetts [Mr. SALTONSTALL] in place of the junior Senator from Nebraska [Mr. WHERRY].

Mr. McKELLAR. I thank the Chair.

APPROPRIATIONS FOR DEPARTMENT OF DEFENSE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. O'MAHONEY. Mr. President, the conference report on the Department of Defense appropriation bill is the unfinished business.

I should like to point out briefly that the bill which is now before the Senate in the form of a conference report represents a reduction below the bill as it passed the Senate by $2,568,441,600. The budget estimates which were considered by the Senate Committee on Appropriations and by the Senate amounted to $57,679,625,700. The bill which the conferees report and which the House has accepted amounts to $56,939,568,030, representing, as I say, a cut of more than $2,500,000,000 below the amount which was approved by the Senate. This, of course, includes certain reductions which were made by the Senate, the 2½ percent general reduction and the reduction of $70,000,000 for research and development. In other words, I feel that the conferees have scrutinized this bill with the greatest of care, and the measure now presented by the conferees represents a sum which in the judgment of conferees on the part of the House and on the part of the Senate, and apparently of both Houses, the minimum sum which ought to be appropriated at this time.

I shall be very happy to answer any questions that may be asked by any Members of the Senate.

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

Mr. O'MAHONEY. I yield to the Senator from Oklahoma.

Mr. MONRONEY. I should like to ask the distinguished Senator from Wyoming regarding the so-called Van Zandt amendment. I understand it has been changed in the conference. The Senate did not adopt it, but the House had adopted it, and a compromise was reached affecting the discharge of Inactive Reserve and enlisted men.

Mr. O'MAHONEY. The Senator will remember that this amendment, which

was inserted on the floor of the House, applied only to the inactive reservists who were involuntarily called, and it provided for their discharge at any and all events after 12 months, if they had had 12 months' service in World War II. The testimony which was presented to the committee by the Department of Defense, and particularly by the Army, was unanimous in emphasizing that this rigidity would have had serious effects in impairing the strength and effectiveness of the armed services. The Department of Defense was most earnest in requesting that the amendment be omitted. But, as I stated on the floor of the Senate when the matter was under consideration, the Committee on Appropriations felt that the Department should make some concessions, that it was important to release as many men as possible, particularly those who had served in World War II. It was our feeling, as I think was well expressed by the Senator from Washington [Mr. CAIN] during one of the colloquies here with respect to this question, that the present military operation should be carried on by soldiers of this generation rather than by soldiers of the last generation. It was, however, represented to the conferees, and it was their unanimous judgment in the end, that to impose an inflexible rule upon the Department with respect to officers would have been too dangerous.

Mr. MONRONEY. As I understand, the officers were included in the original Van Zandt amendment.

Mr. O'MAHONEY. The officers were included in the original Van Zandt amendment. So we finally compromised upon a 16-month service for enlisted personnel. They will be discharged at the end of 16 months' service, and the regular 17-month rule will apply to officers. That is the effect of the compromise provision.

Mr. MONRONEY. There is no guaranty in the bill, however, as to the 17-month period; it is merely the policy of the Department of Defense as publicly announced, is it not?

Mr. O'MAHONEY. The amendment as it was agreed to in the conference reads as follows:

(b) No part of any appropriation contained in this act for "Pay and allowances" of military personnel shall be expended for the pay or allowances, accruing after November 30, 1951, of any enlisted member of the Inactive or Volunteer Reserve who served on active duty for a period of 12 months or more in any branch of the Armed Forces during the period beginning December 7, 1941, and ending September 2, 1945, if such member shall have served on active duty for a period of 16 months or more after June 26, 1950, unless such member shall have voluntarily consented to remain on active duty.

So that this is a directive with respect to enlisted men, not a directive with respect to officers; but the policy which has been followed, and which is being followed, without variation, as I understand, has been to release officers after 17 months, if they wish to be released.

Mr. MONRONEY. The provision would not apply to the National Guard units now on duty, nor to the active reservists who have been recalled, would it?

Mr. O'MAHONEY. The Van Zandt amendment as introduced on the floor of the House did not apply to those categories.

Mr. MONRONEY. It did not apply to them, so it was not a matter in conference. Is that correct?

Mr. O'MAHONEY. It never was in conference.

Mr. MONRONEY. And it could not possibly have been reached in the appropriation bill as it came to the conferees. Is that correct?

Mr. O'MAHONEY. That is correct. I may say that all the conferees have entertained the hope that the Armed Services Committees of both Houses would continue their study of the matter, and that if further legislation should be necessary it would be enacted. The House Committee on Armed Services has already been making such a study.

Mr. MONRONEY. I thank the Senator.

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

Mr. O'MAHONEY. I am very happy to yield.

Mr. CAIN. If my friend from Wyoming will permit me, I should like to say that the Armed Services Committee has very recently been informed by the military services that none of them has any intention, beyond January 1, of recalling any inactive enlisted reservists. I thought that statement would provide a considerable amount of satisfaction.

Mr. O'MAHONEY. I am very glad that the Senator from Washington has reminded me that that is the situation.

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

Mr. O'MAHONEY. I yield to the Senator from South Dakota.

Mr. CASE. I should like to ask the distinguished chairman in regard to the proviso which is proposed in the amendment to take the place of the amendment of the Senate numbered 8. Reading from page 3 of the report, the proviso is:

Provided further, That none of the funds appropriated in this act shall be used for expenditures in connection with recruitment advertising, including sponsorship of radio and television shows by the Department of the Army, the Department of the Navy, or the Department of the Air Force.

Do I correctly understand that this prevents the use of these funds for paid-space advertising in magazines and newspapers?

Mr. O'MAHONEY. It does; yes.

Mr. CASE. It, however, would not interfere with informational activities within the amount of $10,950,000 included in the same paragraph, provided such informational activities by military personnel results in getting some free space in the newspapers, would it?

Mr. O'MAHONEY. No; it would not.

Mr. CASE. It would let them send out news releases and anything that they could get the papers to print for nothing, is that correct?

Mr. O'MAHONEY. That is correct.

Mr. CASE. I have one other question. The Senator from Wyoming will recall that during the consideration of the bill I had suggested a penny-pinching amendment to save 1 percent on the total amounts involved in the bill, that the distinguished senior Senator from New Jersey [Mr. SMITH] had offered an amendment to save 5 percent, and that as the result of various conferences with the Senator and others, the amendment was modified to make a 2½ percent over-all reduction; and now I understand that the bill as reported makes a reduction of an even larger amount than 2½ percent. My question runs to the application of that reduction.

Is that a reduction in the $5,000,000,000 fund which was indicated to be for expansion of the Air Force, as suggested by the distinguished Senator from South Carolina [Mr. MAYBANK], or is it a reduction applicable to all items, and generally throughout the bill?

Mr. O'MAHONEY. No; it is a reduction of several items throughout the bill, including the air-power amendment, which constitutes the bulk of the reduction.

Mr. CASE. A large part of that applies to the so-called $5,000,000,000 figure?

Mr. O'MAHONEY. Most of it. The 2½-percent reduction which was accepted by the Appropriations Committee would have amounted to a little over a billion and a half dollars in terms of the bill as it passed the Senate, the appropriations contained in which were, of course, greater than those in the bill as passed by the House. The House conferees felt that since 49 percent of the total appropriation was devoted to major procurement items, the reduction in that form should not be agreed to. The House conferees were opposed to it from the very beginning. But the Senate conferees were very glad to agree to certain reductions in other items, particularly to the reduction in the amendment with reference to air power.

To be perfectly frank with the Senate, I think I should point out that the result of the discussions in the committee and on the floor with respect to the development of air power has been that the Department of Defense has now undertaken to prepare a budget for presentation at the next session of Congress with respect to air power, both for the Navy and the Air Force. In this bill there is $1,000,000,000, one-third of which is for the Navy and two-thirds of which is for the Air Force.

I may say that it is the intention of the committee to continue its scrutiny of other items in the bill. There will be a continuous survey of expenditures in order that we may be certain that every possible reduction may be made, not in an inflexible way, but in a selective way.

Mr. CASE. I realize that the problem of conferees on a big money bill is always difficult and it generally requires compromise. I am not disposed to quarrel with the way the conference has worked it out. I think the conferees have doubtless done the best they could under all the circumstances.

I do want to express appreciation of the fact that a study is to be undertaken for adjusting our program to an

expansion of the Air Force. I think that is consistent with the conviction of Members of Congress generally and it is what I personally would hope would come to pass.

I also wish to express appreciation of what the Senator from Wyoming has just said with reference to specific reductions. We always have a problem in military appropriations because of the large amounts of money that it is necessary for the military to spend. A soldier is trained to accomplish a mission; he is not trained to save money, nor is he trained as a financier. When we are dealing with the problem of Government financing which we have at this time, it does become important that somewhere along the line we should try to save what money we can by making no unnecessary or improvident expenditures in military activities as well as in any other field. In the administration of the Army, Navy, and Air Force, it is difficult to write into law the formulae which will say to an officer that he must try to avoid an unnecessary trip in connection with the normal operation of a military installation, or to try to avoid waste by preventing the destruction of Government property, or in connection with heating, or repairs and other ordinary maintenance.

Mr. O'MAHONEY. The Senator is quite correct. All of us who have had any connection either with service in the Army, Navy, or Air Force, or who have participated as members of the Appropriations Committee, as the Senator from South Dakota has done for many years on the House side, know that there are inevitable wastes in the military service. It is always a matter of hurry and wait. Men are gathered together in a great hurry, then sent to a post, and then they wait for orders. The appropriations subcommittee on the Armed Services, and the Armed Services Committee, both are very much concerned about this matter. I hope the Department of Defense will continue to do what it has been doing, namely, to seek constantly for ways and means of eliminating wasteful procedures.

I am particularly concerned about the elimination of wasteful representations with respect to the need for items and the need for men. It is common in the Army, the Navy, and the Air Force for officers to ask for more than they need because they expect an inevitable reduction.

I assure the Senator that our committee will do its best to bring all these expenditures down to rock bottom. It will be our intention to maintain a continuous survey of the preparation of the new budget. We have already undertaken a survey of outstanding contract authority and the liquidation of it, for example. We have asked for full reports, in order that we may cut down the expenditure of funds previously authorized if the objective is no longer necessary, particularly as a result of the development of new weapons.

Mr. CASE. That is certainly commendable. I had hoped that there might be some remnant of our amendment for an over-all saving to impress upon all branches of the service the desirability of occasionally returning some money to the Treasury in the form of an unexpended balance. While it is not always possible to pinpoint where a reduction is to be made, if we can inculcate in those who spend the funds the desirability of saving where they can, it would be a very good thing.

I appreciate what the Senator has stated as to plans already made for a continuous survey, and also for a study of unexpended balances.

Mr. THYE. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. THYE. Mr. President, the remarks made by the distinguished Senator from South Dakota brought a question into my mind and also a thought which I should like to express.

We are constantly faced with the fact that Members of the Senate serving on several committees must attend this committee meeting and that committee meeting, and, therefore, we cannot devote as much time to a specific question as we would like to do or as we should do in order to keep abreast of the situation and keep ourselves acquainted with what is transpiring in connection with certain functions of the military for which we might have been responsible to a certain extent when we approved the budget.

The distinguished Senator from Wyoming who is presenting the conference report from early spring until the appropriation bill was approved by the full committee has spent endless days in hearing witnesses and studying the appropriation. Some of the funds appropriated will be earmarked to be expended within the next 18 months. Some of them will be for the construction of military installations. Another item will be for airplanes. These funds are oftentimes earmarked and obligated over a period of a great number of months.

It was that which led me to the strong conviction that there should be established a committee, with a competent and able staff, which could proceed to follow these funds from the day the Congress made them available until the completed machine, whether it were an airplane or some other type of equipment, was put into the field ready for use. Only in that way I believe will we know whether the enthusiasm of the Army to get their work accomplished has been such that it has foolishly expended funds, or whether we have had an administration of the funds in such a prudent manner that we have actually gotten a dollar's worth for every taxpayer's dollar made available and appropriated.

I know that the Committee on Appropriations, of which the Senator from Wyoming is one member, and a senior member, have agreed upon the establishment of a staff of auditors and examiners, who can follow the expenditures of the funds from the day the first dollar is made available to the military, or some other division of the Government now engaged in the development of the great defense of the United States, in order that when the Congress returns and reexamines the question of appropriations in connection with another appropriation bill, the staff and the committee which have been charged with this particular investigational work can lay before the Senate a most detailed statement of how the funds have been expended. As a result of such procedure we will have a greater knowledge of whether we are getting economy in the various branches of the Government, or whether there is a waste of the taxpayers' dollars.

The Senator from South Dakota, when he raised his question, brought to my mind again the long, detailed study which had to be made when the Joint Chiefs of Staff and representatives of the Defense Department and all the procuring agencies of the various branches of the Government, sat before the committee day after day, week after week, and into the months, in order that we might develop what is in the appropriation program.

Mr. CASE. The Senator from Minnesota put his finger on the crux of the problem when he used the word "prudent." In connection with the military, it is difficult to direct the word "prudent" to an operation in a hot battle or campaign; but in a semimobilization such as we now have, domestic operations, at least, are more in the nature of housekeeping than of conducting a campaign. Certainly the word "prudent" would be a good one to inculcate in the minds of those who expend the funds of the Defense Department.

Mr. MONRONEY. Mr. President, will the Senator from Wyoming yield

Mr. O'MAHONEY. First, Mr. President, I desire to compliment the Senator from Minnesota for the thought which he has developed. He has been most helpful, not only throughout the hearings on the bill and the action of the subcommittee on the bill itself, but in urging a continuous survey of expenditures. The committee has been authorized to expand the staff, and I am sure the work will be carried on.

Mr. SALTONSTALL. Mr. President, will the Senator from Wyoming yield on that point?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. I should like also to call to the attention of the Senator from Wyoming a fact with which I know he is familiar, that there is a subcommittee of the Committee on Armed Services which is constantly looking into waste and extravagance, and endeavoring to assist in order to see that contracts are carried out efficiently. I have in mind especially the subject of tin, as well as copper, as to which the work of the committee resulted in large savings.

Mr. O'MAHONEY. I believe I referred to that earlier in the day.

Mr. FERGUSON. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. FERGUSON. With regard to the subcommittee of the Committee on Armed Service, I should like to state

that I feel that that fills an entirely different sphere of inquiry from that of the Committee on Appropriations.

Mr. O'MAHONEY. Of course, the Committee on Armed Services has a different function from that of the Committee on Appropriations.

Mr. FERGUSON. That is correct.

Mr. O'MAHONEY. It is the responsibility of the Committee on Appropriations to make sure that the money Congress makes available to the Department of Defense is as wisely expended as it possibly can be.

Mr. FERGUSON. And also to determine whether or not the Department of Defense needs a certain amount of money.

Mr. O'MAHONEY. What the Senator from Michigan says recalls the inquiry of the Senator from South Dakota regarding the amendment which was written in conference with respect to expenditures for advertising. The Senator from Michigan and I had called to our attention, after the committee hearings, the proposed expenditure of some funds allegedly for recruiting, which we felt had not been sufficiently justified during the hearings.

Mr. President, I wish to make the RECORD clear on that point. There was widespread misunderstanding throughout the country because it was thought that our criticism was directed at radio and television alone. It was not directed to those media alone. It was directed to some of the pamphlets and booklets printed on expensive glazed paper, which the Department of Defense itself was circulating. It had reference also to advertisements in the slick-paper magazines and others.

When I say that, I desire to make it clear that the budget justifications which were submitted to us by the Navy, for example, showed that 1,650 radio stations throughout the United States were patriotically cooperating and furnishing time to carry information with respect to defense activities without any charge at all. No payment was made by the Navy, except the minimum union-scale wages for the personnel in the radio stations.

I feel that the radio, the television, the newspapers, and the magazines are to be complimented for what they have done. But the evidence before the committee showed that volunteers were not being brought into the service by this advertising. The Selective Service System produces the manpower for all three services and, having produced the manpower, it was discovered that in many instances the Navy and the Air Force gathered up men and, just prior to induction, listed them as volunteers. It was not a matter of real volunteering at all.

Therefore it will be the purpose of the committee, as I have already discussed it with the Senator from Michigan, to call a hearing, in which we shall go at length into this whole matter. We refrained from cutting off some $900,000 of 1951 funds as yet unexpended, because we did not want to do injustice to any good, sensible contracts which have hitherto been made.

It was pointed out upon the floor of the Senate by the Senator from Vermont [Mr. AIKEN], during the debate upon the pending bill, that he had heard a program called The Shadow, which was sponsored by one of the services allegedly for the purpose of securing recruits. It was the feeling of the committee that such a program was a useless effort. We felt that every expenditure should be scrutinized in the greatest detail.

Mr. FERGUSON. I inquire whether or not a larger staff is now in the making, which would justify the hopes of the distinguished Senator from Minnesota [Mr. THYE], the Senator from Michigan, and other Senators who sponsored that amendment.

Mr. O'MAHONEY. So far as I know, it has not yet been acted upon, but it will certainly not be overlooked.

Mr. FERGUSON. Is it not true that if such a staff were organized we could make a survey of the advertising item?

Mr. O'MAHONEY. That is quite true.

Mr. FERGUSON. There is no doubt that the advertising media—and that includes the agencies—have given of their time freely in many cases.

Mr. O'MAHONEY. Of course.

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

Mr. O'MAHONEY. I yield.

Mr. MONRONEY. I appreciate the further explanation of the distinguished Senator on the advertising question. As I understood, the action of the Senate was to eliminate the so-called "big-name" programs in radio and television. However, the action was not directed at the ordinary advertising which has been done throughout history by the Army, the Navy, and the Marine Corps. During World War II we staffed the Navy and the Marine Corps entirely through voluntary enlistments, which were largely the result of advertising. I do not mean the big, flossy, slick-paper advertisements, but advertising in small country weeklies and small-town newspapers, which brought in the men and provided the soldiers and sailors of World War II.

It is oversimplification to say that we do not need any advertising, when we are spending nearly $60,000,000,000 a year for other defense purposes, and ignoring the selection of volunteer manpower. There is a great deal of volunteer manpower which comes in long before the draft boards get ready to pick it up. I sincerely hope that in the study which the committee is to make, the possibility of getting more and more men by voluntary means, and through good, economical advertising, will be investigated most carefully. A volunteer soldier is a good soldier. A man who is willing to volunteer to fight in Korea today will make a good soldier. If we ignore the possibilities of advertising, I think we indulge in oversimplification to the extreme.

Mr. O'MAHONEY. I assure the Senator that every aspect of the question will be examined.

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

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. I did not understand the intention of the conferees. What is to exclude all advertising for the purpose of securing recruits?

Mr. O'MAHONEY. Yes. I may say that the bill contains for this purpose the sum of $3,100,000, of which $1,000,000 was to be expended in Army areas and $2,100,000 in other areas. That was a reduction below the appropriation for the fiscal year 1951, when the appropriation for Army areas was some $1,000,000, and for other areas $5,067,000.

Mr. KEFAUVER. Were those appropriations for recruitment purposes?

Mr. O'MAHONEY. That is correct. They are for recruiting expenses. The feeling of the committee, based upon the evidence before the Appropriations Committee on the supplemental bill—evidence from the Selective Service Administration—was that volunteering is not now appearing upon the scene. The fact of the matter is that even the Marine Corps is no longer receiving volunteers. We must not confuse the present situation with the conditions which existed during World War II. In World War II we had been attacked. Now we are engaged in a Korean operation; and frankness compels us all to admit that our manpower is not particularly interested in volunteering to go to Korea.

As a matter of fact, Mr. President, this illustrates one of the great dilemmas in which the free world finds itself. People nowhere want war, and the more intelligent they are the less they want war. Our problem is to find a way to prevent a third world war, and to prevent aggression, with the least use of American manpower.

Mr. KEFAUVER. Mr. President, if the Senator will further yield, I had understood that in certain cases, notably the cases of those who are not subject to the draft, as, for example, in the building up of the women's groups and groups of specialists, the advertising recruitment program filled a very vital need, and that it had been successful in those cases.

Mr. O'MAHONEY. No showing was made before the committee in that connection. It is our intention, as I have already stated, to make a survey of the entire situation. If the Department of Defense can make a case for that sort of expenditure, then I am sure the committee will not object to the inclusion of an appropriate sum in the next supplemental or deficiency bill.

Mr. KEFAUVER. Is it the intention that the funds which are still available in this fiscal year may be used on worthwhile programs? In other words, is there to be any curtailment of the funds now available?

Mr. O'MAHONEY. The curtailment applies to the funds in this bill, and only such funds.

Mr. KEFAUVER. Is it expected that the funds available for the current operating budget will be expended?

Mr. O'MAHONEY. This is the current operating budget.

Mr. KEFAUVER. I mean funds which are already available for these purposes.

Mr. O'MAHONEY. If the Senator means to ask what the effect will be upon the unexpended balances of the 1951 appropriation, I will say that it was certainly my understanding, and I think the understanding of the other conferees, that the proposed survey should be made, so that we may be sure that such funds are wisely expended. No Member of the House or Senate wants money expended merely for the glamour of laying it out.

Mr. KEFAUVER. Mr. President, I should like to ask one further question. With respect to the funds which are available and unexpended at the present time, is there any restriction in this bill on their expenditure?

Mr. O'MAHONEY. There is no restriction in this bill on their expenditure, but I certainly expect the Department of Defense carefully to comb all proposals for the expenditure of such funds so as to make sure that they are not wastefully expended.

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

Mr. O'MAHONEY. I yield.

Mr. LODGE. Mr. President, I ask unanimous consent to be absent next week.

The VICE PRESIDENT. Without objection, leave is granted.

Mr. O'MAHONEY. Mr. President, let me say that that does not mean absence today. If the Senator from Massachusetts will halt in his exit from the Chamber, I wish to reserve the right to object. His absence is being approved only for next week, and not for today. I want his presence here on the floor to sustain this bill. The Senator from South Carolina [Mr. MAYBANK] and the Senator from Massachusetts were very active in the preliminary discussions with regard to developing air power.

Mr. LODGE. Let me say to the Senator from Wyoming that I expect to be here today. I appreciate his friendly interest in my presence. I am glad that the bill contains amounts which ought to give us the type of air power which we need. I hope that the Appropriations Committee will continue building up its staff to the point where it can exercise supervision and observation for 365 days in the year of the way in which these moneys are being spent. This is the largest single expenditure of the Federal Government. If we are to obtain economy, we must obtain it in connection with our defense appropriations.

I think we ought to develop in the Appropriations Committee a procedure similar to the one which has been developed so effectively in the Finance Committee, where we have our own congressional experts who challenge the witnesses from the executive branch on every single contention they make. I think that procedure before the Finance Committee is perhaps the most intelligent procedure we have in Congress, and I should like to see that procedure adapted to the Appropriations Committee. I believe that we could save not only millions, but probably billions of dollars if that procedure were adopted. So I am very glad to have this opportunity to commend the Senator from Wyoming for reporting a bill which I think will do big things for American military strength.

Mr. O'MAHONEY. I thank the Senator from Massachusetts.

Mr. HOLLAND and Mr. HENDRICKSON addressed the Chair.

Mr. O'MAHONEY. I yield first to the Senator from Florida.

Mr. HOLLAND. Mr. President, I desire to speak in support of the proposed program for a more careful checking of military appropriations, and I commend the distinguished chairman of the committee, who has so ably presented the conference report, for his activities in that regard.

Mr. O'MAHONEY. The Senator from Florida is very kind. I wish the RECORD to show that the bill was under constant supervision by the Subcommittee on Defense Appropriations from the 7th day of June until the 28th day of August, and to the extent of our ability we went over practically every item in the bill.

Mr. HOLLAND. Mr. President, will the Senator from Wyoming further yield?

Mr. O'MAHONEY. Gladly.

Mr. HOLLAND. I wish to get to that precise point, because I am afraid that, with his characteristic modesty, the Senator from Wyoming may not have stated with sufficient vigor in the RECORD the fact that a very large saving—larger than perhaps is understood by the general public—has been made on the budgeted requests.

In order that the saving and the size of it may clearly appear in the RECORD I wish to state my understanding of the situation and ask the Senator from Wyoming if that understanding is correct.

First, it is correct, is it not, that the conference report shows a saving of approximately three-quarters of a billion dollars on the budgeted amount?

Mr. O'MAHONEY. The appropriations proposed by the conference report in individual items are under those in the original bill as reported to the Senate by some $4,164,000,000. They are under the bill as it passed the Senate, including the reductions which were voted, by $2,568,441,600. The budget estimate was $57,679,625,700. The bill as reported by the conference committee contains $56,939,568,030. That includes $1,000,000,000 of nonbudgeted funds, which were put in the bill expressly for the purpose of providing an expansion of American air power.

Mr. HOLLAND. I thank the distinguished Senator from Wyoming. What I wanted to have appear clearly in the RECORD was, first, that the actual reduction below the budgeted amount now to be appropriated under the conference report is substantially three-quarters of a billion dollars.

Mr. O'MAHONEY. The Senator from Florida is quite right.

Mr. HOLLAND. But the amount actually saved from the budgeted items is a billion dollars more. Therefore, the total reduction of appropriations for the budgeted items is $1,750,000,000, due to the fact that the Senator from Wyoming and his able committee, with the approval of the two Houses, have insisted upon an unbudgeted appropriation of $1,000,000,000 for stepping up the effort to increase as quickly as possible the strength of the Air Force and of the air arm of the Navy. Therefore, the fact is, if the understanding of the Senator from Florida is correct, that, because of the joint labors of the two committees, which are entitled to the greatest credit, and the joint decisions of the two Houses, the actual reduction in the appropriations recommended by the budget amount to $1,750,000,000, as shown in the conference report.

Mr. O'MAHONEY. The Senator from Florida is correct. I am grateful to him for having emphasized the point.

However, I believe that the committee should not claim exclusive credit for economy in this matter. The Secretary of Defense, Robert Lovett, who, as Under Secretary of the Department of Defense during the incumbency of General Marshall, had charge of the budgeted items, was most careful in the examination of all budget requests. He and his staff in the Department of Defense did an extraordinary job. The Senator will remember that I pointed out on the floor, when I reported the bill from the committee, that the various divisions of the three armed services, when called upon last December to estimate their needs, submitted to the Secretary of Defense requests which totaled $104,000,000,000.

The Secretary of Defense and the Bureau of the Budget, after a thorough survey, cut the total down to $60,650,000,000, of which a substantial portion, approximately $4,000,000,000, was to be provided for military public works, which were only recently presented. Therefore Secretary Lovett and the Bureau of the Budget are also entitled to credit for attempting to hold the expenditures to a minimum.

Mr. HOLLAND. In expressing my own appreciation, which is very great indeed, to the distinguished Senator from Wyoming, I want to make it very clear that I thoroughly support him and the decision of both Houses to the effect that we must make greater speed in building up our air power. The inclusion of the added $1,000,000,000 for that purpose is proof sufficient of the earnestness of Congress that the air power of the Nation shall be built up as rapidly as possible.

However, the Senator from Florida is particularly desirous, in these days when the public is watching with such real anxiety the question of economy in public spending that there be a record made of the fact that the real saving accomplished by the two committees and the two Houses, by this final action on the items covered by the budget, of which the Senator from Wyoming began a study many months ago, is $1,750,000,000. The information should be heartening to the taxpayers of the country.

Mr. O'MAHONEY. The Senator is very kind.

Mr. President, if there are no other questions, I hope we shall be able to vote on the adoption of the conference report. Does the Senator from Washington [Mr. CAIN] desire to ask a question?

Mr. CAIN. I wish to obtain the floor in my own right.

Mr. BREWSTER. Mr. President, I did not want to interrupt the Senator from Washington, but I should like to ask a few questions.

Mr. O'MAHONEY. Mr. President, my desire is to secure action upon the conference report. There is first the motion to approve the conference report. Then I shall have to make a technical motion to approve amendment No. 50, which was in technical disagreement.

Mr. BREWSTER. Mr. President, I shall not detain the Senate more than a minute or two. I do not want to interrupt the Senator from Washington. Perhaps the Senator from Wyoming covered the point in his remarks when I was called out of the Chamber on one or two occasions. It has been stressed to me that it is necessary to get volunteers for the technical services, because many of the persons involved are not subject to the draft. Has the Senator from Wyoming referred to that point?

Mr. O'MAHONEY. I pointed out that there is on hand $900,000 as an unexpended balance of the appropriation of 1951, and that the committee felt that the amount is ample for all necessary expenditures.

Mr. BREWSTER. That is not restricted?

Mr. O'MAHONEY. It is unrestricted. We were careful not to restrict it in this bill. The committee did see innumerable examples of pamphlet publicity, published on highly glazed paper, the value of which was rather questioned by the committee.

Mr. BREWSTER. I thank the Senator from Wyoming.

The VICE PRESIDENT. The question is on agreeing to the conference report.

AMERICAN FOREIGN POLICY AND SPEECH BY THE VICE PRESIDENT

Mr. CAIN. Mr. President, I wish to say to my friend the very distinguished Senator from Wyoming [Mr. O'MAHONEY], who has an important conference report in hand and wishes to have it adopted, that my reason for speaking at this time is that our Presiding Officer, the Vice President of the United States, is known to be a very busy man and not always available in this Chamber. Because of his willingness to accommodate my wish to make reference to him, I am anxious to express my appreciation for that indulgence. I think I shall not take more than 20 minutes to present this matter.

Mr. President, the Defense Department announced on Wednesday that American battle casualties in Korea had reached the total of 89,382. This figure represented an increase of 1,732 battle casualties over the total of one short week ago. Of the present total, 15,063 Americans are reported as having been killed or dead as a result of wounds.

I should say parenthetically, Mr. Vice President, that there is to be a relationship between this reference to American casualties and to yourself, although that will not become clear for several minutes yet.

The Defense Department's weekly summary listed 12,365 Americans as being missing in action. Of this number, 151 are presumed by the Defense Establishment to be dead. I merely wish to point out in passing that any such assumption is, to my mind, totally misleading, unrealistic, and a pure guess. If anyone bothers to read the testimony offered by the military services during the hearings held last spring by the two committees, sitting jointly, it is clear that the Allies have no accurate information of any kind to cover the military personnel who are presently missing in action in Korea. A reasonable, although sad, presumption by competent military authorities is that a large number of the total of those who have been reported as being missing in action are dead.

It is common knowledge that our enemy has thus far refused to discuss the question of prisoners in the cease-fire talks which have been held periodically in Korea during recent months. The question of prisoners is obviously on the allied agenda, but the Communists have a habit of restricting discussions to a single item until it has been disposed of. The only question discussed in Korea thus far that I know anything about has been that which covers the line of demarcation to be observed if a cease-fire order is agreed to.

In my opinion, Mr. President, the Defense Department should draw no conclusions about the status of the thousands of individuals who are missing in action until the facts are available in each individual case.

It is worthy of mention that the Defense Department's casualty announcement was generally reported by the press on its middle pages. I think it ought to be required that every casualty announcement be carried in a box on the front page of every newspaper in the United States. If there is any other question or development about which every American ought to be more conscious, I do not know what it could possibly be. At the rate of our present casualty progress, our American battle casualties alone will soon reach and pass 100,000 in an undeclared war.

It would be of great benefit if a weekly summary of all casualties, allied, enemy, and civilian, were published constantly on the front pages of the American press and referred to repeatedly by every radio and television station and network. If we measure our activity by the amount of blood which is drenching Korea, we certainly shall do a more effective job in searching for ways in which to successfully conclude the war in Korea. Our allies have contributed approximately 10 percent to the total fighting strength in Korea. This ought to mean that those allies have suffered about 9,000 battle casualties. We are told that hundreds of thousands of the enemy have been killed or wounded. It was reported months ago that 10 percent of the Korean civilian population had suffered casualties in one way or another. This 10 percent represents approximately three million casualties. The total of all casualties would constitute gory reading on the front pages of the American press, but out of that reading might come an expressed determination by our Nation that unless a cease-fire agreement is promptly reached in Korea, the allied forces are to be provided with the men, ammunition, and the weapons required to secure a military victory in Korea.

Mr. President, although we too seldom find any reference to American battle casualties on the front pages of our papers, we can find, as you will agree, almost anything else there.

On Tuesday of this week in California, the distinguished President of the Senate, the Vice President of the United States, delivered an address before 1,800 guests at the $200,000—$100-a-plate Western States fund-raising dinner at the Hollywood Palladium. The Los Angeles Examiner did the courteous and agreeable thing by placing on its front page a good healthy-looking picture of the Vice President and a story about his speech, by Carl Greenberg. I enjoyed the picture, but I thought the story did not do justice to the Vice President. I want to think that the Vice President gave his $100-a-plate friends more to think about than was reported by the press.

In looking this morning at the Vice President—and I ought to say that certainly he has always been uniformly courteous and considerate of me in the 5 years since I have been in this Chamber—I am reminded of something which one of his predecessors, Aaron Burr, said a good many years ago. Obviously I make no suggestion of any kind that that Vice President of a bygone day and our Vice President of today ought to be joined as a team; but I think something that Mr. Burr said decades ago is worthy of repetition. It was this:

> If the Constitution be destined ever to perish by the sacrilegious hands of the demagog or the usurper, which God avert, its expiring agonies will be witnessed on this floor.

Mr. President, I think it a great pity, sir, that you, as the Vice President, are no longer permitted to speak on the floor of the Senate. My own memory book, which is rich and full, includes many a ringing speech by you, who now are the President of the Senate, when you were the senior Senator from Kentucky. As the Senator from Kentucky, the present Vice President was always willing to do battle on any public question. It was his custom to state his case and welcome any attacks from any source on it. Although I often disagreed with his position when he was the majority leader, I never questioned his courage or resourcefulness. He stood forward, to my mind, as an often gallant and always sturdy and fair opponent. I wish it were now possible for him to climb down from his pedestal, to join us in this American battle pit. I can but wish that he would offer us from this floor

every word of what he said on Tuesday in Hollywood.

In Hollywood, he challenged my party, so we learn from the story appearing in the press, to come up with an acceptable substitute for the foreign policy enunciated by Truman, Barkley, and Acheson. He said out there that the Republicans have all kinds of foreign policies, but that none of them look alike. He went on to relate that the only thing they shared in common was isolationism.

How, let me ask my friends on both sides of the aisle, can a Member of this body respond to such an allegation, unfounded as I believe it to be, except in the presence of the person who made it?

Mr. Vice President, it would be good, sir, to have you come on down to the floor and make that statement. Out in Hollywood your friends paid $100 a plate to listen to you make a speech. They had no opportunity, and probably had no inclination, to question your attack on my party, of which I am as proud as any group of the opposition could ever be proud of their party. If it can be arranged for you, sir, to stand again among us, the country would benefit, I think, from a real debate on foreign policy, because both sides would be under questioning and attack in regard to our Nation's foreign policy.

In California, sir, it was not necessary for you to say very much. You were able to mesmerize, or at least that is said by way of compliment, sir, and get cheers from a group of those who, I think, were gullible Americans, by saying of Harry S. Truman and yourself:

> We will stand on our record next year. We won't go snooping through back alleys in garbage cans for our campaign material.

Mr. Vice President, I do not know that that was your language, but that is the language which was reported as a quotation in the Los Angeles Examiner, and it was, sir, the first reason for my feeling that someone who had any self-respect for himself as a Member of the Senate and as a member of the Republican Party had to offer his own opinion regarding that quoted phrase. The third quotation, which I noticed with considerable interest, was this:

> We ask the people for another lease of power, to preserve democracy.

Mr. Vice President, I get right down to brass tacks, sir. The administration's political management of the war in Korea, insofar as the Senator from Washington is concerned, is certainly to be an issue, and a proper issue, in next year's campaign. Did you mean in Hollywood, sir, to say that the issue of the Korean war, in which, as I have related, there have already been 89,000 casualties, with 12,000-plus missing in action, who may be dead, or in some worse state—did you, sir, as reported by the press from Los Angeles, mean to say that this issue came from some garbage can and out of some dark alley? I do not believe a single American who has any respect or concern for the future will agree with any such contention. You complimented me personally in California, Mr. Vice President, by referring to the Cain policy as being one among many Republican policies. I want you to come on down here, Mr. Vice President, and tell me what relationship the Cain policy has to isolationism. I simply want a chance to prove how absolutely wrong you have become. All I want to say, Mr. Vice President, is that I wish you could come to this floor and tell the Senate—which means the country, too—what you did mean by saying that your party is not going to look for campaign issues next year in some garbage can in a back alley.

Mr. Vice President, I can compliment you, sir, in many ways. I do it sincerely. I consider you to be of great experience, and possessing a considerable amount of wisdom in some ways. I am, sir, your junior by perhaps three decades. It would be a very difficult but admittedly a delightful task for the junior Senator from Washington to attempt to tangle with the Vice President on the floor of the Senate about the question of what constitutes an issue—and in what garbage can; but I should like to have that chance, and to argue with the Vice President of the United States about our Nation's foreign policy.

The Vice President, gentlemen, has a far greater authority and prestige than that possessed by the junior Senator from Washington. Under the cloak of his title—and I mean him no disrespect, but I want the American people to know that there are two sides to any story, and that they should not listen to a man merely because he has a title, but should ask him a few questions—under the cloak of a great title, that of the Vice President of the United States, the individual possessed of that title can be impressive in Hollywood, even though he talks about garbage cans instead of talking about blood as it drenches the soil of Korea.

I want to ask the Vice President about the maintenance of the enemy's sanctuary in Manchuria, which was not referred to, so far as I know, before 1,800 Americans at a $100-a-plate dinner in Hollywood last Tuesday. I want to ask about the maintenance of an enemy sanctuary in Manchuria, from which we run the totally unnecessary risk of being assaulted by great numbers of enemy aircraft, to the end that 89,000 casualties will have grown as a Christmas present to far more than 100,000.

The Truman-Barkley-Acheson policy is responsible in very large part for this build-up, and no person can be more aware of this than the Vice President of the United States. I want to determine if I can what the Vice President thinks about the maintenance of an enemy sanctuary, through most of the war in northeastern Korea.

Mr. MONRONEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Oklahoma?

Mr. CAIN. If I am permitted to do so, without losing the floor, I should be most glad to yield for a question.

Mr. MONRONEY. Would the Senator amplify the statement which he has just made, that the Truman-Barkley-Acheson policy is responsible for the enemy build-up in Manchuria?

Mr. CAIN. Yes. Will my friend, the junior Senator from Oklahoma, whom I respect and like, merely wait a few minutes until this statement has been offered to the Vice President? For at that time I would deeply relish an opportunity to answer his question, because I think there is an extremely good answer to it; and perhaps we can start this afternoon on the floor of the Senate to do what ought to be done, rather than out in Hollywood—to talk about our Nation's business.

I want to determine, gentlemen, what the Vice President thinks about the maintenance of an enemy sanctuary through most of the war in northeastern Korea; and I know that the Senator from Oklahoma is worried about a good answer to this question, as much as am I. Rashin, as the Vice President and every Member of this Senate ought to know, has been a large enemy supply depot since the Korean conflict began almost 16 months ago. It is in Korea. Too many of the dead and wounded to whom I made reference when first I began these remarks are, in the opinion of the Senator from Washington—who assumes his responsibility here where it can be attacked—too many of the dead and wounded are dead and mutilated because of the Truman-Barkley-Acheson policy.

In California the Vice President said:

> We ask the people for another lease of power.

I wonder if this means, if a cease-fire is not agreed to, that Rashin is to remain undestroyed in the next year of the war, as it has been undestroyed largely for 16 months, to the detriment of American soldiers and with the result of increasing the flow of blood which drenches the soil of Korea.

If the Vice President could come down to the floor and be made available for attack and questions for what he said in Hollywood, I should like to ask him about the Truman-Barkley-Acheson leadership, which has prevailed upon fifty-odd nations, allied friends of ours, to contribute only about 10 percent of the blood and the dead and the sorrow in 16 months of war.

It may be that my great Nation will make up its own mind, as it has the right to do, to return to office those who have been in control of our foreign policy for a good long time; but I wonder whether that would mean that Americans generally want the United States of America not only to do its share with respect to any burden, but to carry too large a share of everybody else's burden as well.

I want to argue, gentlemen, with the Vice President about his fear, and that of the administration, of Russia. I want him to explain to the Senate, if that is possible, what in heaven's name has America to be frightened of from Russia or from any other source? It has to my mind been this fear which has undeniably kept the allied forces from attempting to carry out the United Nations mission to defeat our enemies and to restore independence and unity to Korea.

I may be wrong, but certainly I want those in authority to prove me and others of like mind wrong. How tragic

it is, that after months and months of war, we still find it imperative to ask, Where are we headed? After 7 weeks of hearings held by the two committees sitting jointly, it became apparent to the Nation that the administration was waging such a war in Korea as the administration thought would be acceptable to the Kremlin. I do not have to support that statement to anybody who has read any considerable portion of those hearings. In each and every instance we were told, "We cannot do this, because it might involve us with Russia," with whom we were not fighting. While these decisions kept us from fighting and destroying, if and when possible, the enemies with whom we were fighting, namely, the North Koreans and the Red Chinese. Out of our fear, the enemy we fight has been given an unanticipated opportunity to marshall his forces for assaults against us of a size and intensity never experienced before.

In his wind-up in Hollywood, the Vice President said, in a voice rising in pitch and with obvious emotion, or so it was related by Carl Greenberg:

We ask the American people in 1952 and 1956 and all the years to come to learn the truth and render their verdict as they have in the last two decades. We'll get the truth to them next year.

I do not know whether that is an accurate question. On that point the Vice President will speak for himself. But the significance of the quotation, as reported, is that the Vice President of the United States said to 1,800 persons who had paid $100 a plate, "We will bring you the truth next year."

If the Vice President could climb down from his dais the American people would not have to wait until next year to get the truth. Our Nation has been too long without much of the truth, or so the Senator from Washington sincerely believes. Now is the time to discuss the truth in all its aspects in this battle pit of ours. A part of that truth is contained within the covers of a report written by eight members of the joint committee and made available to the Nation many weeks ago. No person alive has ever heard the Vice President discuss or attempt to destroy the substance of that report. I should like to have him come to the floor and try to do it this afternoon. If it takes a change in the rules of the Senate to make that possible, the Senator from Washington is obviously in favor of such a change.

Mr. President, because I have no intention of keeping from the people any information which I have, I want to read the news story by Carl Greenberg. It will take only a minute. I shall then conclude with one paragraph to which I have given considerable thought.

Mr. Carl Greenberg writes as follows:

Vice President ALBEN W. BARKLEY last night declared that he and President Truman will go before the voters again in 1952 to ask for "another lease of power."

BARKLEY'S surprise statement to 1,800 guests at the $200,000, $100-a-plate Western States fund raising dinner at the Hollywood Palladium was construed as a virtual announcement of the reelection candidacy of Truman and BARKLEY.

DECLARATION

As he concluded the text of a prepared address, BARKLEY, voice rising in pitch and with obvious emotion, declared:

"No President and Vice President ever have worked more closely together than Harry S. Truman and I.

"We will stand on our record next year.

"We won't go snooping through back alleys in garbage cans for our campaign material.

"We ask the people for another lease of power, to preserve democracy."

OPENING GUN

The Vice President's speech had all the earmarks of the opening gun in the 1952 congressional campaign.

He said that he first spoke here in 1936 and California went Republican. The next time he spoke, it went Democratic, then Republican again—"and next year is our year."

BARKLEY defended the Truman administration's foreign policy and, in a heavy attack on the Republican leadership challenged the GOP to come up with an acceptable substitute for that enunciated by Truman and Secretary of State Acheson.

HITS GOP

He said the Republicans have all kinds of foreign policies:

"The Cain policy, the Malone policy, the Capehart-Jenner policy, the Wherry policy, and the Taft foreign policy and none of them look alike."

"They remind me of the man who was running for coroner and who saw 25 pictures of Judas Iscariot."

This, Mr. Vice President, is the second reference which impels me to attempt to do, with restrained language, what I am undertaking to do at this time.

The Vice President said:

They remind me of the man who was running for coroner and who saw 25 pictures of Judas Iscariot. He said:

"None of them look alike, but they all look like my opponent."

BARKLEY declared that the Republicans' foreign policies "all look like isolationism."

The Vice President then went beyond 1952, saying that:

"We ask the American people in 1952 and 1956 and all the years to come to learn the truth and render their verdict as they have in the last two decades. We'll get the truth to them next year."

In California the Vice President of the United States said that the different foreign policies which are being discussed by the minority party reminded him of Judas Iscariot. I say to you, Mr. Vice President, since when have patriots become connected or associated with or characterized by any inference to the words and the meaning of "betrayal"? The Vice President, seemingly, got away with such an unholy and unintelligible reference in Hollywood, but I take it that he would not dare on the floor of the United States Senate to associate with Judas Iscariot any such group of Republicans, who are Americans. The Senator from Washington would relish seeing him try it.

Now if the Senator from Washington can be of service to the Senator from Oklahoma, or any other Senator, in answering questions with reference to the war in Korea, he will be pleased to do so.

Mr. MONRONEY. I presume the resolution offered by the Senator from Washington some time ago is his method of preventing the build-up of Chinese Communist bases in Manchuria. I imagine that is his idea of the way to prevent the defeat of our forces. I wonder if any other members of his party have associated themselves with that method.

Mr. CAIN. A few minutes ago the Senator from Oklahoma asked this question, in substance:

"What did the Senator from Washington mean when he charged the administration with a very large share of the responsibility for the enemy's build-up in Korea?"

Mr. MONRONEY. I do not think I said "a very large share." I think I said "the responsibility."

Mr. CAIN. It is a total responsibility. That question posed by my friend from Oklahoma is dissimilar from his recent question in which he asks whether other Members on this side of the aisle have been associated with my offering a resolution last April, which if adopted would mean that the Senator from Oklahoma would have to start to become interested in the war and to assume some responsibility for it if we declared war against the enemy.

Let me answer the Senator's first question first.

I think it was on the 13th day of January, though I stand to be corrected, that the President of the United States, the Secretary of State, and the Joint Chiefs of Staff decided the time had come to destroy attacking enemy aircraft wherever their bases might be or by whatever means were necessary to track them to their lairs and destroy them.

The story unfolds like this; and I do not know, nor do I care at the moment, how anyone else feels about it, but I have been nauseated ever since the story came forth in all its details. There are certain other members of the Armed Services and Foreign Relations Committees, sitting jointly, now present, and they know I speak the truth literally.

As a result of the agreement reached by the President and the Secretary of State and the Joint Chiefs of Staff to destroy these enemy aircraft, the Secretary of State was directed—it was not suggested to him; he was directed by the President and by the Joint Chiefs of Staff—to advise every nation with whom America was joined in actual fighting in Korea of what America intended to do. He was not directed to ask their opinions; he was directed merely to tell them what the United States, as the command authority, the delegation having come from the United Nations, had determined was in the best interests of freedom everywhere. The Secretary of State has never yet given an adequate answer as to why he exercised that judgment which resulted in his advising some of the nations with whom we were associated in the war, but not other nations.

I think I am not disclosing any secret when I say that, as all of us recall, the Secretary of State decided that it was sufficient to the assignment to advise only six nations. The Greeks were never advised of America's intention. The Turks, who proportionately have spilled more blood than anyone else in Korea, outside of the United States and the South Koreans, were not advised. The

Senator can make his own guess, and it is likely to be a pretty reliable one, as to which nations were advised.

What happened? These nations said, "We don't like it. It is likely to lead to further trouble, and be very awkward. We are completely against it." End of the story.

We sit around here many times and say, "Why do we not take the advice of the military when we are involved in a war?" Every military leader worthy of the name, beginning last January, as Gen. Douglas MacArthur had pleaded for the same effort months ago, said, "Destroy the enemy's aircraft, or he will have a chance to destroy you before this war is over."

Having once made up our minds as Americans, under the most competent military advice we could get, that it was necessary to try to destroy the enemy's sanctuary in Manchuria, we promptly did no such thing.

Mr. President, if that is not a complete and satisfactory answer to the Senator from Oklahoma as to why the administration is responsible for permitting the enemy to build up an air force from a few planes to several thousand, I do not know what the answer is.

Mr. President, I could tell a similar story about Rashin. It was bombed once under the command of General MacArthur, before the State Department found out about it. Let no one think I am not telling the truth literally, because all this is set forth in the hearings of the two committees. As soon as the State Department discovered that we had made one air attack against Rashin, they said, "You cannot do that, because the Russians are only 17 miles away." So, until the latter part of August, when Rashin was bombed again, it was permitted to exist as a sanctuary in the enemy's own country, in the country of North Korea, to the end that a great many men we talk about trying to help will not need our help, because they are never coming home again.

We are asked why the administration can be charged with any responsibility in these matters? I asked a leading military authority a while ago, and a very honest and frank man he was, why Rashin was bombed in late August. He said, "During those 7 weeks of hearings held by you Members of the Congress"—and that means the only voice the people have left—"it appeared that you did not want us to let the enemy know he had a sanctuary. So we gave him a second bombing to get him a little off balance."

Mr. President, permit me to make one or two more references, if I may, about this place called Rashin. It is situated 17 miles from territory which is presently occupied by the Russians, and the State Department said, "Because of the clouds, because of the uncertainty, we are likely to get over into Russian territory and drop bombs on them rather than on Rashin."

That sounded like a fairly reasonable story, except that we do not assume that there is fog every day over Korea, and except that a man now dead, a really fine patriot, who offered the joint committee testimony, said, "Though I do not think the United States should go it alone, I think we ought to have our allies," he said, "I believe deeply"—and this was months ago—"that the organization of a naval blockade against the enemy, Red China, would help us shorten the spilling of blood in Korea."

The name of that man was Forrest Sherman. He died when he was pretty close to reaching an agreement with the Iberian Peninsula, which is the western end of the Mediterranean, to make our western European line relatively safe for freedom.

Mr. President, I raise this question, and then pass from it: What do we hear about the pending agreement between Spain and the United States since Forrest Sherman unfortunately died? We hear little. I am inclined to believe that matters are worse rather than better, because the sought-after agreement is nowhere in sight.

I shall respond to the Senator from Oklahoma immediately, but I do wish to say, because it is related to this whole discussion, that I asked Admiral Sherman, as did other members of the committee, Democrats and Republicans, "Is it not possible to use your naval guns to destroy Rashin from the sea? You would not run any risk of jeopardizing our relationship with Russia, would you?" The answer was, "Senator, of course, we could do it."

I have too much respect for the Air Force of this country not to assume that it can, if it desires, obliterate Rashin. If it is said that that is a little risky, we should reflect that, as Forrest Sherman said, we have always had a great United States Navy.

Mr. President, Admiral Sherman was a man who died possessed of his pride. Many Americans, if we use the war in Korea as an example, outside of those who are fighting that war, have lost their pride and much of their self-respect. Otherwise they would begin to insist that we destroy our enemy's power to fight another day.

Mr. HICKENLOOPER. Mr. President, will the Senator from Washington yield?

Mr. CAIN. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. With respect to Rashin and its proximity to the Russian border, I will ask the Senator, as a member of the joint committee, in the light of the fact that the State Department for some mysterious reason refused to permit the bombing of Rashin and the supply depots and dumps there, if it is not true that every bit of expert testimony we had from the commanders of the Air Forces in that vicinity, and other military men, was to the effect that there was no question whatsoever that they could bomb Rashin with complete freedom from any encroachment on Russian territory, that it was not only technically possible, but that it posed no particular problem whatsoever from the standpoint of dropping bombs on Rashin. Was not that the expert testimony about that matter?

Mr. CAIN. Mr. President, as I said to the Vice President a short time ago, one of the big issues in the campaign of 1952 is going to be the political, not the military, management of the war in Korea. The Senator from Iowa could not be more correct. There was no man who was considered by anyone to be a military authority who did not say, under oath, "Of course, we might not be able to fly missions against Rashin, an enemy supply base, every day; but if given the green light, there would be no Rashin in a very short time."

There are Americans who profess to believe that the military have been running our war for 16 months. The Senator from Iowa has just mentioned one instance which proves the contrary. It was our political management which has maintained Rashin as a supply sanctuary available to a ruthless enemy, for the better part of 16 months.

A few minutes ago, the Senator from Oklahoma [Mr. MONRONEY] asked me, as I understood him, if any other member of the Republican Party had associated himself with my resolution to declare war on our enemies.

Mr. MONRONEY. Mr. President, will the Senator yield at that point?

Mr. CAIN. I yield.

Mr. MONRONEY. The Senator from Washington was criticizing our distinguished Vice President for saying that the Republican Party was a party of many foreign policies.

Mr. CAIN. That is correct.

Mr. MONRONEY. The distinguished Senator from Washington stated that the administration was responsible for the enemy bases in Manchuria. I was asking if other members of his party had supported the distinguished Senator's policy of wiping out those bases by a declaration of war. How else could we destroy those bases?

Mr. CAIN. How else could we destroy the bases in Manchuria?

Mr. MONRONEY. Without declaring war against Red China. The Senator was honest enough to pose the real question.

Mr. CAIN. Yes; and I take it the Senator from Oklahoma is equally as honest. Otherwise we would not waste any time talking.

In answer to that question, I say to the distinguished Senator from Oklahoma, go back to the White House and the Secretary of State and ask them, if they share his view, whether it was proper for them to recommend, without a declaration of war, destroying enemy air bases in Manchuria last January, and to say now that it could not be done without an open declaration of war.

Mr. MONRONEY. The Senator has switched his proposition. He was discussing enemy build-up bases in Manchuria.

Mr. CAIN. The Senator is correct.

Mr. MONRONEY. What he is talking about today is the theory of "hot pursuit." I believe that is what the Joint Chiefs of Staff call it.

Mr. CAIN. That is the name.

Mr. MONRONEY. The Senator from Washington was criticizing the administration because of the establishment of vast enemy bases in Manchuria. I do not believe that they could be wiped out unless we were to follow the policy of the

distinguished Senator from Washington, which calls for an all-out declaration of war.

When the Vice President says that the Republican Party is a party of many foreign policies, I think the Senator himself, by his resolution, points out that it is a party of many foreign policies.

Mr. CAIN. There are a great many thoughts on this side of the aisle about various foreign policies. All that means is that seemingly there is but one foreign policy on the other side, which, as related to Korea, constitutes—as others than myself have said—"Operation Killer," or the pursuit of a policy which has as its only mission the shedding of someone else's blood, forgetting the blood which is necessarily shed at the same time on our side.

A moment ago I was unfair. I did not mean to criticize all Democrats. There must be a determination among Americans—which include thousands upon thousands of Democrats as well as Republicans—to evolve a policy which will result in the termination of the conflict in Korea, which, by virtue of the political management imposed upon it for many months, obviously has not gone anywhere, and is not going anywhere.

The Senator from Washington still feels as he felt on April 17, when he introduced a resolution calling for a declaration of war against America's enemies. Perhaps that was not the proper thing to do. Perhaps a Member of the United States Senate should not acknowledge the fact that America is at war with two very difficult and ruthless enemies.

The Senator from Washington has not attempted to solicit the assistance of individual Senators in pushing the declaration-of-war resolution which he introduced. That was done under my own responsibility. I was only hopeful that the Foreign Relations Committee, consisting of both Democrats and Republicans, to whom the resolution was referred, would give the subject the consideration to which it was entitled. I remain hopeful that the committee will.

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

Mr. CAIN. I yield.

Mr. MONRONEY. Does not the Senator feel a bit inconsistent when he points to the administration's responsibility for 87,000 casualties, and at the same time is the author of a resolution which would expand the war to an entire subcontinent?

Mr. CAIN. That is the dilemma in which we find ourselves. The Senator from Oklahoma is saying, "Let us not have a declaration of war because, per se, it will increase the number of casualties. Let us go on with an undeclared war, which will kill fewer people; let us go on with a war which is not going anywhere. Let us go on with a war which has no end." In the course of time the casualties will be 10 times what they would be as the result of an honest, forthright declaration against those who seek to destroy us, and getting the job over with.

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

Mr. CAIN. I yield.

Mr. MALONE. The Senator mentioned 87,000 casualties. Those do not include the 60,000 or 70,000 mentioned by General Marshall, who suffered loss of arms or legs from freezing and various other conditions. They were not actually wounded in battle, but they were casualties. Instead of 87,000, the total number would probably be around 160,000 or 170,000.

Mr. CAIN. I should not labor the point, but the Senator from Nevada is entitled to a fuller answer than he himself has given. When one begins to think in terms of casualties, if he has a soul or conscience he must be horrified. When Americans become horrified and indignant, then, for a change, they will begin to think and demand that we win the war in Korea or get out.

The facts, as I understand them, are about as follows: We have had directly almost 90,000 battle casualties. We read nothing in our newspapers about the casualties of our allies. Our allies have furnished approximately 10 percent of the total personnel fighting on the Allied side in Korea. Because they are as brave and venturesome as we are, we assume that they have suffered a proportionate share of casualties. If we have lost 90,000, they have lost 9,000, or a total of practically 100,000. We claim that we have killed hundreds of thousands of the enemy. It was generally agreed 4 or 5 months ago that 10 percent of the Korean population were casualties in one form or another. Judged by population, Korea is the twelfth largest country on the face of the earth. Very few Americans know that. There are, or were, approximately 30,000,000 Koreans. Apart from the number of direct battle casualties, as the list stood months ago, 3,000,000 civilian human beings suffered casualties.

The fact is not often discussed, but it is true that the Korean war is perhaps the bloodiest war, all factors considered, in all history. Unless we get a cease-fire order in the very near future, the blood which has been spilled thus far must be as nothing compared with the bath which is likely to drench all society everywhere. My own feeling is that the war's potential has become worse every day the war has been permitted to proceed without any direction or political leadership.

A few months ago I felt strongly that the Soviet had no concern with America's battles, as of that time, with Red China and with North Korea. Of course, I might have been very wrong. I feel that Russia has been encouraged to become more and more concerned with a war with respect to which, under American political leadership, we have indicated that we have no intention of trying to reach a military conclusion. The other day Gen. Omar Bradley said, as some us have mentioned—he was speaking to the troops of the Ninth Division, I believe—"If the cease-fire talks break down, we Allied people have the ability to reach a military conclusion." I wish that Gen. Omar Bradley would give the American Nation his reasons for that reference. We are entitled to know. Of course, I yield to the Senator from Nevada.

Mr. MALONE. We are really in a war which our boys in Korea are not allowed to win but which they dare not lose. The testimony to which I referred in my question was the testimony given by General Marshall at the MacArthur hearings. At that time we had approximately 62,000 acknowledged battle casualties. He said that there was a total of approximately 150,000 casualties, including frozen feet and arms.

It seems to the junior Senator from Nevada that whether an arm is frozen, or rendered useless, or is shot off, does not make very much difference to the owner of the arm. If our officials are still concealing the extent of battle casualties, and they are in proportion to what had been concealed from the general public at that time, we may have as many as 200,000 casualties at this time.

Mr. CAIN. The Senator from Nevada has placed an emphasis on this question which I do not share. He referred to concealing figures on casualties. Out of my own experience, because I sit on the committee which studies the problem, I feel that the Military Establishment has had no desire to conceal any figures. It is true that the less those figures are circulated, the less inclined will be the Nation to think about them.

However, I do have some very accurate information for the Senator. The Senator from Iowa [Mr. HICKENLOOPER], who, as a member of the Foreign Relations Committee, sat consistently through all the 7 weeks of hearings, has indicated to me that as of last May it was established that there were approximately 70,000 battle casualties, which is generally the only category one reads about these days. He stated further that there were approximately 70,000 nonbattle casualties. Of course, some of the nonbattle disabilities are as serious as the loss of an arm or a leg, while others are merely a brief encounter with influenza or pneumonia, or something of that character.

Mr. MALONE. Or frozen feet.

Mr. CAIN. Yes. It would not be correct to say that any large proportion of our nonbattle casualties are not returned to a useful civilian life, but we must understand that a considerable number have outlived their usefulness as a result of suffering nonbattle disabilities.

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

Mr. CAIN. Certainly.

Mr. MALONE. So far as nonbattle casualties are concerned, whether they go back into battle and come home later, there may be at this time, instead of 90,000, as the Senator estimates, nearly twice that number necessary to be cared for to a greater or lesser degree, and whose earning power will be impaired because of their having suffered disabilities in this war.

I wish to emphasize this: When we read day after day that the casualties are 60,000, 70,000, and even 87,000, no emphasis is placed on the fact that these are only battle casualties, and that the total casualties are probably twice the number reported.

Mr. CAIN. When only half an effort is made we get only half of a result. The Senator from Washington understands fully, out of his own brief experience, what our Nation felt about World War II. From the minute my Nation declared war on its enemies, we were committed to pursue victory until we had gotten to Berlin and forced the enemy to quit.

The big trouble with this war—and it is a war that must be of concern to Democrats as well as Republicans, and Americans generally—is that we have never known exactly where we are going. If I raised the question now as to where we are headed in Korea, no one could tell me that there is a Berlin to which we are trying to get. We have no goal and no objective.

A short time ago there was an argument as to what sort of gravestone should be placed over the young men who died in Korea. Apparently the law with respect to gravestones does not recognize an undeclared war. Therefore, those boys were required to be buried without any reference on their gravestones as to where they had lost their lives.

However, I have one happy note. There must be some mothers and fathers, and the young men themselves, in the Senate this afternoon. During the course of last week the Committee on Armed Services had a long briefing, during which the quartermaster and the supply people of the Military Establishment brought along models who were wearing the type of clothes that will be sent to our military people—our allies as well—in Korea. I want to say by way of praise to the military people that the clothes for this war are very much better clothes than were worn during the last war, only a few years ago. I have become convinced that the Military Establishment is prepared to have winter clothing of the proper quality and in sufficient quantity available for distribution in Korea, which is to be made more certain and successful by reason of the improvement of our transport system in Korea in the past year. Our young sons and friends who suffered so much because of the lack of equipment a year ago, as they now go into the second winter of our undeclared war can be generally certain that in terms of the necessities of life—clothing, shelter, and food—they will be well taken care of.

Mr. President, this has been an important time for the Senator from Washington, who has implied nothing personal in any respect about anyone. He has been talking about his country and what he believes its needs are. He has merely been suggesting that statements ought to be carefully weighed by important people in far places, for they should be open to attack in this battle pit, where reasonable notice can be taken of them.

I deeply appreciated the points raised this afternoon by my friend the Senator from Oklahoma [Mr. MONRONEY], who is concerned about the various kinds of Republican foreign policies. I hope they will all get together and march in the direction of victory. Goodness knows, we really need it.

I read with interest a recent speech by a very good friend of mine, who serves with me on the Armed Services Committee, the junior Senator from Texas [Mr. JOHNSON]. He is a good, sturdy, gallant American, and a Democrat. Yes, he is from the State of Texas.

According to newspaper reports, he stated that the time has come to use atomic energy as a tactical weapon in Korea. If he said it, then two persons have said it. I believe others have stated it also. Let us only use whatever weapons are required to bring our enemies to their knees and to restore unification to Korea. If we do not do for the Koreans what we told them we were going to do for them in the first place, by the time the war and bloodstream has run its course there will not be any Korea left to unify. No man can get up and say that is a wrong conclusion. Just a lot of us have no intention of stuffing Korea into the garbage can the Vice President was talking about last Tuesday in Hollywood.

APPROPRIATIONS FOR DEPARTMENT OF DEFENSE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense, for the fiscal year ending June 30, 1952, and for other purposes.

Mr. KNOWLAND. Mr. President, in addition to the serious problems affecting the defense agency in the building of our armed services, I do want to take 2 or 3 minutes of the time of the Senate to discuss another phase of the problem, which is becoming more serious each day. I refer to the problem of building adequate school facilities for the school children of America.

I have some figures which have been furnished to me by the Bureau of Education. They show that in 1940 the national enrollment through the twelfth grade, which is through high school, amounted to 28,230,000, and in 1950 that had increased to 29,000,000. The estimate is that for 1960 the figure will be 37,138,000. The figures are given for each 2-year period from 1940 through 1960. It is estimated that the enrollment will show an increase of 8,908,000, or 31.6 percent, by 1960. In my State of California, for the same period of time, it is estimated that the enrollments in schools will show a 97.7-percent increase.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the table from which I have been reading.

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

	National enrollment (through twelfth grade)	Cumulative biennial increase [1]		California enrollment (through twelfth grade)	Cumulative biennial increase [1]	
		Number	Percent		Number	Percent
School year ending—						
1940	28, 230, 000			1, 185, 000		
1942	27, 351, 000	−879, 000	−3.1	1, 226, 000	41, 000	3.5
1944	26, 115, 000	−2, 115, 000	−7.5	1, 286, 000	101, 000	8.5
1946	26, 289, 000	−1, 941, 000	−6.9	1, 430, 000	245, 000	20.7
1948	27, 134, 000	−1, 096, 000	−3.9	1, 506, 000	321, 000	27.1
1950	29, 000, 000	770, 000	2.7	1, 614, 000	429, 000	36.2
1952	30, 636, 000	2, 406, 000	8.5	1, 816, 000	631, 000	53.2
1954	33, 861, 000	5, 631, 000	19.9	2, 018, 000	833, 000	70.3
1956	36, 159, 000	7, 929, 900	28.1	2, 175, 000	990, 000	83.5
1958	37, 186, 000	8, 956, 000	31.7	2, 283, 000	1, 098, 000	92.7
1960	37, 138, 000	8, 908, 000	31.6	2, 343, 000	1, 158, 000	97.7
Average annual increase		445, 400	1.6		57, 900	4.9

[1] Increase in enrollment since 1940.
Minus sign denotes decrease.

Mr. KNOWLAND. Mr. President, the problem which has been faced by the school districts, not only in California but elsewhere, has been that with the opening of defense plants and military installations, workers and, in many cases, servicemen come to those areas and bring their families, and often have with them children of school age.

The other day I pointed out on the floor of the Senate that in California there are numerous communities where school classes now are on a part-time basis because they cannot take care of the educational needs of the American youth there to the extent of making available to them a full, normal school day. In addition, they have had to use for schoolroom purposes, the living rooms of private homes, and certain other buildings in those communities.

Mr. President, the Office of Education has estimated that the amount of carbon steel which will be required to meet the existing school needs throughout the United States, on the basis of the requests which now are in the Office of Education, will be, for the first quarter of 1952, 255,400 tons. The allocations of carbon steel by the NPA authorities to the Office of Education, for distribution throughout the 48 States of the

Union to meet these educational needs, amounts to only 81,000 tons.

In addition, I also have some figures showing the priority classification, the number of projects, the total carbon-steel requirements, and a breakdown of the total requirements in order to meet the existing educational needs of the country for the first quarter of 1952. I ask unanimous consent that those figures also be printed in the RECORD as a part of my remarks.

There being no objection, the figures were ordered to be printed in the RECORD.

School construction program—carbon steel requirements, first quarter, 1952

	Number of projects	Tons of carbon steel required	Allocation first quarter 1952, (tons)
A. Underway projects	2,314	88,900	
B. Postponed construction	1,621	116,400	
C. Proposed first quarter starts [1]	672	50,100	
D. Total projects	4,607	255,400	81,000

[1] Represents only projects on hand as of Oct. 1, 1951. Total new starts for first quarter equals 2,253 projects requiring 167,000 tons of steel.

Distribution, by priority classification, of controlled materials requirements for school construction for the first quarter of 1952 (for materials on which tentative program determinations are being appealed)

	Number of projects	Quantities of materials required				
		Total carbon steel	Structural steel	Steel plates	Brass mill products	Wire mill products
		Tons [1]	*Tons*	*Tons*	*Pounds*	*Pounds*
Priority classification 1	256	10,120	2,844	284	125,000	146,000
Priority classification 2	318	20,754	5,832	582	256,000	300,000
Priority classification 3	11	83	23	2	1,000	1,000
Priority classification 4	17	452	127	13	6,000	7,000
Priority classification 5	1,140	52,241	14,680	1,461	645,000	754,000
Priority classification 6	670	26,337	7,401	738	325,000	380,000
Priority classification 7	1,231	79,379	22,305	2,222	980,000	1,149,000
Priority classification 8	964	66,022	18,552	1,848	812,000	953,000
Total	4,607	255,388	71,764	7,150	3,150,000	3,690,000

[1] Distribution of total carbon steel between higher education and other educational institutions is as follows: Priority classification 1, higher education, 11.1 percent, other, 88.9 percent; priority classification 2, higher education, 18.9 percent, other, 81.1 percent; priority classification 3, higher education, 54.2 percent, other, 45.8 percent; priority classification 4, higher education, 11.1 percent, other, 88.9 percent; priority classification 5, higher education, 31.6 percent, other, 68.4 percent; priority classification 6, higher education, 31.5 percent, other, 68.5 percent; priority classification 7, higher education, 6.2 percent, other 93.8 percent; priority classification 8, higher education, 10.9 percent, other, 89.1 percent; total for all classifications, higher education, 16.4 percent, other, 83.6 percent.

Mr. KNOWLAND. Finally, Mr. President, I have before me some information showing the California school-construction program, alone, the projects which now are under way, and the "new starts" which have been proposed.

In conclusion, Mr. President, I merely wish to say that I fully recognize the importance of our defense effort and the need to make steel available for the construction of military equipment, but I submit that the National Production Authorities and the executive branch of the Government should resurvey the allocations of steel for educational needs, because we cannot afford to have in many areas and many sections of this great country of ours a situation in which we have a breakdown of the educational system because adequate school facilities do not exist. I point out that part of the strength of our Nation, which will be needed in meeting whatever challenges may confront us in the future, will depend upon our having an adequate educational system.

In the cases I have outlined Federal Government funds are not required. The local school districts and the local people have assumed obligations under local bond issues or other financing. The need is most pressing. In many instances they are prepared to issue contracts or, as a matter of fact, in many instances bids have been accepted for the needed school construction. For the RECORD, I could cite innumerable instances in California where the contracts have been awarded and the need exists for additional school construction, but the school-construction program is held up because it is impossible to obtain a fair allocation of steel, even though the steel required for that purpose is but an infinitesimal part of the total production of steel in the United States.

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

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from California yield to the Senator from Kansas?

Mr. KNOWLAND. I yield.

Mr. SCHOEPPEL. I wish to commend the Senator from California for his remarks. He is pointing out exactly the situation which also exists in Kansas, although probably to a lesser degree because Kansas is smaller than California. Nevertheless the condition which the Senator from California has set forth as existing in California is also prevalent in Kansas, and, I am sure, also in many of the other States of the Union. School districts and the various city organizations have joined in repeated requests for a resurvey of the drastic needs and requirements for the construction of additional school facilities, inasmuch as in many cases the children in the lower age groups simply have outgrown the available school facilities, and bond issues have been voted for the purpose of constructing additional educational facilities, but construction has been held up because of a lack of steel, and those connected with the projects have virtually no hope in regard to when, if at any time before the end of next year, they will be able to obtain allocations for the steel which is so badly needed for those purposes.

So I wish to commend the Senator from California for emphasizing this matter to the Senate.

Mr. KNOWLAND. I thank the Senator from Kansas. Although I have referred to the situation in California, where, in view of the great increase in population, the situation perhaps is more acute than in other areas, yet I have asked the Office of Education to give me the figures on a Nation-wide basis, because I am just as much interested in seeing to it that the children in any of the other States of the Union will not be handicapped in respect to receiving educational opportunities because of a lack of steel under the allocations.

Although the strength of the United States in facing the dangers which lie ahead, of course, depends upon an adequate and substantial armed force, yet I have a strong feeling that in the final analysis the future of our country and its strength depend upon our coming generations; and we should not handicap them in this way.

Mr. FERGUSON. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield to the Senator from Michigan.

Mr. FERGUSON. I wish to assure the Senator from California that Michigan faces very much the same problem that California does, although probably not to so great an extent because the population of Michigan has not increased so rapidly as has that of California. Nevertheless, in Michigan we do have a very serious problem in respect to obtaining the steel needed for the construction of schools. Many of the school children are compelled to attend only one session of school a day, because of a lack of space in the existing school buildings.

I feel, as does the Senator from California, that if the steel allocations were rescreened it would be possible to obtain sufficient steel to build enough school facilities to take care of the educational needs.

Mr. KNOWLAND. Mr. President, Michigan is one of the great industrial States of the Union, and, of course, is deeply involved in our war-production effort. I have no doubt in my own mind that in Michigan there are many areas where the situation is just as acute as that in the State of California. So I join the Senator from Michigan in calling this matter to the attention of the NPA.

Mr. MOODY. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield to the junior Senator from Michigan.

Mr. MOODY. Like my colleague, I have had a number of situations called to my attention, in regard to the acute need for steel for educational building in our State. This morning Mr. Charles E. Wilson, Director of the Office of Defense Mobilization, and Mr. Manly Fleischmann, Administrator of the National Production Authority, appeared before a joint meeting of the House and the Senate Banking and Currency Committees and Small Business Committees. At that time this matter was discussed. Ques-

tions were put by a number of the members of the committees to Mr. Fleischmann. The very situation the Senator from California has mentioned was pointed out to him. He registered his understanding of it. It was also pointed out to him that the defense requirements for steel should be given the strictest sort of screening and reexamination, in order to be sure that no steel is lying idle.

I am sure the Senator from California would agree with me that at this time when our Nation's safety is threatened there should be no slowing down of the production of military items; that, if anything, we should build our strength faster as a means of insuring our national survival and heading off, if we can, an atomic war. So it seems to me that the important question is to make certain that in this vast and complex job of allocating material no material lies idle at this time.

Mr. KNOWLAND. I quite agree with the junior Senator from Michigan that we do not want to slow down our national effort, but I believe, on the basis of the figures which I have seen, that to date the amount of steel which is going into actual munition and armament manufacture is still a relatively small part of our total steel production. I am merely pointing out that I think that of the other priorities with which they are faced education should be among the highest, because our machines of war are becoming far more complex, radar equipment and all other types of equipment have come into use, and if we fall down on the job of education, we shall not only be affecting the future peacetime development of our Nation, but I think we shall also be adversely affecting our potential to operate the more complicated machines of war with which we are now dealing.

Mr. MOODY. Mr. President, will the Senator yield again?

Mr. KNOWLAND. I yield to the Senator from Michigan.

Mr. MOODY. I think the Senator is entirely correct in suggesting that of the steel available for the civil economy a very high priority should be allotted to education.

I should like to add to the point which the Senator made by saying that the population has increased sharply in the past 10 years, and the percentage of young children becoming of school age today has been affected and increased by the fact that we did have a war and we had parents going away to war. Now, and for the next few years, there will be a load which will not be merely temporary but which will represent a permanent increase in our school population. It must be taken care of.

Mr. KNOWLAND. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5054, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 5, 1951.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 50 to the bill (H. R. 5054) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the Department of Defense for the fiscal year ending June 30, 1952, and for other purposes, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 630. In order more effectively to administer the programs and functions of the Department of Defense, the President, to the extent he deems it necessary and appropriate in the interest of national defense, may authorize within the Office of the Secretary of Defense ten temporary positions for the fiscal year 1952 to be placed in grades GS–17 and GS–18 of the general schedule of the Classification Act of 1949 in accordance with the procedures and standards of that Act. Not more than five of these positions shall be in grade GS–18. Such positions shall be additional to the number authorized by section 505 of that act, and not more than four of these positions may be filled by promotion."

Mr. O'MAHONEY. Mr. President, I am about to make a technical motion in respect to amendment No. 50, which because of the rules of the House must be treated separately. This amendment, which was added in the Senate, authorized the employment of 15 persons in the Office of the Secretary of Defense. In the conference it was cut down to 10. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 50.

The PRESIDING OFFICER. The question is on the motion of the Senator from Wyoming.

The motion was agreed to.

Mr. O'MAHONEY. Mr. President, I desire to ask unanimous consent that I may insert in the RECORD, immediately following the vote, certain material from the report and letters with respect to the treatment of flight pay of the United States airmen.

There being no objection, the material in the form of a statement by Mr. O'MAHONEY was ordered to be printed in the RECORD, as follows:

The flight-pay amendment as it was adopted by the Senate read as follows:

"SEC. 634. No part of any appropriation contained in this act shall be available for the payment of flight pay to personnel whose assigned duties do not involve actual combat missions or do not involve flight in excess of 20 hours per month."

For this language the conferees have substituted the following:

"SEC. 633. No part of any appropriation contained in this act shall be available for the payment of flight pay to personnel whose actual assigned duties do not involve operational or training flights."

It was the purpose of the conferees to make it clear that flight pay should accrue only to those officers and enlisted personnel who are performing a specific duty in the planes. In other words, it was the desire to make certain that no military personnel shall have the opportunity of flying in Air Force planes merely for the purpose of collecting flight pay. The language which was adopted by the conferees, we think, makes this clear.

It is the contention of Secretary Finletter of the Department of Air and of Gen. Hoyt S. Vandenberg, Chief of Staff, United States Air Force, that flight pay is allowed only for the performance of specific duty and that administrative officers must qualify for flight pay in order to keep in touch with the rapid development of air power. This is set forth in the following letters which were addressed to me by Secretary Finletter and by General Vandenberg:

SEPTEMBER 20, 1951.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Subcommittee on Armed Services, Committee on Appropriations, United States Senate.

DEAR MR. CHAIRMAN: I have seen General Vandenberg's letter of September 18, 1951, to you on the subject of hazard and incentive pay for the Air Force. A similar letter was addressed to Mr. MAHON.

I want to make it entirely clear that the Air Force does not permit officers or airmen to draw flying pay for riding in an aircraft as passengers. Every officer and airman who draws flying pay does so because he is performing a specific duty in the airplane at the time. This duty is a necessary part of his training for actual flying in combat or in support of combat operations. To repeat: There is no such thing as flying people around merely for the purpose of enabling them to qualify technically for flying pay. The jobs which the officers and airmen perform while they are flying are regulated in detail by Air Force regulations. The purpose of these regulations is to avoid any abuses of the system and I am assured by the Chief of Staff that in practice these regulations are scrupulously observed and no abuses are tolerated.

I will not comment on the other matters covered by General Vandenberg's letter—the 100 hours a year minimum, the need for our maintaining a mobilization potential, and the like—as these are covered adequately in the general's letter.

I shall be very glad, if you deem it advisable, to appear at any time and testify to the above. The same also applies, of course, to General Vandenberg and anyone else in the Air Force whom you might wish to call.

I am addressing a similar letter to Chairman MAHON, House Appropriations Subcommittee on Armed Services.

Sincerely yours,

THOMAS K. FINLETTER.

SEPTEMBER 18, 1951.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Armed Services Subcommittee,
Senate Appropriations Committee,
United States Senate.

DEAR SENATOR O'MAHONEY: The Senate amendment to fiscal year 1952 appropriations act would, if finally enacted into law, create new and serious difficulties in the administration and operation of the Air Force. I know that you have a complete knowledge of this subject and that other members of the Armed Services Subcommittee are also well informed as a result of the thoroughness of the hearings on military expenditures which you have conducted. But the consequences of hasty action, resulting from a lack of understanding on the part of others, could be so unfortunate that I must express some of the reasons for my concern.

The obvious intent and desire of the sponsor and those who voted for the amendment is to effect an economy in the operations of Air Force, Navy, and Marine Corps aviation. However, I want to outline for you just how this amendment, in actual operations, will have exactly the opposite effect from that

desired by the Senate and will in fact impair the current effort to increase the air capabilities of our country.

The Air Force has provided in its fiscal year 1952 budget program for an end-year pilot strength of 52,400 and 13,100 other rated (navigators, bombardiers, and observers). Our actual requirements for sustained combat operations are considerably higher and, if war should occur by June 30, 1952, we would be hard-pressed to carry out our assigned combat missions. However, these figures reflect our most realistic capabilities during this fiscal year, and represent a considered risk minimum which should be improved as soon as additional aircraft and facilities permit. Our capability to maintain this rated personnel strength proficient and ready for immediate combat operations is based upon the flight requirement necessary for flight proficiency which is, in the case of pilots, 100 hours a year. Of this total, 20 hours must be by instrument and 15 hours by night. While a higher flight requirement would be beneficial and desirable, we could not, even if additional appropriations were made available, raise this total to 240 hours per year as required by the amendment. It is neither economically sound nor actually possible with the aircraft and bases which the Air Force will have available during the current and the next fiscal year. Hence, the only alternative would be to remove from flying status a sufficient number of pilots to enable the balance, utilizing to the maximum capacity available aircraft and facilities, to meet the 20-hour flight requirement. It is estimated the effect of such action would be to eliminate in excess of 10,000 pilots from our active-duty inventory. This, in turn, would further aggravate our pilot deficiency with respect to conducting sustained combat operations. To me, this is by far the most serious aspect of the proposed amendment.

The Air Force would be incapable of rapid expansion upon the outbreak of war and could not replace combat attrition in the early months of the war. Under the present system of maintaining flight proficiency, pilots currently on administrative duties would, in the event of war, be rapidly relieved by reserves and civilians and assigned to combat-flying duties. If these pilots have not been flying, they will require refreshing. This refresher training would require 125 hours of flying and, even under a war acceleration and assuming needed facilities and aircraft available, would require at least 3 months. These would be three very vital months after the outbreak of war; they could lose the war.

As you know, it has been our policy to order removal from flying status those pilots who fail to show the necessary enthusiasm and determination to gain the experience and maintain the degree of skill our standards require. If many pilots were to be deprived of flight pay simply because it is now impossible to allow all of them to fly 20 hours each month, fewer pilots, particularly among those of the higher grades who must also perform heavy administrative duties, would continue to make the intense extra effort required to maintain military flying ability. The morale of those who remained would also be seriously damaged by a withdrawal of recognition for their professional achievements and qualifications as capable airmen.

Many pilots now in combat in Korea were discharging heavy administrative responsibilities in addition to their flying duties a few months ago. Many pilots having combat assignments today will have administrative assignments a few months from now. These men now in combat are just as interested in the future effects of this amendment as anyone else, and they will be just as puzzled concerning how it could be equitably administered.

Decisions that certain "duties" required flying more than 20 hours per month while other "duties" required flying less than 20 hours per month would, in many cases, have to be arbitrary. The amendment in question would create constant disagreements, interpretations, and reinterpretations concerning who should get the so-called flying assignments, which assignments should be classified "flying" and which should be "nonflying." It would be virtually impossible to administer and from the morale viewpoint most damaging. Units en route to actual combat areas, as well as those deployed to Alaska and the Northeast, often cannot fly an average of 20 hours per pilot per month. Squadrons are sometimes grounded temporarily because of airplane difficulties. Pilots traveling to a combat assignment could easily fail to qualify for flight status for 1 or 2 months. I am sure you can appreciate the administrative and morale difficulties inherent in these situations.

Another area of service which would be completely disrupted by the amendment would be the Air Reserve and Air National Guard. Our Reserves are now expected to fly about 1 week end per month to maintain their proficiency. To meet a requirement of 20 hours per month would require our reservists to fly at least every week end per month, which is not only unreasonable but aircraft and facilities are not available to support such a program.

The impression created during the Senate debate is unfortunate and is having a disturbing effect. Allegations of corruption and abuses were made, yet no specific charges or incidents were cited. Not only does the Air Force scrupulously comply with the provisions of the Career Compensation Act of 1949 and Executive Order No. 10152 of August 1950, but it imposes substantially increased requirements which all flying personnel must meet in order to remain on flying status. I believe the evidence you so ably presented in opposition to the amendment substantiates this contention. If any specific instances can be cited wherein we have failed in this respect, we would welcome such information and I assure you immediate corrective action will be taken.

I am sure you will agree that the adverse effects of this amendment could be so serious as to justify my requesting that you bring these facts and others of which you are so well aware to the attention of any who might help to avoid the consequences I have described. It is my view that those who proposed and supported the amendment in question did so because of misinformation and misunderstandings, which no one could correct at once but which might be corrected now. I have confidence that this will be accomplished.

I shall be glad to appear personally before your subcommittee or the joint conferees to present such additional information as you or any other member may desire.

Sincerely,

HOYT S. VANDENBERG,
Chief of Staff, United States Air Force.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND JUDICIARY APPROPRIATIONS—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4740) making appropriations for the Departments of State, Justice, Commerce, and the judiciary for the fiscal year ending June 30, 1952, and for other purposes, and I ask unanimous consent for its immediate consideration.

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

The report was read.

(For conference report, see pp. 12983–12987, House proceedings, CONGRESSIONAL RECORD, October 10, 1951.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. McCARRAN. Mr. President, I move that the conference report be adopted. I think the Chair had better lay before the Senate the action of the House on the amendments.

The PRESIDING OFFICER. The Chair may state that that is not generally done until the conference report has been agreed to.

Mr. McCARRAN. Very well.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. FERGUSON. Mr. President, I desire to speak on the motion.

The PRESIDING OFFICER. Action, of course, comes first on the conference report, and then the Senate will vote on the amendments which are in disagreement.

Mr. McCARRAN. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. FERGUSON. Mr. President, I desire to raise a question in connection with the conference report, and to ask that it be rejected.

The PRESIDING OFFICER. Very well; that is the pending question.

Mr. FERGUSON. That appears to be the only action the Senator from Michigan can take at the present time, in order to obtain the relief to which he feels he is entitled and to which the Senate is entitled.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. FERGUSON. Mr. President, I ask that the conference report be rejected, because it is the only action which can be taken at this time, in order to reach the objective which I think the Senate of the United States should reach. That is the restoration of the so-called Byrd publicity amendment.

It was indicated that this conference report was signed by all the conferees. I know is was reported in order by the clerk, but I want to call the attention of the Senate to the fact that three members of the conference on the part of the House did not approve the conference report in relation to action in dropping one of the Senate amendments. Three of the Senate conferees likewise did not accept the conference report because of its deletion of Senate amendment numbered 106, which is the publicity amendment.

Mr. President, Senate amendment 106 is section 605 of this appropriation bill as it was reported from committee and passed the Senate without objection. The Senate conferees have receded from the amendment and it is not in the bill as it lies before us as a conference report. I want to read it to the Senate at

this time so there will be no misunderstanding of the issue before us:

SEC. 605. No part of the money appropriated by this act to any department or made available for expenditure by any corporation contained in this act which is in excess of 75 percent of the amount required to pay the compensation of all persons the aggregate budget estimates for personal services heretofore submitted to the Congress for the fiscal year 1952 contemplated would be employed by such department or corporation during such fiscal year in the performance of—

(1) functions performed by a person designated as an information specialist, information and editorial specialist, publications and information coordinator, press relations officer or counsel, photographer, radio expert, television expert, motion-picture expert, or publicity expert, or designated by any similar title, or

(2) functions performed by persons who assist persons performing the functions described in (1) in drafting, preparing, editing, typing, duplicating, or disseminating public informaton publications or releases, radio or television scripts, magazine articles, photographs, motion pictures, and similar material,

shall be available to pay the compensation of persons performing the functions described in (1) or (2). No person whose only performance of the functions described in (1) or (2) of the preceding sentence is in activities necessary for the enforcement of law, promotion of safety of human life, dissemination of weather information, or scientific experimentation, or whose compensation is paid from funds appropriated specifically for International Information and Educational Activities shall be deemed to be engaged in the performance of the functions so described.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BUTLER of Maryland. Is that the Byrd amendment?

Mr. FERGUSON. That is the so-called Byrd amendment, sponsored by by the senior Senator from Virginia and myself. The Senator from Virginia and the senior Senator from Michigan sponsored a similar amendment in connection with each of the other appropriations acts. It was omitted from the Labor-Federal Security Appropriation Act but was later made retroactively applicable to that law by a provision in the first supplemental appropriation bill.

To boil it down, Mr. President, this amendment was an attempt by Congress to limit the use of funds for publicity and propaganda activities to 75 percent of the amount asked in the budget estimates. There were exceptions. One of the exceptions was for the benefit of what we call the Voice of America in the State Department, so that it could function without hindrance. All the ramifications of the Voice of America were exempted from the operation of this particular amendment. So, with specified exceptions, the amendment applied a 25-percent cut against the budget estimates for publicity and propaganda activities in the various departments covered by the bill. That included appropriations for the State Department, and also for the Department of Commerce and the Department of Justice. I find nowhere that the Commerce Department has objected to this amendment; I find nowhere that the Department of Justice has objected. There has been no objection from any of the other departments or agencies to whom similar restrictions have been applied. The only resistance comes from the State Department, which indicates that here, for some special reason, we have touched a very sore spot.

I am, indeed, very sorry that the distinguished senior Senator from Virginia [Mr. BYRD] is not able to be on the floor because of a very serious illness in his family. I know how strongly he feels about this particular amendment. The Senator from Michigan has on many occasions discussed with him the question involved. It has been a thorn in the side of both Houses of Congress for many years.

As far back as 1913 a statute was passed barring public-relations activities except as specifically authorized. Later, an attempt was made to limit this activity by saying it was illegal to use the money for lobbying purposes. Neither has been effective because we could not tell when a department would use any number of its employees on propaganda work, giving out information to the public. So we find that the rule has been violated many, many times. The distinguished Senator from Virginia and other Members of the Senate felt there was only one way to reach this problem, and that was to try to cut down on the amount of money available to the propaganda machines of the various departments and bureaus of the Government. We figured that the way to do that was to cut down 25 percent from the budget estimates, which gave ample room for the legitimate services of public information.

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

Mr. FERGUSON. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I appreciate the Senator yielding. I joined him in his work on this item for a reason which I should like to bring to his attention. I do not think he has mentioned it. In the Treasury appropriation bill, Public Law 111, this clause was included. In the independent offices appropriation bill, Public Law 137, it was included. In the Department of the Interior appropriation bill, Public Law 136, it was included. In the Department of Agriculture appropriation bill, Public Law 135, it was included, and I am informed that it was included in the Department of Labor and Federal Security appropriation bill. In other words, the paragraph which the Senator is discussing, which he urged, and on which the Senator from New Hampshire [Mr. BRIDGES] and I joined him, is in every other major appropriation bill.

I should also like to invite attention to the fact that the following provision was incorporated in the first supplemental appropriation bill:

Any funds provided by this act shall not be available for compensation of persons performing domestic information functions or related supporting functions in excess of 50 percent of the amount provided herein.

I also invite attention to the fact that on October 10, 1951, Representative SMITH of Wisconsin offered a similar amendment to the second suplemental appropriation bill, and Representative MAHON agreed to put it in the bill. So that when it is taken out of this bill it is made the one exception of all the appropriation bills this year. For that reason the Senator from Michigan is being consistent in what he is now trying to do.

Mr. SCHOEPPEL. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Kansas.

Mr. SCHOEPPEL. Mr. President, I should like to say to the distinguished Senator from Michigan that I joined in supporting the provision which has just been referred to by the Senator from Michigan and the Senator from Massachusetts. I thought it was an excellent way to approach this troublesome question that so many of us have heard about and as to which so many discordant notes have developed. I should like to ask this question: Do I understand correctly that the amendment has been stricken out by the conferees?

Mr. FERGUSON. The entire amendment has been stricken out.

Mr. SCHOEPPEL. It is completely eliminated.

Mr. FERGUSON. Yes.

Mr. SCHOEPPEL. Can the Senator from Michigan point out in what way, logically and honestly, with that amendment retained, the department affected by this bill would actually have been curtailed?

Mr. FERGUSON. He cannot.

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

Mr. FERGUSON. I yield to my colleague.

Mr. MOODY. I am confident my distinguished colleague is interested with me in keeping the channels of information open between our foreign policy and the people. If the Senator will recall, and I am sure he does, a week ago there was widespread criticism of a security order which was issued by the President of the United States. As the Senator knows, I personally disagreed with the wording of that order. I felt that while the President and his adviser, Mr. Short, were trying to handle a very difficult problem, the problem of keeping our military information away from the enemy, while, at the same time, keeping the channels of information open, it had been done in an inadvisable way. I suggested at the time that some of the more experienced Washington newspapermen should be called in to advise on the question.

I merely want to say to my senior colleague, for whom I have great respect, as he knows, that it seems to me at this time, when there is so much controversy about the foreign policy of the United States, when there is in the Senate severe criticism of that policy, that when any organization in the country, such as a business men's organization, the Detroit Board of Commerce, the American Legion, or the Veterans of Foreign Wars

request information there should be persons on hand to make factual reports to them. As the junior Senator from Kentucky said a few weeks ago, if they want reports they cannot get them from the elevator boys at the State Department. There must be competent persons to provide them.

I think the distinguished Senator may remember that one of the chief officials of this particular agency accompanied the Senator and myself on a trip abroad for the purpose of helping to provide more information about the foreign policy of the United States. It seems to me it would be very, very bad business to chop away, for the sake of saving a very small amount of money, the men whose responsibility it is to keep the channels of information open between the Department of State and the people. If our foreign policy is wrong, it should be changed; and the way it should be changed is to have the information laid before the American people so that they can question the men who represent the department and by their questions record their objections to the policy. If it is right, the people have a right to know that, too. They have a right, in either event, to ask questions and to have those questions answered.

Mr. FERGUSON. I recognize the fact that the junior Senator from Michigan does not always agree with the senior Senator on questions of economy, and we are now discussing a question of economy. But as the Senator from Virginia said in one of his remarks when this amendment was first being offered on another bill, "I well recognize the need for the dissemination of information. I have no objection to it. It is my belief that the additional reduction would not in any way affect the legitimate efforts of agencies in disseminating information and answering requests from Members of Congress and the public generally."

Mr. MOODY. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. In a moment. There is no attempt here to interfere with the State Department's replying when it receives a letter from the Board of Commerce of Detroit or of any other city. When we consider the millions of dollars which are appropriated for clerk hire and other help, when we consider that this amendment leaves 75 percent of the funds requested for public information, we can realize that there is certainly plenty of money provided to cover any such dissemination of news as is desired, either to Members of Congress or to the public generally.

Before I yield, I should like to read from the report of the Senate committee which put this amendment in the bill, so that it will be in the RECORD at this place as making absolutely clear what this amendment is designed to accomplish:

> The committee recommends an amendment to limit the number of information specialists. This amendment has been included in several other appropriation bills. In recommending this amendment, the committee has made several changes to cover peculiar situations that exist within the departments covered by this bill.

To digress for a moment, the pending bill covers not only the State Department, but it covers the Department of Commerce and the Department of Justice as well. Each of the departments required certain exemptions.

I read further from the report:

> The committee agrees with the objectives of the amendment, which is to curtail the publicizing of the departments.

That is the point, "the publicizing of the departments."

> However, the committee believes that it is not the intent of the amendment to curtail the dissemination of information which is necessary for enforcement of law by the Federal Bureau of Investigation and the Immigration and Naturalization Service; the promotion of safety of human life by such agencies as the Civil Aeronautics Administration; the dissemination of weather information; or, scientific experimentation by such agencies as the National Bureau of Standards and the Coast and Geodetic Survey. The committee believes that it is entirely proper for a department to issue scientific and technical bulletins and publications in various fields which are devoted to keeping the public informed of changes in those fields. However, the committee admonishes the departments that its intent is to cut down the flood of publicity releases now being sent out by the departments.

Now I yield to my distinguished colleague.

Mr. MOODY. Mr. President, I am not questioning the intent of the senior Senator from Michigan or the senior Senator from Virginia. I am merely pointing out to the Senator from Michigan that it is not possible to provide an adequate service of information without having information officers to attend to it.

The opinion of the conferees representing the Senate, headed by the distinguished Senator from Nevada [Mr. MCCARRAN], and the judgment of a majority of the conferees was that this conference report should be adopted as it stands, and that the item under discussion should be left in the report. I would submit to the Senator that if he is interested in keeping the channels of information open, and not blocking them at a time when our Nation's safety is threatened, I am sure he will agree that it is not wise at all to overturn the judgment of the large majority of the conferees representing the Senate and the House, and in the closing days of the session send the whole bill back to conference.

Mr. FERGUSON. The senior Senator from Michigan has stated that this report was not approved by all the conferees.

Mr. MOODY. I did not say it was.

Mr. FERGUSON. As I indicated before, three Senators disagreed to the report so far as the item I am discussing is concerned, and three of the House conferees likewise dissented.

Mr. MOODY. I said it was agreed to by a majority of the conferees representing the House and the Senate. Is that correct?

Mr. FERGUSON. That is obviously correct; otherwise it would not be before the Senate.

Mr. President, today the Senate adopted a conference report cutting the appropriation for public relations in the Military Establishment from $16,000,000 to $10,000,000. As the Senator from Massachusetts has pointed out, it has been a consistent policy of this Congress to limit expenditures for public relations. There is no distinction between the Federal Security Agency, or any other departments of the Government, and the State Department, so far as this function is concerned. We are not interfering with the Voice of America. As a matter of fact, we are interfering only slightly with the use of money to publicize a department, and not at all with necessary public information actitivies. But here, in the State Department, we seem to have touched a very sore spot. Why, Mr. President?

James Reston, who wrote an article which appeared in the New York Times a few days ago, and which was placed in the RECORD, has indicated clearly what is happening and why the issue is raised now. If the President's order goes into effect, as he has indicated he desires that it shall, to restrict the information that is to go to the public, the department should have no need for this 25 percent which we would eliminate, because the order will classify, as security, not only those things which actually pertain to the security of the country, but it will also keep secret from the people of the United States matters which it does not want the public to know, information which might be embarrassing, as the OPS supplement to the President's order said.

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

Mr. FERGUSON. In a moment. There was recently revealed an example of this juggling of information in proceedings before the Internal Security Subcommittee, of which the distinguished senior Senator from Nevada is the chairman. We could not get a transcript of a certain conference in the State Department which was of vital interest to the committee. The Subcommittee on Internal Security sits in open session and takes sworn testimony. It asked for this transcript but it could not get the recorded facts. It does get statements from the State Department's publicity mill disputing the testimony of witnesses, and in effect calling them perjurers. But the representatives of those making those statements do not come and testify about the same set of facts.

Here is the point, Mr. President. It appears that when a release makes good or favorable publicity for the State Department, the people of the United States will get it through Department channels, as they got one last night. However, that release did not even sustain what the Department thought it would sustain. No wonder Congress has felt righteous wrath about what is going on in the various departments.

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

Mr. FERGUSON. I yield to my colleague.

Mr. MOODY. I should like to point out to the Senator that he is shifting back and forth from the security order to the pending question. As he knows, I do not question the intent behind the security order, but I do question the execution of it. The order should be reexamined and changed. But does it not

leave an entirely misleading impression to say that the purpose of the division here involved is merely to publicize the State Department? I am sure the Senator well knows the work that is being done, for example, by the organization under Mr. Ben Crosby, who, as the Senator knows, is a war veteran, with a great war record. He is not a publicity seeker at all. He and his group are men who are contacting or are contacted by reputable organizations, by no means all of which agree with the foreign policies of the United States. These men serve as contacts for women's clubs, veterans' organizations, business clubs, labor organizations and others who desire to get information on various points regarding our foreign policy.

As the Senator knows, or should know, when a representative of that group goes out and makes a statement before any organization of that sort, he is subjected to questioning. He cannot go out and simply make a propaganda statement. Representatives of the Department are questioned both publicly and privately by representatives of the organizations before which they are appearing.

The Senator asked what the distinction was between the Department of Defense and the Department of State. There have been political attacks, as the Senator well knows, upon the Department of State and upon the foreign policy of the United States. Therefore, those subjects have become highly controversial.

Only the other day, when we had before us the nomination of a very able American, Chester Bowles, to be Ambassador to India, we heard him attacked heavily. What was the burden of the attacks? The burden was that more career men in the Foreign Service ought to be appointed to ambassadorships.

I might point out to the Senator that that is the very same Foreign Service which has often been attacked here. For more than a year some of the same Senators who were then criticizing that appointment and demanding reappointment of Foreign Service officers have been among those tearing down the confidence of the people in that same Foreign Service.

I think this issue is perfectly clear. If we want channels of information open, let us keep them open. Let us not clog them, either by misguided security views, or by eliminating from the Department those who are serving as a conduit of information to organizations outside.

Mr. FERGUSON. Mr. President, the senior Senator from Michigan realizes that the man in charge of public relations in one of the divisions of the State Department is a close personal friend of the senior Senator from Michigan. When it comes to a question of principle, such as is involved here, and when it comes to limiting appropriations in line with a principle with respect to one bill and not all bills, the senior Senator from Michigan cannot allow his principles to be sacrified because the head of one of the bureaus in the Department, whom he would personally trust, is involved. When it comes to the question of the amount of money which is to be spent in the particular Department, there are supervisors over him.

It is now stated on the floor of the Senate that there is a political attack upon the State Department. Apparently the subcommittee of the senior Senator from Nevada [Mr. MCCARRAN], which is hearing sworn testimony that certainly reflects upon the State Department, is now being accused of making a political attack upon the State Department. I know of no basis for calling that committee's work a political attack. What that particular subcommittee is trying to do is to present the facts to the American people as to what took place with respect to a certain organization which at one time was perfectly proper and had a good cause, but which was penetrated for the purpose of making it follow a certain line, which would be detrimental to the United States.

Mr. MOODY. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. In a moment.

Senators who voted against confirming the nomination of Chester Bowles are accused of having done so from purely political motives. I say that that is not a fact. It is a sad day when loyal Americans cannot raise their voices without being accused of political motives when they criticize a certain foreign policy.

I started to make reference to what Jim Reston, of the New York Times, has said. Let us see what happens at some of these meetings, and let us find out whether the Department is really anxious to keep the channels of information clear and give the people of America all the facts.

Reference has been made to conferences where the public, or representatives of public groups, come in to discuss policy matters with representatives of the State Department. I want to know how various individuals receive invitations to come to Washington. I want to know who selects the individuals who come here and receive spoon-fed information from this Department. That is the real issue—spoon feeding. When a congressional subcommittee such as the Security Subcommittee wants information with respect to what is taking place in the Department, it cannot obtain such information. I will show other examples of how this Department controls the information that goes out. But when there is something for which the Department wants wide and favorable circulation all stops are out. That, Mr. President, is spoon feeding, and that is what I am protesting. That is what Congress is objecting to when it seeks to limit publicity and public relations activities to straightforward responses to public inquiries.

Now listen to what is going on in the very Department under discussion today, the Department whose spokesmen are trying to get more money from Congress for what is called the dissemination of news. Let me tell the Senate how this Department disseminates news.

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

Mr. FERGUSON. In just a moment.

I read from the New York Times an article by James Reston to which I have referred. The dispatch is dated Washington, October 2:

> Several events of the last few weeks indicate why the press and radio have been slightly skeptical of President Truman's recent order authorizing Federal civilian agencies to withhold information from the public for security reasons.

We are accused of wanting to reduce this appropriation because we do not agree with the foreign policy of the United States. The foreign policy of the United States was not involved in connection with other bills, nor is it involved in this case, because we allow the Department, through the Voice of America, to disseminate all the information it wishes.

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

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the senior Senator from Michigan yield to the junior Senator from Michigan?

Mr. FERGUSON. In just a moment.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. FERGUSON. The charge has been made that I am acting only from political motives. I want to show the facts on the floor of the Senate.

Mr. MOODY. Mr. President, will the Senator yield at that point?

Mr. FERGUSON. In a moment.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. MOODY. I did not say that the Senator was actuated by purely political motives, if he will pardon my saying so.

The PRESIDING OFFICER. The Senator is out of order.

Mr. FERGUSON. I read from the article by James Reston:

> WASHINGTON, October 2.—Several events of the last few weeks indicate why the press and radio have been slightly skeptical of President Truman's recent order authorizing Federal civilian agencies to withhold information from the public for security reasons.
>
> Among these events were the following:
>
> 1. At the recent meeting of the North Atlantic Council in Ottawa, Secretary of State Dean Acheson not only opposed publication of limited and officially edited summaries of the general debate on the world situation, as proposed by public-relations officers of the North Atlantic Treaty Organization, but also opposed publication of the agenda of the meeting. Incidentally, the official agenda had already been published when he opposed publication of it.

This is the Department which is shedding crocodile tears because the United States Congress is cutting off funds which are alleged to be necessary in order that the Department may give the public the news as to what is going on in the State Department. Jim Reston is accurate in this report, it is undisputed. The Department did not even want to publish that which it had already given out. The President says that no one should print anything merely because it is given to him by a high public official. He should decide for himself whether or not it should be published, and should pay no attention to the material which comes from the departments, because, says the President, if they do they will publish something which is wrong, or something which is against the interests of the United States Government.

It is said that the Department wants to give the people the news. Did it give the people the news about the Ottawa conference? Is the Department going to call to Washington representatives of boards of commerce and of labor organizations and give them the news some time later? Back in October of 1949 representatives of labor organizations were called to the State Department for briefing upon foreign policy, and for advice on certain phases of foreign policy. Do Senators suppose that the Internal Security Committee, headed by the distinguished Senator from Nevada [Mr. MCCARRAN], could obtain such information? No. It has demanded it, but it cannot obtain it.

I want to go on and show that the Department wishes to operate a propaganda machine and not an information machine:

2. The State Department placed a "restricted" stamp on a catalog of the names and hotel addresses of the delegates at the recent Japanese Peace Treaty Conference in San Francisco. This prevented reporters from getting the list until other delegations, objecting to the ruling, made the list public.

3. The White House recently blocked publication of a report by one of its own top officials because the report was critical of some aspects of the administration's rearmament effort, and presumably because it coincided with the dismissal of General of the Army Douglas MacArthur.

4. The Treasury Department recently held back news of irregularity in the Internal Revenue Bureau in St. Louis until compelled to acknowledge the problem by disclosure on Capitol Hill.

The Senator from Michigan could talk at length on that case, in which the evidence was secreted. Just yesterday the top man from that office of the Internal Revenue Bureau was indicted. We have a scandal out in San Francisco, and we have had them in other cities. When the people of this country learn all the facts they will decide whether or not we should cut something out of these appropriations for spoon-feeding public information.

I go now to an analysis of some of these situations. Mr. Reston writes:

There were some security angles to the Ottawa conference that had to be handled carefully—although it is doubtful if any NATO military scheme can be put into effect in Europe without the Communists, who are part of almost every continental army, knowing all about it—but in the main that conference dealt with several basic criticisms of United States policy, which our officials did not particularly want publicized.

Therefore, at Ottawa, a strict security policy was invoked. The following week, however, Premier Alcide de Gasperi, of Italy, came to Washington, and the Government wanted publicity.

Now we are beginning to see how this machine really works. One time it wants to silence public information. But the next time it wants the trumpets to blow. And so the wheels of news dissemination are made to turn. It is a major function, to be sure. That is why they do not want the Congress to enforce a 25-percent cut in the budget estimate. I continue to read:

So the big information machine was put to work. Background press conferences were held all over the place; communiques, speeches, statements of approval were issued galore. Officials who wouldn't look at a reporter in Ottawa were suddenly amiable and even loquacious on those aspects of the visit they thought would impress opinion in Italy.

MATTER OF NEWS VALUE

Just why this visit was more newsworthy than the visit of the Canadian Prime Minister Louis S. St. Laurent a few days later was not clear, but in the De Gasperi case the administration decided to make news while on the other visit—during which Mr. St. Laurent made the decidedly newsworthy suggeston that Canada build the St. Lawrence seaway herself if necessary—the administration gave him short shrift and even sent Maj. Gen. Harry Vaughan to the airport to meet him.

They felt that would be sufficient news—not what he had to say, but that General Vaughan had met him.

In short, there is a widespread suspicion here that the administration tinkers with the news over and above the requirements of security, and partly as a result of the rearmament program, partly in response to Congress' emphasis on security regulations, is now more security-minded than anybody except the Pussians.

Of course, Congress is security-minded now. It cannot forget the Hiss case. It cannot forget some of the other cases. Of course, it is security-minded.

Mr. President, we want to give the Department of State, the Department of Justice, and the Department of Commerce sufficient money to operate efficiently in the public interest. But must we accept these programs as necessary?

Mr. President, let me reemphasize that this limitation was placed in the bill by the committee. It was approved by the Senate, without objection. It is a subject of consistent policy. There was disagreement in conference. Four of the conference members on the Senate side were in favor of adopting the report without this amendment in it. Three of the Senate members were against that action, insisting on its retention. For the House, four were in favor of adopting the report, without the amendment, and three were against it.

We now find ourselves in the position where there is only one thing we can do in order that we may reinsert the amendment. We must send the bill back to conference, and that can be accomplished only by rejecting the conference report. It is the intention of the senior Senator from Michigan, as soon as a vote can be taken—and if it is sent back—to move that the new conferees on the part of the Senate go back into conference and agree to all other items as they have previously been agreed upon by the conferees, but to disagree to the taking out of this particular amendment.

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

Mr. FERGUSON. I am glad to yield to my colleague.

Mr. MOODY. I should like to say that as a Washington correspondent, as well as a Senator, I have been critical of some of the same points which the distinguished senior Senator from Michigan has mentioned.

However, I want to tell him that the particular agency he is now speaking of reducing is an agency which I believe is fulfilling an excellent function in the public interest.

He mentioned the fact that a member of the agency is his close friend. I would, of course, expect to take the action which he thinks is the right action whether his friend is a member of the agency or not.

I brought up the division of Mr. Crosby merely to impress the senior Senator from Michigan with the fact that the agency of which he is speaking does not meet the description which he is giving of it. It is devoted to giving the public information, not propaganda.

I may add that I did not say that the senior Senator from Michigan was motivated only by politics. I said that there have been political attacks on the State Department made on the floor of the Senate. I am sure the senior Senator from Michigan must have heard some of those attacks. I do not believe that he would dispute that point.

Mr. FERGUSON. The senior Senator from Michigan not only heard attacks made upon the State Department, but he has made some of them.

Mr. MOODY. Then, why did the senior Senator from Michigan contradict my statement?

Mr. FERGUSON. I do not dispute the statement that the State Department has been attacked. I believe that many of their policies are wrong.

Mr. MOODY. That is the very point I am trying to make. The best way for the American people to find out whether they agree with the policies—and I may say that with some of the policies I have not always agreed, either—the best way to determine whether they should be changed, or whether they should be retained, is to keep the channels of information open between this agency and the people. The various organizations around the country which are sending in requests for information cannot be answered by a clerk. They cannot be answered by an elevator boy, as the Senator from Kentucky [Mr. UNDERWOOD] pointed out the other day. They must be handled by competent people.

The senior Senator from Michigan must know that not only his own friend, but others of similar caliber down there, are providing on a factual basis information which is requested. I do not believe the senior Senator from Michigan would dispute that fact.

If they are not providing information on a factual basis they are certainly laying themselves wide open to be questioned.

I notice that the senior Senator from Michigan is picking up the Reston article. In most respects it was a good article, but the statements in it do not apply to this particular situation. If we undermine the ability of the division in the State Department to answer inquiries of the American people we are serving to clog up the channels of information between our foreign policy makers and the public, to whom the makers of our foreign policy are responsible. I cannot see why the conference report should be rejected at this time after this matter has been considered by both Houses of

Congress and by the committee of conference.

Mr. FERGUSON. Mr. President, Mr. Crosby is the head of only one segment of this activity, namely, the public liaison division in the office of public affairs. He has 47 employees under him. The question is whether the Department can reduce its functions by 25 percent.

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

The PRESIDING OFFICER. Does the senior Senator from Michigan yield to junior Senator from Michigan?

Mr. FERGUSON. I yield.

Mr. MOODY. What my colleague has referred to is not the question. I referred to Mr. Crosby only because I know that he is known by both the senior Senator from Michigan and myself. Mr. Crosby is not one who answers to the description of the propagandists and the befuddlers whom the senior Senator from Michigan apparently would like the Senate to believe are handling this situation in this Department. If my colleague will talk to some of the other gentlemen there, I feel sure that he will find that they are equal in caliber to Mr. Crosby.

Mr. FERGUSON. Mr. President, the Senator from Michigan read from the article by Mr. Reston and referred to him as an authority, and he believes what Mr. Reston said. The Senator knows from his personal knowledge what has occurred in the case of the Internal Security Committee, in connection with this matter. On all occasions when we have attempted to obtain information, we have been given only such information as is believed to be favorable to the administration as in the case of the meeting at the White House regarding military aid to China. In that case they gave out only what they were forced to give out and as a result of publication of the diary of the late Senator Vandenberg. Only the information which that diary forced them to give out in regard to the meetings at the White House was given out. Only after Mr. Stassen kept notes and gave his version and only after Mr. Lattimore and Mr. Russell demanded that the paper be released, was it released.

While I stand here on the floor of the Senate debating this matter, the Internal Security Committee is hearing Professor Colegrove, who has a good memory of what took place at those meetings. We have to rely upon his testimony, and that of others who are not subject to discipline or reprisals as Government employees.

Mr. President, "Scotty" Reston is correct when he says that those in charge of the information agencies in the executive departments and agencies in many cases release only information which is favorable to the administration. Mr. Reston cites certain cases of that sort. Of course, what he complains about is not true in all cases; neither is it always true that the information officers give out only information which is favorable to the administration, for sometimes they are forced to give out information which is not favorable to the administration.

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I should like to ask several questions, if I may.

Is it not true that the Voice of America is not affected by this amendment?

Mr. FERGUSON. It is not affected at all by it.

Mr. SALTONSTALL. In other words, the information going from the United States to other countries is not affected in any way by this amendment. Is that correct?

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. Is it not also true that in the Appropriations Committee we have been trying very hard to reduce the expenditures of the Government which are not immediately connected with or concerned with our security and our defense?

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. Is it not also true that we have done that, in part, because of the enormous appropriation bill of $56,000,000,000 which has just gone through the Senate?

Mr. FERGUSON. Yes.

Mr. SALTONSTALL. Is it not also true that for every other department and agency the 25-percent cut in the publicity and information division was accepted without complaint, so far as we know?

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. They may not have liked it, but they did not complain actively, did they?

Mr. FERGUSON. That is correct. The same is true of the Department of Commerce and the Department of Justice, which are covered in this bill.

Mr. SALTONSTALL. They have not complained about this matter, have they?

Mr. FERGUSON. No; they have not.

Mr. SALTONSTALL. All of us want the information which is issued to be as accurate as possible, but we must, insofar as we possibly can, reduce governmental expenditures on the civil side of the Government?

Mr. FERGUSON. That is correct.

Mr. SALTONSTALL. Without going into the question of whether the information or propaganda is correct or incorrect or is political or is not political, the point is that it is necessary to make what in this case is a very small cut, but, as a matter of principle, to make all possible reductions in the appropriations for the various agencies of our Government.

Mr. FERGUSON. That is correct. A principal is involved.

As a matter of fact, Mr. President, this amendment received bipartisan support. On the other side of the aisle, the Senator from Virginia and a number of his distinguished colleagues voted for this amendment and favored it, and distinguished Senators on this side of the aisle also were in favor of it. It was adopted on this bill without objection. On the only record vote taken with respect to this amendment on another bill it prevailed by a vote of 63 to 10.

However, now, for the first time, we are told that it is political in its implications and is being urged by those who do not like the State Department. That is why I have raised some of these questions.

Oh, yes, Mr. President; some may call this a political matter, and some persons may say that we have no proof that the administration wishes to conceal all information not favorable to it, and is willing to release only the information which is favorable to it. But just remember how Mr. Jessup took to Guam a stenographer who listened behind a screen and took notes. She was a Government employee, she was paid by Government funds, and thus the people of the United States paid for the taking of those notes. However, were those notes released when that stenographer and that group returned to the United States? No, Mr. President; those in charge released the information to one or two newspapers which they thought could put it up as a trial balloon and at a time when they figured the release of the information was important to the administration. Then, finally, the MacArthur hearings were able to obtain a deleted transcript. The transcript which the administration's officials released to the press contained things which were not even allowed to be given to the Senate Armed Services Committee and the Senate Foreign Relations Committee at their joint meeting.

Mr. MOODY. Mr. President, will my colleague yield to me?

Mr. FERGUSON. I yield.

Mr. MOODY. The senior Senator from Michigan has said several times that I have accused him of being political about this matter. I simply wish to set him straight.

I said that he must have heard in the Senate political attacks made on the State Department. There have been many attacks of that sort. Probably more misinformation has been spread in this general area of foreign policy than has been spread about any other public issue existing today. A great deal of controversy has existed about it, and a great deal of misinformation has been bandied about regarding our foreign policy. I feel quite sure that the senior Senator from Michigan would not deny that.

It happens to be my opinion that it is vitally important that men of the type of Mr. Crosby be available to organizations such as the American Legion, the Veterans of Foreign Wars, women's organizations, labor organizations, and other organizations which frequently make inquiries in regard to specific points in connection with the foreign policy of the United States.

I am glad to hear that the Senator from Massachusetts [Mr. SALTONSTALL] wants to keep the channels of information open. I am sure he does. He says that all of us want to reduce the civil expenses of the Government, because of the great load of military expenditures; and all of us do want to do that.

However, in the case of a situation in which there has been so much controversy and in connection with which so many misleading statements have been

made, I do not believe we should reduce the ability of the American people to find out, by inquiry and reply, what the policy is and where it can be criticized.

I should like to add, if I may, that as a working Washington newspaperman, I knew a little, at least, about the way that those who were writing news for the people back home obtain the news when they need to get points of information very quickly. It is true that in Washington there are information agencies which, in my opinion, could be severely curtailed. However, I feel that in the area of foreign policy, about which so many inquiries are properly made, the quick availability of information is important to the American people. When a Washington newspaper reporter is asked by his newspaper or by his syndicate to check on a certain piece of information, he is not generally able to call the Secretary of State or the Assistant Secretary of State. On occasion he may be able to do so; but ordinarily, in the case of the average piece of information, he must call an information officer.

I may say to the senior Senator from my State that any information officer who tries to "bunk" a reporter in this town will not last very long, because reporters recognize that very quickly.

As to the complaints made by "Scotty" Reston, let me say that of course there are instances of that sort. I was very glad that the senior Senator from Michigan had that article printed in the RECORD the other day, because those instances should be corrected.

However, the fact remains that in this area of foreign policy, where so much misinformation has been spread, and where there is such an urgent need to keep open the channels of information, we in the Senate should not act to clog them.

Mr. FERGUSON. Mr. President, after the 25-percent reduction is made, there will be plenty left to finance the release of legitimate news and replies to public inquiries. Even with only 75 percent of the money requested there will be available to these departments considerable amount to spend on trial balloons, and send out the information when they think the proper time has arrived for the public to receive it, and what they want the public to receive.

One would think that the only office in the State Department which gives any news or information or propaganda is the one which calls in the American Legion, the labor unions, and the chambers of commerce. I do not know what news they get, but I do know that a committee of the Senate cannot get the news, even though they request it through the chairman of the committee, as we have been doing in the past.

Mr. President, I ask for the yeas and nays on this question.

The yeas and nays were not ordered.

Mr. McCARRAN. Mr. President, there are many things which have been said by the able Senator from Michigan with which I can wholeheartedly concur. I am not going to take the floor this afternoon to enter into a discussion wherein I shall defend the State Department. If there is any Senator on this floor who has been more shot at by the State Department than the senior Senator from Nevada, I should like to know who he is—shot at, not only by the State Department and those employed by the State Department, but by those who are on the outside who perhaps are favored by the State Department. That is not the issue. If it were, I would be in a different position.

There are many things that can be said about what goes on in the State Department. But, Mr. President, what is involved before the Senate now is an appropriation bill which was passed by both Houses, which was then sent to conference, and which now stands before the Senate, after the conference, by a majority vote of both sides of the conference table, has agreed to it, and after the House of Representatives, the House, where the bill originated, has agreed to it.

What is involved? How much is involved? Remember, Mr. President, this bill carries a 10-percent cut which applies all the way through. It applies to the State Department, it applies to the personnel in that Department. That is not in dispute. That stands and is a fixed part of the bill. How much is involved?

Let me recite the history regarding the consideration of the bill by the conference committee. On five occasions we met in conference on the items contained in the bill. Every item submitted to the conference was studied. The Senate conferees receded on several amendments. The House conferees receded on more than were receded on by the Senate conferees. On the third meeting of the conferees we came to the item now being discussed, and on that occasion undoubtedly an impasse was encountered. We adjourned, but before doing so the Senator from Michigan, in his zeal—and he is zealous; there is no question about the Senator's zeal in anything he undertakes—in his zeal to carry out a principle, undoubtedly, he agreed to take 12½ percent, and so we came back into the fourth meeting of the conferees with an impasse of 12½ percent in this particular item. The Senator was adamant on 12½ percent.

What would 12½ percent mean in the way of figures? After effecting a 25-percent cut in information specialists, the Senator from Michigan, as I have said, in conference was agreeable to 12½ percent. We had already effected a 10-percent cut, as I have stated, and that is in the bill. So it meant an additional cut of 2½ percent. For the State Department this involves only seven employees—seven employes, or $35,000. The bill carries more than $1,000,000,000—$1,043,000,000.

Are we to reach an impasse and turn down a bill making appropriations for the State Department, the Department of Justice, the Department of Commerce, and the Judiciary because of seven persons who might be eliminated, and a cut of $35,000? It simply did not seem to the chairman of the conference committee that that was worth while, although in principle I want to say now, and I will say it with my dying breath, I think there should be a cut and some action should be taken to prevent this everlasting increase of employees in the various departments, who are engaged in little more than sending out information, some of it of a twisted nature.

I am not going to recede from this position. I do not take issue with the Senator from Michigan on many things he says, but the situation is presented, after the Congress has been in session continuously, for nearly 10 months, of having an impasse created between the two Houses on a great appropriation bill when all that is involved is $35,000 and seven individuals. As one of the four conferees on the part of the Senate, I voted to break the impasse. The House has adopted the report, and it is now before the Senate.

Mr. President, we cannot afford to send the report back to conference and thereby hold the Senate of the United States and the Congress for God knows how long; because if the bill goes back to conference, it goes back with every item in dispute, and where shall we be then?

That is all I have to say on this question. I regret that I must take issue with the Senator from Michigan, because in many respects we stand together. In many thoughts we are together. In many ideas we are together. But I cannot go along with him on this matter, because he does not stand on ground sufficiently solid to justify sending the bill back to conference.

Mr. FERGUSON. Mr. President, the Senator from Michigan feels that there is no more solid ground in the world than is the solid granite of principle. Whether it be 7 employees or whether it be 7,000 employees, there is a principle involved. The Senate voted to place the amendment in the bill. The Senator from Michigan did offer a compromise in the conference, to break a deadlock. But, Mr. President, that offer of mine in the conference would not have compromised the principle; it would have upheld the principle, even though the amount involved was small.

I have taken the Senate floor to ask the Senate that it send the bill back to conference, because it is on the basis of principle that it should go back. Have we come to the time when we must yield to expediency? Must we yield to our desires for adjournment? Must we sacrifice principle? Must we tie our ship of state to a drifting buoy? No, Mr. President; we must stand upon principle. In the case of every other Department and agencies we cut the amount of money available for propaganda purposes. Under no principle of logic or reason can it be said that we should not now take it from the three agencies involved in this bill.

Again let me say that while an offer of compromise on dollars was made in the conference, it was not made on principle. And let me emphasize also that while we have been talking about the State Department because that is the source of resistance, the Departments of Commerce and Justice are equally affected by this amendment in this bill.

I am sure that if the distinguished senior Senator from Virginia [Mr. BYRD] were permitted to be present on the floor today, he, too, would raise his voice for the principle which is involved.

The PRESIDING OFFICER. The question is on the adoption of the conference report.

Mr. McCARRAN. Mr. President, we asked for the yeas and nays. I thought they were ordered.

The PRESIDING OFFICER. They were not ordered; there was not a sufficient second.

Mr. FERGUSON. Mr. President, I suggest the absence of a quorum.

Mr. SCHOEPPEL. Mr. President, will the Senator from Michigan withhold for a moment his suggestion of the absence of a quorum?

Mr. FERGUSON. I withhold it.

ACCUSATIONS AGAINST THE MEAT INDUSTRY BY EDWARD P. MORGAN

Mr. SCHOEPPEL. Mr. President, for the past several weeks I have noted the press releases being issued by the Enforcement Director of the Office of Price Stabilization.

This official, Edward P. Morgan by name, has, in what I think is in an irresponsible manner, accused American businessmen of threatening to destroy the price control program.

In what I consider to be a high-handed fashion, this same Mr. Morgan has threatened to jail American businessmen who do not comply with the directives of his agency.

The latest outburst from this gentleman was on October 6, when he stated that—

> There are affirmative efforts by the meat industry to sabotage the entire stabilization program.

He accused cattlemen and processors of a number of violations.

None of the "alleged violations," Morgan said, "can be minimized or characterized as inconsequential." He stated that injunctions were being sought in Federal courts throughout the country against several hundred of the alleged violators. He described as "most uncooperative, the attitude of the American Meat Institute."

The meat institute in Chicago, according to the Associated Press, replied that—

> Time, and not loose talk and mischievous allegations will prove that everything wrong with the meat is the result of the Office of Price Stabilization's own price control regulations which threaten complete disruption of the consumers' meat supply in legal trade channels.

I should like to bring to the attention of the Senate the fact that Mr. Morgan is indulging in the technique, now attempted to be made in certain quarters, of defaming any person or group who opposes them.

If Mr. Morgan knows any violations of the law as an enforcement official, I am sure all of us would like to see him immediately proceed to prove those violations in a court of law and punish the violators. Let him refrain from indulging in these attacks.

This technique of not naming people and accusing groups by the use of the word "they" should cease.

I recall just a brief few months ago when this same Mr. Edward Morgan was general counsel of the so-called Tydings committee to investigate the infiltration of Communists into the State Department.

As general counsel of that committee it was incumbent upon this Mr. Morgan to determine the veracity or the falsity of the charges leveled against the State Department.

Was he as belligerent? Was he as militant then as he is now? No, indeed; he was not. I recall that on the Senate floor on July 24, 1950, as reported in the CONGRESSIONAL RECORD, volume 96, part 8, on pages 10811 to 10820, there was much discussion of certain tactics of leaving out of the printed text part of the testimony and proceedings, and as a Senator said at the time (page 10813), "I shall not characterize such methods because I think they speak for themselves."

Did not Earl Browder, the leader of the Communist Party of the United States, publicly announce that he was using that committee as a "transmission belt for Communist propaganda"? Did he not get away with much of it even though Mr. Morgan was general counsel of the committee?

Did Mr. Morgan, as general counsel of the committee, allow the known Communists to appear before that committee and to commit flagrant contempt of Congress for which they were cited? Did Mr. Morgan so phrase his legal questions, so lay the legal foundation, that these contempt citations would be upheld in the courts of law? Many think he did not. When these cases of Browder and Field were brought into the courts it was demonstrated that a proper foundation had not been laid by the committee's general counsel, Mr. Edward P. Morgan. As a matter of fact, the courts found that Mr. Browder was most cooperative with Mr. Morgan.

Did this now bellicose individual, who is threatening American businessmen, threaten the Communists when they were before him? No; the record is clear.

My memory extends back to the Pearl Harbor affair. Many called it the whitewash investigation. Who participated as counsel in that hearing? Was it not Edward P. Morgan? Did he dig in and present all the facts? There have been grave doubts expressed as to that.

I for one am glad that the American Meat Institute, Inc., is not as cooperative with Mr. Morgan as was Earl Browder. Let Mr. Morgan talk less and bring these cases into the open, into the courts, and get busy. Let him cease to charge unidentified groups of American citizens. Let him refrain from accusing the great cattle and packing industry of the United States. Let Mr. Morgan put it on the line if he has the facts as to violations, or admit that he is just talking.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, an Associated Press article entitled "OPS Aides Say Meat Rules Are Violated."

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

OPS AIDES SAY MEAT RULES ARE VIOLATED

NEW YORK, October 6.—Thirty-eight percent of the Nation's slaughterers are violating meat controls, says the Office of Price Stabilization's enforcement director.

The official, Edward P. Morgan, adds that there are affirmative efforts by the meat industry "to sabotage the entire stabilization program."

Mr. Morgan told a news conference here yesterday that the OPS drive that began September 25 against illegal slaughtering practices has uncovered 532 violators among 1,445 plants visited by OPS agents.

He said there are more than 10,000 slaughterers in the country.

Violations of meat control regulations, Mr. Morgan said, included the buying of cattle and selling of meat at above ceiling prices, tie-in sales, false weighing, upgraded and unmarked meat, and falsification of and failure to keep proper records.

None of the alleged violations, Morgan said, "can be minimized or characterized as inconsequential."

Mr. Morgan said injunctions are being sought in Federal courts throughout the country against several hundred of the alleged violators, many accused of more than one irregularity.

The enforcement official described as "most uncooperative" the attitude of the American Meat Institute, Inc., a major trade association with headquarters in Chicago.

Mr. Morgan said the institute and the National Independent Meat Packers' Association were trying to destroy the price-control program.

The meat institute in Chicago replied that "time and not loose talk and mischievous allegations will prove that everything wrong with meat is the result of the OPS' own price control regulations which threaten complete disruption of the consumers' meat supply in legal trade channels."

Earlier, the packers' association said "there is a reasonably adequate supply of meat and the people ought to be getting it." The association said restrictive price control keeps meat off the market.

CLEANER AIR WEEK

Mr. SALTONSTALL. Mr. President, the junior Senator from Pennsylvania [Mr. DUFF] was called away on official business, and I ask unanimous consent, on his behalf, to place in the RECORD a letter and to read a very brief statement prepared by him.

The PRESIDING OFFICER. Without objection, the Senator may proceed.

Mr. SALTONSTALL. The statement is as follows:

As governor of Pennsylvania I heartily endorsed an observance of Cleaner Air Week last year, and it was gratifying to have a very great many cities and towns throughout the State participate in the program.

This year the event is being planned to cover even a wider scope of activities. It will serve as a starting point for year-round air-pollution control by soliciting the cooperation of public officials, chambers of commerce, and other civic organizations, industries, building owners, and householders. I commend Cleaner Air Week as a contribution to better living and more efficient use of our fuel resources.

Mr. President, I ask unanimous consent to have printed at this point a letter from Secretary of Commerce Charles Sawyer, endorsing Cleaner Air Week.

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

THE SECRETARY OF COMMERCE,
Washington, August 14, 1951.

Mr. CHARLES N. HOWISON,
National Chairman, Cleaner Air Week Committee, Air Pollution and Smoke Prevention Association of America, Cincinnati, Ohio.

DEAR MR. HOWISON: I am happy to endorse the objectives of Cleaner Air Week and to urge the adoption of measures which have proved to be effective in preventing air pollution. In the elimination of smoke, ash, and industrial fumes and gases, there occurs an outstanding example of the way in which business interests and public interests join together.

Installation of equipment to prevent or reduce air pollution can result in substantial reductions of costs to industry. I refer to the visible costs of such items as fuel, factory upkeep and maintenance—including cleaning of buildings—as well as such hidden costs as time lost through absenteeism or illness on the job caused by noxious fumes.

We cannot afford, especially at this time, such a waste of materials and energy. I hope that interest aroused during Cleaner Air Week will carry on throughout the year and result in continuing and increasing success in achieving your objectives.

Sincerely yours,

CHARLES SAWYER,
Secretary of Commerce.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATION BILL, 1952—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4740) making appropriations for the Departments of State, Justice, Commerce, and the judiciary for the fiscal year ending June 30, 1952, and for other purposes.

Mr. FERGUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Benton	Hayden	McKellar
Brewster	Hendrickson	McMahon
Butler, Md.	Hennings	Millikin
Butler, Nebr.	Hickenlooper	Moody
Cain	Hill	Murray
Capehart	Hoey	O'Mahoney
Carlson	Holland	Robertson
Case	Humphrey	Russell
Chavez	Hunt	Saltonstall
Clements	Ives	Schoeppel
Connally	Johnston, S. C.	Smathers
Cordon	Kefauver	Smith, N. C.
Dworshak	Kerr	Sparkman
Ecton	Knowland	Stennis
Ellender	Lehman	Thye
Ferguson	Lodge	Underwood
Flanders	Magnuson	Welker
Frear	Malone	Williams
Fulbright	McCarran	Young
George	McFarland	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the conference report on the appropriation bill for the State, Justice, and Commerce Departments, and the judiciary.

Mr. McCARRAN and Mr. FERGUSON asked for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, there is now only one way in which the Senate can insist upon keeping amendment numbered 106 in the bill. That is by rejecting the conference report from which the amendment has been dropped. This is substantially the same amendment as was enacted in all the other general appropriation bills. The amendment would reduce by 25 percent the appropriation for public relations specialists, with certain exceptions, such as the Voice of America.

This amendment was offered by the Senator from Virginia [Mr. BYRD] and the senior Senator from Michigan. The only way it can be taken back to conference and restored is by means of a "nay" vote on the question of agreeing to the conference report.

The Senator from Michigan feels that we should try once more to adhere to the principle that there should be a reduction in the public-relations activities covered by the pending bill. This principle has been carried out in connection with each of the other regular appropriation bills, and even in the two supplemental bills, by the inclusion of a similar provision. Therefore I hope that the principle may be maintained, and that the conference report will be rejected.

Mr. McCARRAN. Mr. President, this question involves a return to conference of the appropriation bill for the State, Justice, and Commerce Departments, and the judiciary. There were 108 items in dispute. All of them have been settled by the conferees except one item, with respect to which a majority of the conferees agreed.

If the bill goes back to conference, all the items will be in dispute, and no one can tell when or if the bill may come back to the House and Senate again.

Only seven positions and $35,000 are involved. I say that by way of explanation. The Senator from Michigan [Mr. FERGUSON] agreed to a compromise of 12½ percent as against 25 percent.

Mr. FERGUSON. I have sought to indicate that was a compromise on percentages, to break a deadlock, and not a compromise on principle such as is abandonment of the limitation.

Mr. McCARRAN. There are 283 positions of this kind in the State Department. A 10-percent reduction would cut them to 255 positions. A 12½-percent cut would reduce them to 248 positions. Hence, there are only 7 positions involved, and $35,000. To send this bill, carrying $1,043,000,000 back to conference, when it is not known when it could come out of conference again, seems to me to be out of line.

Mr. FERGUSON. Is it not also true that there are activities in the Department of Commerce and in the Justice Department which would also be affected; and, therefore, it is not a cut of only seven positions?

Mr. McCARRAN. Yes. There are two positions in the Department of Commerce, and not more than one or two in the Department of Justice.

Mr. FERGUSON. In conference, still acting on principle, the Senator from Michigan did offer a reduction of 12½ percent, instead of 25 percent. That offer was not accepted. Four of the seven Senate members of the conference committee approved of the conference report. The same number of House Members approved the report. All that we can do now is to send the bill back to conference and insist that the amendment stay in the bill.

Mr. McCARRAN. I should like to state that the conference report was approved by the House on yesterday.

The PRESIDING OFFICER. The question is on agreeing to the report. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HAYDEN (when his name was called). On this vote I have a pair with the senior Senator from Virginia [Mr. BYRD]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. McFARLAND. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], and the Senator from Arkansas [Mr. McCLELLAN] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD] is absent because of illness in his family.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senators from [illegible]land [Mr. GREEN and Mr. PASTORE], the Senator from Texas [Mr. JOHNSON], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from Louisiana [Mr. LONG], the Senator from South Carolina [Mr. MAYBANK], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Maryland [Mr. O'CONOR] are absent on official business.

I announce further that on this vote the Senator from Rhode Island [Mr. GREEN] is paired with the Senator from Ohio [Mr. BRICKER]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Ohio would vote "nay."

The Senator from West Virginia [Mr. KILGORE] is paired on this vote with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Utah would vote "nay."

The Senator from West Virginia [Mr. NEELY] is paired on this vote with the Senator from Maryland [Mr. O'CONOR], If present and voting, the Senator from West Virginia would vote "yea," and the Senator from Maryland would vote "nay."

The Senator from Rhode Island [Mr. PASTORE] is paired on this vote with the Senator from Maine [Mrs. SMITH]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Maine would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Utah [Mr. BENNETT], the Senator from Missouri [Mr. KEM], the Senator from Pennsylvania [Mr. MARTIN] and the Senator from New Jersey [Mr. SMITH] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. JENNER], the Senator from California [Mr. NIXON], the Senator from Maine [Mrs. SMITH] and the Senator from Nebraska [Mr. WHERRY] are necessarily absent.

The Senator from Wisconsin [Mr. MCCARTHY] and the Senator from South Dakota [Mr. MUNDT] are absent by leave of the Senate.

The Senator from New Hampshire [Mr. TOBEY] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Ohio [Mr. TAFT], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from South Dakota [Mr. MUNDT], the Senator from New Jersey [Mr. SMITH], and the Senator from Ohio [Mr. TAFT] would each vote "nay."

On this vote, the Senator from Ohio [Mr. BRICKER] is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting, the Senator from Ohio would vote "nay," and the Senator from Rhode Island would vote "yea."

On this vote, the Senator from Maine [Mrs. SMITH] is paired with the Senator from Rhode Island [Mr. PASTORE]. If present and voting, the Senator from Maine would vote "nay," and the Senator from Rhode Island would vote "yea".

On this vote the Senator from Utah [Mr. WATKINS] is paired with the Senator from West Virginia [Mr. KILGORE]. If present and voting, the Senator from Utah would vote "nay," and the Senator from West Virginia would vote "yea."

The result was announced—yeas 31, nays 27, as follows:

YEAS—31

Benton	Humphrey	Moody
Chavez	Hunt	Murray
Clements	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Russell
Ellender	Kerr	Smathers
Frear	Lehman	Smith, N. C.
George	Magnuson	Sparkman
Hennings	McCarran	Stennis
Hill	McFarland	Underwood
Hoey	McKellar	
Holland	McMahon	

NAYS—27

Brewster	Ecton	Malone
Butler, Md.	Ferguson	Millikin
Butler, Nebr.	Flanders	Robertson
Cain	Fulbright	Saltonstall
Capehart	Hendrickson	Schoeppel
Carlson	Hickenlooper	Thye
Case	Ives	Welker
Cordon	Knowland	Williams
Dworshak	Lodge	Young

NOT VOTING—38

Aiken	Bridges	Duff
Anderson	Byrd	Eastland
Bennett	Dirksen	Gillette
Bricker	Douglas	Green
Hayden	Maybank	Pastore
Jenner	McCarthy	Smith, Maine
Johnson, Colo.	McClellan	Smith, N. J.
Johnson, Tex.	Monroney	Taft
Kem	Morse	Tobey
Kilgore	Mundt	Watkins
Langer	Neely	Wherry
Long	Nixon	Wiley
Martin	O'Conor	

So the report was agreed to.

Mr. FULBRIGHT subsequently said: Mr. President, I should like to explain my vote of a moment ago. I notice that mine was the only Democratic vote against the conference report, so I think that that very unusual alinement calls for an explanation of the vote. I am now informed there was another.

I voted against the report to protest against and to show my disapproval of amendment No. 25. I wish to remind the Senate that we had a very difficult battle over the program of information and educational activities, as the Senate will recall, and it was especially on the student exchange program, increasing the amount of appropriation for this over-all activity of information and exchange from $63,000,000 to $85,000,000, that we upset the Committee on Appropriations by a very large vote—a vote, as I remember, of 52 to 16.

However, when the bill went to conference, of course, the conferees on the part of the Senate were composed of the same Senators who had cut this program in the committee of the Senate. The conferees agreed to retain $6,500,000, which was the amount appropriated by the House. The Senate conferees, seemingly, were unable to make any compromise whatever. Apparently they were unable to get $1 more than the House had provided, which is a rather unusual situation to say the least. Ordinarily there is some kind of a compromise and some substantial amount is provided above or below the figure which is in controversy.

I only wish to say that I feel this is a very poor compromise, indeed, it is no compromise at all. We have lost all we had gained after a long fight on the floor of the Senate.

I should like to say another word about the exchange program. I have considered it at great length. Yesterday I had a long discussion with the head of the organization, CARE, Mr. French, who stated unequivocally that the exchange program is one of the more effective we have in combating communism. I am amazed at some of the people who profess a great interest in our international relations and who are very concerned about communism, and yet are unwilling to support this kind of program or, to any great extent, the program known as point 4. It seems to me they are taking inconsistent positions. I firmly believe that the two most effective programs the Government now has, which are both on too small a scale, are what are known as the point 4 program and the exchange of persons program. I think they are the two programs which enable the peoples of foreign nations to become acquainted with us, and to appreciate and understand what the United States is trying to do in the international picture. When we deal with governments, as we do in the ECA, which I think is necessary in Europe, I do not think we reach the people. I can well understand why the people of France and Italy have no idea of what this country has done for them, because we did not deal with them directly; we dealt with their governments.

I profoundly regret that the conference saw fit to accept this very substantial cut. I consider it a very great setback to the effort to bring about better international relations between this country and other countries of the world. It is extremely discouraging to have the conferees of the Senate give up the hard-won fruits of a long struggle in the Senate on behalf of the exchange program.

I am distressed about whether this country will ever be able to have the rest of the world understand our motives and purposes in international relations. I cannot be very optimistic about it.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4740, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.
October 11, 1951.

Resolved, That the House recede from its disagreement to the amendment of the Senate No. 79 to the bill (H. R. 4740) entitled "An act making appropriations for the Departments of State, Justice, Commerce, and the judiciary, for the fiscal year ending June 30, 1952, and for other purposes," and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,125,000."

That the House recede from its disagreement to the amendment of the Senate No. 103, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 602. No representative of the United States Government in any international organization hereafter shall make any commitment requiring the appropriation of funds for a contribution by the United States in excess of 33⅓ percent of the budget of any international organization for which the appropriation for the United States contribution is contained in this act: *Provided*, That in exceptional circumstances necessitating a contribution by the United States in excess of 33⅓ percent of the budget, a commitment requiring a United States appropriation of a larger proportion may be made after consultation by United States representatives in the organization or other appropriate officials of the Department of State with the Committees on Appropriations of the Senate and House of Representatives: *Provided, however*, That this section shall not apply to the United States representatives to the inter-American organizations.

"No representative of the United States Government to any international organization of which the United States is not now a member shall, unless specifically authorized in an appropriation act or other law, make any commitment requiring the appropriation of funds for a contribution by the United States in excess of 33⅓ percent of the budget of such international organization."

That the House recede from its disagreement to the amendment of the Senate No. 104½, and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 604. No part of any appropriation contained in this act shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that

would be provided by a ratio of 1 such employee to 115, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided,* That excess factors arising from unusal requirements approved by the President may be used in applying a different ratio, but in no instance shall the number be in excess of the number that would be provided by a ratio of 1 such employee to 85, or a part thereof full-time, part-time, and intermittent employees of the agency concerned: *Provided further,* That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting: *Provided further,* That this section shall not apply to personnel work concerning employees of the Foreign Service of the United States."

That the House recede from its disagreement to the amendment of the Senate No. 107, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendent insert:

"SEC. 606. The Director of the Federal Bureau of Investigation, United States Department of Justice, hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place two positions in grade GS–18, and seven positions in grade GS–17, in the General Schedule established by the Classification Act of 1949, and such positions shall be in lieu of any positions in the Federal Bureau of Investigation previously allocated under section 505. The compensation of the Associate Director of the Federal Bureau of Investigation hereafter shall be $17,500 per annum.

"The Secretary of State hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place the position of Director, Office of Budget and Finance, in grade GS–17 in the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent.

"The Secretary of Commerce hereafter is authorized without regard to section 505 of the Classification Act of 1949 to place the position of Director, Office of Budget and Management, in grade GS–17 in the General Schedule established by the Classification Act of 1949 so long as the position is held by the present incumbent."

Mr. McCARRAN. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 79, 103, 104½, and 107.

The motion was agreed to.

Mr. FULBRIGHT. Mr. President, I should like to ask a question of the Senator from Nevada. I did not hear the number of the last amendment.

Mr. McCARRAN. It was No. 107.

AMENDMENT OF RAILROAD RETIREMENT ACT AND RAILROAD RETIREMENT TAX ACT

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1347, Calendar No. 842, amending the Railroad Retirement Act, and the Railroad Retirement Tax Act.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 1347) to amend the Railroad Retirement Act and the Railroad Retirement Tax Act, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arizona.

The motion was agreed to; and the Senate proceeded to consider the bill S. 1347, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. McFARLAND. Mr. President, I wish to say that of course we do not expect to dispose of this bill this afternoon; it is now too late to act on it today.

In accordance with previous anouncements, if a conference report, which of course is a privileged matter, is ready to be taken up on Monday, the railroad retirement bill will then be temporarily laid aside, for the purpose of the consideration of such a conference report.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO SUBMIT REPORTS DURING THE RECESS

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. McFARLAND. Mr. President, I ask unanimous consent that during the recess of the Senate the Appropriations Committee be authorized to submit reports on any bills pending before it.

The PRESIDING OFFICER. Without objection, it is so ordered.

READJUSTMENT OF SIZE AND WEIGHT LIMITATIONS ON FOURTH-CLASS (PARCEL POST) MAIL

The PRESIDING OFFICER (Mr. HOLLAND in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 1335) to readjust size and weight limitations on fourth-class (parcel post) mail, which were, on page 1, line 6, strike out "thirty" and insert "twenty"; on page 1, line 9, strike out "third- or fourth-class" and insert "second-, third-, or fourth-class"; on page 1, line 11, strike out "third- or fourth-class" and insert "second-, third-, or fourth-class", and on page 2, line 7, after "books", insert "or (5) mailed in the United States, including the District of Columbia, for delivery by any Army or Fleet post office or in any Territory or possession of the United States, including the Canal Zone and Trust Territory of the Pacific Islands, or mailed at any Army or Fleet post office or in any Territory or possession of the United States, including the Canal Zone and Trust Territory of the Pacific Islands, for delivery in the United States, including the District of Columbia, or any Army or Fleet post office or any Territory or possession thereof, including the Canal Zone and Trust Territory of the Pacific Islands."

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MONRONEY, Mr. SMATHERS, and Mr. BUTLER of Maryland conferees on the part of the Senate.

INVESTIGATION OF PERSONNEL NEEDS AND PRACTICES OF GOVERNMENT DEPARTMENTS AND AGENCIES

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate now proceed to the consideration of Senate Resolution 206, Calendar 891. I understand that this resolution was discussed a few days ago, at which time there was some opposition by Senators on the other side of the aisle, who wished to look further into the resolution.

Mr. SALTONSTALL. Mr. President, reserving the right to object to the request of the Senator from South Carolina, let me say that the resolution was discussed at the very beginning of the session the other day. At that time no Senator who knew about the resolution was in the Chamber, and the resolution involves an increase by $145,000 in the limit of expenditures for the investigation. I asked the Senator from Arizona whether he would be willing to have the resolution placed on the calendar, and he was willing to do so, and did so.

I now understand from the Senator from Kansas, the Senator from South Carolina, and other Senators that the resolution was reported unanimously by the committee, and that all Senators are in favor of adoption of the resolution, and that it should be adopted.

So I have no objection to having the resolution considered at this time.

The PRESIDING OFFICER. The Senator from South Carolina has requested unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Senate Resolution 206, Calendar No. 891.

Is there objection?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Post Office and Civil Service, and subsequently from the Committee on Rules and Administration, with an amendment, in line 9, after the word "by", to strike out "$225,000" and insert "$145,000", so as to make the resolution read:

Resolved, That the first section of Senate Resolution 53, Eighty-second Congress, agreed to February 19, 1951 (authorizing an investigation of the personnel needs and practices of the various governmental department and agencies), is amended by striking out "January 31, 1952" wherever it appears in such section and inserting in lieu thereof "March 31, 1952."

SEC. 2. The limit of expenditures under such resolution is hereby increased by $145,000.

The amendment was agreed to.

The resolution, as amended, was agreed to.

THE FIGHT AGAINST COMMUNISM—TACTICS OF THE DAILY WORKER

Mr. McCARRAN. Mr. President, from time immemorial aggressive nations have resorted to the principle of "divide and conquer" in order to weaken and destroy their enemies. In their mad lust for world conquest, the Red leaders are no exception to this rule.

As Americans facing an hour of deepest crisis, it is incumbent upon us to

present a firm, united front against the common foe, both from within and without. The fight against communism is no matter of petty partisanship. What shall it profit a man if he gain some slight advantage for his party, and lose the respect of his countrymen by sacrificing the interest of his nation and the freedom of the world? Let there be no mistake. The Communists are quick to reap advantage from such short-sighted partisanship.

Is there an acid test of such misguided statesmanship? There is one sure-fire method. An ancient Latin poet once said, "I fear the Greeks, even when they bring gifts." So I say today, "beware the Communist Daily Worker when it lavishes praises and proffers its support." Indeed I would think twice—nay a dozen times, if I were ever the subject of Communist acclaim. Fortunately, this has not been my experience. In fact, I am proud to state that I am one of the major targets of the Red smear apparatus.

In one of its recent sessions, the Senate Internal-Security Subcommittee, of which I have the honor to be chairman, heard the sworn testimony of Louis F. Budenz, a former leading Communist. The subcommittee has made no findings as to the individuals mentioned in this testimony. It prefers to reserve its judgment until all the evidence is in. Certain elements have chosen another course. They have preferred to impugn the motives and character of this witness without waiting for the full facts. With what result? The Daily Worker has seized upon this attempt to discredit Budenz, the star witness in the trial of the 11 Communist leaders, by demanding "a rehearing by the Supreme Court of the infamous Smith Act decision and an end to the administration's arrests of Communists."

Mr. President, you cannot have your cake and eat it. The Government cannot build its case against the Communists upon the fully substantiated testimony of Mr. Budenz and then have some of its spokesmen turn around and denounce his as a perjuror. Such actions provide valuable grist for the Red mill of communism.

I therefore take this occasion to place into the RECORD, as part of my remarks, a few recent articles from the Communist Daily Worker, so that those who are really concerned about the danger we face and who realize the necessity of a united front against the common enemy may read and profit thereby.

I ask that there be inserted in the RECORD as part of my remarks an article from the Daily Worker of September 25, 1951, page 3.

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

WALLACE SAYS HE SUPPORTED CHIANG IN 1944

The newspaper bias which once greeted Henry Wallace was conspicuously absent yesterday as the press headlined his claim that he had supported the Fascist dictator, Chiang Kai-shek, back in 1944. Wallace, former Vice President and defector from the Progressive Party, made his statement in a letter to President Truman, in which he wished the latter "health and strength in shouldering the tremendous burdens ahead."

Wallace's letter attempted to defend the Truman administration against the Republican claim that Democratic weakness had permitted China to go Communist.

Wallace, who for a brief period proclaimed himself a friend of the Chinese people, told Truman he had now come to believe that his (Wallace's) pro-Chiang stand in 1944 was a "sound judgment."

Some observers took the position that Wallace's letter, made public in Washington after Truman turned it over to Vice President BARKLEY, "for use in such ways as you deem appropriate," indicated that the former Vice President would support the President for reelection.

Mr. McCARRAN. I ask unanimous consent that there be inserted in the RECORD as part of my remarks an article from the Daily Worker of September 25, 1951, page 1.

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

SENATOR LEHMAN READS CHARGES SENATORS HELPED BUDENZ LIE

WASHINGTON, September 24.—Senator HERBERT H. LEHMAN (Democrat, New York) today read aloud to the Senate a series of newspaper articles which had accused the Senate Internal Security Committee of helping stoolpigeon Louis Budenz to lie about a State Department official.

The articles, by Columnist Joseph Alsop, charged the committee "led" Budenz into self-contradictory testimony that the State Department aide was a Communist.

LEHMAN took the hard way of getting the articles into the CONGRESSIONAL RECORD after Senators OWEN BREWSTER (Republican, Maine) and HERMAN WELKER (Republican, Idaho) blocked his request for unanimous consent to have them published in the Appendix.

LEHMAN had made a similar request 10 days ago, but it was blocked by WELKER when Security Committee Chairman PAT MCCARRAN (Democrat, Nevada) complained that Alsop had accused him of "subornation of perjury."

MCCARRAN was not on the floor today, but BREWSTER and WELKER spoke up in his behalf. WELKER said the articles were scurrilous and BREWSTER denounced them as an unfair attack on MCCARRAN's integrity.

LEHMAN did not repeat his earlier demand that the Senate investigate Alsop's implication that MCCARRAN's committee deliberately sought false testimony.

Mr. McCARRAN. I ask unanimous consent that there may be inserted in the RECORD as part of my remarks an article from the Daily Worker of September 27, page 3.

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

LAMONT BACKS MOVE TO PROBE BUDENZ' LIES

Corliss Lamont, author of the Independent Mind, yesterday expressed his support for the demand by Senator HERBERT LEHMAN, Democrat, New York, that the Senate investigate the smear testimony given by stool pigeon Louis Budenz to the Senate Internal Security Subcommittee. Lamont expressed his stand in a letter to Senator PAT MCCARRAN, Democrat, Nevada, in which he said:

"You treat very lightly the unwarranted suggestion of the subcommittee's counsel that two letters (from the Institute of Pacific Relations' files) initialed 'C. L. from E. C. C.' were written to me. But that suggestion remained uncorrected in the minds of everyone who was at the hearing in question and went uncorrected in the subcommittee's records. It would have remained that way had I not pointed out in my protest to you that C. L. was Clayton Lane, a former official of the institute.

"On the assumption that C. L. was myself, your counsel proceeded to draw from ex-Communist Louis Budenz a long statement falsely branding me as a Communist. I support Senator LEHMAN and President Truman in urging that your subcommittee thoroughly investigate the reliability of this character, Budenz, whose overheated imagination persists in conjuring up fantastic accusations against innocent persons."

Mr. McCARRAN. Mr. President, I ask that there be inserted in the RECORD as a part of my remarks an article from the Daily Worker of September 28, 1951, page 5.

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

OUR LOVE—OUR PLEDGE

A letter is on the desk before us addressed to John Gates, editor of the Daily Worker.

The letter asks him to state his views on a certain magazine article.

But John Gates—GI, fighter against Franco, working class leader—can't do that today. He is in a Federal jail down in Atlanta, Ga. It seems that John Gates was found guilty of conspiring to teach and advocate the overthrow of the Government by force and violence, a crude, ignorant and lying frameup. They had no evidence for this Nazi-style charge. It was the twisted testimony of the notorious careerist and hired Government stoolie, Louis Budenz, combined with the loaded justice of rigged juries and rigged judges, which sent John Gates to prison for 5 years.

Today, millions of Americans are beginning to wake up to the fact that this Budenz is an unscrupulous rumor-monger who will say what the McCarrans and McCarthys want him to say. His memory expands all the time to meet the needs of the most reactionary pro-Fascist forces in the United States of America.

If Budenz's tales about prominent anti-Communist personalities in the Government are demonstrably false, how much falser were his hopped-up inventions at the Foley Square trial.

We think of John Gates all the time down in that prison. We think of him especially today. Today is his birthday. We pledge never to cease the fight to get him and his fellow-victims out. We send him our love. We think all his friends would want to do the same in wires and letters—Federal Prison, Atlanta, Ga.

Mr. McCARRAN. I ask unanimous consent that there may be inserted in the RECORD as part of my remarks an article from the Daily Worker of September, 30, 1951, page 5.

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

THE BUDENZ HOAX

The halo around the stool pigeon Louis Budenz is showing large cracks these days and an increasing number of people are holding their nose at mention of his name.

Last week Columnist Joseph Alsop, in the New York Herald Tribune, charged Budenz had given demonstrably false testimony against a member of the State Department, John Vincent Carter. He also charged that the Senate subcommittee headed by Senator MCCARRAN (the JOE MCCARTHY of the Democratic Party) had led Budenz into presenting false testimony.

The administration, its supporters, and others are rightfully furious at the way the McCarthys and McCarrans used Budenz to assassinate the character of members where Budenz got his start in gutter testimony.

It was the administration itself, through its Justice Department, which gave Budenz the opportunity to assassinate the character not only of individuals but of an entire political party, the Communist Party.

Is anyone so naive as to think that the Budenz who engages in demonstrably false truths about administration figures, was telling the truth at Foley Square about the party which he betrayed for a cushy job?

The demand of Senator LEHMAN for a probe of the charge against McCARRAN's committee and testimony of Budenz should be backed to the hilt by everyone concerned with the Bill of Rights. So should Senator BENTON's resolution to oust Senator McCARTHY and the current drive to repeal the McCarran law.

And surely those who will think more deeply about this question and who will recognize that the Budenz of McCARTHY and McCARRAN is the same Budenz of Foley Square, will also call for a rehearing by the Supreme Court of the infamous Smith Act decision and an end to the administration's arrests of Communists and other working-class leaders.

Mr. McCARRAN. I ask that there be inserted in the RECORD as part of my remarks an article from the Daily Worker of October 1, 1951, page 5.

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

BUDENZ-FOLEY SQUARE AND NOW

We are now cautiously reaching a state in our United States of America where it is no longer considered treason to disbelieve the well-paid, lying fantasies of Louis Budenz and other stool pigeons.

The Budenzes, Bentleys, and Whittaker Chambers' have made an awfully good thing out of the informer's racket.

And like all others of that stripe, they are in no danger of running out of material since their fertile and conscienceless imaginations can always dish up new revelations and new names to fit the needs of their bosses.

The Budenz who was hired by the Truman administration to frame the Communist Party leaders at Foley Square has now become a menace in the hands of the McCarran-McCarthy mobsters riding wildly in Washington.

The New Republic this week (October 1) states editorially: "His (Wallace) report substantiates the grave and important charge of Joseph Alsop that Budenz perjured himself before the Senate Committee in accusing Vincent and not the Committee presided over by Pat McCarran is guilty of subordination."

Harold Ickes, in the same issue, notes that the Budenz-Bentley careerism is connected with the decision of the Vinson faction on the United States Supreme Court to cripple the Bill of Rights by outlawing the teaching and advocacy of unorthodox views. He writes:

"Even the Supreme Court, as was shown by its regrettable decision in the case of the 11 Communists, with only Justices Black and Douglas dissenting, has apparently been affected by the thought-terrorists and their supporting claque of professional former Communists under the leadership of such undesirable persons as Budenz and Bentley."

The editor of the New York Compass dares Budenz to sue him as he calls him a perjurer. Senator LEHMAN urges a senatorial probe of the Budenz-McCarran tactic in smearing certain Truman-State Department agents like John Carter Vincent.

And Mr. Arthur Krock of the New York Times, a hardened reactionary if ever there was one, notes that in the lexicon of the raving witchhunters, a Communist is anyone mentioned unfavorably by Senator McCARTHY; a patriot is any ex-Communist before a congressional inquiry, and an effort to reduce the budget, is service to Russia.

Indeed, America has been pushed far and fast since Attorney General McGrath framed the indictment and jailings at Foley Square with one Louis Budenz as the star for the prosecution. For it was at Foley Square that Budenz invented his political forgery that when the Communists say peace, they mean war, when they say democracy, they mean tyranny, etc.

Now this Budenz chicanery about Aesopian language is being applied on a broad and ruthless scale in Washington; the effort to have peace is appeasement; criticism of our refusal to deal with 450,000,000 Chinese people is called being duped by Moscow; recognition of the fact that China has ditched Chiang Kai-shek is conspiracy to betray America to Moscow (McCARTHY's charge against General Marshall), etc., etc.

Communist leaders are in prison; others face similar political trials in October, others are in jail without bail—all on the basis of exactly this style of Budenz-Smith Act frame-ups.

If Budenz did not hesitate to turn his tainted weapons against the targets of Senator McCARTHY, what is there for the American people to believe in his Foley Square inventions?

The widest public support should be given to the Benton resolution to investigate the fitness of Senator McCARTHY to sit in the Senate, as well as to Senator LEHMAN's proposal of a probe of the Budenz-McCarran testimony.

But if America is not to lose its democratic heritage to a raging McCarthyite terrorism blacking out all criticism, dissent, or questioning, then there must be a determination to halt the "thought control" and Smith Act arrests which have brought the future of the Bill of Rights into graver question than at any time in our history.

There should be a realization by all citizens, regardless of political views, that when the jailed Communist leaders petition in October for a Supreme Court rehearing of their Smith Act conviction, they are in fact challenging the thought terrorism which makes criticism of the budget, service to Moscow and disagreement with McCarran, McCarthy, and Louis Budenz treason to the U. S. A.

EXCHANGE OF PRISONERS OF WAR SUGGESTED AS PRELIMINARY TO RESUMPTION OF KOREAN PEACE NEGOTIATIONS

Mr. KNOWLAND. Mr. President, it was about a year ago at this time that I was in Korea and had the opportunity of going to Hamhung, Pyongyang and other areas in northern Korea. The cold season is fast approaching in that area of the world. I can personally testify that it becomes bitterly cold from certainly the 1st of November on. During the past week, members of the Armed Services Committee had the opportunity of seeing certain types of winter clothing which is now supplied to the American forces in that area, or which will be supplied, to meet winter requirements. But the fact remains that American troops who are now prisoners of war of the Chinese Communists or of the North Korean Communists will, of course, not be given an issue of winter clothing by their captors.

I certainly hope that the executive branch of the Government and the military authorities have constantly in mind that there are approximately 10,000 Americans who are missing in action, a number of whom, at least, may be prisoners of war. It seems to me that in the pending negotiations the United Nations forces could very well take the position, not only with respect to United States forces who may be prisoners of war, but also, of course, to any of the other United Nations forces who may be prisoners of war, that steps should be taken for an exchange of prisoners.

It seems to me it would not be unreasonable as a test of the good faith—if they have any—of the Chinese Communists and the North Korean Communists that as a condition precedent to the carrying on of future negotiations, there should be an exchange of our prisoners in their hands, and of course, requiring an equal exchange of their prisoners who are in our hands. I do not like to see another winter approach without major efforts being made to bring about an exchange of prisoners of war who have been taken from the forces of the United States of America or the forces of our United Nations allies, or indeed to the forces of our associates, the Republic of Korea, and who may be in the hands of the Chinese Communists or North Korean Communists. We, of course, must be prepared under those circumstances to exchange an equal number of the Chinese Communists or North Korean Communists who are in our hands. I believe that such a move would have the support of the American Congress and of the American people, and would restore to their comrades and compatriots those men who have sacrificed so much, some of whom at least have spent one winter as prisoners of the Communists.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations of postmasters, which were referred to the Committee on Post Office and Civil Service.

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

CONFIRMATION OF POSTMASTER NOMINATIONS

Mr. McFARLAND. Mr. President, I ask unanimous consent that the nominations on the Executive Calendar of postmasters be confirmed en bloc, as in executive session, and that the President be notified.

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

NOMINATION OF TELFORD TAYLOR TO BE ADMINISTRATOR OF SMALL DEFENSE PLANTS ADMINISTRATION

Mr. SPARKMAN. Mr. President, I shall not make any point about taking up the nomination of Mr. Telford Taylor, but it is a matter in which many people are very much interested.

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

Mr. SPARKMAN. No; I am not asking that the nomination be taken up, but I should like to ask the majority leader if we may expect early action on it.

Mr. McFARLAND. Mr. President, some Senators have indicated that they would like to be present when all three

of the nominations on the Executive Calendar are taken up, so I agreed that all the nominations should go over until Monday.

Mr. SPARKMAN. All I wanted was some assurance that early action would be taken on them.

Mr. HOLLAND. Mr. President, do I understand correctly that the majority leader's assurance of early action covered not only the nomination of Mr. Taylor, but the nominations of Mr. Cook and Mr. Harl to be members of the Board of Directors of the Federal Deposit Insurance Corporation?

Mr. McFARLAND. Request has been made by Senators who desire to be present, and I have agreed that the nominations should all go over until Monday.

Mr. HOLLAND. The Senator refers to the three nominations?

Mr. McFARLAND. Yes.

Mr. HOLLAND. Is it the intention that they be taken up in the near future?

Mr. McFARLAND. I assume they will be taken up Mcnday.

Mr. HOLLAND. I thank the majority leader.

INVESTIGATION OF UNITED STATES POST OFFICE AT VANCOUVER, WASH.

Mr. CAIN. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution directing the Senate Committee on Post Office and Civil Service to investigate the administration of the Vancouver, Wash., post office, with special reference to the recent trial and acquittal of 14 employees charged with conspiracy to defraud the Government by collusive bidding. I ask that the resolution be printed at this point in the RECORD.

There being no objection, the resolution (S. Res. 223), submitted by Mr. CAIN, was received and referred to the Committee on Post Office and Civil Service, as follows.

Resolved, That the Senate Committee on Post Office and Civil Service, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with respect to the policies, operations, administration, and personnel of the United States Post Office, Vancouver, Wash., including the relationship of the Post Office Department thereto, during the period August 1, 1942, through January 10, 1951. Such study and investigation shall be made with particular emphasis on the circumstances culminating in the indictment, on September 20, 1950, and subsequent acquittal, on September 20, 1951, in the United States District Court for the Western District of Washington, of 14 employees of such post office for conspiracy to defraud the United States Government and the Post Office Department. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem advisable.

Mr. CAIN. Mr. President, the situation in the Vancouver, Wash., post office, to which this resolution refers, has given substantial reason for a thoroughgoing investigation to determine to what extent a serious injustice has been committed. The facts, briefly, are as follows:

On September 20, 1950, 14 employees were charged by the Post Office Department with conspiracy to defraud the Government by collusive bidding on mounted motor contracts serving the Vancouver area, and with having committed sabotage on contract equipment.

The basis of the conspiracy charge was that all bids were identical, a practice, which, I am informed, is general throughout the postal service, and is followed by approximately 6,000 carriers.

The sabotage charge alleged that contract equipment was willfully damaged. I have been informed that the motor equipment dated back to the period from 1935 to 1942. The equipment had apparently been discarded and was placed back in operation by a junk dealer. Because of the hundreds of stops made on delivery routes, motor equipment receives hard use, and the employees stated that the breakdowns were the result of using old equipment.

The punitive action taken by the department consisted of discharges and demotions. Nine of the persons involved were veterans, and their cases were appealed to the Civil Service Commission.

Before the civil service hearings were held the Department obtained indictments by a grand jury charging the 14 employees with collusive bidding and sabotage. The trial began in Federal court on September 5, and concluded on September 20, 1951.

The jury acquitted all 14 on all counts of the indictment.

This case has given rise to much unfavorable comment both by the public and in the press. This criticism was predicated on the belief that the Government's case was weak and flimsy and was, perhaps, influenced by political or other considerations.

Particularly significant in this respect is the statement of the presiding judge in his charge to the jury. After reviewing the facts of the case, the court made the following unequivocal statement:

> Now, ladies and gentleman, you cannot make a crime out of that; at least not in my court. You certainly cannot make a felony out of it; at least not before me.

Mr. President, because of the importance of the court's charge to the jury in throwing light upon this case, I ask that it be printed in the RECORD at this point in my remarks.

There being no objection, the court's instructions to the jury were ordered to be printed in the RECORD, as follows:

TACOMA, WASH., *September 20, 1951.*

IN THE UNITED STATES DISTRICT COURT, WESTERN DISTRICT OF WASHINGTON, SOUTHERN DIVISION

United States of America, plaintiff v. *Edmond J. Belisle, et al., defendants* (No. C–16114)

COURT'S INSTRUCTIONS TO THE JURY

The COURT. The Government in this case, like in every criminal case, has the burden of proving beyond a reasonable doubt the material allegations of the indictment under which the defendants have been charged.

This means such a doubt as would cause the average reasonable person to hesitate in making an important decision in his or her own affairs.

The charge here is under the conspiracy statute. It is not charged that any crime, what we call a substantive crime, has been committed. It is charged the defendants conspired to do something. It is not charged that they conspired to violate some statute. That is not an unusual situation in Federal practice, where a group of people is charged with conspiring to violate some statute. For instance, under the old prohibition law, in many cases involving rum-running and selling, in the rum-running and selling business persons were charged with conspiracy to violate the National Prohibition Act.

There is no particular statute here the violation of which these defendants are charged. They are charged, on the contrary, with seeking to interfere and hamper the Government in obtaining competitive bids for automobiles needed at Vancouver.

That opens up a pretty broad field. The statute reads that when two or more persons conspire to defraud the Government they may be prosecuted under the conspiracy statute.

Those words "defraud the Government," by court decisions, have been broadened to include interference with or hampering any legitimate Government activity.

It was the desire of the Post Office Department down here at Vancouver to obtain competitive bids, so the Government charges, for these automobiles, and the Government charges that these defendants conspired to interfere with that by collusive bidding, by making and submitting collusive bids—I am reading from the indictment—to furnish motor vehicles; second, by depriving and attempting to deprive the Post Office Department of the benefit of competitive bidding to furnish motor vehicles; and, third, by discouraging, intimidating, or threatening others from submitting bids or from entering into contracts to furnish motor vehicles.

That is what we are trying. That is what you are trying. We are not trying any alleged conspiracy to sabotage the Spady equipment, much less the allegation that the Spady equipment was sabotaged. That comes in merely in connection with the Government's proof in support of its charges, the three that I have read.

As I say, in this case, like in any other criminal case, the Government has the burden of proof. The Government must satisfy you, beyond a reasonable doubt, before you may find these defendants, or any of them, guilty of the charge that they entered into a conspiracy.

Mr. Sager made a very good statement of that in his opening remarks, about what conspiracy is. I doubt if I can say it as well as he did. It is a combination of two or more people to do something unlawful. It has been described as a partnership in crime.

Just because all 14 of these people are charged does not mean you must find them all guilty or all not guilty. It takes only two to make a conspiracy, and you could find any two of these people guilty, if you think the evidence justifies that, and find the other 12 are not guilty, or you can find as to any 2 or more.

You have got a situation here which also calls for comment, about people who come in, so it is charged, who come into the alleged conspiracy after it started. The charge is that this conspiracy started away back in 1942, in August of 1942, and that it continued through January 10, 1951. As to those who were not mounted carriers at the time, according to the Government's theory, and who became mounted carriers later, it is the Government's theory that they became parties to the conspiracy; they joined it.

The law as to that is, as Mr. Sager stated, that anyone who joins a conspiracy at any time during its life, knowing full well that such conspiracy is going on, and who makes himself a party to it is as liable as if he were one of the original members.

Then, too, there has been some reference to the law of conspiracy, about acting in secret. Once a conspiracy has been established, all who are parties to it are bound by the acts of all others, like the law of partnership. Also, after a conspiracy has been

established, and while it is in existence, the statements of any conspirators are, in legal effect, the statements of all.

Therefore, before you can find these defendants or any of them guilty, you must first find, beyond a reasonable doubt, that there was a conspiracy down there and that these people, if you find them guilty and if you do find there was a conspiracy, were parties to it. If you are not satisfied of that beyond a reasonable doubt, it will be equally your duty to return a verdict of not guilty.

If a conspiracy did exist and you so find, then you will proceed to your next proposition: In what respect did the conspirators conspire to defraud the United States?

There are three charges as to that here. The Government does not have to prove all three of them. It could make out a case if it just proved one, any one—I read them to you a moment ago—and that, too, would have to be established to your satisfaction beyond a reasonable doubt and to a moral certainty.

The law of conspiracy also has an element—in this country, not in the old country from which we got it, but in this country the law of conspiracy has the element of requiring the commission of overt acts. When we transplanted the law of conspiracy to this country we added that feature to it.

If there is a conspiracy, the theory of the law is that some one of the conspirators must do something in furtherance of the conspiracy, and that we call an overt act. My recollection is that the philosophy of that was to permit conspirators to withdraw before they actually did anything in furtherance of the conspiracy.

A great deal of this indictment, which you will have with you in your jury room for your reference, a great deal of the typing has to do with the enumeration of alleged overt acts. There are 14 of them. There has been really no point made about them here.

If there was a conspiracy, if you so find, and if you find, in accordance with the allegations of the indictment, that the conspiracy was of the sort alleged here, in one or more of the three items alleged, that will be sufficient. As to overt acts, there is no point made here.

Theoretically, it is the duty of the Government to establish one or more of them beyond a reasonable doubt, but as I say, there is no point made as to that. I do not want you to get confused. I want you to confine yourselves to whether there was a conspiracy and whether it was of the sort alleged here.

That brings me to what I consider to be the crux of this case. It has not been stressed as much as some of the other features in the arguments of the lawyers.

It is a serious matter to charge a group of men like the defendants here with having committed the crime of conspiracy. That is a felony and, while it is no concern of yours what the punishment should be—that would be my problem, if you find them guilty—an additional burden when a felony is involved, because it is punishable severely, is put on the Government when it charges a felony. There are a whole lot of offenses that we know as misdemeanors; offenses, for instances, that are regulatory in nature, where all the Government needs to do is to prove that a man committed the act charged.

A typical instance of that would be the Indian liquor laws with which the Federal judges are certainly bedeviled. If a man is charged with selling liquor to an Indian, it does not do him any good to come in and say, "I thought he was a Filipino. I never saw the fellow before and he came up and asked me for a pint of whisky and he told me he needed it badly, and I wanted to accommodate him, and I sold it to him cheap and I thought he was a Filipino." That does not do him any good. If he is an Indian, he is out of luck.

Now, very seriously, that is not true with this kind of a charge. In connection with this kind of a charge, the Government must prove the act here of conspiracy, and that it is the sort alleged, but it must prove that it was done and that it was entered into with criminal intent, what we call specific criminal intent.

Even though you find these defendants guilty of the conspiracy charged, the commission of overt acts, you may not find them guilty unless you also find, beyond a reasonable doubt, that they entered into the conspiracy with specific criminal intent.

That means a great deal more than the charge in this case, because we have here what, to me, is a strange situation. This trouble broke out down here at Vancouver with a change in postmasters. Things were going along—I don't know just how to use the word, because the Government's theory appears to be that things had not been all right. But, anyhow, these particular difficulties broke out beginning with a change in the administration down there, and, so far as anything I have heard here is concerned, these defendants had no knowledge whatever during the period from 1942, when it is alleged this conspiracy began, and 1949, when the new postmaster came in—they had no idea they were doing anything wrong. The then postmaster, Mr. Blythe, a very fine man, as you can see, came here and said he knew everything he was doing was legal; he thought it was not only within the regulations, but it was in the interest of the Government. He said further, as I understand, that the people in Washington understood, just as fully as he did, what was going on and that they not only approved it but it was what they wanted.

Now, ladies and gentlemen, you cannot make a crime out of that; at least you cannot in my court. You certainly cannot make a felony out of it; at least you cannot before me.

That brings me back to the matter of criminal intent. If a man does not know he is doing something wrong, he does not have criminal intent. If what he is doing he thinks is all right and his principal with whom he is dealing believes it is all right and thinks it is all right, it is not a crime, even though, in fact, technically, it is wrong, because it lacks the necessary ingredient of criminal intent. You have got to be doing something with a bad motive, with a bad heart. You have got to know you are doing wrong to be guilty of a felony, at least this type of a felony, in my opinion. That did not exist here during the period of Blythe's administration.

That is my view of it. You can reject it. That is a question of fact, one of the things tnat you have to pass on. You cannot find these defendants, or any of them, guilty unless you find, in addition to the conspiracy, if you find one existed, they did what they were doing, knowing it was wrong, and with specific criminal intent.

There is one charge here of collusion, by making and submitting collusive bids, and I will just say a word about that.

Collusion implies secrecy. The mere making of identical bids, in and of itself, is not collusive bidding. It is identical bidding, but it is not collusive bidding. Collusive bidding is when you are asking a group of people to come in and bid, and they fool you; they pretend to be bidding and competing, rather, when in fact they are not, and they are dishonest. That is collusive bidding. That is, in the very essence, the word "collusion."

Your verdict must be unanimous. You will have one form of verdict here. It explains itself to you, I think.

You will take the exhibits with you to the jury room and give them what weight you feel they are entitled to, along with the other evidence you have heard here from the witness stand.

You are the exclusive judges of the credibility of the witnesses and of the weight and value of their testimony.

I did not intend to mislead you about what I said about the period of the Blythe administration. This indictment covers the period from 1942 to 1951. Of course, if you find a conspiracy existed, as charged, of the sort charged, and that it was with criminal intent, intent to defraud the Government, at any time during that period, you would find the defendants guilty, any two or more that may be found by you to be involved in that.

The thirteenth, or alternate juror, is excused from further consideration of this case. I want to thank all of you for the patient attention you have given to this long case, and the lawyers, too, have tried it like good lawyers and gentlemen.

Swear the bailiffs.

(Bailiffs sworn.)

Following the practice of this court, I will appoint Mr. Ham as foreman of the jury.

Do not begin deliberating, ladies and gentlemen, until we send you the exhibits. I have a special reason for that. We will send them to you within 5 minutes.

(The jury thereupon retired.)

The COURT. You gentlemen for the defense, the rules provide that you be given an opportunity to object to the instructions out of the presence of the jury. State your objections.

Mr. SCHNEIDER. The defendants have no objections or exceptions.

The COURT. Send the exhibits to the jury room and direct the jury to begin its deliberations.

Mr. CAIN. On September 21, 1951, the day following the acquittal, the Vancouver Columbian and Sun published an editorial in which the general criticism of this case was summarized as follows:

NEW DEAL FOR POST OFFICE

The acquittal of the 14 defendants in the post-office trial at Tacoma is a vindication of the faith in them which most citizens of this community have steadily maintained. From the outset of the trial it was fairly obvious that the Government's case was of a weak and flimsy nature. This was emphasized by the frank remarks from the judge who was evidently disgusted with the prosecution's arguments.

It is hard to understand why the Government attorneys and inspectors should go to such great lengths to get these long-time postal employees when the case against them was so poor. Was it a matter of persecution, instead of prosecution?

Certainly the 14 Vancouver citizens have had a year of intense pain and strain while the clouds of suspicion hovered over their heads. The suffering which they and their families underwent can only be partially ameliorated by the action of the jury in proclaiming their innocence.

As to the future of the Vancouver post office, we see little chance of the resumption of harmonious relations that are so necessary for its efficient operation as long as the present acting postmaster retains his post. Without in the least casting any reflection on Dan Hallowell's personal integrity or ability, it seems to us that the situation in which he finds himself has become untenable.

A new deal at the Vancouver post office is clearly in order.

The Vancouver Columbian and Sun published a series of articles during the trial which well summarized the case and the proceedings. In order that the entire story may be available to the Senate and to the Committee on Post Office

and Civil Service in deciding the merits of this investigation, I ask unanimous consent that the articles be printed in the RECORD at this point as a part of my remarks.

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

[From the Vancouver (Wash.) Columbian and Sun of September 5, 1951]

TACOMA, September 5.—The trial of 14 Vancouver postal employees got under way here today. In rapid-fire order Federal Judge Claude McCullough directed the selection of a jury, the opening arguments by attorneys for the Government and the defense, and had the first witness on the stand before noon.

Political undertones were heard by the jury of eight men and four women shortly after the trial started. After Harry Sager, Government attorney, reviewed charges of collusion in bidding for post-office contracts and willfully damaging automobiles under contract to the post office, Claude Snider, attorney for the 14 men, hinted at political maneuvering resulting in the handling of contracts and in the bringing of charges against the men.

ALLEGATIONS HINTED

Snider said he would show Acting Postmaster Dan Hallowell was selected by the local central committee and that Jack Spady, owner of the cars claimed to have been willfully damaged by some of the 14 men, was a member of the central committee.

Snider added, "by a peculiar circumstance his bid (Spady's) was slightly less than the others." Snider was referring to Spady's successful bid to supply cars for the carrier routes.

The jury which will hear the case was selected in 45 minutes and includes one man from Camas, eight from Tacoma, and three others. The Clark County representative on the jury is Hamond V. Thorne, a Camas grocer.

TWO CHALLENGES ALLOWED

The judge directed the selection of the jurors and permitted each attorney to challenge two prospective jurors. The trial opened at 10 a. m., and the jury was selected by 10:45.

In his opening arguments Government Attorney Harry Sager charged that at least two of the men intentionally mistreated the Spady cars by racing the motors, engaging the clutch when the motor was turning over rapidly, and by permitting them to run when unnecessary. He also said he would show that the men presented like bids and said he would prove that they had discussed and agreed upon the size of their bids in an attempt to defraud the Government when bidding for carrier contracts.

Snider, in his reply, said he would show that the cars in question were old models and were subject to unexpected breakdowns. He said some of the cars were 1935 and 1936 models and did not conform to post-office regulations.

Snider also said he would show that if the 14 men did agree on fixed bids it was the fault of the Post Office Department and not the fault of the defendants. He said that on several occasions when the men presented their bids the Post Office Department had written to the postmaster that one bid was out of line and he should be asked to bring his bid back in line.

INSTANCES CITED

Snider said that specifically in 1944 several letters were written by the Postmaster General because one of the bids was $20 higher than the other. He said the men finally decided to avoid this problem by agreeing on their bids before presenting them.

The first witness, Eugene H. Ritter, assistant postmaster here since January 1 and a local post-office employee since 1942, was called to the stand shortly before noon. Ritter did not present testimony for the Government, but was busy identifying post-office records for the judge and the attorneys when the court recessed at noon.

[From the Vancouver (Wash.) Columbian and Sun of September 6, 1951]

TACOMA, September 6.—The age of the autos used by the Vancouver post office under rental contract drew special attention from Federal Judge Claude McColloch today as the trial of 14 Vancouver postal employees moved into its second day.

Acting Postmaster Dan Hallowell took the stand this morning as a Government witness and under questioning reviewed events leading up to the postal inspection which resulted in charges of collusion brought against the men. He was twice interrupted by the judge.

JURIST QUERIES

As Hallowell described how rental car bids were obtained and went into detail on complaints turned in by carriers after Jack Spady's cars were used on the routes in March 1950, a series of memos were introduced as evidence.

In one of these, one of the two Spady cars was described as a 1935 coupe. At this point the judge interrupted.

"Do you mean a 1935 car?" he asked.

"Yes," Hallowell answered.

The judge nodded and said, "And this is 1950."—the date of the memo.

The series of memos were introduced into evidence by the Government and detailed the breakdowns on the two Spady cars during the 3-month period from March to June 1950. They presumably supported Hallowell's statement that he believed Carl Mudge, one of the defendants and an unsuccessful bidder for a rental car contract, had intentionally damaged the cars while driving them on his route.

Hallowell explained that in February 1950 a letter from the Post Office Department in Washington, D. C., instructed him to interest outsiders in bidding on the rental contracts. He said carriers had up to that time supplied the rental cars and that the going rate was $1,500.

TAKES LOWER BID

Spady's bid of $1,345 was selected over a competing bid by Mudge of $1,439 at his recommendation, he said. He also revealed through questioning that Mudge changed his bid in 5 minutes before the bids were closed on the one-car contract.

Hallowell said Mudge told him after the contract was awarded to Spady that the service would suffer if the Spady car was used and that Mudge said he had ordered a new model car to fulfill the contract if he had received it.

Hallowell said that as reports of breakdowns in the operation of the Spady car were turned in, Spady was informed. He said Spady said he would supply a different car in the near future.

BREAKDOWN REPORTED

He pointed out that Mudge was driving the car and that Mudge had bid for the route and won it on the basis of seniority. During the month of March, while Mudge was driving the car had four clutch breakdowns, damaged a gasket, and needed repair for failure of the windshield wiper, horn, and other mechanical failures.

After hearing the detailed testimony and just prior to calling a court recess this noon the judge turned to Hallowell and said, "I get the impression you feel that it is your duty to award a contract to the lowest bidder regardless of the age of the car."

He continued, "Is this the way you feel, if a 1935 car was offered for a lower bid than a new model that the bid should go to the lowest bidder?"

AFFIRMS STAND

Hallowell answered, "Yes, I do."

The operation of rental cars on carrier routes and history of post-office dealings with carriers and outside bidders was reviewed yesterday in statements by the attorneys and Government witnesses.

ALLEGATION MADE

The post office began having trouble with its cars breaking down only after Jack Spady was awarded the contract on mounted carrier vehicles by the Post Office Department in 1949, when a motor route became open, the Government charged yesterday in opening its case against 14 former employees of the Vancouver post office accused of conspiring to defraud the United States and the Post Office Department by collusive bidding on motorized vehicles.

Up until this time, Harry Sager, Government attorney, told the jurors only carriers had entered and obtained the contracts. Reason for this, he maintained was that no publicity in the newspapers had been given the calls for bids, only notices were those posted in the local post office and the branch offices.

When Dan Hallowell became acting postmaster on July 1, 1949, he made an effort to give wide publicity to the bid calls, going through the telephone directory and notifying garages and businesses he thought would be interested, Sager said. Among the phone calls in reply to his attempts was one from Spady who subsequently was awarded one hourly and one annual contract on his low bid, said to be $1,000 or $1,100.

CASUALTY RATE HIGH

After the contract went into effect, the attorney said, the clutches on the vehicles began to burn out and other troubles developed that called for repairs. In one case four clutches burned out in 1 month, he declared.

Two of the defendants, Carl Mudge and Ray Keelan, were specifically charged with operating the cars contracted for in such a manner as to damage them while driving them on the mail routes.

Prior to this time, the bids of the carriers were identical, Sager further charged. On one occasion when the Post Office Department considered the bids too high he said, and advised the Acting Postmaster that an effort should be made to obtain lower ones, Cory Galbraith, then assistant postmaster and in charge of the bids, wrote back that outsiders were not interested in entering estimates. The Government attorney maintained that Galbraith made no effort to obtain outside bidders nor publicize the calls.

In dealing with the charges of collusion by the Government, Claude Snider, attorney for the 14 post-office employees, asserted that on many occasions when there was a divergence in the bids entered, the Department would notify the local postmaster of this fact and request that the higher bid be brought down so it would be more in line with the others. He set out to prove his contentions in his questioning of the Government's witness later in the day.

NO INTEREST SHOWN

He declared that auto dealers to be called to the stand will show that they did receive notice of the calls from time to time from the former postmaster, Ned Blythe, or his assistants but that there was little interest and few entered bids.

Post Office Department contracts with motorized carriers were admitted and testimony by the present assistant postmaster heard yesterday as groundwork was laid by the

Government in its case against the Vancouver men.

Eugene H. Ritter, an employee of the Post Office Department since January 1, 1942, and assistant postmaster since last January, replacing Galbraith, took the stand shortly before noon and was still undergoing questioning when court recessed at 4 o'clock.

GIVES DETAILS

Post office contracts dating back to 1942 submitted by the United States attorney, were admitted after identification by Ritter. He explained how the bids were awarded, stating the postmaster handled the advertising of the bids, usually circulating a typewritten call. These, he said, were posted in the lobby of the post office. Some of the contracts were for passenger cars and others for trucks depending on the vehicles needed on the routes at the time. The men leased their own cars to the post office and drove them on their mail routes, furnishing the gas and oil.

Edmund Belisle, E. H. B. Carson, and Walter Strong entered identical bids of $840 for providing vehicles in August 1942, according to the post-office records. In March 1944 identical bids of $1,080 were submitted by Strong, Carson, DuRose, Keelan, Mudge, and Winsor, it was brought out. Three of the employees, DuRose, Mudge, and Winsor, on another call for bids in July 1946, submitted like bids of $1,200 to furnish the vehicles and in December 1946, identical quotations of $1,300 were entered on passenger cars by Carson, Malone, Officer, Strong, and Whitsitt.

RECORDS CITED

Again in 1947, proposals calling for a truck for weekday deliveries and another for six passenger cars to be used 6 hours a day 6 days a week brought bids of $1,200 from Carson, Keelan, Malone, and Officer, the contract read in court stated.

Between July 13-14, 1950, Belisle, DuRose, Keelan, Malone, Officer, and Whitsitt submitted bids of $1,025 on passenger cars, Jeffrey entered a bid of $1,020 on a half-ton panel truck and Winsor a bid of $1,024 on a half-ton truck.

A letter was read by Sager signed by Keelan, dated July, 1950, notifying the department that he would refuse to continue to operate his car under the contract that he didn't think the bids should be so low. He said the bid was entered by someone else in his absence and that he could not afford to drive his car under that contract and wanted either to enter a new bid or drive another auto. He was allowed to cancel his contract, Ritter testified, but he said he could not recall whether or not Keelan submitted another bid.

JUDGE SHOOTS QUERY

A question by Judge McColloch who asked if the Government followed this procedure on bidding generally throughout the country, brought Claude Snider, defense attorney, and his associate Leo McGavick, to their feet. Sager answered only: "Well—there is some dispute as to that."

The case moved on into facts on cross-examination of Ritter by Snider. The witness, who said he had worked under Galbraith, who was then assistant postmaster, testified that the postmaster handled the calls for bids. His assistant did it in the absence of the postmaster or if requested to do so by his superior.

Going into the method of advertising for bids, it was brought out that this meant posting the call on the bulletin board in the lobby of the post office or soliciting the bids.

NO PAID ADVERTISING

Paid advertising, Ritter told the court, is against the regulations unless authorized by the department. This has never been given during his tenure, he said. The calls for bids, he went on, are posted in the lobby, in the workrooms and in all the classified stations of which he said there are five or six. It is not mandatory for the mounted carriers to furnish their own vehicles, Ritter said in answer to a query by Judge McColloch.

At Snider's request, Ritter described the lobby of the Vancouver post office stating where the bulletin boards are located in relation to the offices of the superintendent of mails, the postmaster, and the service windows including the more than 400 private boxes.

The bulletin boards, glassed and locked, have been maintained ever since he has worked at the post office, Ritter stated. He said he had never heard any of the inspectors complain about the calls for bids being posted there. He has posted the calls on numerous occasions in the past and had posted a couple of the calls now in controversy, he said.

OUTSIDE BIDS SUBMITTED

Referring to one of the contracts admitted as evidence in which seven of the defendants submitted like bids of $1,025, while Jeffrey entered a bid of $1,020 and Winsor, $1,024, Snider brought out in testimony that outside bids had been submitted at the same time. Ritter, however, stated that he could not recall from memory who they were from.

RECORDS ALLEGEDLY REMOVED

Snider, in hammering home on this point was told by the witness that the postal inspectors had removed all of the records from the local post office. He had none of the bids in his possession and hadn't had them since becoming assistant postmaster last January, Ritter asserted.

Neither was there a letter in his files from the Fourth Assistant Postmaster General dated September 1944 suggesting that a bid submitted by Chester Winsor for $1,200 be lowered in order that it would be comparable to three others entered at $1,080, Ritter testified. He said he thought that "this was the time that Winsor submitted another bid but that he couldn't say until he saw the record."

Snider read a letter from the former postmaster, Ned Blythe, in answer to the Department's suggestion recommending that the bid be allowed to stand due to the type of mail route involved. However, the Department did not agree to this and again asked that Winsor be contacted in regard to lowering his bid.

"As a result of this correspondence between the postmaster and the Assistant Postmaster General didn't Winsor lower his bid?" Snider asked the witness.

Ritter answered that "this was correct."

WANT ORIGINAL

A copy of the letter to the local office from the Department was shown to Ritter who testified that no such communication had ever been in his files and Sager was requested by Snider to produce the original. The Government attorney agreed to do this "if they have it."

Ritter in answer to another question by Snider stated that it was usually the practice of the carriers to put new cars on the motorized routes. He said there had been no interference with the delivery of the mail because of breakdowns in past years and that he could recall only one or two such incidents since the war.

The cars, which were provided by Jack Spady on his contract with the post office were "quite old cars," Ritter replied.

He was prevented from answering the question as to "what vintage" they were by the judge who interrupted to state that Spady must first be questioned before that testimony could be admitted.

THREE FURNISHED NOW

Three cars are presently provided by post-office employees, Ritter told the court, two are provided under contract in Portland and Spady now furnishes five vehicles.

On redirect examination by Sager, Ritter asserted that route inspections are made by the superintendent of mails or his foreman. The mileage, the number of stops that must be made on the route, and the amount of mail delivered is checked in this way, he said. Ritter, who said he served as a clerk under Galbraith while he was assistant postmaster, testified that during the tenure of former Postmaster Blythe the bids were made out in the office of the superintendent of mails, Ralph Carson, now deceased. After 1946, Ritter stated, the assistant postmaster took care of this duty. Ritter said he himself had handled one or two calls under Blythe's or Galbraith's direction.

TRAILS DIVERGE

A slight disagreement arose between Sager and his witness on one occasion after Ritter testified in answer to the Government attorney's question concerning postal regulations. Ritter stated that the regulations in the office of the local post office declare "it is desirable to obtain bids from the regular carriers" but that outside bids can be accepted.

Shown another document of postal regulations by Sager, Ritter admitted he "could find nothing like that in there" but maintained that the instructions to which he referred are in the post office in Vancouver.

Sager, declaring that if a bid complied with specifications anyone could obtain a contract, read department instructions which state that "a canvass should be made among post-office employees as well as outside bidders."

This brought an objection by Snider to the line of questioning. He remarked that he didn't think Sager should be permitted to "cross-examine his own witness." Asked by Judge McColloch if he disagreed with his witness' testimony Sager answered that he did, "that anyone could bid" on the carriers.

Continuing his questioning, Sager had Ritter again describe the lobby of the Vancouver post office and locate the bulletin boards on which the notices for calls were posted as related to the entrance and the service windows.

Two movable boards were mounted on either side of the entrance and the bulletin board where the calls were posted were in the north corner, Ritter testified.

TO HEAR EACH MAN

In answer to another question by Snider, the witness asserted that the bulletin boards were still being used for posting notices just as always.

Snider has indicated he intends to put each of the 14 defendants on the stand, although they are being tried as a group instead of separately.

Many are accompanied by their wives. Seven were in court yesterday and more were expected to join their husbands later in the trial. Those who are now in Tacoma are Mrs. Edmond Belisle, Mrs. Delbert L. Echtle, Mrs. William DuRose, Mrs. Earl N. Malone, Mrs. Chester Winsor, Mrs. Glenn Officer, Mrs. Cory Galbraith, and Mrs. Carl Mudge. Acting Postmaster Dan Hallowell was in court but not called as a witness yesterday as was Jack Spady.

Named as defendants are Cory M. Galbraith, former assistant postmaster; Edmond J. Belisle, former superintendent of mails; Edward H. B. Carson, assistant superintendent of mails; Walter W. Strong; Leo T. Belisle; William J. DuRose; Delbert L. Echtle; David D. Jeffrey; Earl N. Malone; Glenn Officer; Phil P. Whitsitt; Chester Winsor; Carl R. Mudge; and Ray M. Keelan.

[From the Vancouver (Wash.) Columbian and Sun of September 7, 1951]

TACOMA, September 7.—Rumblings of a feud between Acting Postmaster Dan Hallo-

well and the Vancouver local of the Letter Carriers Association and squabbles over political appointments were revealed this morning and yesterday afternoon as the trial of 14 Vancouver postal employees continued here.

Meanwhile, the Government continued to present testimony from Hallowell and Jack Spady, Jr., owner of the rental cars claimed to have been sabotaged by some of the carriers, as the trial moved toward a week-end recess. Court rumors this afternoon were that the Federal Judge Claude McColloch would recess the trial later today until Tuesday morning.

Hallowell completed 2 days on the witness stand this morning after undergoing aggressive cross-examination by handsome Defense Attorney Leo McGavick. McGavick's questions probed deeply into a long series of reported conflicts between Hallowell and the letter carriers.

ARGUMENT ALLEGED

It was under this questioning that a dispute between the post office and the Vancouver police over double parking and a subsequent agreement was aired. The police had objected to double parking by the carriers in downtown deliveries, Hallowell explained, and after a meeting with them it was agreed to have carrier's cars identified.

Testimony on this dispute was given yesterday and was revived today by McGavick. Through his questioning he sought to force Hallowell to admit that the men would not have objected to cardboard signs identifying the cars but did object to the use of permanent metal plates.

SPADY ON STAND

The Government's second major witness took the stand late this morning when Spady was called by Government Attorney Harry Sager. Through Spady's testimony the history of his ownership of the two cars claimed to have been sabotaged was traced.

Spady revealed that the 1935 coupe had been owned by his sister and was purchased by him 4 months before renting it to the Post Office Department for the carriers' use.

The second car, which has been identified only as an Olds sedan, was purchased from the Neal Motor Car Co. of Woodland 3 weeks before renting it to the post office.

Spady testified that after being awarded the contract for the two cars he invited Hallowell, Cory M. Galbraith, one of the defendants and former assistant postmaster, and Edmond J. Belisle, also a defendant and former superintendent of mails, over to inspect the cars.

He said he explained to the trio that he planned to replace the Olds sedan with a 1939 model sedan as soon as it could be gotten ready. The 1939 sedan, he said, was a larger car.

SAYS O. K. SECURED

He said while they were inspecting the two cars Belisle told him "the cars would do very well and get them into service right away."

Spady said later during the visit Belisle had told him "some of the carriers won't be very well pleased over you getting the contract but that he—Belisle—didn't know what they could do about it."

Under questioning by Sager, Spady also testified that after the cars were put into operation and complaints and mechanical failures began to come in he took the cars to be tested and both passed the State safety test.

FIFTEEN CLUTCHES BLOOIE

He said during the 3 months 15 clutches were taken out of the two cars, and added that he had tagged each of them and put them away.

Spady was on the stand this noon when court recessed for lunch and had not yet been cross-examined.

Hallowell began his long session on the stand yesterday morning and after giving testimony under questioning by Sager was cross-examined by McGavick and then questioned in redirect examination by Sager.

FEUD IMPLIED

Politics and an implied feud between the acting postmaster and the local letter carriers' association entered the testimony yesterday at the trial of the 14 Vancouver postoffice employees accused of conspiracy to defraud the Government by submitting collusive bids on "mounted carrier" vehicles and by attempting to deprive the Department of competitive bidding.

Dan Hallowell, acting postmaster, at the Vancouver office, denied political trading entered into the awarding of the bids to Jack Spady in February 1950, during vigorous cross-examination by Leo McGavick, who is associated with Claude Snider in the defense of the 14 Vancouver men.

A barrage of questions was shot at Hallowell, who was on the stand the greater part of the day, by the defense attorney and when court recessed the post office official though maintaining his calm demeanor, appeared weary.

JOBS POLITICAL

In leading up to his intimation of political "backscratching" McGavick brought out in his queries the former positions held by Hallowell for the past 20 years. The latter affirmed that his various posts with the Government had been political appointments.

He replied, in answer to McGavick, that he had known Jack Spady since the general election in 1948. They are both Democrats, he said, and as such were interested in the campaign.

Spady was a member of the central committee at the time Hallowell was appointed acting postmaster, McGavick brought out in his line of questioning, but Hallowell denied he had won his appointment through Spady.

OWED NOTHING

The query as to whether it was not true he felt obligated to award the contracts to Spady brought a quick denial from Hallowell, who declared he owed Jack Spady nothing. The fact that they were both Democrats, he said, had nothing to do with bidding on the vehicles. He said Spady was merely a friend or was before he got into this mess.

He denied that he had talked over the contracts with Spady prior to his appointment as acting postmaster and said they had first discussed the possibility of the contracts after February 13, at the time the call for bids was issued. This was after the first notice of the invitations appeared in the paper, according to the witness. Spady was sent a printed notice along with other garage owners whose names were taken from the directory.

Hallowell said he did not call the operators by phone and ask them to bid. Spady, he answered, was the only one who called him on the phone in regard to the bids.

PLEADS IGNORANCE

Asked if he had known that outside bidders had never been interested in entering proposals on the post office contracts, Hallowell answered that he did not know this and felt it his duty as postmaster to give the call for bids wide publicity.

He said he could not discriminate because Spady was a Democrat. Hallowell got a chuckle from the spectators when he added that if Democrats can't enter bids then half the people in the country can't.

McGavick switched his questioning to the reaction of the local letter carriers' association to Hallowell's appointment, asking the witness if he had not been aware that this group had disapproved and had wanted another man named. Hallowell admitted that this came to his attention.

DENIAL MADE

Asked if his order demanding that the mounted carriers put metal stickers bearing the words "U. S. Mail" on their cars had not caused bad feeling between him and the union members, he stated he didn't think so.

McGavick then brought out that this controversy had been taken up by the men with the Washington department where the postmaster's order was countermanded. Hallowell testified he called the leaders into his office to tell them they had won their case but denied he had said "you've won the first round." He emphasized his firm "that is not true" by striking the desk with his hand. Neither did he say "you've won this case," he said.

Shown a copy of his order issued to the contract carriers, shown to him by McGavick, Hallowell said he would be willing to say it was an authetic copy but appeared surprised to learn that the order stated that the metal stickers were to be placed on the sides of the cars. He stated he did not specify this but had ordered that they be mounted on the rear and the front of the carriers' cars.

COST IS MINOR

The post-office regulations call for cardboard stickers being placed on the cars while the drivers are delivering the mail, it was brought out. Hallowell pointed out that the metal stickers he had ordered cost only 50 cents each."

Led back to an asserted conversation with Cory Galbraith, then assistant postmaster, in March 1950, in Hallowell's office, the witness testified he may have told Galbraith he was getting rumors or suspected that "the boys are going to try to sabotage the Spady cars."

He did not say, in answer to Galbraith's suggestion that the men be warned of this, "No, let them hang themselves," the postmaster declared.

The defense attorney continued to push this line of questioning, pulling out all the stops. His most sarcastically posed question was countered with another question by Hallowell who asked the attorney "who would want the vehicles sabotaged?"

DENIAL STRONG

"And who would want them (the men) hung?" McGavick shot back.

Pressed further, Hallowell said he may have told his assistant that he had heard such rumors but vehemently denied he had made such a reply.

He could not recall that Galbraith had suggested warning the men of the rumors but admitted that the assistant might have made that remark.

McGavick then switched to the age of the Spady cars contracted for, asking the postmaster if it was mandatory that the bid lowest in dollars and regardless of the equipment be accepted.

"I believe that is a fact," Hallowell answered, "that the postmaster is told by the department to recommend the lowest bid entered."

AGE FACTOR BOTHERSOME

It would be hard to know, he answered the attorney, whether a car of a certain age would be suitable or not suitable and he again countered the attorney's pressure on this point by asking McGavick "How are you going to know that a car of a certain age is suitable or not?"

Hallowell then stated that the bid on the car on the hourly rate had already been awarded to Spady before it was seen by the postmaster.

Asked by McGavick if he had not known that the Post Office Department regulations called for a space of 65 inches behind the driver's seat, Hallowell answered that the coupe furnished by Spady was to be driven only for special delivery mail and that the

reason it had been used on mounted routes was because the cars being operated on them kept breaking down.

McGavick's question as to whether the postmaster had known that on one occasion a man who was resting his hand on one of the Spady vehicles had suffered the shock of "going right through it" brought a laugh from Hallowell. He remarked that "it was a bit ridiculous" and declared he had never heard of it.

CAN'T TESTIFY

McGavick turned to Hallowell's earlier statements in which he charged that Ray Keelan, one of the drivers, had burned out four clutches in 1 day on a Spady car he drove on his route. The postmaster said he could not testify as to whether or not the clutches had been old ones or new. Concerning a clutch allegedly burned out shortly after Hallowell left Keelan on one occasion, Hallowell answered that he had no written report on this incident and that he thought he had been advised of it by the assistant postmaster or the superintendent of mails.

McGavick jumped on this answer and peppered questions at his witness which finally brought the admittance from Hallowell that "he couldn't swear to it, that was what I was told."

He remarked with some weariness "I'm trying to tell you the truth" when the attorney snapped that "the truth was wanted on the matter."

He admitted that he could have been in error as to the particular incident which brought a quick query from the attorney as to whether the postmaster "couldn't be in error about the other three."

"I thought it was four," Hallowell retorted.

COURT DISMISSES

Asked if he would be surprised to learn that the clutch wasn't burned out but had only heated up and was driven away by Spady, Hallowell asked the attorney if he knew for a fact that the clutch hadn't been burned out.

Court was dismissed at this point until 10 o'clock Friday morning.

During the morning session, under direct examination, the Government attorney, Harry Sager, went into the question of bids with the postmaster. Hallowell testified that on June 22, 1950, the Government directed him to cancel bids and call for new ones.

A letter from the inspectors recommended this, Hallowell said, saying it would be advantageous to the Department if outside bids were called. Spady's bid was not terminable at this time as under Government regulations bids cannot be canceled without the vehicle owner's consent until 6 months after the contract becomes effective.

After 4 months, however, the contract may be canceled if the owner agrees. Spady refused to cancel his bid, according to Hallowell, and the 6 months' period elapsed before his contract was voided.

BIDS ARE ADVERTISED

Contracts at this time were all held by carriers with the exception of Spady. Bids were readvertised and the opening date set for June 15, 1950. Submitted were bids from J. S. Howes, Portland contractor, who specializes in furnishing vehicles for post-office use; Harold K. Tickler, Portland letter carrier; Spady brothers; and Walter Snoen, a local letter carrier. Howes offered to provide from one to five panel trucks at 6½ hours a day, week days, for $1,200 each per annum. Spady offered five panel trucks at $1,174 and four passenger cars for the same sum; Tickler's bid on the trucks was $1,397.20 each and passenger cars at $1,182.30. Snoen bid $1,080 for a panel truck. Hallowell said he approved the latter bid and recommended that it be accepted.

It was at this time Ray Keelan, who had entered a bid of $1,045 on a passenger vehicle, asked that his offer be withdrawn, according to Hallowell, saying he wasn't present when "they had decided on the price" and that he couldn't afford to drive his car at that amount. The bid, the postmaster testified, was then awarded to Phil Whitsitt as next in line under his seniority rights.

The bids of William DuRose, Keelan, Earl Malone, and Glenn Officer all quoted $1,025, it was brought out.

BIDS CITED

Spady's next bid, Hallowell said, after his contract was canceled at the end of the 6-month period, quoted a price of $960 for a passenger car. Keelan proposed a bid of $1,400 and Harold Tickler, the Portland carrier, $1,300.

On this occasion, September of 1950, Spady was awarded the contract on his low bid, the postmaster testified.

Hallowell reported grumbling from the carriers started shortly after Spady became a successful bidder on the post-office vehicles. He told of a conversation he had had with William DuRose in May of 1950 when the latter assertedly asked the postmaster if "we're going to get any more of that damned Spady junk."

When Hallowell replied that "anyone could bid who chose to," the employee, according to the postmaster, answered that "we never allowed those fellows to bid before." When queried as to how this could be prevented, Hallowell testified that DuRose made no reply.

CONVERSATION RECALLED

Hallowell recalled another conversation he said he had with Ed Delisle concerning the breakdown of the Spady cars. Asked if he were sure that the vehicles were not being deliberately sabotaged, Belisle replied that he didn't think so. When Hallowell remarked that it looked suspicious to him, Belisle, the postmaster testified, answered "that this was hard to prove."

The official said in July 1950 he took one of the Spady cars to the State patrol to have it checked over. This was done and an approved sticker put on the vehicle saying it had passed inspection, according to the witness.

Questioned as to his troubles with Keelan, the postmaster said he had had a plenty of experience along this line and added that this employee had burned out four clutches in 1 day. He told of other instances in which Keelan had broken down. On one such occasion, he went on, he himself had hurried to the scene and waited for Spady to come to fix the vehicle. After a long delay he said he called Spady who claimed he had never been notified that the car was in trouble. Checking later with Galbraith, then assistant postmaster, Hallowell said he learned that Galbraith had forgotten to call the Spady office.

UNITED STATES LOSES ROUND

During a court recess Judge Claude McCulloch ruled against the Government in its attempt to have admitted to evidence a letter from Milton Notthrop, post office inspector with the Department in Washington concerning the investigation of the alleged sabotage of the Spady cars by two post office employees.

The judge asserted that the final paragraph in the communication was so argumentative that he would rule against it.

"The testimony," he remarked "would not be permissible from his lips and I don't think it should be permissible in a letter."

The magistrate made no ruling on a scrapbook kept by the former postmaster Ned Blythe, and containing clippings of news relating to the post office, which was submitted in evidence by the Government.

During a recess, Sager explained that he wanted to show that up until Hallowell took office there had been no clippings entered showing paid advertisements for bids, stating they would be opened at a certain hour.

That bids were to be opened had been mentioned in news columns and these clippings entered in the scrapbook was admitted, but Sager said there were no legal ads included After Hallowell became postmaster, the legal advertising clippings appeared, the attorney said.

SEES POSSIBLE OMISSION

"Supposing Blythe's secretary left some of them out?" the judge queried. "I've been trying to get my secretary to keep up my scrapbook for years without success."

Sager answered that of course this could be possible and the matter rested there.

The interest in this trial felt by post office employees in other communities is indicated by the presence of many who are attending court each day. About 15 or 20 carriers from the Tacoma-Seattle area listened to the testimony yesterday including George Barnett, Bellingham, State president of the National Association of Letter Carriers.

A former Vancouver resident is serving as court reporter for Judge McColloch. He is Ira Holcomb, now of Portland, who was court reporter for Judge Hall in Clark superior court for many years.

[From the Vancouver (Wash.) Columbian and Sun of September 10, 1951]

Trial of Vancouverites in Federal court at Tacoma in the post-office conspiracy case was in recess today as the court took time out. But it will resume Tuesday and it might last for weeks yet. First 3 days of the case were ended Friday by week-end adjournment.

A $1,200 claim against the Government filed by Jack Spady for alleged damages to cars leased to the local post office was revealed Friday afternoon in cross-examination of this witness by Claude Snider, attorney for the 14 ex-post-office employees charged with conspiring to defraud the Government. He brought out in his questioning that the demand for compensation specified $169.64 for burned-out clutches and $844.73 for other damages.

CASE DRAWS CROWD

The Federal courtroom in Tacoma was packed during the afternoon with visiting post-office employees from Portland, Seattle, Tacoma, and other areas. Many of the spectators were members of the National Association of Letter Carriers whose officials are keenly watching the trial's progress. Its outcome, it is felt, will have far-reaching effects that could apply to post offices all over the country.

Slender, wiry Jack Spady, who was undergoing rapid-fire interrogation when court recessed Friday, side-stepped the attorney's queries as to the number of clutch jobs the amount he is seeking represented. He declared he couldn't "answer the question in that way." Asked if it were not true that the claim covered clutches assertedly burned out on four different dates in March 1950 (the month the Government has charged Carl Mudge drove a Spady car), the witness answered that he did not know whether the damage was attributable to Mudge, Keelan, or Joe Bloke. It makes no difference to him who was responsible for it, he said.

GIVES NO NAMES

Asked if it were not correct that the only claims filed were for damages allegedly caused by Ray Keelan and Mudge, Spady answered that he had mentioned the names of no men.

"Isn't it true that you filed a claim for $169.64 involving Mudge and $844.73, involving Keelan?" Snider asked. Spady answered again that he did not think he had mentioned names. Directed to tell the jury the items on which his claim was based, he re-

plied that he had given only the time the damage had occurred, the amount of the damage and the cost of the labor.

Snider, offering to refresh his witness' memory, quoted the dates, demanding to know if Mudge had not driven the Spady car on the specified times. This brought an answer of "could be" from the man on the stand.

"Then the balance must pertain to Keelan, is that correct?" the attorney asked. The witness gave the same reply.

ANSWER DEMANDED

Continuing to press Spady on these points, Snider demanded an answer as to whether the car owner's claim covered more than the four dates in March, but the witness replied that he had brought no copy of the claim. He could recall only that his requisition was for $1,200 for damages covering clutches and two engines.

Snider requested that the Government attorney produce the claim when it was disclosed that it was not among the records in his possession.

Continuing on this line of questioning, Snider demanded to know when the claim had been prepared and was told about 6 months prior. It was turned in to the acting postmaster at the Vancouver office, Spady said. He answered that the claim has not yet been allowed.

Snider then asked his witness if this matter was one of the items he took care of when back in Washington recently.

DENIES CONTACT MADE

Spady's answer was no, that he had contacted nobody in the Washington, D. C., Post Office Department in regard to this.

Cross-examined on his earlier testimony that he had purchased 13 1942 Ford station wagons from the Interior Department on a block bid, which were put into service when Keelan started driving Spady-leased cars, the witness declined to tell the price he had paid for the vehicles and was upheld in his refusal by the court.

Spady observed that he did not consider this anyone's business but his own, and Snider appealed to the court, asking the witness be required to answer this question. Judge Claude McCulloch, however, replied that he felt this matter had nothing to do with the case at bar and that he would sustain an objection if it were made.

Harry Sager, Government attorney, who had not done so previously, then offered an objection to the question.

CARS HELD SOUND

In direct examination earlier in the afternoon by Sager, concerning these vehicles, Spady had testified that the station wagons used by the post office had been completely checked over by his mechanics before they were put into service. He described them as being in good condition except for the bodies. Some of the veneer was not in good shape, but the cars were mechanically sound, Spady had declared.

Snider devoted a considerable part of his cross-examination to the condition of the cars put into service by the Spady company and to the type of replacements used in repairing the damages allegedly done to the vehicles. He intimated in his line of questioning that breakdowns were still continuing on the Spady cars due to their age.

Asked if it were not true that old cars were inclined to break down more frequently than the newer models, Spady agreed, but added that this should not be true when the parts were replaced with new merchandise.

TECHNICAL POINTS CITED

"Isn't it true that a new part will not last in an old car that has had many years' usage?" Snider queried.

This would be correct in some cases, for instance, in replacing a bearing in a rear-end assembly, the witness observed, but he maintained that when a new clutch was installed it should give the same service it would in a new car.

On direct examination by the Government attorney, Spady had testified that rebuilt pressure plates were used in repairing the damaged clutches but that the clutch plates themselves were new and that new fabric facings had been used. All dealers, the witness had remarked, used the rebuilt pressure plates, "even the Ford Motor Co."

Snider pressed the witness further on this observation, but Spady reiterated his claims as to the rebuilt equipment. A driver should obtain 40,000 miles of service from each clutch, the witness maintained.

Asked to explain what was meant by "fabric" facings, Spady said he could not say what ingredients are used in the facings.

SAYS TROUBLE AGGRAVATED

Although agreeing that a clutch would get terrific usage on one of the long carrier routes having 600 or more stops, this would not account for the clutch troubles that have occurred, he insisted.

He had found, he said, that some of the carriers had never replaced a clutch in their vehicles.

He scoffed at an incident brought up by Snider of a carrier's resting hand plunging through the hood of one of the Spady-leased cars as being "far-fetched."

The hood, Spady declared, never did give way. He explained that this happened on a portion of the quarter panel in back of the 1935 Plymouth coupe in the controversy where "there was no denying that a hole had rusted through."

"MUST HAVE FORCED HOLE"

"Someone deliberately opened it up," the witness declared. "A man had to either pick it out or kick it out where it was located."

This resulted in an exchange between Snider and the witness as to where and how this incident had occurred and after Snider asked "if it were not true that he (Spady) had turned over old, rusty, worn-out equipment for post office use."

Asked if the Oldsmobile leased to the post office and driven by Mudge was not presently "out at Spady's junk yard," the witness replied that he did not know. Snider, in his questioning, however, elicited the fact that this car is no longer being operated by the Post Office Department, nor by the Spady brothers. Neither are the station wagons now being driven, it was brought out.

Snider described the vehicles as having gone "to the great beyond for ancient cars."

ACQUAINTANCE CASUAL?

Snider opened up in the cross-examination of the witness on the latter's political activities. He was a member of the executive committee of the county organization, Spady answered, adding quickly that he "also was a member of the school board."

He said he hadn't known Dan Hallowell, acting postmaster, "too well." He had seen him on numerous occasions, but not very frequently, Spady testified.

He denied that he had discussed the business of the post office bids with Hallowell before the call was issued and testified that he was never present when the bids were opened.

Going into this phase of the case, Snider was told that the Spady brothers had provided the Oldsmobile on his contract approved with the local post office for use only until the 1939 Dodge, which was offered in the contract, could be put into readiness. He submitted his bid on a Chrysler product, he answered.

NO HURRY SEEN

Asked if it were not true that it took his mechanics 3 weeks from the time the contract was awarded until the day the Dodge was put into shape for use, Spady answered that he had been given permission to use the Olds in the meantime and that there was no sweat in getting the other car ready.

He affirmed, in answer to further questions by Snider, that Cory Galbraith, then assistant postmaster, had always treated him courteously and pleasantly, but asserted that he was reluctant to say yes to the same query pertaining to Ed Belisle, the superintendent of mails. Pressed further on this answer, Spady said on numerous occasions he had not received the cooperation he thought he should from that official. "Belisle certainly knew he didn't replace clutches in his own car every day," the witness observed, "yet when I told him about those things I didn't get any cooperation."

When explaining routes and the location of the mailboxes, Belisle's attitude was more cordial, Spady indicated. He added that his only interest in talking to Belisle was to voice his opinion to the man in charge.

TROUBLE FOLLOWS TROUBLE

Leading back to the question of the car breakdowns, Snider asked his witness if it were not true that on one occasion when a second car was sent out to rescue a stalled Spady vehicle in the Heights area the replacement broke down en route, the car owner replied that this could have happened.

Asked what record had been kept on the 15 clutches he contends were burned out in his vehicles, Spady said these were handled by the mechanics and were carried on the shop orders. He replied that he had some of the records relating to the various days on which the cars were worked on.

He testified that the cars used on the regular postoffice routes were not used by his company when out of service in the evening and answered that he had not noticed in his last check that any deductions had been made on the cars operated on the hourly rate due to their being out of service.

DUAL SERVICE SEEN

On redirect examination by Sager after Snider had finished with his interrogations, Spady said there was nothing in the contract with the Government that prevented his using the leased cars for company business after the vehicles were out of post-office service each night.

The witness told of intimations he had of approaching troubles gleaned in various conversations with post-office officials, in answering questions posed by Sager during direct examination earlier Friday afternoon.

Galbraith, on one occasion, Spady said, had remarked "Well, Spady, I hope you are successful in this bid, but I question as to how the carriers will take care of your cars?"

OMINOUS NOTE ALLEGED

Another time, he testified, Edward Carson, former assistant superintendent of mails, had made the observation that "a man in Longview (an outside bidder) had bought all new Willys Jeeps but it still didn't stop this trouble." Spady repeated a third ominous remark as coming from William Du Rose who, Spady asserted, declared "they'd better not give me one of Spady's cars to drive."

The first major breakdown of one of his cars, he continued, occurred the second day after the Olds was put into service, when the clutch went out. Examined, the plate was found to be discolored from intense heat and the facing burned out, he said.

When the clutch disasters continued, Spady said the damaged equipment was sent to other motor companies for repairs and installation. He listed these as Marion Motors, Monroe and Boma, and a shop in Salmon Creek. The foreman of the State highway department and the foreman at the county shops were both called in to observe the burned-out equipment, he continued.

ENGINES BURNED OUT

In addition to damaged clutches, two engines in the car driven by Ray Keelan were burned up, the witness told the jury. These motors, he said, had gotten so hot that the sleeves in the cylinders had burned up and cracked the valves.

He turned five of the damaged clutches over to the postal inspectors, he said.

Spady testified that the present repairs on vehicles under contract to the post office were of a maintenance nature and concerned batteries, windshield swipes, lights, and "things to be expected."

Guesses as to how long the trial would continue ranged from 10 additional days to 3 weeks. The Government has more than 20 witnesses it may put on the stand and the attorney has indicated that he has four more days of testimony to offer. It is expected that the questioning of the two post-office inspectors, R. L. Kerr and S. J. Schwartz, will entail lengthy direct and cross examination.

[From the Vancouver (Wash.) Columbian and Sun of September 11, 1951]

TACOMA, September 11.—Under steady prodding from Federal Judge Claude McColloch the trial of 14 Vancouver postal employees started its second week at a brisk pace here this morning.

The judge, making obvious his impatience with the slow-moving trial, interrupted both Government and defense attorneys to question witnesses directly and urged Government attorney Claude Sager to speed up the presentation of testimony.

JURIST IMPATIENT

At one point, McColloch asked Sager how many more witnesses he expected to have. Sager answered, "Eleven more."

When asked the nature of their testimony, Sager said it would take three more days. The judge answered, "Oh no, I can't allow that. Shorten it up."

Six witnesses took the stand this morning and the judge kept the trial moving through the lunch period with no indication when he would grant a recess. Among the witnesses were two mechanics, a private detective, two Vancouver postal employees, and Roy Spady, brother of Jack Spady, Jr.

MECHANIC TESTIFIES

Testimony from George Foster, a mechanic employed by Jack Spady, Jr., and from Richard L. Witacher, Portland garage operator, resulted in a lesson in auto mechanics for the interested jury.

Both men under questioning described the operation of the clutch and told how they could be damaged. Four of the clutches taken out of Spady cars rented to the post office were introduced as evidence and identified by Foster and Witacher.

Under questioning by the judge, Foster said he knew of two ways to sabotage a car. One way, he said, would be to drain the radiator and race the motor for a long period of time. The second way would be to race the motor for 2 or 3 hours, he said.

Witacher, when he took the stand, said a car could be sabotaged by driving it up to a wall and engaging and disengaging the clutch with the motor racing or by racing the motor while engaging the clutch repeatedly.

Carl Vraspir, route 1, box 53, Orchards, was called to the stand and testified that he was a private detective and former Clark County deputy sheriff and had been employed by Spady to watch Carl Mudge for 3 days in March 1950.

EMPLOYEE TRAILED

Vraspir said he followed Mudge on March 29, 30, and 31. He said he followed the car driven by Mudge and observed him driving at a high rate of speed, racing the motor at stops, heard a continual clashing of gears, and noted that the taillight was on at all times.

This happened on the 3 days he followed Mudge, he said, but did not happen when "another man" drove the same car on March 29.

He said he had made a written report to Spady and the report was introduced as evidence.

The judge took the report and through his questioning revealed that Vraspir in the report said the "car wasn't given actual or outright abuse."

Vraspir, in the report, said Mudge may have been a poor driver but that he would not report that he had damaged the car.

Testimony by Victor Peterson, post office general foreman and postal employee since 1936, named two of the defendants, David D. Jeffery and Ray M. Keelan.

QUERY RECITED

Peterson said he heard someone in the mail room ask Keelan one day "how many cars are you going through today?" He said Keelan's only answer was a shrug of the shoulders.

He also said he recalled Jeffery saying one day "something about having to bid lower because of the Spady bids," and that "the carriers were taking a beating on the bids."

Maryann Simmons, the second postal employee to take the stand, testified that when Mudge became ill it was rumored that he was sick with carbon monoxide poisoning from the cars. She said they checked with his doctor and found he was not suffering from carbon monoxide and that a notice to that effect was posted on the post office bulletin board.

[From the Vancouver (Wash.) Columbian and Sun of September 12, 1951]

TACOMA, September 12.—Defense Attorney Claude Snider moved to have the charges of sabotage and collusion against 14 Vancouver postal employees dismissed at noon today as the Government completed its presentation of testimony against the men in Federal court here.

Federal Judge Claude McColloch has taken the motion under advisement.

McColloch dismissed the jury until 10 a. m. tomorrow and was to hear arguments by both attorneys on Snider's motion at 2 p. m. this afternoon. Snider, in his formal motion, claimed that the Government had failed directly or indirectly to prove its charges and that the charges against the 14 men should be dismissed and that they should be acquitted.

Government Attorney Harry Sager called five witnesses to the stand this morning. They included three Vancouver garagemen, a service-station operator, and S. K. Schwartz, a postal inspector.

DEFENDANT AILING

Meanwhile, one of the defendants, Glenn Officer, was excused from being present at the trial today on the recommendation of a doctor.

Officer, the doctor's statement said, suffered a stroke last October, and the attack had reoccurred yesterday afternoon. The doctor recommended a day's rest.

Snider, after presenting the statement, told the judge that he and Officer were willing to proceed with the trial with the defendant absent. McColloch ordered the trial to continue.

The three garagemen each testified to the work they had done to Jack Spady, Jr., cars which broke down while under rental contract and described the possible causes for those breakdowns.

The men were Roy Altig, of 315 East Eighteenth Street, a mechanic for Marion Motors; Homer Church, of route 5, box 114, a mechanic for 44 years now employed by H. & H. Garage; and Arthur M. Knutson, former service manager for Grandy Motor Co.

JOB TOUGH, BUT—

The three men agreed that automobiles on postal routes were "probably given the hardest wear" of any type delivery car, but each, under questioning, said a newly installed clutch should not wear out within 2 to 5 days.

Altig said he would estimate that a properly installed clutch would wear out "perhaps 35 percent sooner" in a mail-route car.

Church under questioning by Sager said that clutches he had taken from Spady cars being driven by the postal employees were burned blue and that the grease was "packed hard." He said this was not normal wear and was probably caused by slipping the clutch.

Carl Jenson, operator of the Columbia service station in Vancouver, recalled two conversations he had had with William DuRose, one of the defendants.

Jenson explained that he serviced with oil and gas the cars Spady rented to the post office. He said while talking to DuRose on May 8, 1950, about installing a mail box DuRose asked him how he (Jenson) got along with Spady.

STATEMENT ALLEGED

Jenson said that shortly after that DuRose said to him, "Well, it won't be long before they (postal employees) will wreck every automobile those Democratic —— put on the route."

Yesterday afternoon Sager called R. L. Karr and this morning called Schwartz to the stand. The two postal inspectors reviewed their investigation of the charges against the 14 men and under questioning placed special emphasis on how that investigation was carried out.

REMARK CITED

Jenson also testified that on May 23, 1950, DuRose had said to him, "They were going to get that Democratic —— out of the front office." He said he understood DuRose to be talking about Dan Hallowell, acting postmaster.

Under cross-examination Jenson admitted that up until 2 weeks ago he did not know DuRose by name. However, when asked to do so he was able to point out DuRose correctly from the 13 defendants present.

THEY DIDN'T JIBE

Photographs submitted to the court of the 1939 Oldsmobile, formerly on contract to the local post office and now out of service and in Spady Brothers' wrecking yard presented a high point in yesterday's testimony when it was revealed that both the plaintiffs and the defense had obtained shots of the vehicle at different hours last Saturday and that they did not correspond.

During the afternoon, most of which was devoted to the testimony of R. L. Karr, post-office inspector, the defense attempted to bring out in cross-examination that signed statements taken from the 14 defendants last September were obtained under duress—denied by Karr—and the Government continued to bang away on its charges of sabotage of post-office equipment by two of the men.

Pictures introduced by Claude Snider, taken Saturday morning of the Olds, showed the car minus one or two wheels and bearing a growth of trailing vines. The photo admittedly taken by a photographer around noon at request and in the presence of Karr, depicted the auto equipped with its four wheels and the greenery missing.

The defense picture apparently came as a surprise to Karr, who was being cross-examined by Leo McGavick, associated with Snider in the defense of the post-office employees.

WHAT GOES ON

Referring to the picture offered by the plaintiffs, McGavick whipped out the second photo taken earlier that day, asking his witness "if the car looked like that when you saw it Saturday?"

Karr answered it didn't look like the car he saw. If it was the same auto, he agreed, someone must have made some changes.

"Someone had to put the wheels on it from the time I saw it until the time you say you saw it," the inspector answered.

Asked to compare the photos, Karr said he recognized the Olds as the one he had put through the testing station on a previous occasion. He failed to recognize other cars near the Olds in the picture shown him by McGavick as the same ones that had been nearby when Karr took his shot later that morning.

McGavick's sardonic, "Is it because you don't want to remember?" brought a quick objection from the Government attorney, Harry Sager, and was sustained by the court.

Karr's reluctance to identify the auto's location as being the same appeared to be dispelled when shown an enlargement of the defense picture. As near as he could tell, the Olds was in the same spot as was shown in his own photo, he testified.

He replied, however, that it had no hind wheel on it in this picture, when asked by McGavick to describe the vehicle. The car had its wheels on when he saw it, he said.

VINE VANISHES

McGavick called his attention to the vine growing on the car which brought the rejoinder from the witness that he hadn't seen any vine and that the car in the picture he was viewing "looked like it had a whole tree growing out of it."

This brought a chuckle from the audience.

Karr admitted that had he known the car had been, as McGavick put it, "dressed up" before he took the picture he would not have brought his photo into court.

"All I know is that I went down (to Vancouver) and took a picture of the Olds as it stood in Spady's lot," Karr observed.

He said he did not know when the car had been taken out of service at the local post office nor where it had "ended up." Saturday was the first time he had had a chance to look at it since it was no longer in use, he testified.

ONE MUST WAIT

Federal Judge Claude McColloch denied admittance of the defense picture at this time stating it could be presented when the defense presented its case.

The trial progressed rapidly yesterday afternoon, the judge pushing the testimony along when it slowed down at any time.

The magistrate, emphasizing his earlier remark that he "wanted to shorten the case," directed Harry Sager, Government attorney, to complete his list of witnesses on Wednesday and called for an earlier session of court for this morning. For the first time since the trial started last Wednesday, he postponed his usual 4 o'clock recess for half an hour and continued court an additional 35 minutes at noon.

Advising plaintiff's attorney that according to his count, Sager should have four more witnesses to put on the stand, Judge McColloch asserted: "I want you to finish up tomorrow."

ABUSE ALLEGED

Inspector Karr, who came in for extensive questioning by Sager during the afternoon session, told the jury of the alleged abuse given the Spady-leased cars by Carl Mudge and Ray Keelan, two of the defendants, asserting he and S. G. Schwartz, another inspector, had followed one of the men on his route to check him on the handling of the vehicle. Karr said he had driven the 1935 Plymouth early in August for several miles and found the car to be in good condition. The brakes, he asserted were in good working order and the gears shifted easily. He had driven a 1942 Ford station wagon after it was in Church's garage for clutch repairs, to Grandy's Motor Co. for a second examination before it was returned to Jack Spady, Karr continued.

He experienced no difficulty, he said, there was good adjustment and the car was operating well. It was put back into service that day and 2 days later a call came to Acting Postmaster Dan Hallowell, that the clutch was "on the blink."

DETERIORATION SEEN

He said he drove the station wagon again at that time, accompanied by Hallowell and Ed Belisle, superintendent of mails, and found that it was difficult to shift and that there was a noticeable slip in the clutch.

Questioned as to the contracts then in effect at the post office, an examination of the records there disclosed that all in force on the mounted routes were in the same amount, $1,500, although the routes ranged from 11.6 miles to 33 miles, he went on. Asked by the judge if one of the routes was not 50 miles in length, as he said had been stated in a letter, Karr answered that there were none of that length at that time.

RATE SEEMED HIGH

A computation of the mileage showed that some of the men were being paid in excess of 30 cents a mile. He said he thought the average minimum to be 12½ to 14 cents.

As the rural carriers were allowed only 8 cents per mile, it made the rate of the mounted carriers appear to be exorbitant, the postal inspector continued, and it was recommended that the contracts be canceled and another call issued. This was done the latter part of June 1950, he said.

New bids were called for with five coming in on passenger cars at $1,025, one truck quotation at $1,020, and another for $1,024.

Karr testified that during the time Carl Mudge was ill and in the hospital, the repairs of the cars were all of a minor nature until August when we had another epidemic of clutch trouble. These involved cars being driven by Ray Keelan, Karr remarked. He told of one instance, on August 17, 1950, when four clutches went out on a 22-mile route.

CHECKS ON DRIVER

Two of the cars were sent to the H. & H. Garage for repairs, where they were observed by him and by Schwartz. Continuing his testimony, Karr stated he obtained the clutch from station wagon No. 10 before having the vehicle repaired and returned to Spady's. After it was replaced in service of the post office he remained in sight and watched Keelan pack up the car with the mail and start on his route, Karr said.

He recounted incidents of other burned-out clutches and identified these parts in court. A work order submitted by Sager and identified as having been signed at Grandy's Motor Co. for repairs, was admitted in evidence by Judge McColloch.

IT GOT HOT

One clutch, taken from one of the cars driven by Keelan at Grandy's, had been so hot that the bolts fastening the pressure plate to the flywheel were welded, Karr told the jury. The part, too, was brought forward and identified by the inspector.

Karr, upon Sager's questioning, told of following Keelan on his route on September 6, 1950, where the latter was observed at times from the distance of a block and at another time from a porch some 30 feet distant. Keelan, according to Karr, was operating the 1935 Plymouth which he handled very roughly.

Asked for further explanation, the inspector said the motor was constantly raced at a high speed while the vehicle was halted, that the driver stopped with a jerk and started with a leap, the spinning wheels hurling gravel into the air.

SEES SMOKE

When Keelan stopped before the residence where Karr had stationed himself, the latter said he could see smoke coming from under the vehicle. The noise of the car could be heard for at least a block, he declared.

After observing the driver for about 3 hours, Karr continued that he was picked up by Inspector Schwartz, both returning to the post office. Some 15 minutes later, he said, a call came to the postmaster that the Plymouth had stopped and would no longer run.

When asked by Sager if he had seen the car from time to time since, Karr replied that he had taken a photograph of the auto last Saturday afternoon along with a picture of the 1939 Olds, the 1939 Dodge, and a Ford station wagon. The four pictures were introduced by the Government attorney and the court told that the Dodge and Plymouth were still in service, the station wagon had been sold to Joe Ramsey, route 5, Vancouver, who had brought it back to Spady's to be photographed, and the Olds was in the wrecking yard.

UNAWARE OF PICTURE?

The inspector said, in answer to Defense Attorney Snider's queries, that he had not learned of the disposition of the 1939 Oldsmobile until it had come out in previous testimony that it was presently in the wrecking yard. Asked as to what the condition of the car was in the morning, he replied that he had not seen it at that time. He testified in answer to further questions by Snider that the wheels of the auto were intact when he saw it, but that the outside of the car had been wiped off at his request.

He replied that he didn't think Jack Spady knew the picture was going to be taken Saturday.

The four pictures admitted as evidence and passed around to the jurors, Sager turned his questioning to an interview with the 14 employees now on trial in September 1950, in which Karr said, each man was questioned individually by the two inspectors. Each was told the purpose of the interviews—to investigate the damage to the motor vehicles—and the matter was discussed while Schwartz made notes.

Asked if they desired to give written statements on the points discussed, Karr declared there were no objections voiced by the men. Some said they'd be glad to give a statement, the inspector said.

STATEMENTS TAKEN

These sworn statements, he continued, were taken over a period from September 6 to 18 and were typed up in the presence of each employee. The original was handed to the carrier and a carbon copy retained by Karr.

When some of the points were questioned by the men they were told to make any changes they desired in their own handwriting and to initial them. No threats were made, no promises given, nor were any inducements offered, the inspector declared.

The 14 statements were submitted by the plaintiffs as evidence and the defense attorneys asked by Judge McCulloch if they wished to admit the signatures. These papers were passed to each of the defendants for identification of his name.

JUST FRIENDLY CHATS

Leo McGavick, on cross-examination of the inspector, asked with considerable sarcasm if the interviews with the men had been "just a friendly conversation."

"I would say so," the witness answered, "we were just trying to determine the facts."

Continuing in his previous vein, McGavick asked if the inspectors had not already made up their minds—if they had not already "formed their opinions as to how the clutches had burned out." Karr replied that it had been necessary to interview all of the men which brought up the question of the manner in which the talks were handled by the postal inspectors.

At Karr's denial that he had lost his temper McGavick demanded to know if it were not true that Schwartz had been compelled to interfere on several occasions to quiet his partner. Karr's answer was that he could not recall having been stopped by Schwartz.

DENIAL ISSUED

"Did not you walk up and down before each man shooting questions at him like a lawyer," McGavick demanded "and when he did not sign did not both of you clam up and would not say a word? Is not that right?"

Karr denied these tactics were employed, asserting that none of the employees were told to sign the statements. He said he "absolutely did not tell them to sign or else—" as suggested by the attorney.

The letter carriers union was again drawn into the testimony by McGavick's line of questioning, the inspector relating, when asked if he knew where the investigation started, that a letter from R. B. Kremers, assistant secretary of the letter carriers' association, had been addressed to the Post Office Department in Washington and that this file had been forwarded to Seattle.

Asked by McGavick if he knew how Kremers happened to request the investigation, Karr replied that he had understood the men in the Vancouver office had asked for it.

ORDER IRKSOME?

McGavick referred to the metal plate incident when the local carriers were directed to mount the tabs bearing the words "U. S. mail," on the front and rear ends of their cars. "Wasn't it true," the attorney queried, "that Karr had trouble over this request?"

Karr answered that he saw no reason why a man who drove a Chrysler car could not afford to put a metal tab on the vehicle. This brought a reminder from McGavick that the Post Office Department had overruled Karr's opinion, to which Karr disagreed, observing that the Department had ruled against the carriers being required to pay for the metal plates out of their own funds. He said he still thought it was a good idea.

Turning to the types of contracts let by post offices all over the country McGavick demanded to know if it were not correct that some of the offices in Karr's own territory have contracts embracing the same amount on bids. Sager's objection to this question on grounds that the situation in other post offices would not apply to the case being heard, was overruled by the court and Karr was directed to answer.

The letting of contracts was the duty of the postmaster and was between him and the Post Office Department, the inspector answered. Asked if he didn't run into the same sort of facts in all post offices, Karr declared it was the first time it had come to his attention in his district.

ATTORNEY PROBES

Going back to a previous subject, the attorney continued his questioning regarding the statements signed by the 14 defendants and when Karr testified that each of the men was advised that he didn't have to place his signature on the paper if he didn't want to, a dissenting murmur was plainly heard in the courtroom from members of the audience.

Karr explained that Inspector Schwartz typed out portions of the notes he had taken in the interviews and had discussed these items with the men. He repeated that none of the men had been asked to sign.

"Is it not a fact that Ray Keelan said they were not the facts and that we wouldn't sign," McGavick asked the witness. "And is it not true that you advanced on him with your two fists?"

Karr denied this with some heat declaring this was "absolutely not true." Keelan did not object to signing nor was he threatened in any way, the witness snapped.

He added, with a laugh, that he didn't go around trying to pick fights with people.

He entered a denial to a question as to whether Keelan had not been called in and sworn after his statement had been obtained and asked if Edward Carson was not called in later by phone to be sworn, answered "he had no recollection of such a thing happening."

REMARK DENIED

A remark attributed to Karr that "the letter carriers were getting too big for their britches" was not true, the inspector told the attorney. The statement referred to, Karr said, came about in a conversation between Schwartz and Leo Belisle after the statements were taken. Belisle (Leo) was in a talkative and aggressive mood, the witness stated, and had remarked that they were going to have to put the acting postmaster in his place.

"Now, Leo Belisle is a letter carrier and as such has certain duties, none of them administrative," the inspector asserted. "Schwartz did direct certain remarks that Leo Belisle himself was getting too big for his britches but at no time did either of us bring the association into the case."

Asked by McGavick if he or Schwartz had not remarked to Ed Carson that "the letter carriers had asked for an investigation and now they would get one that they'd long remember," Karr also had an explanation of this report.

SURPRISE SEEN

Such a statement, he thought, was made to Leo Belisle, who he said remarked that he was surprised that they were going into the case, that he thought they (the inspectors) had closed the case after writing to Hallowell about it.

He told them, Karr testified, that they'd asked for an investigation and that the inspectors were making one.

"I don't think I put in that form," he said, "but I did tell Belisle that we were making an investigation and that we didn't make them by correspondence."

Back to the matter of the alleged sabotage of the leased cars, McGavick attempted to establish that the autos had been driven by Spady employees after they left the service of the post office each night.

At the inspector's reply that he could not say whether this was correct, McGavick asked him if, as an investigator in a criminal case, he wouldn't try to find out if the cars were being used by someone else.

IGNORANCE CLAIMED

Referring to Jack Spady's $1,200 claim against the Government for car repairs and damages to clutches, the attorney brought out from the witness that the latter did not know the number of repairs claimed or what damage was represented by the amount. He was out of town at the time the claim was prepared, Karr said.

"This wouldn't be of any interest to you as an inspector, would it?" the attorney said scathingly. Sager's objection to this line of questioning was sustained by Judge McColloch.

Earl M. Herman, a post office employee for 15 years in various positions and superintendent of mails since last January, put on the stand by the Government in the late afternoon, brought records from the post office route inspection sheets showing the time check and distances made on the routes, the number of miles included and the number of boxes serviced.

EVIDENCE ADMITTED

A summary of 29 sheets showing the dates of the vehicle contracts of the carriers, their names, the length of the routes, the possible and actual stops and the total distances involved, were submitted as evidence and admitted by the court.

Victor Peterson, general foreman at the Vancouver post office, was recalled to the stand for cross-examination shortly before court recessed yesterday afternoon.

(From the Vancouver (Wash.) Columbian and Sun of September 13, 1951)

TACOMA, September 13.—The first witness for the defense took the stand this morning in the trial of 14 Vancouver post-office employees in Federal court here while the defense motion for the dismissal of charges remained under study by Federal Judge Claude McColloch.

McColloch heard arguments for the dismissal of the charges yesterday afternoon and has declined to make a decision one way or the other at this time.

BLYTHE ON STAND

Ned Blythe, retired Vancouver postmaster, occupied the witness stand most of the morning as the defense opened its case. He was questioned by defense Attorney Leo McGavick.

Asked by McGavick if he ever felt surprised over receiving identical bids from carriers for rental car contracts, Blythe said, "No, I took them for granted."

He added he knew the carriers talked the bids over among themselves and recalled incidences when the post-office department requested uniform bids.

EXPLANATION DETAILED

He explained at length several attempts to interest outside firms in bidding for the rental car contracts and said when no response came from his letters he called Vancouver firms and was told "they weren't interested."

When asked by McGavick if the carriers were attempting to block outsiders from entering bids, Blythe said, "Never heard of such a thing."

He said there was "no great rush of enthusiasm even on the part of the employees" to present bids and that they had to be encouraged to do so.

SEES NOTHING UNUSUAL

Under cross-examination by Government attorney Harry Sager, Blythe maintained that there was nothing unusual about the identical bids. At one point when asked if he knew the carriers were discussing their bids, he said, "we expected them to. The department directed us to see that bids were similar."

Sager then pointed his questions toward the lack of advertising for bids and asked Blythe if he were a former newspaperman and was he on good terms with the daily paper in Vancouver. To which Blythe answered "Yes."

NO CLIPPINGS ON CARS

Sager then introduced a clipping book kept while Blythe was postmaster and after scanning it Blythe admitted it did not contain clippings about bids on rental cars.

Sager then introduced copies of bids for the years 1944, 1946, and 1948 and Blythe admitted that in each case they were identical and that each year the bids increased. However, he said cost of operating the route cars was terrific in the later years.

Sager then introduced records showing that three of the defendants, Carl Mudge, William DuRose, and Chester Windsor, had canceled their rental car contracts at the annual rate of $1,200 in July and August,

1948, and had then submitted and were awarded $1,500 bids when bids were opened on the three routes.

QUERY STUDIED

Sager then asked if he (Blythe) would still say the carriers weren't anxious to hold contracts. Blythe thought over the question carefully before replying, "They weren't anxious to bid and lose money."

When Defense Attorney McGavick resumed questioning the witness, he introduced correspondence from the Fourth Assistant Postmaster General and Blythe. In one of these addressed to Blythe he was asked to encourage Chester Windsor to lower his bid and "bring it more in line."

Another, written by Blythe, said "my solicitations among outside firms for bids brought only a merry ha-ha when I told them the hourly rates prevailing."

GALBRAITH NEXT

Also called to the stand this morning was Cory M. Galbraith, one of the defendants and former assistant postmaster. Galbraith was still on the stand when court recessed at noon. However, he had already testified that he and Dan Hallowell, acting postmaster, had discussed possible sabotage to the Jack Spady, Jr., cars.

Galbraith said Hallowell called him into the office one day to ask if he had heard rumors of sabotage. He said he replied, "No he hadn't and that Hallowell then told him that they had proof."

Galbraith testified that he said they should warn the men and Hallowell replied, "No; let them go as far as they like and maybe they'll hang themselves."

ONE EXCUSED

Galbraith had not been turned over for cross-examination when court recessed at noon.

The third witness of the morning was excused by Judge Claude McColloch after it was discovered that records wanted by Sager were missing. He was Jennings Andrews, superintendent of the McLoughlin Heights substation. His summons did not request the records, he said.

JUDGE DISSENTS

Federal Judge Claude McColloch took a divergent view of the Government's case straight down the line yesterday afternoon in hearing the arguments presented by both sides on a motion for acquittal made just before noon by Defense Attorney Claude Snider, but the magistrate failed to grant the motion at the close of court.

Asserting that he would reserve his decision on the motion, he directed that the defense be prepared to put on its case at 10 o'clock Thursday morning. Judge McColloch remarked he felt neither prepared nor inclined to give his decision at this time, and left the bench.

In the 2 hours of argument, Harry Sager, Government attorney, plugged doggedly away on his charges of conspiracy by the 14 Vancouver post-office employees to defraud the United States Government and the Post Office Department and was slapped down by Judge McColloch on every turn.

SPECIFICATIONS "LOUSY"

The judge termed the Post Office Department's wording relating to the contracts for leased vehicles as "the lousiest specifications" he had ever seen in his life. When Sager pointed out that this was not the fault of the plaintiffs, the judge shot back, "Yes; but it makes your case harder."

He disagreed with the Government attorney's definition of "collusive" when Sager, in his argument to have the motion for acquittal denied, reiterated that the men had gotten together on their bids on vehicles for use by mounted carriers. Unless Sager, the judge told him, could prove that this act had been kept secret during the period covered by the indictments (August 19, 1942–January 10, 1951) the attorney couldn't prove conspiracy on the part of the accused men.

Remarking to Sager, "Let's you and I try to agree what 'collusive' means," Judge McColloch advised him that it pertained to the secret and concealed maneuverings by two or more persons in such a way as to deceive another.

JURIST UNCONVINCED

Sager's observation that the interference with the Spady contract was proof of conspiracy against the Government brought the reply from the bench that the attorney "would have to convince me of one conspiracy and prove another."

From 1942 on, Sager pointed out, the bids were all identical and constantly increasing. He reminded that even when the carriers became aware that there was an investigation in progress that out of nine bids entered there was only a difference of $4 in them.

"What's wrong with that?" the judge retorted.

To Sager's reply that this showed the bids were collusive, the judge harked back to his former declaration as to the meaning, under the law, of the word "collusive." "Were these bids secret and concealed?" he queried.

"The meetings were secret," the Government attorney answered, "and the men say in their signed statements that they meant to keep Spady out of the competition."

DIFFERENCE SHARP

"Isn't that what you wanted—competition?" was the judge's instant rejoinder.

"Do you maintain," he went on, "that from 1942 to the time you state in your indictment that it was a matter of great secrecy that they were bidding the same amount after discussing it?"

Then he told the attorney: "Unless you establish that, your view and mine on the law are entirely different.

"Unless you can prove that this was kept secret from Mr. Blythe (the former postmaster) all those years, then you can't prove a conspiracy," he asserted.

He remarked that identical bids were being made all the time, but that to be designated as "collusive" they must be made in secrecy and with the intent to deceive.

CAN'T SEE CONNECTION

When Sager read a portion of a statement taken by the postal inspectors from Cory Galbraith, then assistant postmaster, in which the latter admitted that he had not thoroughly publicized the invitation for bids, the court asked "how this involved the carriers?"

"It's almost laughable," the judge added, "to say that the carriers had any responsibility for Galbraith's actions."

Judge McColloch went on to say that conspiracy was harder to prove in the Supreme Court than it formerly had been; that "very radical changes had occurred" that placed a greater burden on the prosecuting attorneys to prove such charges.

He questioned Sager further on the latter's contention that the damage suffered by the Spady leased cars deprived the Post Office Department of the benefits of competitive bidding.

The sabotage of the vehicles was for the purpose of freezing out any outside bidders, the attorney told the court.

"That would be in the future, wouldn't it?" the judge queried.

EXHIBIT CITED

He pointed out that one of the plaintiffs' exhibits, the regulations on invitations for bids had specifically stated that the contracts should be made preferably with the carriers and that other regulations submitted by the Government for evidence directed the postmaster "to solicit and canvass the carriers."

Reverting back to the matter of collusive bids, the court remarked that he was interested to find how little law there is on this in the statutes.

"I thought I could turn to the books and find all sorts of statutes referring to collusive or identical bids and was amazed to find there were none," Judge McColloch observed.

BID FORM BLASTED

He prefaced his criticism of the Department's specifications regarding vehicle contracts by pointing out that the Post Office correspondence did not call for sealed, competitive bids but merely stated that the bid should be awarded to the lowest bidder. He added the words "and best bid" to which Sager disagreed, explaining that law specifies only the lowest bidder.

Did Sager mean to say, the judge demanded, that in an instance where a 1950 vehicle was offered on a bid contract against a lower bid on a 1935 Plymouth, it was mandatory that the older car be chosen?

At Sager's affirmative reply, the magistrate declared he had never seen such "lousy specifications" in his life.

"I don't think you can hold that there was no evidence that the Spady equipment wasn't serviceable," the attorney remarked.

"This hasn't anything to do with the charges in the indictment, whether the equipment was serviceable or not," the judge retorted.

COURT HOLDS FIRE

Returning to the charges of sabotage, Sager declared that all the other defendants were aiding and abetting them. Judge McColloch asked the attorney to whom he referred by "them" and the latter designated Ray Keelan and Carl Mudge. When Sager mentioned remarks made by Keelan in his signed statement the court replied that he would have something to say regarding those statements later.

Sager read a statement signed by Leo Belisle in which the latter admitted he had fought the Spady bids, declaring he knew they would cause trouble. He said he thought as much effort as possible should be brought to bear to get rid of them. In another portion of the document Belisle had admitted the men had gotten together on their bids.

A statement by William DuRose included the remark that he didn't think it was right for some —— —— to come in here—that it made us work for him and not the Government. DuRose said, according to the statement read by Sager, that he had not gotten together with the other carriers except in one instance, at the home of Earl Malone.

CAN'T SEE WRONG

"What's wrong with that?" the judge asked. "It had been going on for years and the postmaster knew it."

"You keep seeing wrong where I don't," Judge McColloch continued, when the attorney referred to an incident where one of the men, contemplating buying a new car, went to Ed Belisle, then superintendent of mails, and requested assurance, which was given, that he would again get the bid on his route.

"Why did Mr. Blythe approve of this all those years?" the judge queried. "To these men, he was the United States Government and if he passed on anything it was law to the men."

Sager replied that he didn't know, that maybe the postmaster was in cahoots with the men.

WHY NOT?

"Then why didn't you indict him?" the judge instantly snapped back with a tinge of anger.

The attorney murmured that he didn't know the answer to that but presumed that there was not enough evidence to prove it.

"If I worked for many years for a man and then another man came in that I didn't get along with, would that mean that the activities and customs I had followed under the first man were all wrong?" the Federal judge asked.

Sager replied that he thought that criminal intent was something that the jury must determine after hearing all the evidence.

"Do you think that these men thought they were doing wrong all those years?" the judge continued. When the attorney answered in the affirmative, giving his opinion on the matter, the judge replied, "That's too thin."

Neither Sager nor the inspectors could answer Judge McColloch as to whether they had proof that all of the defendants had been employed by the local post office since 1942.

Judge McColloch asked the Government attorney if he contended that when new men, who may have been employed since that date, did what the rest of the carriers had been doing for years, they became a party to a conspiracy. Sager asserted: "If they knowingly joined a conspiracy then they became a part of that conspiracy."

JUDGE CRITICAL

Upon listening to a portion of a statement in which one of the defendants admitted the men met to discuss the best way of competing with the Spady bid, which Sager declared to be a conspiracy, the judge reminded that the carriers contend they were trying to give the Government a good deal.

"You say the charges (on bids) were too much in earlier years and too low in later years," the court observed.

When Sager continued his argument to back up his charges of conspiracy, the magistrate remarked: "Then I never saw conspirators who operated in the open as much as these fellows did."

He again pointed out that conspiracy implied secrecy. When Sager moved to enlarge on his contentions of conspiracy relating to sabotage of the leased vehicles, the court reminded that "only two persons were involved in that charge by the Government."

Leo McGavik, one of the defense attorneys, presented the argument on the motion for acquittal entered earlier in the day. Declaring that the Government's testimony failed to show evidence of the criminal charges brought against the men in the indictment, he pointed out that the bids were not competitive in that they were not all for the same route but that each man had entered a separate bid on the route that had been assigned to him.

CASES CITED

He cited numerous cases to support the defense contention that the Government had failed to prove conspiracy, emphasizing that the conclusion drawn was that the evidence must exclude every other hypothesis to establish guilt. He referred to evidence previously entered of two instances in 1944 when correspondence was received from the Washington Department requesting the local postmaster to have a bid that was higher than the rest brought down so it would be more in line.

Testimony, McGavick continued, also showed that Chester Winsor, the employee concerned, did lower his bid subsequent to the exchange of letters.

There had been no testimony to show that the men had tried to keep out outside bidders, the attorney told the court, and on the contrary it had been disclosed that there had been outside bidders but that their estimates were too high and they failed to obtain the contract.

NO CONSPIRACY SEEN

He observed that the strongest remark made by the former assistant postmaster, Cory Galbraith, in his written statement, was that he had been remiss in pushing the outside bids. This did not show that he conspired, McGavick asserted.

"The worst evidence," McGavick continued, "was that they had a meeting to discuss what to put in the bids and they knew that if they didn't they'd be beat down anyhow."

As to the Government's charges of discouraging outside bids and "intimidating and threatening," where was the evidence to prove it, the attorney asked.

The judge interrupted to inquire if the attorney was in possession of proof that all the defendants were employed at the post office during the period the Government charges they conspired to defraud, but this was not known by McGavik.

PRACTICE LONG-STANDING

The attorney went over the indictment point by point concerning the charges of collusion, observing that the similar bids had been entered by the men for years and that the indictment itself shows it was in practice in 1942.

"When the bids were all canceled on one occasion by the Government it was because they were all too high," McGavick told the court, and the Department wanted lower ones.

"They weren't complaining about the identical bids," he declared, "they just wanted lower bids."

The men, he went on, knew they had to meet competition and knew they were going to have only one delivery a day under the new postal regulations, so they knocked off $500 in order to use their own cars and have good equipment.

PROOF HELD LACKING

Referring to the charges of sabotage against two of the employees, McGavick said this would be up to the Government to prove. The defense he said, contends that the clutch troubles were due to old equipment and poor installations.

He reminded that the testimony of a private detective, hired by Jack Spady to follow one of the carriers on his route, had not reported that the car had been actually abused or that the driver's handling of the vehicle was of malicious intent.

Judge McColloch pointed out at this point that Keelan, in his signed statement, had admitted that he did. The court added that the two men were not charged in the Government indictment with damaging Spady equipment.

INSPECTOR QUIZZED

S. G. Schwartz, Portland, an inspector with the Post Office Department, came in for rigid cross examination by Claude Snider before noon yesterday, who brought out in his questions that the inspectors had had only one report of clutch damage since September 6, 1950, a statement the defense is expected to go into more thoroughly when it begins its case.

Schwartz testified that Acting Postmaster Hallowell had reported that the local post office was having only minor difficulties and breakdowns.

Presented with a stack of slips, by Snider, and asked to look them over, the inspector stated the first one was dated in June and the last one November 28. Asked how many reports of breakdowns had come to his attention since November 30, Schwartz replied only that Hallowell had come to him recently and told him that the post office was having difficulties.

Asked if he had any information regarding Spady canceling his contract, Schwartz answered in the negative. Snider then asked if any request had been made concerning the contract until after the trial had been completed.

LET-UP SEEN

"I think I told Hallowell," the inspector answered, "that Spady should keep his cars in service and not let them slide."

Asked by the judge what he meant by the expression "let them slide," the inspector replied that Spady had been in Washington and that he, Schwartz, thought the service might become a little lax.

Switching his line of questioning, Snider asked the inspector if he had not, in a conversation with Mrs. DuRose, stated that her husband's trouble "was his own fault; that if he had cooperated with the post-office inspectors, it wouldn't have happened." This was denied by the witness who also denied that a proposal had been made regarding a plea of guilty being entered by the defendants "under certain circumstances."

"Wasn't it within your knowledge that they were told that if they entered a guilty plea that they might be able to return to the post-office service within a few years?" that attorney asked.

DENIAL MADE

This was not true, Schwartz replied, adding that he did tell Hallowell that he thought some of the defendants "were foolish to string along with the others."

He denied that any pressure was brought to bear on the defendants in obtaining their statements and declared he could not recall accusing one of the men of lying but that if he thought this to be a fact "he would probably say it."

In preparing to hear the arguments of the attorneys yesterday afternoon, Judge McColloch excused the jury until 10 o'clock this morning. As he did not give a decision on the defense motion for acquittal, it is expected that the defense will open its case at this time.

Glenn Officer, who was excused from the courtroom due to illness was said to be resting comfortably today and was scheduled to return to the trial this morning.

[From the Vancouver (Wash.) Columbian and Sun of September 14, 1951]

TACOMA, September 14.—The trial of 14 Vancouver postal employees will be recessed later this afternoon until Tuesday morning, Federal Judge Claude McColloch said today.

Meanwhile, four defense witnesses were on the stand this morning as the trial began its seventh day, and McColloch once again chided attorneys on both sides for the slow progress they were making.

JURIST WEARIES

He interrupted testimony this morning with the warning "not to drag this case so."

"You're wearing everybody out," he said.

Five Vancouver post-office employees were on the stand today, including two of the defendants. The witnesses were Edward H. B. Carson and Leo T. Belisle, both defendants; and Walter Strong, finance clerk; Jennings Andrews, McLoughlin Heights substation superintendent of mails; and Lawrence Settles, a postal employee since 1926 and a mounted carrier since 1948.

Under questioning by Defense Attorney Claude Snider, Carson told of Carl Mudge, one of the defendants coming to him when he was assistant superintendent of mails because of the Jack Spady, Jr., rental-contract cars not working properly.

Carson said he stepped into the car, started the motor, set the hand brake, put the car in gear, and then stepped out of the car. He told the jury that the car continued to idle and that he understood that to mean the clutch was slipping.

USE IT ANYWAY

Carson said he called Spady and was told that the second gear was probably bad but that a replacement was not available and to go ahead and use the car.

Carson was also on the stand when the judge acted as his own court jester.

Under cross-examination by Government Attorney Harry Sager, he was asked if any of the carriers drove old cars.

He said that one carrier did. When asked what model it was, he said he couldn't remember, but thought it was the year of the big freeze.

The judge brought smiles to the courtroom by saying quickly, "That was in 1894."

Carson was able to identify the car as a 1938 model and said the carrier had bought a new car in 1949.

DISCUSSIONS ADMITTED

Carson, Belisle, Strong, and Settles each admitted discussing their bids for rental-car contracts with other carriers under questioning by both Snider and Sager.

Belisle's testimony explained how the bid was arrived at. He said the carriers tried to figure out the average cost over the years and inquired in other parts of the country to learn typical costs. He explained that the difference in length of routes made no difference in the various bids because each car was expected to be on the road the same length of time during a year.

DENY AGREEMENT MADE

All three denied reaching any agreement on bids in their meetings and discussions with other carriers. They said they had tried to learn what a fair bid would be by talking it over but that no one was bound by any agreement.

Sager asked Belisle if it wasn't true that when it became known that Spady was going to bid that the carriers lowered their bids. He said it was.

WANTED BETTER CARS

He explained that the carriers wanted to drive cars in better condition than those offered by Spady and had lowered their bids to meet the competition and to protect the Government from the junk equipment.

He said also that the only time there was ever any secrecy about what the carriers would bid was the "last time." "They were careful not to let certain parties know because they thought if they did the carriers would probably be underbid."

Settles, under cross-examination, admitted after being shown a copy of his signed statement, he had heard employees say, "What are you going to do to the Spady cars today," and "He will be sorry he ever got that contract."

He said he could not recall who had made the statements.

ON STAND AT NOON

Settles was on the stand when court recessed at noon.

Andrews appeared on the stand for only a short period after being flown to Vancouver last night by the Letter Carriers Association to pick up carbon copies of breakdown reports filed at the McLoughlin Heights substation.

He explained how these reports were made and used. The judge then instructed the attorneys to study the reports during the noon hour and to proceed with another witness.

Under cross-examination, Andrews admitted he was a candidate for postmaster. After a question by the defense attorney, however, he explained that he had merely informed the Democratic Committee that he was available and that he had taken no action.

VIEWS DIFFER

Two Vancouver postmasters sat on opposite sides of the court room yesterday as the trial continued, with the defense unfolding testimony it anticipates will puncture the charges brought against the 14 defendants. Ned Blythe, now retired, who served the city as postmaster for many years, and Dan Hallowell, appointed to that post in July, 1949, listened soberly to the examination of the three witnesses who were put on the stand during the afternoon, with divided thoughts—one seeing them as conspirators against the Government and the other contemptuous of the accusations brought against the men who served under him for many years.

They heard, undoubtedly with clashing opinions, the testimony of tall, studious looking Cory Galbraith, assistant postmaster until his suspension last December, Edmond Belisle, former superintendent of mails, and Edward H. B. Carson, former assistant superintendent of mails, all long-time employees, answer questions of counsels for the defense and undergo prodding cross-examination by the Government attorney.

GALBRAITH RETURNS

Galbraith, who began his testimony before noon yesterday, was put back on the stand after court reconvened, for additional questioning by Leo McGavick, one of the defense attorneys. Carson had just been called up for interrogation by Claude Snider when court recessed late in the afternoon, as the attorney asked his witness to enumerate the factors taken in consideration when bids were submitted on carrier vehicles.

Remarks made by the court during the afternoon indicated that there might be some doubt as to whether the sworn statements taken from the 14 defendants last September by the post-office inspectors will be allowed to remain in evidence. They were previously admitted over the objections of the defense counsel.

McGavik was halted in his questioning of Galbraith concerning remarks made in his statement by Judge McColloch who interrupted the attorney as the latter asked Galbraith if he wanted to explain any of his statements.

POINTS TO CASE

The judge directed that the attorneys, for both the Government and the defense, familiarize themselves with a certain case brought by the Government and previously decided in the United States Supreme Court.

The decision held that statements taken from defendants after commission of an offense and involving other defendants was not admissible but were hearsay. Judge McColloch refused to permit any further interrogation regarding the 14 statements until after he had discussed the matter with the attorneys.

Delving into a different subject, McGavik asked his witness if he had ever been requested to discourage outside bids and Galbraith replied in the negative. Neither had he ever made a suggestion to any of the defendants that they get together or with any post-office employee or anyone else for the purpose of discouraging outside bids, Galbraith declared.

He testified, in answer to McGavik, that he had always tried to carry out the regulations of the Post Office Department. Asked if he had ever heard any of the defendants or any post-office employee enter into a plan to damage or wreck motor vehicles belonging to outside bidders, the former assistant postmaster answered, "No, he had not."

TESTIMONY RECALLED

Under cross-examination, Harry Sager, who is prosecuting the case for the Government, harked back to Galbraith's forenoon testimony when he had asserted that he had been assured by Dan Hallowell that all charges would be dropped against Galbraith if the latter would retire. He had stated that he had done this on December 31, 1950.

Asked by Sager if he could recall having asked the acting postmaster to intercede for him with the postal inspectors, Galbraith replied that he had told Hallowell that if it would be of any assistance he, Galbraith, would go to the two officials. Hallowell had answered, according to Galbraith, that it might be a good idea.

He could not recall having been urged by the postmaster to go see the inspectors and said he could not remember Hallowell saying he had written a letter in Galbraith's behalf and had done all he could for him.

OFFER ALLEGED

Queried as to whether Hallowell had not recommended that no action or that minor action be taken in relation to Galbraith, the witness said he thought that was right. He reiterated that the postmaster had told him that if he retired, the matter would be dropped.

"Did you know that at the time Hallowell talked to you, that if you had not voluntarily resigned, the disciplinary action contemplated by the Department was for your demotion to a clerk?" Sager asked.

"Did you know that it was due to Hallowell's interception in your behalf that you were allowed to retire?" the attorney continued.

Galbraith said he was not cognizant of what the Department's disciplinary action would be at the time Hallowell "suggested that he retire."

The witness said he realized that disciplinary action had to come from Washington, in answer to another query by the Government attorney, and that he did not know that Hallowell was trying to help him.

HE POSTED NOTICES

Quizzed by the attorney as to his duties prior to the retirement of the former postmaster, Ned Blythe, Galbraith said he looked after the posting of the invitations when he was requested to. He posted the notices and saw that the proper forms were in the office of the superintendent of mails.

He did not know the men were getting together to discuss their bids he declared, although he knew that the bids were identical. Asked when he had learned that the men were "getting together," Galbraith said he could not recall. The bids had been identical ever since he had become assistant postmaster in 1940, he went on.

"This never occurred to you even though you knew that the length of the routes varied?" the attorney asked with some sarcasm.

Queried further as to this, Galbraith said he supposed the men asked one another what they were planning to bid on the routes and that one would disclose to another that he intended to quote a certain amount. The identical bids could have arisen from the ordinary course of their conversations, he observed.

DISCUSSIONS HELD LIKELY

"They probably talked it over, their desks were all near together," he added.

Galbraith repeated, under cross-examination, that he had approached outside dealers during his tenure as assistant postmaster in an attempt to interest them in bids. He named two such visits as being to the Wright-Grandy Co. and Huntspergers. The attorney tried to pin his witness down as to whom he spoke at the two auto companies but Galbraith said he did not know their identities. He told the men, he testified, that the post office wanted cars for delivery service and asked if they would be interested. He advised them where to get the forms to fill out and information on the routes, the witness said.

COULD HAVE RETIRED

On redirect examination by McGavick, Galbraith who said he is 63 years old, said he could have retired anytime after his sixtieth birthday with 30 years service. He had previously planned to retire this summer after having served for 40 years with the Department, he said.

He said the question of who occupied the post of postmaster did not concern him, which brought a rapid query from Sager if

Galbraith himself was a candidate for that appointment at the time Hallowell got the job. Galbraith answered that he had not been a candidate.

Edmond Belisle, an employee of the post office since 1921, serving as a curb carrier and working up to superintendent of mails during that period, was the next witness put on by the defense. A veteran of World War I, he told the jury he was lacking only 3 months of having credit of 30 years' service due to his veterans' status and would have retired in 2 years at the age of 55.

INCIDENT RECOUNTED

Questioned by Snider, he recounted an incident during the time he was a "curb server" in 1930 when the two bids entered on vehicle contracts were dissimilar. Reminding that this was during the depression years, Belisle said his bid was $40 on the annual contract while that of another carrier was $5 higher. The latter lowered his bid to the same amount as Belisle's at the direction of the Post Office Department, the witness told the court.

He told of the high costs of operating the equipment and said there were times when the men "definitely went into the hole" on them. The highest bid he ever entered, he said, was for $840.

AGREEMENT DENIED

Referring to the "overt act" in 1942 Belisle is accused of by the Government indictment, when he, Carson, and Walter Strong entered identical bids of $840 per annum, the witness told Snider that he had known approximately what the other men's figures would be. They never entered into any agreement as to what their quotations would be.

Questioned by Snider as to the mail routes, under his supervision, he testified that these are checked early in October each year by him and one of the foremen, the activities of all the carriers surveyed, his stops checked and the amount of mail delivered. A report is subsequently made to the Department. In between these annual surveys, the districts in the rapidly growing city become overpopulated and in many cases the routes must be rechecked and changes made.

ROUTES FLUCTUATE

Asked if any carrier was given assurance as to the number of miles he would be required to cover, the former post-office superintendent replied that this would be impossible as the routes vary in a matter of a few months. "This frequently happens," Galbraith said. The routes could not be arranged on a mileage basis, he said, but according to the number of stops they contain.

Going into the matter of the awarding of the contracts and the Spady bids, Belisle testified that he had nothing to do with approving the contracts, but that he had opened the bids on occasion. He said he did not recall a bid submitted by Carl Mudge on a carrier route.

CAR DILAPIDATED

He told of going to the Spady yard with the acting postmaster after that concern had won the contract to supply two vehicles in March 1950 and of observing the cars. The 1935 Plymouth, Belisle said, had no brakes, which was called to the attention of Jack Spady. He was assured that the car would be put into A–1 condition before being put into service and that new tires and other accessories would be installed.

Belisle testified that he had remarked that the vehicle "looked all right to him." He related a subsequent conversation, with Spady and Hallowell present, at which time Spady explained that he was having trouble getting the 1939 Dodge, contracted to the post office, ready for service and asked that the 1935 Plymouth be used on the route for a few days. The extension of time was granted, according to Belisle.

He denied that he and Galbraith had later told the acting postmaster they had decided to cancel the Spady contract, declaring that neither of them had authority to do this.

NOT UP TO SPECIFICATIONS

Asked by Snider to enlarge on this, Belisle related he had brought to the attention of Hallowell that Spady hadn't lived up to his agreement to put the Dodge into service in a few days. He had also pointed out that the Plymouth coupe being used in place of the Dodge was not up to the post office specifications that call for 65 cubic feet behind the driver's seat.

They told the postmaster that due to these derelictions, they thought the contract should be canceled. Belisle denied he had ever told the postmaster "he had lost confidence in him," a remark attributed to the superintendent of mails by Hallowell in the latter's testimony earlier in the trial.

Getting around to the breakdowns of the Spady cars, the witness said Hallowell became very angry when Belisle told him that employees driving the cars were complaining of these incidents. After arousing his superior's ire, Belisle said he no longer made these reports but made memorandums of his own.

Asked if he had these memos, Belisle replied that the inspectors had taken them. He estimated that there were two to three such memos each week.

JUST FOLLOWING PATTERN

Going back to the year the indictment charges Belisle with collusion on his bidding, Snider inquired if the witness thought there was anything improper in the identical bids. This pattern had been set by the department itself, Belisle answered, adding he had learned this due to his former experience when a carrier had been directed to lower his bid to conform with the one entered by Belisle.

He had never thought there was anything improper about the bids nor had he ever had a thought that the vehicles were being improperly handled, he reiterated in reply to his interrogator.

Cross-examination of the suspended superintendent of mails was long and thorough by Government Attorney Sager who attempted to break down the witness' previous testimony and to bring out that Belisle was both cognizant of the alleged collusion on bids entered by the carriers and of the deliberate damaging of the Spady autos.

HE JUST GOT CURIOUS

Plugging away on the allegations of sabotage, Sager asked the witness if his suspicions had not been aroused when Keelan burned out four clutches in 1 day but Belisle answered that this had only aroused his curiosity as to the serviceability of the Spady equipment.

Shown four slips made out by Ray Keelan on August 17, 1950, all relating to the burned out clutches, Belisle said he had reported the mishaps and had recommended deductions in his contract for the time the vehicles had been out of service.

"Can you still say that you had no suspicions that those cars were being abused?" the attorney prodded.

WITNESS HESITATES

Belisle answered with some hesitation that he "could have had." Then he added that "he didn't believe he had"—that the matter was in the hands of the inspectors then anyway.

Asked if he had said anything to either Hallowell or the inspectors, he answered that he had not. After Hallowell had shown anger at his reports about the Spady equipment he had kept his own counsel, the witness indicated.

A letter admittedly written to Inspector R. L. Karr, by the superintendent of mails about a week after this incident, was introduced by the Government and admitted. Read aloud by Sager, it told of the number of failures of the Spady cars and of how the men had to wait on their routes for substitutes to deliver the mail. In it, Belisle denied the charges of sabotage against the carriers and declared that he could truthfully say that he had never heard any remarks made by the men about sabotaging the vehicles.

DENIAL MADE

A sentence in which he told the inspector he would post the department regulations pertaining to destruction of goverment property brought another question from the attorney and a denial from the witness. "Was it because you were suspicious of these constant breakdowns that you posted these rules and regulations?" Sager had demanded.

He brought out in further pressing the witness that it became the procedure to make deductions from the Spady contracts when the cars were out of service due to breakdowns but that the carriers who drove their own vehicles were not docked in this method.

Sager, continuing this line of that on the date the four clutches questioning, elicited from Belisle went out in the car operated by Keelan, deductions of from 30 to 45 minutes had been recommended and approved by him in each instance.

Asked if he had discussed with Keelan at any time whether or not the latter was abusing the cars, Belisle said he had not.

"You simply took them as they came in and approved them and recommended them?" the attorney demanded.

He did, Belisle answered.

SCHEDULE EXPLAINED

On redirect examination of Belisle, Snider questioned him further on the question of the schedule following on the time of the carriers driving their own vehicles. Belisle explained that in event one of their vehicles broke down, he would complete his route after it was repaired, putting in his full time before returning to the post office. The carrier was off schedule and the mail delayed but there was no loss of time, he said.

In the matter of the breakdowns of the Spady cars, he went on, the Government loses, as the car is completely out of service and a substitute carrier has to go out and complete the mail delivery.

[From the Vancouver (Wash.) Columbian and Sun of September 17, 1951]

TACOMA, September 17.—The 14 indicted Vancouver post office employees were girding themselves today for the continuation of their trial on charges of conspiracy to defraud the Government which tomorrow will enter its eighth day in Federal court in Tacoma. Court was in recess today upon authorization of Judge Claude McColloch, Portand, visiting judge, hearing the case in the absence of Judge Charles H. Leavy, who on Friday dismissed the jurors until Tuesday morning at 10 o'clock.

Weary defendants and the wives of the majority of the men who accompanied their husbands to Tacoma, all beginning to show the strain of the long trial, welcomed the 3-day break as an opportunity to take it easy and rest up for the concluding days of the hearings.

THIRTEEN FOR DEFENSE

So far, the defense has put on 13 witnesses since it began presenting testimony Thursday morning it hopes will refute the Government's charges against the 14 Vancouverites. Eight of these witnesses were members of the accused group and five were nondefendants. One of the latter, Hew Milhollin,

was a character witness for several of the men.

Defendants to be heard this week, if plans of defense counsel are not changed by Judge McColloch—who is showing impatience with the trial's slow progress—are Glenn Officer, William DuRose, and Phil Whitsitt. One man has been excused because of illness.

KEELAN ON STAND AT RECESS

Those who have already testified are Cory Galbraith, Edmond Belisle, Edward H. B. Carson, Walter Strong, Leo Belisle, Delbert Echtle, Carl Mudge and Ray Keelan. The latter was being questioned by Claude Snider when court recessed Friday for the 3-day period.

Nondefendants who have testified for the defense are Ned Blythe, former postmaster of Vancouver for 13 years; Jennings Andrews, present superintendent of mails of the McLoughlin Heights substation; Lawrence Settles, a regular mounted carrier for the post office since last December; Virginia Carson, wife of one of the defendants, and Milhollin, Vancouver insurance agent. Milhollin appeared as a character witness for Mudge, Officer, and William DuRose. He testified he had known the three men for many years and that they were good, law abiding citizens with excellent reputations.

Under cross-examination by Harry Sager, attorney for the prosecution, when asked if Milhollin had discussed their reputations with others in Vancouver, he replied that he had and that everyone "thought it was such a shame that they had been accused—that they hated to see this happen to men with such good reputations."

NONE IS CLIENT

He answered that none of the three defendants was his client, when this question was posed by the attorney.

The testimony of Mrs. Carson was brief and had to do with photographs she testified she took September 8 of the 1939 Oldsmobile that has figured prominently in the trial, now out of service with the post office and parked in the Spady wrecking yard.

Carl Mudge was on the stand the greater part of the afternoon and his testimony was straightforward and unhesitating. The prosecution failed to rattle him in cross-examination although it was plain to see it angered him at times. He answered questions in a strong and determined voice and although admitting frankly that the carriers had discussed the costs of operating their vehicles in connection with bids entered and that possibly they did discuss what they were going to bid, he denied vehemently that anyone knew his contemplated quotation.

REPLY SHARP

"My own wife didn't know what I was going to bid," he snapped at Sager.

Mudge, under direct examination by Claude Snider, told the court of his service with the local post office from 1920 to 1950, and of being discharged in December 1950, as the result of the investigation by postal inspectors.

He suffered a cerebral hemorrhage in April 1950, a condition which he feels was contributed to by the fumes he said he inhaled during the month he drove one of the Spady cars.

Prefacing his answer as to why he became ill with the remark that he "wasn't a doctor" he continued that he was sick every day from the fumes in the Spady-leased '39 Dodge, would have headaches and be dizzy when he got home from the office.

TROUBLE ALL HIS

He testified that only three clutches burned out the month he drove the Spady vehicles, March 1950, and that he was the only carrier during that period who had operated one of the Spady cars.

This question reverts back to earlier questioning of Jack Spady who disclosed, under cross-examination by the defense, that he had put in a claim to the Government for $1,200, $169.64 of which represented four clutches burned out in March.

In prior testimony Friday by Lawrence Settles, a present mounted carrier, who served as a substitute for Mudge on occasions, on redirect examination by Snider had told of hitting a marker while driving his route, damaging the car. He was sent a bill for $25 for repairs, he said, which he had not yet paid. Queried further, Settles said this mishap was described as a burned-out clutch in the report made of it.

In continuing his story on the stand, Mudge told of entering his first bid on post-office contracts in 1942 for $900, stating he could not remember whether there were similar bids at the time.

REFUSED TO CUT

He said contracts of Strong, Belisle, and Carson were then in effect at $840 and that he, Mudge, had been advised that his bid was considered excessive. That it should be reduced. He refused to do this, he said, and had declared that his bid would be higher if a call for new ones was issued.

Mudge asserted there was no secrecy about the discussion of the bids but he was firm in his denial that the carriers had talked over ways to freeze out outside bidders or that they had attempted to monopolize the contracts.

He went on to state that an article in the postal records sets the maximum bid at $1,500 for leasing vehicles (the amount entered by nine of the defendants in 1948) and reminded the court of the increased costs of operating a car and the skyrocket costs of repairs. He operated his truck on a 6-day basis, 8 hours a day, he said, which meant paying time and a half for work on the car in any garage after hours.

DISCUSSIONS ADMITTED

Of course, the men discussed these rising costs, Mudge continued in his replies to Snider's questions, and although the witness stated he had no definite knowledge that the postmaster was aware of this, he added that as there had been no secrecy about their conversations, he assumed the postmaster knew of them.

He described the three Spady cars he drove, a '39 Olds, a '35 Plymouth, and a '39 Dodge, telling of how he refused to drive the Olds the first day it was assigned to him when he found the locks and stop light on the car did not work. He drove his own car on the route instead, he said, and once again when the Spady equipment failed. He refused to do this the third time, Mudge asserted, saying he couldn't afford to drive his own car when the Spady vehicles failed when he couldn't afford to operate his auto under the prevailing contract at that time.

IN SECOND ONLY

He complained that the clutch of the Olds was "soft," that it shifted with difficulty, and that he could shift it only into second or reverse. He had to drive it that way all day, he said.

He reported this and the Plymouth was assigned to his route while the Olds was taken out for repairs, he continued. The gears in the Plymouth were "very stiff," Mudge said, but he drove it for 15 days without incident until it "quit" on March 15 when his route was half completed. He said he notified the superintendent of mails and sat in his car until a substitute car was sent out.

The following day, he went on, the Plymouth was reassigned to him. Asked how the vehicle drove, Mudge replied "like any 1935 car would that has been driven probably 100,000 miles."

On March 23, slipping of the gears became progressively worse, the witness continued, and the Plymouth finally stopped altogether. He reported to his superior that he thought the clutch was worn out.

TELLS OF TROUBLES

Jack Spady came out on this occasion, Mudge recounted, and brought the replacement. He told of another occasion when the Plymouth refused to start and how he had tried to push it to "get it going," and still another time when the car started smoking so badly that he "thought it was going to catch on fire."

On the latter occasion, the witness went on, he waited for 1 hour before a Spady man came. In this interim, the car had cooled down, and the mechanic declared there was nothing wrong with it, accusing Mudge of driving with his brake on. Mudge stated he reported this to his superintendent of mail, who said that in view of the mechanic's opinion, that there was nothing wrong with the auto, to go ahead and drive it.

Mudge said the mechanic followed in his own car for some 10 blocks and that on swinging back along his route he found the Spady panel truck bearing the mechanic, stalled and waiting for help.

BALKS AGAIN

Later the car he was operating failed, so he locked it up and reported again to his superior, he said, saying he thought the clutch had gone out.

The witness told the jury of other Spady-car troubles, the Dodge dying when he halted for a stop light and refusing to start, and of the occasion when Jack Spady accompanied his mechanic to the scene of a breakdown.

THREATS ALLEGED

The contractor, according to Mudge, shouted, "We have you now," upon approaching, and accused him of "deliberately sabotaging this car." When Spady threatened, "We'll get your job," Mudge asserted he had demanded that these remarks be put in writing and that there "would be a court case over it."

Mudge testified that the local carriers association had requested the investigation and asked for a further explanation of this organization by the court, explained that it was a branch of the National Association of Letter Carriers, affiliated with the A. F. of L.

Queried as to the charges made by plaintiffs, that he drove leased vehicles at excessive speed, Mudge replied that he did drive rapidly on long stretches on his route in order to clear out the fumes from the auto. As the longest stretch was only 4 or 5 blocks in length, he added, it would be difficult to obtain very much speed.

This was taken up by Sager on cross-examination, who asked if the fumes Mudge complained of were not caused by "burning clutches." The witness denied this with a tinge of disgust. They were fumes from the transmission, he insisted.

EXAMINES CLUTCHES

Asked to look at the damaged clutches admitted to evidence last week at request of the Government, Mudge examined them carefully. The facing in one, he said, was in "pretty fair shape and looks like it has been slipped." Another he described as "definitely burned," a third had some facing on it and "could have slipped," he asserted. The damage, he summed up, could have been "the result of malfunction of the car, or it could be burned."

Confronted with another defunct clutch, Mudge observed it looked as though it was burned but refused to say definitely.

Sager turned his questions to the time Mudge withdrew his bid moments before they were to be opened in the office of the superintendent of mails on February 20, 1950

(at the time sealed bids from Jack Spady were delivered), and submitted another estimate.

BID TORN UP

Asked where the first bid was, Mudge replied that he had torn it up. Queried as to what price it quoted, the witness answered $1,500, then testified that his second bid was for fourteen hundred "and something."

He denied that he had changed his bid because he learned that Spady was in the running, asserting that he knew that Spady was bidding before entering his first bid.

Sager's attempt to learn the identities of the carriers who attended a meeting at the David Jeffery home between February 1 to 20, 1950, failed with this witness as it has with the rest of the defendants who have been on the stand. Mudge could remember who was there no better than the others. He just knew "that David Jeffery was there," he said.

CAN'T AGREE

Asked if it were not true that the men had assembled to discuss the Spady bid, the witness replied that he couldn't "go along with you there."

He remarked there had been quite a bit of discussion as to how they were going to deliver the mail "with the equipment Spady would put into service," and continued hammering on this observation by Sager brought no further admittance. When pressed again as to what the men had talked about, Mudge volunteered that they had discussed at great length a proposal for setting up a cooperative service station and garage where the men might secure gas, oil, and repairs at a price that would make it possible for them to enter lower bids on post-office contracts and "still break even."

Quizzed as to other occasions, Mudge said he could't recall whether he had discussed bids with other carriers, asserting that "possibly" this had occurred. They discussed the lowest estimate they could enter and break even, he remarked, but no one agreed he was going to bid a certain amount, Mudge reiterated.

"I didn't know what any one was going to bid before they were opened," he declared.

BIDDER CHANGES MIND

Again bringing up the incident of his eleventh hour bid withdrawal, Sager tried to draw admittance from the witness that this had been done in an attempt to freeze out the Spady bid on the contracts.

Mudge, asserting he had lowered his first estimate to "underbid Spady" said he did this when he found out what he was "going to have to drive" under a Spady contract.

Both Mudge and Ray Keelan, who followed the former to the stand, and who with Mudge is accused of deliberately damaging the Spady vehicles, have testified that they knew they were being followed by investigators on their routes.

Keelan, a native Vancourverite and an employee of the post office since his graduation from Vancouver High School in 1935, told the jury he had first served as a "utility" carriers' day off on all of the 15 routes then in the city. He said he used Phil Whitsitt's car until 1944 when he bought his own car and obtained his first annual contract as a mounted carrier.

RECOUNTS TROUBLES

His testimony, too, went into his experiences with the Spady cars he drove during August 1950, telling of times he could not start the 1939 Dodge assigned to him, and how he had used his own car on the route when he could not get the 1935 Plymouth to back up when he put it in reverse.

The Dodge, he said, had to be pushed to get it going, then roared off with sputtering motor. Because the brakes were inadequate, he said it was necessary for him to keep his foot on the pedal at all times as it had to be pushed clear to the floor in order to catch.

He testified that he had had two breakdowns prior to August 17, the date he is accused of burning out four clutches. Keelan, on the other hand, declares that the clutches were worn out and that the replacements, too, were worn out and wouldn't adjust.

HARD SHIFT ALLEGED

Recounting the events of the fateful day, Keelan said he started out with a 1942 station wagon which "was very hard to shift." The engine, he said, was not running smoothly and the car vibrated when he stepped on the clutch. When he noted that the clutch was stuck, he said he called the acting postmaster, Dan Hallowell, who came out and later Jack Spady arrived. Hallowell, according to Keelan, drove the car down the road, then remained in the vehicle while Keelan drove. Shortly after Hallowell left him, Keelan continued, the motor began to heat up and fumes started billowing into the auto. He reported this to the superintendent of mails who advised him to go ahead and use the car if he thought he could drive it. Later the same thing happened and was reported. This time Jack Spady came out with a replacement and drove off in the Dodge, the witness continued.

The motor in this car, too, died on him, according to Keelan, who said this occurrence brought forth jeers from men working nearby as to "where he got that pile of junk" as he pushed the stalled vehicle.

ANOTHER CAR FAILS

Another replacement was sent out, he related, adding that he noted the motor in this auto was racing out of proportion to the speed it was being driven. Trouble again developed, the witness said, and was duly reported to the postmaster, bringing forth the query from that official "for —— sake, what's happened now?" Hallowell later asked him, Keelan said, if he was a mechanic.

The witness said he left this auto on his route and finished his delivery on foot. The car was later towed back to the postoffice.

Keelan swore that he had done nothing to cause the vehicles to become unserviceable and that he had driven them just as he drove his own auto.

He told of additional clutch troubles, on other occasions later that month, once with the '39 Dodge.

CANNOT EXPLAIN MILEAGE

He denied that he had ever driven a Spady vehicle at any time after it was left at the postoffice at night and could give no explanation of the 400 miles run up on the speedometer in a 3-day period. His route, he testified, is 18 miles long.

He explained an episode of starting on his route late, formerly brought out in the testimony of R. L. Karr, postal inspector, as having been due to a heavy mail run when it had taken 2 hours to load up, and because of car trouble. The car kept slipping out of low, and he had been forced to drive it in second over the route, he said. It "stuck" at Twenty-seventh and Main, he said, and refused to move.

PHOTOS IDENTIFIED

Virginia Carson, wife of Edward Carson, one of the defendants, identified photographs of the 1939 Olds and other Spady vehicles still in use by the post office, as having been taken by her on Saturday morning, September 8. She testified that she had given the photographs to another party to enlarge.

Questioned by Sager, she said she knew the cars well as being Spady vehicles but said she could not state their make as she was just a housewife. Asked why she had two of the photographs of the Spady cars enlarged, she answered, "Just to show what they were like." The photograph of the Oldsmobile, parked in the Spady lot, was snapped from where she stood outside the fence on the old Pacific Highway, she said.

Delbert Echtle, next on the stand for the defense, said he had been a carrier since 1936, beginning as a temporary worker and later becoming a permanent employee. He obtained a parcel-post route in 1948, he said, and later started bidding on the routes.

DISCUSSION HELD

Having no idea as to the contracts, he testified that he had discussed the prevailing bids with other carriers, as he was uncertain what to ask.

Asked if he had entered into an agreement with any of the men as to any specified amount, he said that he had not, nor at the same time was there any concealment of the amount he was going to bid, he added.

He, too, declared that he had never tried to intimidate outside bidders, or "conspired, or unlawfully agreed to deprive the Government of competitive bidding." Nor had any of the men, he testified.

Asked on cross-examination if he had known about the four clutches allegedly burned out by Keelan, the witness said that he considered these mishaps due to "poor equipment."

"You think it's poor equipment if a man burns out four clutches in 1 day of normal driving?" the Government attorney prodded.

"The clutches could have been faulty before," answered Echtle. "I do not think it was due to abuse of the car."

OBJECTION SUSTAINED

Sager's query to the effect that if "damage to the cars was deliberate, this would be intimidation, wouldn't it?" brought a quick objection by Snider as being argumentative, which was sustained by the court.

Queried about the identical bids of $1,500 in 1948 by nine of the carriers, Echtle among them, the witness answered that he had asked the other drivers what the rate was. He learned, he said, that this was $1,500.

"It was common knowledge that we were all going to bid $1,500," Echtle observed.

Reminded by Sager that the prevailing contracts of $1,200 had been terminated by the men, Echtle frankly admitted that he "knew they were being cancelled for a higher bid." This was well known among the carriers, he said.

Quizzed as to the meeting at the home of Earl Malone in July of 1950, Echtle failed to remember who was there. He "thought some of the defendants were present," though he couldn't say which ones. The witness said he heard no price mentioned in regards to bids soon to come up. The men discussed the contracts, he admitted, with the "truck group" and "car group" forming separate huddles, but no price was mentioned, he maintained.

COULD BE COINCIDENCE

Asked if he considered it just coincidence that the men subsequently submitted identical bids of $1,080, Echtle replied that he "guessed it could be."

To the attorney's query as to whether the men had met at the Jeffrey home to discuss the Spady bids, Echtle answered no, that it was to discuss "Spady equipment."

One never knew what situation would develop from day to day on Spady cars, the witness observed.

In between court sessions, it is getting to be a long wait for everyone.

GROUP RENTS HOUSE

Some of the couples are staying in hotels, others in motels or with friends in the city. Eight of the defendants and their wives have rented a house for the duration of the trial, Mr. and Mrs. Carl Mudge, Mr. and Mrs. Leo Belisle, Mr. and Mrs. David Jeffrey, and Mr.

and Mrs. Edward H. B. Carson. The William DuRose's are next door with friends.

The rented place has been designated the "ghost house" due to its antique filled interior dating back to another era. Despite the gravity of their situation, and the tension under which they have lived, the wives have attempted—as wives will—to make their stay in Tacoma, as normal as possible to relieve the strain of their court-filled days.

When the birthday of one of the men, Carl Mudge, occurred at the end of the week, it was observed in as much of a "home atmosphere" as was possible and the "ghost house" was the scene of a celebration of sorts, with the guests served ice cream and the usual candle-decorated cake.

[From the Vancouver (Wash.) Columbian and Sun of September 18, 1951]

TACOMA, September 18.—A parade of character witnesses from Vancouver took the stand at Federal court here today to testify to the good reputations of the 14 Vancouver postal employees charged with conspiracy.

After nine had testified, Federal Judge Claude McColloch directed the defense to move to other testimony and a large party of Vancouverites, who had come to testify in favor of the men, did not reach the stand. Other witnesses appearing before court recessed for lunch at noon included four of the defendants.

WELL-KNOWN MEN

The character witnesses included several prominent city and county office holders and others well-known in Clark County. The witnesses included Harry Diamond, Vancouver chief of police; Sheriff Clarence McKay, Clark County sheriff; Ray Woolf, Clark County commissioner; Ronald DuFresne, former county coroner; Rev. Ralph Larson, Vancouver minister; John Hogg, former Vancouver mayor; Carl Gunz, S. P. & S. Railroad official; Richard Larson, a Vancouver florist; and Col. Charles Eggen.

Ray Keelan, one of the defendants, in a continuation of Friday afternoon testimony, took the stand when the trial resumed this morning. Three other defendants followed him today. They were Earl N. Malone, Glen Officer, and David Jeffrey.

Each of the defendants denied making agreements with other carriers as to the amount of their bids and denied they attempted to "freeze out" outside bidders. All admitted discussing the bids freely with other carriers at meetings in the Malone home and in the post office but testified that they discussed costs and not the amount of the bid.

Keelan, under questioning by defense attorney Claude Snider, went into further detail on the reported 395 miles shown on the speedometer of a Spady car he drove on his route over a 3-day period. He said that in normal operation the car should show about 108 miles.

CAN'T EXPLAIN

Keelan said he could not explain the extra mileage unless the car were driven after hours when it was in Spady's possession. He said that on two occasions he believed it had been, but admitted this was not the 3-day period in question.

He said that one time when he picked up the Spady car in the morning he found bits of lumber and earth in the car that had not been there the night before. On another occasion, he said, the empty mail sacks he had left in the car overnight were rearranged when he picked up the car in the morning.

Under cross-examination by Government Attorney Harry Sager, Keelan was asked about a blank bid he had given Officer in which he permitted Officer to fill in the amount.

Keelan admitted filling out the bid form and leaving the space for the amount blank. He said he was going on vacation and asked Officer to turn in the bid for him. He said he told Officer to fill it in with these words, "Oh, a thousand dollars, or anything."

Asked why he didn't fill it in himself, Keelan replied, "I didn't want to bid higher for I knew it wouldn't go through."

When Officer came to the stand the defense questioned him about this Keelan bid. Officer pointed out that Keelan was about to leave on his vacation and when he decided upon the amount of his own bid he filled in Keelan's for the same amount.

Officer testified from a chair below the witness stand. Before he took the stand his attorney pointed out to the court that Officer had suffered a stroke a year ago and was not in good health.

IT'S SURPRISING

Under cross-examination he admitted it was "surprising that all the bids came to the same amount," but pointed out that the carriers had always discussed the bids openly in order to form their estimates of what the costs would be for operating a car on the mail routes.

Malone was questioned by Defense Attorney Leo McGavick and said his health was not too good and that he has a cancer. He said he didn't know if anyone organized the meeting held at his home in July 1950, and had merely offered his home as a place for the men to meet. Malone said that the bids of $1,020 that followed that meeting resulted from the belief among the carriers that they would have to bid about $1,000 and lose money if they were going to drive their own cars on the routes. He said the carriers weren't trying to keep outside bidders out, but merely wanted to drive their own cars.

Under cross-examination Malone was asked how many Spady clutches he had burned out. He answered, "None."

Asked how many clutches he had burned out in his own 1941 car during the past 5 years, he said, "Four or five."

Jeffery was the last witness to come to the stand this morning and was giving testimony when the court recessed for lunch. Jeffery is the youngest of the 14 defendants and has been a post-office employee since 1941. His first and only bid on rental car contracts was made in July 1950, following the meeting at Malone's house.

GIVES DETAILS

Under questioning he gave further details about a conversation with Roy Spady, brother of Jack Spady, Jr., about the Spady cars.

Jeffery said he had gone to see Roy Spady to ask him if Jack was going to bid on the route he was driving because he planned to order a new car but didn't think he could afford to if he had to meet a competitive Spady bid.

Jeffery told the court that Roy asked him about the route and he had replied the car driven over that route would get hard use.

He said he also told Roy he wouldn't want anyone else driving his car on that route.

DENIAL ENTERED

After describing how he arrived at his first bid, that is, estimates of costs, repairs, depreciation, Jeffery denied earlier testimony that he had asked Edmond Belisle, one of the defendants and former superintendent of mails, for assurance that he would win the bid.

Jeffery said he asked Belisle for assurance that he would win the route asisgnment, not the bid, and when being told the route was his, he ordered the new car.

Jeffery had not been cross-examined when the court recessed shortly after noon today.

[From the Vancouver (Wash.) Columbian and Sun of September 19, 1951]

TACOMA, September 19.—The defense suffered two setbacks today as the trial of 14 Vancouver postal employees came to a false finish in Federal court here.

After the defense completed presentation of its testimony and the jury heard the rebuttal by Government Attorney Harry Sager, the defense moved for acquittal and asked, if that motion failed, that statements taken from the 14 defendants not be admitted as evidence.

LETS UNITED STATES MAKE POINT

Federal Judge Claude McColloch, in a strong statement aimed at the Government's case, denied the motion for acquittal and admitted the statements.

He said: "I have strong views about this case. I want to give you [the Government] every opportunity to present all the evidence you want to. I will let it [the case] go to the jury and they [the statements] will be permitted to stay in."

"But," he added, "I won't say what I'll do afterward."

Courtroom observers pointed out that the judge, who has been obviously impatient with the Government in this trial, even though the jury found the 14 men guilty, could acquit the men of the charges.

McColloch turned his back to the courtroom and the jury box as he made his ruling. As he spoke, several of the jurors listened intently while others moved restlessly in their chairs.

CASE REOPENED

After hearing his ruling, defense attorneys asked if they could then reopen the case and go over each of the statements. This was approved by the judge and two of the statements were reviewed before the court recessed at lunch.

Defense Attorney Leo McGavick called Cory M. Galbraith, one of the defendants and former assistant postmaster, and Edward H. B. Carson, a second defendant and assistant superintendent of mails, to the stand.

HOSTILITY ALLEGED

Under questioning the two reviewed how the statements were taken by the postal inspectors and described the atmosphere of the questioning as not friendly and dictatorial.

Under cross-examination by Sager read the statement signed by each man paragraph by paragraph, asking them to point out where they were inaccurate or varied from what they had told the inspectors.

Galbraith summed up the two defendants' attitude toward the wording of the statements by saying he didn't like the way it was written. He admitted that when the statement was taken he didn't offer to change it.

MAY GO BACK FAR

When questioned after court recessed this noon, McGavick said he and Claude Snider were uncertain about how many of the statements they would have examined in court, possibly all of them.

The trial reached its false finish at 10:30 this morning after 2 defense witnesses had been on the stand. The 2 witnesses were Gustav Forfman of Seattle, chief mechanic for motor vehicles at the post office there, and Rubin B. Kremers, of Washington, D. C., assistant secretary of the National Association of Letter Carriers.

Forfman qualified as an expert and told the court he was in charge of post office vehicles for 19 cities in the northwest portion of the State.

CAN'T TELL WHY

He examined the clutches and pointed out wear and possible flaws in several of them which, he said, would have caused them to burn out. He said that since the entire clutch assembly was not present it was impossible to determine why the clutch had failed.

Under cross examination, Forfman said there was no way to estimate how much service a replacement clutch should give

because there were so many other factors involved in relation to the rest of the car.

He pointed out one clutch which he said was not properly adjusted when it was installed and said a properly installed clutch might fail shortly after it was put into use if it carried heavy loads, or if the car brakes were applied often enough to cause friction, and, he admitted, if the clutch were being slipped by the driver.

OUT OF RENTAL CARS

The clutches in question were those taken from the Jack Spady, Jr. rental contract cars in 1950 and were admitted as evidence in the trial.

Kremers caused a small stir in court while on the stand by saying, over the objections of Sager, that A. R. Gehman, assistant director of motor vehicle service for the Post Office Department, had been viewing the trial since its start. He pointed out that Gehman had not been called to the stand by the Government and was not in the court room this morning.

NOT LIKE USUAL UNION

Kremers described the Letter Carriers Association as unlike the normal union in that it was interested in postal service as well as postal employees and that membership was voluntary. He said his work with the union was to investigate carrier complaints.

Kremers testified that carriers all over the country turned in identical bids and that in several negotiations between himself and the Post Office Department high bids had been lowered at the request of the post office so that all were identical.

The last defendant in the widely talked about case went on the stand yesterday afternoon as the defense moved to conclusion of its case which was expected to go to the jury sometime today. Only 2, possible 3, witnesses remained to be questioned by defense counsel. It is understood, after which the Government had the opportunity to present testimony in rebuttal to that of the defendants. The arguments of the attorneys then were to ensue which were to be followed by the court's instructions to the jury.

Judge Claude McColloch pushed the testimony along rapidly Tuesday and at one point cut short the testimony of one of the defendants, Phil Whitsitt, telling defense counsel to "go ahead and finish it up" and directing that counsel interrogate as to whether the witness had "ever conspired" and the other questions that have been put to each defendant as he winds up his testimony.

THAT'S THAT

At another point in the afternoon, the jurist demanded that the final defendant be put on the stand and when the defense attempted to make a remark, interrupted to snap briskly, "I don't care about that—I want to hear the last defendant."

During the morning session, Judge McColloch halted the long line of character witnesses who came to Tacoma to vouch for the reputations of the various men, telling defense attorneys that one character witness for each man was sufficient.

Those who were in court to testify in behalf of the men but who were not heard due to the magistrate's ruling were Mayor Vern Anderson; George Hutton, city commissioner; John Camp, Jr.; Leland Morrow, former sheriff of Clark County; and Albert Forgey, State chaplain of the American Legion.

GRANDY ON STAND

On the stand when court recessed at 4:30 o'clock was George Grandy, Ford dealer in Vancouver, who, under direct examination by Claude Snider, testified that he had been approached in years past by both Ned Blythe, former postmaster, and Ralph Carson, former superintendent of mails, now deceased, in relation to entering bids on post-office-vehicle contracts. He had always refused, Grandy said, as his company, then Wright & Grandy, were not interested in this type of business.

Asked on cross-examination by Harry Sager, Government attorney, if it was not true that he had told the post-office inspectors on Monday that he had no recollection of ever being approached, Grandy said this was not true.

DOESN'T RECALL

He said the inspectors had asked him if he recalled having talked to Cory Galbraith on this subject and that he had replied "not to his knowledge." He had since remembered, Grandy testified, that it was Ralph Carson, then superintendent of mails, with whom he had discussed the bids. Quizzed by Sager, if he had told the inspectors that it was someone else he had talked to, Grandy accused the attorney of "trying to confuse him."

"I told them," he said, "that we had been approached at various times on the routes and had been asked to bid on certain routes then open."

He declared that he had advised the inspectors at their Monday session that he had discussed the routes with both Blythe and Carson.

WITNESS CROSS-EXAMINED

David Jeffrey resumed the stand when court reconvened after the noon recess yesterday, for continued cross-examination by Sager who directed his witness' attention to the meeting held at his home the latter part of February 1950. This get-together, Jeffrey told the court, was after the first bid had been awarded to Jack Spady on post office contracts and prior to the next call for bids on a route that had formerly been assigned to Walter Strong who had been promoted to a supervisory job.

Jeffrey couldn't remember who arranged for the meeting and testified that someone had asked if the men could assemble at his home. He could not recall who attended but said the session was open to all post office employees who wanted to attend. He said he thought some of the foot carriers were there but could not be sure.

He couldn't recall for sure whether the Spady contracts were discussed and said he did not know the purpose for which the meeting had been called as he had not spearheaded it.

He could recall only that the operating expenses of the cars were talked over and that the proposal to launch a cooperative service station had come up for discussion.

CLOW TESTIFIES

Ellsworth Clow, manager of the McCoy Auto Co. and a partner in the concern, was next on the stand, and testified that he had been invited to enter bids early in July 1944 on post office contracts. His company was not interested, he said, and did not submit bids.

Under cross-examination, Clow said he had gotten the call through the mail and that it should now be in his files unless it had been destroyed in the recent move of the company from the old building. He told the attorney for the plaintiffs that he had not been requested by the defense to bring the notice to court.

Asked when he had been approached concerning the invitation, Clow replied that William DuRose and Leo Belisle had come to him when the post office matter had first come up and had asked Clow if he had a copy of the notice. He had looked it up, he said, and had found it in his files.

DU ROSE TAKES STAND

The twelfth defendant put on the stand, William DuRose, a regular post office employee since 1936, and a substitute for 9 years prior, was questioned as to a conversation he had with Carl Jenson, a witness for the Government, who last week had testified to alleged inflammatory statements made to him by DuRose. The latter, declaring that he was aware that Jenson at that time had a contract with Jack Spady to furnish gasoline for the Spady vehicles, tagged as untrue the remark attributed to him about getting rid of that Democratic —— in the front office, stating that he, himself, was a Democrat and that his wife had taken an active part in the activities of that party in the city.

Neither had he made any statements to Jenson in relation to wrecking every automobile those Democratic —— put on the route, DuRose vowed. His talks with Jenson, the witness testified, had progressed no further than a request that Jenson put up a mail box on the route the witness served.

DENIES RIFT

DuRose continued that he had never had any trouble with Dan Hallowell, acting postmaster. He added that he did tell that official on one occasion, in connection with a talk about the parking space at the post office, that "if we get any more of that Spady junk we won't have room to park any of the cars."

He went on to say that he had held about seven contracts with the local post office during his years as a mounted carrier. Asked by Judge McColloch when the custom started of the carriers leasing their own cars, DuRose could give no definite answer. This brought an observation from the jurist that "they just growed, like Topsy." The witness agreed that this was probably correct.

POINTS TO COST CLIMB

Pointing out the rising costs during the years he has entered bids, DuRose told the court that he paid $950 for the first truck he purchased to drive on his route as compared to $2,400 for the last vehicle. The employees have to pay full price for gas, which has risen steadily in price, he continued. Repairs, for which he formerly paid $1.50 an hour are now $4, he reminded.

Queried as to his mechanical troubles while operating his car he said he had burned, then changed this to worn out, two or three clutches over the years.

Asked by defense counsel if he had put in a claim to the Government for these repairs, DuRose snorted "No, I didn't put in a claim. That was my own responsibility, not the Government's."

AVERAGE SALARY CITED

Judge McColloch interposed a question as to what the average salary of the carriers was and was told about $3,800 a year.

Sager, on cross-examination, quizzed the witness as to how the bids were predicated on costs and brought out that they were not computed on the cost per mile but on the hours the cars were used. He admitted that his car was halted in the downtown district while he delivered parcel-post packages to the merchants but contended that the vehicle cost as much to operate standing still as it did running, based on depreciation. On the curb routes in the residential districts, he said, the cars were never halted but were running the entire time the route was being serviced.

Delving into the question of the meetings held at the homes of two of the defendants, as he has with each defendant under cross-examination, Sager again tried to bring out who had attended and failed. The meeting, insisted DuRose, was called, as far as he could understand, to give Spady competition.

"That's what they wanted and that's what we were giving them," he said shortly.

NO AGREEMENT

He said there had been no agreement among the men as to the amount to be en-

tered on their bids but said they had always discussed the costs of operating the vehicles among themselves. "This was merely shop talk," he said.

Queried as to why the other carriers didn't bid on his route, he answered that the bidder would have to furnish a car and that it would cost the other carrier as much as it did him, DuRose, to operate the vehicle.

He stuck to his contention, under searching cross-examination, that the meeting at the Jeffrey home was not to underbid Spady but only to give him competition.

Taking up the meeting at the Malone place, upon Sager's interrogation, the witness stated that this had been called for the purpose of discussing reducing their costs. They talked over the possible cooperative arrangement and also the practicability of buying a fleet of cars for use at the post office. DuRose told the court. He could not recall any conversation about the Spady bids, he said, but added they discussed a foul-smelling Spady car.

SPADY GOT 'EM

Asked by the judge if the contracts of the men had been canceled at the time of their suspension, DuRose answered with feeling, "Yes; Spady got 'em all."

Questioned further on this statement, by Sager, DuRose stated that he had received a letter from the post office telling him that his contract was canceled as of a certain date in 1950.

He admitted, at another question by the prosecution, that a Portland man, J. S. Howes, had been awarded a contract at that time, and on redirect examination by Snider testified that he had heard no complaint voiced from the employees about the Howes' vehicles. They were 1950 models, DuRose stated.

Chester Winsor, a regular postal employee since October 1941, was put on the stand next by the defense and came in for lengthy cross-examination by Sager.

TELLS OF EARLIER BIDS

Questioned by Snider, regarding his bids on the post office contracts, brought out that his first was submitted in 1942 on a curb route. He told of a later bid, entered in 1944, while working in McLoughlin Heights, in which he quoted a price of $1,200. This was rejected by the Post Office Department, Winsor testified, and he was advised by Ralph Carson, then superintendent of mails, that he had been directed to tell the employee to get his bid in line with the others.

His route at that time covered the sprawling housing project with 7,500 possible stops, the witness went on. He was working 10 or 12 hours a day and his actual stops were averaging from 250 to 300 daily. Due to these factors, he said, he felt that his bid of $1,200 was reasonable, but that he had reduced it when advised to by Carson.

SAYS HE GOT IN LINE

In December 1944 he submitted a bid of $1,260 and the same thing happened, Winsor continued. He was told to get in line and he lowered his quotation to $1,080, the same as the other prevailing bids, he asserted.

As chairman of the legislative division of the local branch of the National Association of Letter Carriers', Winsor went on to state that he had studied a government report relating to government contracts and this was subsequently discussed at a meeting of the union.

He and DuRose, appointed by the members to take the matter up with Postmaster Blythe, told the latter that the carriers were dissatisfied with the present contracts and wanted to cancel them and enter new bids calling for $1,500 a year. This was decided by the men when they learned that similar costs of Government operations in other localities were $1,514, Winsor disclosed.

The postmaster said he would refer the matter to Washington and an answer subsequently arrived permitting the men to cancel their bids. A new call was to be issued which would become effective in August 1948, according to the witness. These bids were later revoked by the Department the witness testified, and quotations of $1,024 were next submitted by the carriers.

BID FORESEEN

Asked why they lowered their bids at this time, Winsor replied he had reason to believe that Spady was going to bid on the contracts.

"Nothing I'd seen nor heard about the Spady equipment was good," he averred.

He added that the Spady junk presented mental hazards to the drivers as they constantly feared breakdowns. They had different attitudes when at the wheels of clean, smoothly operating equipment, Winsor observed.

The mounting costs of operating their cars was considerably discussed by the men, the witness went on, which had brought up the question of leasing a filling station on a cooperative basis. He said he had never driven any of the Spady equipment and replied, in answer to Snider's questions, that he had never suggested to anyone that the Spady cars be abused. He also declared he had never entered into an agreement with any of the men on the amount of his bid.

MEMORY IN ERROR

The prosecution quizzed the witness on his bids during the years, getting a reply that the first one entered in 1942, had been for $420, or $35 per month. Shown a contract by Sager covering his bid that year, quoting $600, Winsor said that his recollection of his initial amount had been in error.

His next quotation was $900, and in 1943, $1,200, which was later changed to $1,080 when the former was rejected by the Department with the request for Winsor to lower it. In 1946, he testified, he entered a bid of $1,200 along with the other carriers.

Queried by Sager as to the performance of his 1937 Ford he used on his route until he purchased a new panel truck in 1947, Winsor answered that it worked after he put in several new back ends, new transmissions, and a dozen or so clutches. He reminded the attorney that new vehicles could not be obtained during the war years.

He did not recall any substitute carrier who drove his car having any burned-out clutches, he replied, when this question was shot at him by Sager.

Interrogated exhaustively by Sager as to the two meetings he attended at the homes of carriers, Winsor could not remember that they discussed what to do about the Spady bids, as suggested by the attorney, but declared that the costs of operating their own vehicles had claimed the interest of those attending.

SEVERAL MEETINGS HELD

Judge McColloch interrupted to inquire how many meetings of this kind had been held and Winsor replied only two house meetings but on a further question by the jurist, replied that when the branch was smaller they met in the houses of members quite frequently.

"Did the fact that the bids were being advertised have anything to do with this meeting?" Sager inquired.

"It may have been—indirectly—but I wouldn't state that the Spady equipment was discussed," the witness answered.

Winsor reminded his questioner that he had already testified to this question adding, "Mr. Sager, I don't lie."

Sager continued slugging away on this line of questioning and finally elicited the reply from his witness that it may have been discussed but I don't recall definitely.

COULD BID ANEW

Switching his questions back to the bids of $1,500 that were canceled by the Department, the witness testified that Washington notified Postmaster Blythe that the men could get together and enter new ones. This information was contained in a letter dated June or July 1948, which Winsor said he did not have.

He was then shown a letter by Sager, dated July 28, 1948, which the attorney attempted to wring from the witness was that received by Blythe in response to the postmaster's letter to Washington. Winsor was loath to definitely state this to be true but observed that he thought it was and the communication was offered in evidence.

Sager tried to bring out in further questioning that the men whose contracts were terminable in 1948 under post-office regulations, did so at once and that a few months later when the rest of the contracts held by the carriers became cancellable under the regulation terms, they too, did so.

COUNSEL POUNCES

Upon Winsor's acquiescence that he thought this was so, Sager pounced. Wasn't this because the matter had been discussed and decided upon before the men ever notified the postmaster, the attorney demanded.

Winsor replied that the matter had come up in the branch meeting and that he had been authorized to call all the carriers together to talk over the cost of operation. This had been discussed openly in the union meeting, he reiterated.

The postmaster, Winsor continued, had told them to cancel their bids in effect if they wanted more money and to put in new ones. This would then be taken up with the Department.

Pressing the group of cancellations upon the witness, the attorney pointed out that some were revoked by the men over a 12-day period, demanding to know if this wasn't the result of the men getting together to talk the matter over and then deciding what to do?

"We evidently did," Winsor replied.

"Didn't you determine that you would rebid at $1,500 in June?" the attorney prodded.

This was denied by the witness who declared that there was nothing said as to what the men would rebid on the contracts. However, "if we canceled the lower bid," he pointed out, "it certainly wouldn't be feasible to submit a still lower one."

Asked if it was his contention that the men arrived at the identical bids without discussion, Winsor answered that he, personally, had made no secret of what he intended to ask and said he probably told Phil Whitsitt he would enter a quotation of $1,500. Whitsitt worked at a desk next to his, Winsor remarked. He added he also probably told some of the carriers at the Heights, but asked if any of the men had volunteered similar information, the witness answered in the negative.

PLANS YARDSTICK

Stating again that the bids were discussed at the union meeting, Winsor thought he might have remarked that if the Government could pay $1,514 in other parts of the country that he was going to ask for $1,500.

Asked if any of the other employees had said they could do the same, he replied that as the incident had taken place 3 years ago, he couldn't remember whether anything of that sort had been said or not.

Asked by the prosecutor if Carl Mudge had not been told to "bid on the contracts even if he had to bid at a loss" and that the other carriers would make it up, the witness, reserving that he "knew where you got that statement," denied that it was true.

HAD FOUR CONTRACTS

Phil Whitsitt, the last defendant to be put on the stand, testifying that he had been employed by the post office since July 1941, said he was assigned a carrier route after returning from service with the Armed Forces, and that since then had submitted four bids on contracts, and was awarded three.

He disclosed that he is president of the local branch of the carriers' association and explained that the organization had been set up for two purposes—for the welfare of the carriers and to further the welfare of the postal service.

Questioned on the cancellation of the bids of $1,200 for the purpose of entering higher estimates, Whitsitt testified he was not eligible to terminate his contract when the rest of the men did. Later, he said, someone phoned him and asked if he planned to cancel and enter a higher bid and he replied that he would do so.

He declared he did not consider that $1,500 to be enough remuneration for the job.

CITES WOUND

Asked why he had subsequently lowered his bid of $1,500 to $1,200, he told the court it was a personal matter; that he had been wounded on Saipan in World War II and couldn't work a walking route.

He would have had to retire with small compensation, he said, if he had not quoted the lower figure.

At this point in the direct examination Judge McCulloch ordered the defense to wind up its questioning of the witness. Whitsitt swore, in answer to the final questions, that he had never conspired to defraud the Post Office Department and that he had not encouraged anyone to abuse the Spady vehicles.

Cross-examination, however, was more lengthy. Asked if he had ever warned his fellow workers against damaging the Spady equipment, the witness said that he had, when he learned of rumors to the effect that Jack Spady was going to accuse the men of this. The president of the local told the court he had cautioned the employees at a meeting "never, under any condition, to hurt the cars."

HEARD RUMORS ONLY

He continued that he had never heard that Mudge or Keelan were accused of this offense and testified that he had heard the general rumors from the other carriers.

He denied that there had ever been an "understanding" that only the carriers would bid on the routes and then told the Government attorney that "theoretically a man could cancel his contract but actually he couldn't."

Asked for an explanation, the witness remarked: "When they saw fit we canceled; when they didn't we didn't cancel."

HAD CHOICE, BUT—

"Anytime a man tried to bid higher and was not satisfied with what the others were bidding," the witness continued, "he could go back to footwalking."

He was told this by the former superintendent of mails, Ralph Carson, Whitsitt went on, and, pressed by Sager, told an alleged incident when Mudge, feeling he was operating his car at a loss, attempted to cancel his contract.

"A notice went up," Whitsitt asserted, advertising his route. In other words, "he could go back to his foot route."

Questioned about the two meetings that have figured in all of Sager's interrogation of the defendants, Whitsitt stated that they were arranged to "call the Post Office Department's attention to the Spady equipment and leave the decision up to them."

Admitting he entered a bid of $1,025 on his route, following a meeting at the Malone home, along with four other carriers, he denied that he knew at the time what the others were planning to enter.

INFORMATION SOUGHT

"It was the general policy to try to find out what the lowest bid would be as we knew we would be beaten down if one was any higher than the rest," he declared.

He said he couldn't recall whether or not he had revealed to anyone that he was going to bid $1,025 but that "if anyone had asked, he probably would have told him."

Asked by Sager if the meeting had not been called to discuss what to do about the Spady cars, Whitsitt answered, "I think so; yes."

DRAWS LINE

He would have been agreeable to driving an "outside" car, he further remarked, but not a Spady car.

"If he had furnished good equipment, I would have been glad to drive a Spady car," he added.

He admitted the men talked over these problems but couldn't recall arriving at identical bids on the cars either by agreement or discussion.

He repeated that he had formerly testified that the men "may have arrived at some conclusion after the discussion but not an agreement."

Quizzed further by plaintiff's attorney, Whitsitt asserted that it "was his opinion that the meeting was called to discuss the type of vehicle being furnished."

[From the Vancouver (Wash.) Columbian and Sun of September 20, 1951]

(By Jessie Rody)

TACOMA, September 20.—The trial of 14 Vancouver postal employees moved rapidly toward a decision in Federal court here today with the strong possibility that it would be in the hands of the jury before nightfall.

The defense completed its testimony yesterday afternoon, Government Attorney Harry Sager finished the summation of the Government's case at 11:15 this morning, and the defense attorneys will complete their summation early this afternoon.

SPEED-UP PRESSED

Federal Judge Claude McColloch will then instruct the jurors on points of law involved and closet them for their decision. He speeded up the wind-up of the case yesterday by setting a 2-hour time limit on summations by attorneys for each side.

The judge figured strongly in the arguments of the attorneys today as each sought to establish the legal definition of conspiracy. As the arguments progressed it appeared that the Government's case may stand or fall over the definition of this word. The judge is expected to give the jurors the definition which will guide them in their decision in his instructions.

McColloch indicated again yesterday that he may play an important role in the final decision. This came after all testimony had been presented when plans for presenting the arguments were being made.

The attorneys were called up before the bench for the discussion of these final arrangements as the more than 2-week trial moved into its final stage. Judge McColloch declined to accede to Sager's request for an indication of some of the factors the jurist intends to include in his instructions to the jury, at the same time observing that he did not disapprove of the requested instructions that Sager had submitted.

Say anything he wanted to the jury, the judge told the Government attorney, and he wouldn't be interrupted.

AX SEEMS POISED

Then Judge McColloch added: "I may disagree with you very much when I give my instructions to the jury, but you may say what you please."

The magistrate stated his instructions would be oral and in them he would "reserve the right to comment on both the law and the facts."

Sager defined a conspiracy as an agreement to do an unlawful act either openly or tacitly. He said that in this case it would be an effort to defraud the Government by an overt act and that even though one of the conspirators may be innocent of an overt act if he is in an agreement with others and they commit such an act then he also becomes guilty.

MUST WEIGH SEPARATELY

He warned the jurors, however, that even though the charges against the 14 men had been joined into one trial each man's guilt or innocence must be weighed separately.

Continuing with his legal definitions, Sager said an act causing the Government a monetary loss in this case would be a fraud and that any interference in the lawful functions of the Government would also be a fraud.

Claude Snider, meanwhile, opened the summation for the defense. Leo McGavick was to complete the summary this afternoon when the trial resumed.

GIVES DEFINITION

Snider defined a conspiracy as an attempt to secret or conceal an attempt to deceive. He said Sager's definition of a conspiracy would make it the same as an agreement.

Snider then pointed out that the men made no attempt to conceal their identical bids and that the practice was encouraged by the Post Office.

Both attorneys opened their arguments with an apology to the jury for the length of time it has taken to present the case and the jurors listened intently to their summations.

Determination of the fate of the 14 Vancouver post-office employees was not far off as the court recessed yesterday afternoon in Tacoma's Federal court with the case slated to go to the jury sometime today, barring an unforeseen development.

Testimony in the long trial ended at 3:30 o'clock after a 10-day parade of witnesses to the stand for both Government and the defense and the attorneys prepared to start their arguments this morning.

SEVEN TAKE STAND

The earlier part of the afternoon was devoted to the questioning and cross-examination of seven of the defendants regarding their sworn statements given to post-office inspectors last September, after Judge Claude McColloch permitted the defense to reopen its case just before noon yesterday for this purpose.

On the stand during the afternoon were Leo Belisle, Carl Mudge, Chester Winsor, William DuRose, Ray Keelan, Phil Whitsitt, and David Jeffrey. Prior to the noon recess, Cory Galbraith and Edward H. B. Carson were interrogated.

Upon completion of the testimony of the carriers, each of whom underwent rigid and drawn-out cross-examination from the prosecution in an effort to break down their contentions, the defense indicated that no more defendants would be put on the stand. Harry Sager, Government attorney, told the court he had no rebuttal.

GET 2 HOURS EACH

Asked if he was prepared to give his argument, Sager replied he would like a little more time to complete his preparations and court was adjourned until 9:30 o'clock Thursday morning.

The judge has given the prosecution and defense alike 2 hours in which to deliver their arguments. He suggested that the defense restate its motion for acquittal of each and all of the defendants and when his formality was completed asserted that he would reserve his decision until the case was taken to the jury.

If the men are acquitted, it is assumed that their suspensions from the post office

following their indictments, would be removed. Appeals of the men now pending before civil service and departmental boards, would probably come up for review before those bodies.

After the charges were filed last December against the 14 men, five were discharged outright, Edmond Belisle, Carl Mudge, Ray Keelan and William DuRose. Others, through disciplinary action, lost their seniority rights, had their pay reduced, some had their contracts canceled and were forbidden to enter bids for a certain period of time or were demoted to "foot carriers."

ALL FINALLY SUSPENDED

After the indictments were returned against the men, all were suspended pending outcome of the trial.

The nine employees who are veterans appealed their cases to the Civil Service Commission and the nonveterans have an appeal pending before an inner departmental board. The veterans in the group are Ed Belisle, Carl Mudge, William DuRose, Earl Malone and Walter Strong, all of whom fought in the first World War, Delbert Echtle, David Jeffrey, Ray Keelan, and Phil Whitsitt who saw service in World War II.

THREE RETIRE

Cory Galbraith, former assistant postmaster, resigned in December after 39 years with the local office. Mudge, Glenn Officer, and Malone have taken disability retirement since their suspensions, it is understood.

Conviction of the charges brought against them is punishable by imprisonment, a fine, or both.

Admittance of the statements in evidence yesterday at the insistence of the attorney for the Government, prolonged the trial which was expected to reach the jury on Wednesday, and sent the majority of the defendants back on the stand for additional testimony.

In admitting these exhibits, Judge McColloch remarked that Sager would be in "reversible error in insisting that they be permitted to stay in." The papers will be taken to the jury room by the jurors for perusal when they retire to deliberate.

In putting the accused men back on the stand, each was queried by the defense as to the methods used by the inspectors in taking them and each testified that he had been highly nervous, under great tension and that the interviews, had been far from "friendly talks" as the inspectors had previously testified.

SEES "THIRD DEGREE"

Leo Belisle compared the interviews to a "third degree." He declared that Inspector R. L. Karr had become extremely irate on two occasions, once stating that "he didn't want to hear the word politics again" and another time labeling one of Belisle's answers as "damned lie."

Belisle said they gave his statement under great strain and that he was frightened.

Asked by Sager, under cross-examination, if he hadn't read the statement upon its being presented to him by Inspector S. G. Schwartz, who took notes during the conversations with the men and prepared the statements from these, Belisle answered that he thought there were some paragraphs contained in his that he didn't think he had said.

NO ENCOURAGEMENT SEEN

Hadn't he been invited by the inspectors to correct any errors? the attorney queried, but Belisle answered that the corrections hadn't been encouraged.

Sager read aloud portions of the statement, one in which Belisle was quoted as having said he'd worked hard in the carriers' union, and that he had fought the Spady bids as he didn't think they were doing them any good.

Asked by Sager if he denied this remark, Belisle admitted that it was substance of what he had said.

Queried if he had not said two shop foremen had told him the Spady cars were not serviceable, the witness declared that it wasn't his statement but one that had been written by the inspector.

"You made it, didn't you?" Sager demanded.

"There is no man who can't hit gravel under conditions like that," the witness answered.

TIME WASTE ALLEGED

At one point Belisle, at repeated questioning, remarked that they were wasting time going back over the same thing which brought a rejoinder from Sager that if Belisle would answer the questions put to him quickly and without evasion, the time wouldn't be wasted.

Questioned as to the authenticity of another remark, that the fellows were so mad about the Spady equipment they were willing to sabotage them, Belisle replied "when you're not clear-minded you don't think clearly. I probably would have admitted murder."

He went on to testify that he had repeatedly warned the men not to do a thing to the cars. He said he had once brought this up with Reuben Kremers, state secretary of the National Letter Carriers' Association, at a dinner. Kremers, according to Belisle, also cautioned the men about damaging the leased cars, telling them that the union couldn't do a thing for them if they did anything of this kind.

DENIES STATEMENT

Belisle, questioned on the four clutches the Government charges Keelan burned out in 1 day, declared he "definitely" did not say that this had been deliberate.

"You've never seen the Spady equipment," he told the attorney. "If you had seen the water leaking out of the radiators all the time, the tires going flat, you'd understand what we were up against."

Here the witness gave a summary of all the troubles he said the men had with the vehicles.

The attorney took the witness over his statement step by step before he finished his questioning.

Under redirect questioning by the defense, he said he had not felt that he had any choice about signing the statement handed to him, as the inspectors were his supervisors. He said he had been given no chance to study it and repeated that it contained several paragraphs he doesn't remember seeing at the time.

MUDGE IS NEXT

Carl Mudge, next to take the stand, told how he had been called to the acting postmaster's office where he waited some 25 minutes before being called in before Karr and Schwartz.

They seemed exercised because he was active in the National Association of Letter Carriers, Mudge testified, which brought a snort from Inspector Karr, and a shake of his head, a gesture that was repeated by the official on numerous occasions during the testimony of the defendants about their statements.

Karr had remarked, according to the witness, that the union "was getting too big for its britches." He had also been accused by the inspector, Mudge stated, of driving an overheated car.

Upon further questions by defense counsel, Mudge stated he wouldn't say that he had been asked to sign the paper, that "it was just put before him."

PSYCHOLOGY CITED

"There was a psychological factor involved," the witness said. "When a lowly foot carrier, who is not an important person, is confronted by two important inspectors, he usually does what he is told."

When the Government attorney took over for cross-examination he pointed out a correction Mudge had made on his statement in his own handwriting, inserting the word "competitive" in place of another word. This indicated, Sager pointed out, that Mudge had read the report and had taken advantage of the inspectors' invitation to the men to make any changes they desired in their statements.

It was his opinion, Mudge stated, that the inspectors had taken the remarks the men had made and interpreted them to suit themselves and convey their own impressions.

DURESS HINTED

Mudge admitted that he had understood he was being sworn, then added "You might swear to a false statement under duress."

Under continued questioning, going over each paragraph of the interview, Mudge admitted that the report was not a false statement but said it contained false impressions.

The judge broke in at this point to say he would have to take this in hand.

"I'm not going to sit here and listen to this forever. Give him the statement, and let him pick out what he didn't say," the jurist ordered with some impatience as Sager prepared to go over the statement sentence by sentence.

Ray Keelan testified that he was confused and bewildered and that he didn't know what the inspectors were getting at when he was called before them. He charged that one of the officials came at him with both fists at one point in the interview, an accusation that brought forth another quiet snort from Inspector Karr.

TOO NERVOUS TO READ

Asked by the defense if he had seen the statement after it was prepared, the witness replied that he was so nervous that he couldn't read it. He was threatened with loss of his job when he didn't sign, he said, and when this failed to get the desired results, Keelan continued, the inspectors settled back in their chairs with the observation that they could sit here a day or a month.

He finally signed, he testified, and next day attempted to recontact the inspectors, in order to repudiate his statement. They wouldn't see him, Keelan stated.

WAS TOLD TO KEEP MUM

Asked why he had wanted to repudiate it, Keelan replied that he hadn't been able to read it, due to his nervousness. He had been told by the officials not to mention the incident to anyone, he said.

Quizzed by Sager as to what part of the statement was not true, Keelan said he had been so confused that he had not given his correct term of service with the armed service, missing it by a year.

Sager referred to a portion of the statement in which Keelan purportedly stated that he realized his treatment of the Spady cars had not been to the owner's best interest and that he would "be willing to reimburse him if he could do so on installments."

The witness declared he had not put it that way—that he had prefaced this remark with the words "if it were true" he would pay for them. He declared he didn't know whether or not the clutches were burned out, that he was not a mechanic.

PLEADS LACK OF KNOWLEDGE

Asked by Sager if, in making out his official report to the superintendent of mails as to the four incidents, he had not listed them as clutches, the witness, reiterating that he was not a mechanic, replied that he "just put down anything," that he didn't know what the trouble was.

David Jeffrey, too, testified, that the talk with the inspectors passed from the friendly conversation field 5 minutes after it started. Karr, Jeffrey asserted, stood before him and shook his finger in his face and told him he was lying.

Schwartz tapped his colleague on the shoulder at one point and remarked that Jeffrey was telling the truth, the latter continued, upon which Karr subsided. It was not long, the witness added, before the official was following his previous tactics, however.

Jeffrey said it was not until the interview was finished that he learned that Schwartz had been taking notes and had written "his own version of what was said." He protested that the statement wasn't in his own language, and asserted he had pointed out several sentences with which he had disagreed. He was told to go ahead and correct them, but as he felt it would be useless, he had not done so, the witness told the jury.

Sager reminded the defendant that he had made corrections in connection with his remark that he needed $1,200 to break even on his route. Jeffrey had inserted the word "about" before the figure, the attorney brought out.

Regarding another purported remark, that he "had heard the carriers were taking clutches out of the Spady cars," Jeffrey said he had actually told his questioners that he "couldn't deny it but that he hadn't heard it." He had insisted that this be changed, he said. Jeffrey said he did not realize he was making a sworn statement.

DISCLAIMS WORDING

"I would have been willing to have given them a written statement if I could have written it myself but those aren't my words," the witness protested.

Another defendant, Chester Winsor, declared that he was told by Edmond Belisle to report to the postmaster's office but he could not learn for what purpose. Belisle had replied, "I can't tell you" when queried as to the reason for the summons. Arriving in the office of Dan Hallowell, he was told to wait by Karr who came out of another office. He waited about an hour, Winsor said.

The conversation was at first friendly and "then got rough," the witness testified. Karr, Winsor said, became vexed when he wouldn't admit that the complaints made to the carriers' union were "superficial," and "tried to pin his ears back."

THIRD DEGREE AGAIN

Winsor, who stated he had had 3 years' police experience, testified that the methods followed were comparable to the third degree. He was told to sign the statement which was put before him, and was given no copy nor told that it would be used against him.

His cross-examination by Sager was brief and ended abruptly after an exchange of remarks in relation to the word "pokey."

Sager opened his line of questioning as to Winsor's police background and brought out that he had been a special officer patrolling the docks during the war. Asked if he had signed his statement under oath, the witness replied that he had and answered he realized the effect of his statement. He asserted that three remarks contained in the report were not as he had given them to the inspectors but said he had been so befuddled at the time that he didn't know what was in the statement.

ATTORNEY SURPRISED

"What was the matter, why were you so befuddled, did you think they would throw you in the pokey?" the attorney queried.

Winsor's failure to comprehend the word "pokey" brought forth an expression of surprise from Sager that a police officer had never heard this expression.

A brief exchange of remarks followed and Sager ceased his cross-examination abruptly with a short "that's all" to the witness.

William DuRose who replaced Winsor on the stand, testified that he had been questioned by the inspectors for 5 hours. Karr opened his interview by observing "we've got all this dope about you and this Spady equipment," DuRose told the court. He was as guilty as hell, the witness testified that Karr had accused when DuRose stated he didn't know anything.

DEMAND ALLEGED

Karr pulled out his credential card on him after he gave his statement, DuRose went on, remarking "Are you going to sign it or not?"

Under cross-examination DuRose testified that he hadn't complained to any of the postal officials about the treatment he had allegedly received, nor did he remonstrate with Edward Carson, then assistant superintendent of mails.

Asked if he hadn't participated in the heated argument he referred to, DuRose answered with the question, "Wouldn't you?"

Admonishing him to answer the questions put to him, Sager then read a portion of DuRose's statement in which he was quoted as saying he didn't think it right for some —— —— to come in here and underbid us.

The witness replied that he was so upset and nervous he didn't know what he said.

The inspectors told him that they had no charges against him, Phil Whitsitt testified under defense questioning. They told him their case was completed and that what he said would have no bearing, he went on.

When shown his prepared statement, he pointed out a few discrepancies, and they told him these were not important as they weren't going to use it anyway, he told the jury.

DOESN'T RECALL BEING SWORN

He said he couldn't remember to this day that he had been sworn. He said, however, that he had read the report when it was handed him.

Sager, cross-examining, asked the witness who had told him his statement would not be used. He answered that this was the impression he had gained—that they weren't going to use it.

He referred to an error in his statement relating to the length of time that he had been a carrier and, asked if he considered this important, Whitsitt replied in the negative, but added that as long as they intended using the report that it should have been correct and accurate.

Had he been aware that the paper he had signed was a sworn statement, he went on, he would have changed the errors.

Defense counsel did not call Malone, Officer Edmond Belisle, nor Delbert Echtle to the stand and indicated that they had completed their list of witnesses.

LIMITATION PUT

Sager pointed out to the court that the defense hadn't put all the defendants on the stand and asked about cross-examining the remaining four.

Judge McColloch replied that in a heavy trial such as this we have to be limited. He said he had heard the Government attorney's cross-examination of the other defendants and understood what he was doing.

[From the Vancouver (Wash.) Columbian and Sun of September 21, 1951]

(By Jessie Rody)

TACOMA, September 21.—Fourteen Vancouver post-office employees, under Government indictment, were cleared of charges of conspiracy to defraud the United States Government and the Post Office Department by a jury last night in Federal court here.

Vindication was won by Edmond J. Belisle, Cory M. Galbraith, Edward H. B. Carson, Walter W. Strong, Leo T. Belisle, William J. DuRose, Delbert L. Echtle, David D. Jeffrey, Ray M. Keelan, Earl N. Malone, Carl E. Mudge, Glenn Officer, Phil P. Whitsitt, and Chester Winsor.

REINSTATEMENT LOOMS

For most of them the victory may mean reinstatement as of suspension date last spring (a few have retired).

The separate verdicts finding each man innocent of the felony came 1 year to the day after charges placed against them resulted in indictments, September 20, 1950.

The verdict was reached at 8:30 o'clock after 3 hours' deliberation. The courtroom was tense as the jurors filed back to their seats and Federal Judge Claude C. McColloch returned to the bench. The jurist directed that regardless of the decision, there was to be no demonstration, and an electric stillness settled over the courtroom as the deputy clerk accepted the verdict from the foreman, Ellsworth Ham, of Tacoma, and read the jury's findings which acquitted the Vancouverites of the accusations brought against them.

EMOTIONS TAUT

The face of each defendant, etched with lines of fatigue and tension, relaxed perceptibly as his name was read with the words "not guilty" following.

One of the wives wept quietly during the reading of the verdicts and tears stood in the eyes of many of the spectators, postal employees from Tacoma and other cities, and representatives of the letter carriers' union, who have been present during the 2-week trial.

The news was received quietly in the courtroom, as the judge wished, and it was not until the men and their wives had filed into the hall that they gave vent to their feelings. Most of the women were crying openly as they left the courtroom and many of the defendants were unashamedly wiping their eyes, but they were tears of relief and happiness.

SOME NOT PRESENT

Harry Sager, Government attorney, was present when the verdict was returned, but neither of the two post-office inspectors, among the Government's star witnesses, were on hand. Acting Postmaster Dan Hallowell was not in court.

Word that the jury had reached a verdict came to the courtroom shortly before 8 o'clock and Defense Attorney Claude Snider started rounding up the defendants, part of whom were waiting in the hall outside.

Conversations between the wives and others who had returned to the Federal building to hear the outcome of the carefully watched case ceased abruptly as the defendants took their places, and tension that could be felt like a blow replaced the former informal atmosphere.

Glenn Officer, one of the defendants, who has been in ill health since suffering a stroke a year ago, and who has had several fainting spells since the trial started, partially collapsed after he reached the hall, but recovered shortly afterward and was able to proceed to his hotel.

Many of the defendants headed for phones or the telegraph office to send word of their acquittal to waiting friends and relatives at home.

TIME OUT FOR DINNER

The case that opened in Federal court on September 5 went to the jury at 4 o'clock yesterday afternoon. They deliberated until 6 o'clock, then went out to dinner, returning to the Federal building at 7:30 o'clock. An hour later they signaled they had reached their decision.

MAGISTRATE OUTSPOKEN

The magistrate, who had warned the Government attorney on Wednesday that his instructions to the jury might not agree with Sager's arguments, plainly stated his opinion in his 20-minute talk in which he followed up a previous statement that he would reserve the right to comment on both the law and the facts.

First Judge McColloch discussed the charges against the men telling the jurors that the defendants' guilt must be established beyond a reasonable doubt.

Speaking quietly and in a low voice, the magistrate said the charges against the post-office employees was criminal conspiracy. They were not accused of conspiring to violate some statute but, on the contrary, with seeking to interfere and hamper the Government in obtaining competitive bids.

FIELD BROAD

This opened up a pretty broad field, Judge McColloch remarked. The statute says, he went on, that when two or more persons conspire to defraud the Government they can be prosecuted under the conspiracy statute.

He read the indictments against the men in which they were accused of conspiring to defraud the Government on three counts, by submitting collusive bids to furnish motor vehicles for use of the post office, by depriving and attempting to deprive the Post Office Department of the benefits of competitive bidding for furnishing motor vehicles, and by discouraging and intimidating and preventing others from entering into such contracts.

In a list of 14 overt acts alleged by the Government, two of the employees were accused of deliberately damaging equipment leased by the Spady company.

Concerning the charges of sabotage, the judge emphasized that they were not being tried on alleged conspiracy to sabotage the Spady vehicles, but that these acts were included in the indictment merely as a matter of proof in the Government charges.

STRESSES MEANING

He referred again to the meaning of the word "conspiracy," stating it to be an agreement between two or more persons to do an unlawful act either openly or in concealment, and then told the jurors that although there were 14 defendants in the case this did not mean that all of them must be found guilty. Two or more could be convicted and the other 12 found innocent, the judge said.

He reminded that the charges of conspiracy against the post-office employees went back to 1942.

"The Government contends," he continued, "that the men who were not mounted carriers at that time but who later obtained routes became a part of the conspiracy if they joined it with knowledge that it was going on."

"Once a conspiracy has been established," Judge McColloch told the jury, "the statements of any conspirators are the statements of all."

"So before you find any of them guilty beyond a reasonable doubt," he asserted, "you must first find that there was a conspiracy and that they became a part of it.

"If you find this to be true, then you should return a verdict of guilty."

STEPS OUTLINED

They must then determine in what respects the men conspired to defraud, the magistrate went on. The Government, he pointed out, listed three charges, but it was not necessary, he said, to find the defendants guilty of all three. They could be convicted of one of the charges.

If it was a conspiracy, he said, then under the theory of the law some one of the group must commit an overt act A great deal of the indictment had to do with overt acts, he pointed out, adding that 14 were listed.

Having finished with his instructions regarding the law, the magistrate went on to what he said he considered to be the crux of the case.

WANTS CLEAR PROOF

"It is a serious matter to charge a group of men such as these men that are here with conspiracy," said Judge McColloch. "This is a felony and is punishable severely." (Conviction carries a term of imprisonment up to 5 years, a $10,000 fine or both.)

Remarking that an additional burden is put on the Government when it charges a felony, Judge McColloch stated: "In this kind of a charge the Government must prove not only the acts alleged but that it was entered into with criminal intent.

"Even though the defendants were to be found guilty of these overt acts, you also must find that they entered into this conspiracy with criminal intent."

He went on to say that the trouble at the post office had broken out with the change in postmasters.

"Before that things seemed to be going along in a way that the Government now states it does not think was all right," the judge went on.

CHANGE BROUGHT FUSS

"The men had no idea whatever from 1942 to 1951, the time covered in the indictments, that there was anything wrong with the way they were handling their bids."

It was not until the new postmaster took over that there was a suggestion of wrong doing, Judge McColloch stated.

Elaborating on this, the jurist reminded that the former postmaster, Ned Blythe, whom he referred to as being a fine man, had testified on the stand that he had known what was going on and that the people in Washington had known what was going on and had never disapproved it.

And here Judge McColloch raised his voice for the first time during his talk.

JUDGE OUTSPOKEN

"Now, ladies and gentlemen," he said, "you can't make a crime out of that—at least not in my court. You can't make a felony out of it—at least not before me," he said.

"If a man doesn't know he is doing something wrong, with full knowledge and a bad heart, then he does not have criminal intent."

Were the jury to find the defendants guilty of conspiracy, he emphasized, then in addition it would have to find that the defendants participated in the conspiracy while knowing that this was wrong. It would further have to find that they did so with criminal intent.

Speaking of the alleged collusive bidding, the magistrate said:

"Collusive bidding is when you ask a group of people to come in and bid and they fool you. They pretend to be bidding when in fact they are not." "Identical bids," he added, "are not collusive bids."

PUTS IT UP TO JURY

He closed his remarks by telling the jurors that they were the exclusive judges of the guilt or innocence of the men.

"If you find that a conspiracy existed and that they were engaged in this conspiracy with criminal intent to defraud the Government during the period from 1942 to 1951, then you are to find two or more of them guilty."

The majority of the weary defendants and their wives were planning to remain in Tacoma overnight and return to Vancouver Friday.

R. B. Kremers, secretary of the National Association of Letter Carriers, who came here from Washington, D. C., to attend the trial of the post office carriers, said that a civil service hearing will be held in Vancouver on Thursday, which he had requested.

The eleventh regional director district, in Seattle, already has advised him, Kremers said, that six of the men who were suspended on March 2, 1951, will be ordered restored to duty as of that date. This group includes Ray Keelan, Glenn Officer, Delbert Echtle, David Jeffery, Walter Strong, and Phil Whitsitt, all veterans, whose appeals were pending, along with the other veterans before the civil service commission.

The nonveterans have an appeal pending before an inner departmental board in Washington. Kremers said he assumed that this would be heard very shortly.

Mr. CAIN. Finally, Mr. President, I ask to have printed in the RECORD at this point a letter from one of the defense attorneys, addressed to the president of the National Association of Letter Carriers, which, I believe, offers additional substantive evidence to warrant this investigation.

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

McMULLEN, SNIDER & McMULLEN,
Vancouver, Wash., September 22, 1951.

Mr. WILLIAM C. DOHERTY,
President, National Association of Letter Carriers, Washington, D. C.

DEAR MR. DOHERTY: I wish to express to you thanks for the opportunity to have been associated in the defense of a number of the postal employees of the Vancouver post office. While it is always gratifying to a lawyer to have participated in a trial which terminated satisfactorily, this case gave me more personal satisfaction than any in which I have been associated for the reason that I have known practically all of the employees for many years and hold them in very high regard. I have always felt that the recent charges and indictments were the grossest kind of injustice, and they should not have been subjected to the uncertainty, worry, and anguish that necessarily follows when being confronted with such a situation.

It was also very gratifying to me to be associated with Mr. Leo McGavick, of Tacoma, an attorney of many years' experience, whose reputation and success have heretofore been well established. It was equally a pleasure to have been associated with Wallace B. Hager, a young attorney who was admitted to practice slightly in excess of a year ago, whose personal characteristics are such that time will assure his success. His assistance was of tremendous value to us. The success of the counsel, however, could not have been so definitely assured without the wholehearted support of your organization. You not only furnished legal services to those employees who are members of your organization but to four members who were supervisors and for that reason were not at the present time members of your organization. Your having taken under your protective wing the other supervisors was an act for which your organization may be commended.

The services rendered by Mr. Kremers were outstanding. Not only was there made available a very full and complete file containing invaluable information, but his knowledge of the facts during the process of the trial was of great assistance. He was permitted to occupy a place at the counsel table where we received the benefit of his knowledge and experience regarding postal regulations and customs which was of tremendous assistance. His knowledge of the facts was also of great assistance in the attempt to classify the great ramification of facts and testimony which, by necessity, are found in a case involving so many defendants and activities in the local post office covering many years

of operation. The services rendered not only helped contribute to the success of this particular endeavor but will redound to the benefit of other members of the association and other employees of the postal department throughout the United States for years to come. The fact that the local men charged, as well as the national organization, had the wholehearted support of the postal employees throughout the entire area of western Washington was evidenced by the fact that there were a great number of representatives throughout western Washington in attendance at the trial throughout the long and grueling contest.

It is my understanding that a hearing before the Civil Service Commission of the charges filed within the Department will be heard shortly, and I am confident that Mr. Kremers can procure for these men further vindications to which they are entitled.

Experience in this case would indicate that postal employees should be given some further protection against the powers that apparently, under the regulations, can be invoked by members of the inspection service. It should be the purpose of the inspection department not only to assure the proper and efficient service in the Post Office Department but to protect the reputation and standing of employees within that service. After the charges were filed some of the employees, one I have known for many years, conferred with me relative to the charges with the view that they might determine the nature of the proceedings and defend themselves against charges which they felt, and which appeared to me, to be unjustified. At that time I called one of the inspectors, to whom had been assigned the investigation of this case, and inquired as to the nature of the evidence upon which they expected to rely in proof of the charges which the inspectors had filed. I was advised definitely that such information was not available either to the employees or to their attorney or representative, that they had been interviewed about the situation and that together with the charges filed should be sufficient basis upon which they could prepare an answer. They plainly indicated that what has been regarded as a constitutional right of an American citizen, to be confronted by his accusers and by evidence being presented, was not available.

In answering these charges before the Department, none of the men charged knew whether they were relying upon statements or affidavits or whether the evidence consisted simply of statements made by the inspectors. Their procedure would be somewhat identical with having a matter presented in court with the defendants, their attorneys and witnesses excluded during the prosecution of the plaintiff's case and then expect them to present to the court or jury a defense of the charges, statements, and evidence introduced against them.

While it is essential that the Post Office Department have some degree of latitude in determining the suitability of employees, it is equally essential that the rights of employees, accumulated over many years of faithful service, should be guarded and protected. I trust that there can be procured either a change in regulation and procedure or in the attitude of those interested in the filing and prosecution of charges as will bring the practice better in line with the recognized constitutional rights of those involved.

I wish to express to you, Mr. Kremers, the Assistant Secretary, your executive board, and your entire membership my personal gratitude for the cooperation which has been displayed in this matter. I am also authorized to convey to you the extreme gratitude of the employees who were charged, their families and friends, and, as a matter of fact, the overwhelming majority of the citizens of Vancouver and Clark County.

Very truly yours,

CLAUDE C. SNIDER.

RECESS TO MONDAY

Mr. McFARLAND. I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 11 minutes p. m.) the Senate took a recess until Monday, October 15, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate October 12 (legislative day of October 1), 1951:

POSTMASTERS

The following-named persons to be postmasters:

ARKANSAS

James Anderson Ralph, Joiner, Ark., in place of A. M. Ford, resigned.

CALIFORNIA

Norman R. Brown, Arroyo Grande, Calif., in place of L. J. Grisingher, resigned.

Karl W. Traylor, Blairsden, Calif., in place of Mary Ferrari, resigned.

Ella Kaye Curran, Bostonia, Calif., in place of W. M. Wright, retired.

Clifford A. Ham, Colton, Calif., in place of F. A. Salman, declined.

Oliver A. Thorson, Darwin, Calif., in place of V. H. Carpenter, resigned.

Winston S. Oaks, Lakeside, Calif., in place of T. F. Helm, retired.

Bernard T. Finnin, Mojave, Calif., in place of R. L. Turner, resigned.

Marshall G. Winn., Philo, Calif., in place of G. A. Reilly, retired.

Worth Keene, Seal Beach, Calif., in place of J. J. Jones, Sr., resigned.

Marvin H. Moest, Warner Springs, Calif., in place of E. J. Koch, resigned.

COLORADO

Roy P. Barrowman, Berthoud, Colo., in place of W. E. Rogers, retired.

Leslie Wilkinson, Cripple Creek, Colo., in place of Vernon Peiffer, retired.

Frank G. Harbour, Woodland Park, Colo., in place of G. M. Carroll, retired.

GEORGIA

Walter A. Johnson, Mount Berry, Ga., in place of M. G. Keown, retired.

IDAHO

Elsie E. Moore, Donnelly, Idaho, in place of M. M. Howe, retired.

Lloyd J. Passey, Paris, Idaho, in place of H. L. Spencer, retired.

ILLINOIS

Richard K. Weller, Chatsworth, Ill., in place of R. V. McGreal, transferred.

Leonard J. Ries, Henry, Ill., in place of F. L. Wright, transferred.

Sorrell A. Hukill, Homewood, Ill., in place of W. H. Cato, retired.

KANSAS

Dallas G. Worrell, Gridley, Kans., in place of W. F. Varvel, transferred.

KENTUCKY

Homer D. Allen, Oneida, Ky., in place of S. B. Gilbert, deceased.

MARYLAND

Homer C. Shaffer, Crellin, Md., in place of E. F. Colaw, retired.

MICHIGAN

Ruth A. Howe, Houghton Point, Mich., office established November 1, 1949.

MINNESOTA

Robert C. Hillyer, Backus, Minn., in place of W. F. Gregory, deceased.

Lester E. Sullivan, Madelia, Minn., in place of Henry Hillesheim, retired.

Rodney C. Shogren, Shafer, Minn., in place of L. R. Martinson, resigned.

MISSOURI

Dixie E. Myers, Green Ridge, Mo., in place of F. E. Ream, retired.

John W. Nelson, Versailles, Mo., in place of J. M. Earp, deceased.

Warren H. Feldman, Stanberry, Mo., in place of M. E. Enyart, retired.

NEW JERSEY

Robert J. Noce, Englishtown, N. J., in place of E. H. McDonald, transferred.

Clifford C. Emens, Monmouth Junction, N. J., in place of Annie Lester, retired.

Bernard M. Degnan, Orange, N. J., in place of Charles Ippolito, retired.

Joseph P. LaPorta, Williamstown, N. J., in place of L. A. Martinelli, deceased.

NEW YORK

Harold C. Shannon, Alexandria Bay, N. Y., in place of F. F. Cornwall, retired.

Marjorie A. Dibble, Bloomville, N. Y., in place of M. L. Cleveland, retired.

Jack J. Powers, Montgomery, N. Y., in place of C. W. Schmitt, transferred.

Catherine V. Paczkowski, Turin, N. Y., in place of D. B. Kentner, retired.

NORTH CAROLINA

Neil B. McDonald, Cameron, N. C., in place of Thurla Cole, deceased.

Lawson A. Foil, Mount Pleasant, N. C., in place of K. M. Cook, retired.

OHIO

Paul A. Miller, Jackson, Ohio, in place of Thomas Kyer, deceased.

Walter G. Sawyer, Lockbourne, Ohio, in place of W. A. Sawyer, deceased.

Walter E. Bennett, Okeana, Ohio, in place of Elsie Bennett, deceased.

OKLAHOMA

Herbert Wayne Hendren, Fargo, Okla., in place of J. W. Bonar, resigned.

Sedric D. Cowell, Mounds, Okla., in place of J. A. Waggoner, retired.

OREGON

Arthur B. Scarset, Camp White, Oreg., Office established June 16, 1949.

Charles W. Garlick, Gladstone, Oreg., in place of G. M. Ely, retired.

Vella A. Harlan, McNary, Oreg., Office established September 1, 1949.

Russell F. Cooper, Sutherlin, Oreg., in place of H. W. Chenoweth, resigned.

PENNSYLVANIA

Joseph J. Habeeb, Chinchilla, Pa., in place of J. F. Moran, declined.

Natalie G. Landenberger, Holmes, Pa., in place of F. H. Filbert, removed.

Guy V. Kingree, Jr., Smoketown, Pa., in place of G. L. Brookmyer, resigned.

Dean L. Musick, Youngstown, Pa., in place of G. V. Shawley, deceased.

TENNESSEE

Richard T. Zimmerman, Fordtown, Tenn., in place of C. R. Irvin, deceased.

TEXAS

Alba A. Hall, Roby, Tex., in place of S. L. Hall, retired.

UTAH

Robert M. Birdzell, Wendover, Utah. Office reestablished November 1, 1947.

VIRGINIA

Robert E. Denny, Bluemont, Va., in place of O. C. Osburn, retired.

Coleman A. Doss, Hurt, Va., in place of H. O. Shields, declined.

WASHINGTON

Richard B. Dahlager, Algona, Wash., in place of C. E. Googe, retired.
William K. Wuesthoff, Davenport, Wash., in place of J. J. Peak, retired.
Donald J. Auvil, Entiat, Wash., in place of Robert Kinzel, retired.
Asa Wayman Perkins, Garfield, Wash., in place of Ralph Gildea, transferred.
Howard W. Sievers, Lynwood, Wash. Office. established June 16, 1948.
Owen M. Lade, Sumas, Wash., in place of W. C. Adkins, transferred.

WEST VIRGINIA

Rena P. Lane, Elbert, W. Va., in place of D. L. Lester, resigned.

WISCONSIN

Clayton B. Hesslink, Cedar Grove, Wis., in place of J. K. Hesselink, transferred.
Leonard T. Goetz, Manawa, Wis., in place of John Lindow, retired.
Jack J. Morgenthaler, Springbrook, Wis., in place of M. E. Odekirk, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 12 (legislative day of October 1), 1951:

POSTMASTERS

ALABAMA

Max A. Burleson, Guin.
James R. Levy, Ozark.

ALASKA

Doris V. Richard, Annette.

CALIFORNIA

Kenneth S. Lewis, Carmichael.
Anton J. Blatnick, Cucamonga.
Owen S. Beck, Farmington.
Ethel I. Maddix, Friant.
Terrence O. Thomson, Holt.
Peter M. Murray, Livermore.
Marie L. Maher, North Palm Springs.
Adrian C. Firman, Puente.
Carl T. Erickson, Sebastopol.
Fred B. Niswonger, Weed.

COLORADO

Ellen I. Colclazier, Loretto.

CONNECTICUT

William J. Phelan, Waterbury.
Lucy N. Leonard, Watertown.

FLORIDA

John M. Ayers, Altha.
Norman F. Easton, Gibsonton.

GEORGIA

Hillyer C. King, Athens.
James C. Lipham, Bowdon.
John Preston Whigham, Eastman.
Ennis L. Brooks, Edison.
Edwin Parker Dodge, Nahunta.
Elizabeth M. Gray, Poulan.
Hugh D. Crook, Senoia.

IOWA

Arnold A. Benda, Brooklyn.
Lois Kathryn Allison, Carnarvon.
Robert J. Cavanagh, Delmar.
Eugene R. Wilbur, Randalia.

KANSAS

William J. Nelson, Natoma.

MAINE

Dennis R. Swan, Locke Mills.
Germaine H. Martel, Mechanic Falls.

MARYLAND

Woodrow B. Lippy, Manchester.
Charles W. Jones, Millington.

MASSACHUSETTS

Joseph E. McCumber, Nutting Lake.
Henry A. Duffy, South Attleboro.
Andrew J. Moran, Westport.

MICHIGAN

Anna L. Shepard, Alba.
Bernie J. Moorman, Barryton.
Lloyd Fred Porter, Bedford.
Chester W. Silkworth, Brooklyn.
Alvin F. Janowiak, Filer City.
Glenn W. Koontz, McMillan.
James E. McCracken, Pullman.
Percy H. McDonald, Richland.
Lloyd V. Preiss, Rockland.
Roy L. Wyckoff, Sheridan.
Robert W. Braun, South Range.
Erwin D. Clippard, Utica.
Clyde Bowman, White Cloud.

MINNESOTA

Stella M. Madsen, Bethel.
Norbert V. Honer, Cold Spring.
Nestor C. Sybilrud, Glenville.
Maurice P. Dahlheim, Hector.
Ernest W. Ipsen, Le Sueur.
Roger W. Corchran, Medford.
Al Buse, Red Lake Falls.
Burt E. Walker, Stephen.

MISSISSIPPI

Walter G. Watkins, Gholson.
James W. Terrell, Pass Christian.
Grover K. Tanner, Pelahatchie.
Marion F. Howard, Poplarville.
John C. Graves, Jr., Roxie.
Allie B. Collins, Valden.

NEBRASKA

Gertrude M. Wesierski, Ashton.
James J. Vanderloop, Cedar Rapids.
Delmer Vandewege, Firth.
Fredric J. Stevens, Hartington.
Jesse J. Cromie, Kimball.
Norman F. Hansen, Tilden.

NEW HAMPSHIRE

Russell V. Hawes, Pittsburg.
Francis V. Kelleher, Westville.

NEW YORK

John M. Quealy, Addison.
Joseph S. Dempsey, Sr., Bolivar.
Francis J. Schweigert, East Greenbush.
Milton S. Hubbard, Jefferson.
Archibald G. McLellan, Ogdensburg.
Samuel J. Bertuzzi, Oneonta.
Joseph F. Connelly, Schenectady.
Harold R. Martin, Schoharie.

NORTH CAROLINA

Richard D. Dixon, Edenton.
Edward L. Best, Louisburg.
Rupert R. Rawls, Oak City.
Robert L. Harrison, Spencer.

OHIO

Michael E. Sullivan, Leetonia.
Thomas H. Dearth, Londonderry.
Ray Edward Bayer, Perrysburg.

OKLAHOMA

Grace R. Heard, Cleveland.
Maynard E. Shelite, Freedom.

OREGON

Marie P. Balliew, Charleston.
Clarence E. Thomas, Deer Island.
Alta Geneva Brattain, Forth Klamath.

PENNSYLVANIA

Sarah C. Bassler, Brockton.
Ralph M. Arney, Centre Hall.
Harvey O. Eck, Emmaus.
Elizabeth M. Murphy, Hokendauqua.
Carl A. Truance, Rossiter.
George D. Hoffman, Shillington.
Ralph Lubinski, Waymart.
Kenneth J. Austin, Wellsboro.

PUERTO RICO

Margaret R. Keith, Aguirre.

SOUTH CAROLINA

Joseph J. Ropp, Manning.

SOUTH DAKOTA

Burdette W. P. Oakley, Mount Vernon.
Harvey J. Hullinger, Vivian.

TENNESSEE

Robert L. Van Eaton, Newbern.

TEXAS

E. B. Lee, Bessmay.
William F. Schwenke, Coupland.
Daniel R. Walsworth, O'Brien.
Elfay L. Orts, Paige.
Elmo M. Vickers, Pleasanton.

UTAH

John C. Green, Jr., Park City.

VERMONT

Stanley J. Pekalski, Bennington.
George F. Lawrence, Jr., Manchester.
Michael D'Agostino, Sheldon Springs.
Theresa I. Kallahan, Wells.

VIRGINIA

Thomas B. Simpkins, Aylett.
Herbert S. Hulvey, Fort Defiance.

WASHINGTON

Anthony C. Klotz, Burien.

WEST VIRGINIA

Juanita J. Dixon, Longacre.
Nathan W. Meadows, Rhodell.

WYOMING

Ruth A. Arbogast, Sunrise.

SENATE

MONDAY, OCTOBER 15, 1951

(Legislative day of Monday, October 1, 1951)

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:

Almighty God, in whose keeping are the destinies of men and nations, endue with Thy wisdom our fallible minds. We come to Thee at the noontide hour when, from the Nation's beginning, our fathers have turned aside to seek Thy face. In disturbing days, strengthen us with the assurance that in the supreme tests only the soul is decisive and that only the spirit can save the flesh. Even as the busy tribes of humanity, with all their cares and fears, are carried swiftly onward with the flood of this tempestuous day, lead us who seek a sense of Thy presence to still waters and green pastures, where in some quiet shrine of devotion we may be reassured of those values which are excellent and permanent and which assert their sovereignty in all life's changing scenes. In the Redeemer's name, we ask it. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Friday, October 12, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the