

By Mr. ANGELL:

H. R. 4593. A bill to amend the penalty provisions applicable to persons convicted of violating certain narcotic laws, and for other purposes; to the Committee on Ways and Means.

By Mr. TALLE:

H. R. 4594. A bill to increase the penalty for the sale of narcotic drugs to persons under 21 years of age; to the Committee on Ways and Means.

By Mr. BARRETT:

H. J. Res. 275. Joint resolution pertaining to the act of June 28, 1948 (Public Law 795, ch. 687), relating to Independence National Historical Park, Philadelphia, Pa.; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT:

H. J. Res. 276. Joint resolution to designate the 1st day of May in each year as Loyalty Day; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. Con. Res. 127. Concurrent resolution providing a Code of Ethics for Government Service; to the Committee on Post Office and Civil Service.

By Mr. GATHINGS:

H. Res. 278. Resolution to authorize the Committee on Interstate and Foreign Commerce to investigate and study offensive and undesirable radio and television programs; to the Committee on Rules.

H. Res. 279. Resolution to authorize the Committee on Post Office and Civil Service to investigate and study the publication and distribution of offensive and undesirable books; to the Committee on Rules.

By Mr. ADDONIZIO:

H. Res. 280. Resolution reestablishing principles stated in Executive Order 8802 of June 25, 1941, as amended, and requesting the President to provide for fair employment practices; to the Committee on Education and Labor.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BAKEWELL:

H. R. 4595. A bill for the relief of Cecilia T. Tolentino; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 4596. A bill for the relief of Elizabeth Vogel, former Foreign Service clerk; to the Committee on the Judiciary.

By Mr. BRAMBLETT:

H. R. 4597. A bill for the relief of Jalal Rashtian; to the Committee on the Judiciary.

By Mr. CELLER:

H. R. 4598. A bill for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of war conditions and catastrophes of nature; to the Committee on the Judiciary.

By Mr. McDONOUGH (by request):

H. R. 4599. A bill for the relief of Mahmud Ali Mahmud Areiquat; to the Committee on the Judiciary.

H. R. 4600. A bill for the relief of Abdullah Hasan Areiquat; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

326. The SPEAKER presented a petition of Thad Fusco, clerk, Cleveland, Ohio, relative to requesting an appropriation of sufficient funds to carry out an adequate low-income housing program, as contemplated in the bi-partisan Housing Act of 1949; to the Committee on Banking and Currency.

SENATE

TUESDAY, JUNE 26, 1951

(*Legislative day of Thursday, June 21, 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:

Dear God and Father of us all, what'er our name or sign, under the canopy of Thy goodness and mercy we pause to seek Thy face. Gather our wandering minds and our wayward spirits into Thy secret place where, even before we lift our own voices concerning the affairs of these perplexing times, we may have ears to hear those voices which tell us of the meaning and worth of life. On the tablets of our hearts may there be written Thy decrees. In all our attitudes and expressions may we not forget that he that is slow to anger is better than the mighty, and he that ruleth his own heart is better than he that taketh a city.

Enrich us with the durable satisfactions of life so that the multiplying years may not find us bankrupt in those things that matter most, the golden currency of faith and hope and love. We ask it in the name of man's Best Man and love's Best Love. Amen.

THE JOURNAL

On request of Mr. LONG, and by unanimous consent, the reading of the Journal of the proceedings of Monday, June 25, 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 June 26, 1951, the President had approved and signed the act (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 11) to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical incapacity, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3880) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1952, and

for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. THOMAS, Mr. GORE, Mr. ANDREWS, Mr. YATES, Mr. TABER, Mr. PHILLIPS, Mr. COUDERT, and Mr. COTTON were appointed managers on the part of the House at the conference.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. NEELY, and by unanimous consent, the Committee To Investigate Organized Crime in Interstate Commerce was authorized to meet this afternoon during the session of the Senate.

On request of Mr. JOHNSON of Colorado, and by unanimous consent, the Committee on Interstate and Foreign Commerce was authorized to meet at 2 o'clock p. m. today to hear a witness from the Bureau of the Budget with reference to a bill pending before the committee.

EXTENSION OF DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. LONG. I now suggest the absence of a quorum.

The VICE PRESIDENT. Will the Senator from Louisiana withhold his suggestion for a moment so that the Chair may lay before the Senate a message from the House and call it to the attention of the Senator from West Virginia?

Mr. LONG. I withhold the suggestion, Mr. President.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1590) to extend and revise the District of Columbia Emergency Rent Act, which was to strike out all after the enacting clause and insert:

That the District of Columbia Emergency Rent Act is hereby amended to read as follows:

"PURPOSES; TIME LIMIT

"SECTION 1. (a) It is hereby found that the national emergency and the national defense program (1) have aggravated the congested situation with regard to housing accommodations existing at the seat of government; (2) have led or will lead to profiteering and other speculative and manipulative practices by some owners of housing accommodations; (3) have rendered or will render ineffective the normal operations of a free market in housing accommodations; and (4) are making it increasingly difficult for persons whose duties or obligations require them to live or work in the District of Columbia to obtain such accommodations. Whereupon it is the purpose of this act and the policy of the Congress during the existing emergency to prevent undue rent increases and any other practices relating to housing accommodations in the District of Columbia which may tend to increase the cost of living or otherwise impede the national defense program.

"(b) The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on March 31, 1952; except that as to offenses committed, or rights or liabilities incurred, prior to such expiration date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any proper suit, action, or prosecution with respect to any such right, liability, or offense.

"MAXIMUM-RENT CEILINGS AND MINIMUM-SERVICE STANDARDS

"SEC. 2. Subject to such adjustments as may be made pursuant to sections 3 and 4, maximum-rent ceilings and minimum-service standards for housing accommodations in the District of Columbia shall be the following:

"(1) For housing accommodations rented on January 1, 1951, and not under control under this act prior to that date, the rent and service to which the landlord and tenant were entitled on that date.

"(2) For housing accommodations not rented on January 1, 1951, but which had been rented within the year ending on that date, and not under control under this act during that year, the rent and service to which the landlord and tenant were last entitled within such year.

"(3) For housing accommodations not rented on January 1, 1951, or within the year ending on that date, and not covered by subsection (4) hereof, the rent and service generally prevailing for comparable housing accommodations as determined by the Administrator.

"(4) For housing accommodations under control under this act on December 31, 1950, the rent and service to which the landlord and tenant were entitled on December 31, 1950; except that upon the filing, by any landlord of any housing accommodations covered by this subsection, of a new rent schedule on a form prescribed by the Administrator and setting forth the pertinent circumstances as indicated by such form, the rent and service shall be adjusted and automatically effective upon the date of filing thereof, (A) for housing accommodations rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased to 20 percent above the rent heretofore frozen at the level of January 1, 1941, or the last rent in the year 1940, whichever was applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator; and (B) for housing accommodations not rented on January 1, 1941, or within the year ending on that date, so that the maximum-rent ceiling shall be increased by 2 percent per year for each calendar year ending after rent schedules for such housing accommodations were first filed in the office of the Administrator, for the calendar years 1941 to 1950, inclusive, to the extent applicable, plus the upward adjustments heretofore authorized by General Orders 12 and 13 of the Administrator.

"GENERAL AND SPECIAL ADJUSTMENTS

"SEC. 3. (a) Whenever in the judgment of the Administrator a general increase or decrease since January 1, 1951, in taxes or other maintenance or operating costs or expenses has occurred or is about to occur in such manner and amount as substantially to affect the maintenance and operation of housing accommodations generally or of any particular class of housing accommodations, he may by regulation or order increase or decrease the maximum-rent ceiling or minimum-service standard, or both, for such accommodations or class thereof in such manner or amount as will in his judgment compensate, in whole or in part, for such general increase or decrease. Thereupon such adjusted ceiling or standard shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto.

"(b) Upon a showing by any landlord of good cause in the judgment of the Administrator that the maximum-rent ceiling on any housing accommodation is substantially lower than the maximum-rent ceiling for comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, the Administrator

may, by special order under this section, adjust such lower ceiling so as to equalize the same with such higher ceiling, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"(c) Upon the showing by any landlord to the satisfaction of the Administrator that the maximum-rent ceilings, on any comparable housing accommodations located within the same building or group of buildings operated by the same landlord as a single operation, will vary in amount due to the effect of General Orders 12 and 13 or similar general orders, the Administrator may, by special order under this section, adjust any or all of such ceilings so as to equalize the same, and thereupon such adjusted ceilings shall be the maximum-rent ceilings for the housing accommodations subject to such special order.

"PETITION FOR ADJUSTMENT

"SEC. 4. (a) Any landlord or tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling is, due to peculiar circumstances affecting such housing accommodations, substantially higher or lower than the rent generally prevailing for comparable housing accommodations; whereupon the Administrator may by order adjust such maximum-rent ceiling to provide the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(b) Any landlord may petition the Administrator to adjust the maximum-rent ceiling or minimum-service standard, or both, applicable to his housing accommodations to compensate for (1) a substantial rise in taxes or other maintenance or operating costs or expenses over those prior to January 1, 1951, or (2) a substantial capital improvement including furniture and furnishings or alteration made since January 1, 1951; whereupon the Administrator may by order adjust such maximum-rent ceiling or minimum-service standard in such manner or amount as he deems proper to compensate therefor, in whole or in part, if he finds such adjustment necessary or appropriate to carry out the purposes of this act: Provided, That no such adjusted maximum-rent ceiling or minimum-service standard shall permit the receipt of rent in excess of the rent generally prevailing for comparable housing accommodations as determined by the Administrator.

"(c) Any tenant may petition the Administrator on the ground that the service supplied to him is less than the service established by the minimum-service standard for his housing accommodations; whereupon the Administrator may order that the service be maintained at such minimum-service standard, or that the maximum-rent ceiling be decreased to compensate for a reduction in service, as he deems necessary or appropriate to carry out the purposes of this act.

"(d) Any landlord may petition the Administrator for permission to reduce the service supplied by him in connection with any housing accommodations; whereupon the Administrator, if he determines that the reduction of such service is to be made in good faith for valid business reasons and is not inconsistent with carrying out the purposes of this act, may, by order, reduce the minimum-service standard applicable to such housing accommodations and adjust the maximum-rent ceiling downward in such amount as he deems proper to compensate therefor.

"(e) Any tenant may petition the Administrator to adjust the maximum-rent ceiling applicable to his housing accommodations on the ground that such maximum-rent ceiling permits the receipt of an unduly

high rent; whereupon the Administrator may by order adjust such maximum-rent ceiling in such manner or amount as shall, in his judgment, effectuate the purposes of this act and provide a fair and reasonable rent for such housing accommodations, but not less than the generally prevailing rate for comparable housing accommodations.

"(f) A petition made pursuant to this section shall be subject to the provisions of sections 8 and 9 of this act. Any adjusted maximum-rent ceiling or minimum-service standard ordered pursuant to this section shall be the maximum-rent ceiling or minimum-service standard for the housing accommodations subject thereto; except that, in the event that the adjustment order is stayed or set aside by the court in accordance with section 9 of this act, the maximum-rent ceiling and minimum-service standard theretofore applicable to such housing accommodations under this act remain in full force and effect.

"(g) Upon the expiration of 45 days after the date of the filing of any petition by any landlord for adjustment of the maximum-rent ceiling under the provisions of subsection (b) of this section, the maximum-rent ceiling for the housing accommodations covered by such petition automatically shall become the ceiling requested in such adjustment petition, unless and until such adjustment petition shall have been finally disposed of by the Administrator or his office, pursuant to the provisions of this section and the provisions of sections 8 and 9. Upon such final disposition the maximum-rent ceiling provided by this subsection during the pendency of such adjustment petition shall exceed the maximum-rent ceiling as finally disposed of by the Administrator or his office, any tenant having paid such excess or any part thereof shall be entitled to a refund to the extent of such payment, but the landlord shall not be liable for any penalties under the provisions of this act.

"PROHIBITIONS

"SEC. 5. (a) It shall be unlawful, regardless of any agreement, lease, or other obligation heretofore or hereafter entered into, for any person to demand or receive any rent in excess of the maximum-rent ceiling, or refuse to supply any service required by the minimum-service standards, or otherwise to do or omit to do any act in violation of any provision of this act or of any regulation, order, or other requirement thereunder, or to offer or agree to do any of the foregoing.

"(b) No action or proceeding to recover possession of housing accommodations shall be maintainable by any landlord against any tenant, notwithstanding that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled, unless—

"(1) The tenant is (A) violating an obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or any regulation or order thereunder applicable to the housing accommodations involved or an obligation to surrender possession of such accommodations) or (B) is committing a nuisance or using the housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes; or

"(2) The landlord seeks in good faith to recover possession of the property for his immediate and personal use and occupancy as a dwelling: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no such action or proceeding under this paragraph or paragraph (3) of this section shall be maintained unless stock or membership in the cooperative corporation or association has been acquired by persons who are or were tenants

in occupancy of at least 65 percent of the dwelling units in the structure or premises at the time said cooperative corporation or association either (1) acquired or leased said structure or premises or (2) entered into a contract or option to acquire or lease said structure or premises, whichever date is earliest, and who as such stockholders or members are entitled to possession of their respective dwelling units in the structure or premises by virtue of proprietary leases or otherwise, and this provision shall apply whether such corporation or association acquired or leased such structure or premises or entered into a contract or option to do so prior to or after the effective date of this mandatory act or unless as the holder of stock or membership acquired in the cooperative corporation or association prior to March 1, 1949, a stockholder or member was entitled to possession of a dwelling unit in the structure or premises by virtue of a proprietary lease or otherwise.

"(3) The landlord has in good faith contracted in writing to sell the property for immediate and personal use and occupancy as a dwelling by the purchaser and that the contract of sale contains a representation by the purchaser that the property is being purchased by him for such immediate and personal use and occupancy; or

"(4) The landlord seeks in good faith to recover possession for the immediate purpose of substantially altering, remodeling, or demolishing the property and replacing it with new construction, the plans for which altered, remodeled, or new construction having been filed with, and approved by, the Commissioners of the District of Columbia; or

"(5) The landlord seeks in good faith to recover possession for the immediate purpose of discontinuing the housing use and occupancy for a continuous period of not less than 6 months, during which period, commencing on the date possession is recovered under this subsection, it shall be unlawful for the owner of such housing accommodations or his agent to demand or receive rent for the same, and any person paying such rent may bring an action for double the amount of rent so paid, pursuant to the provisions of section 10 of the act; or

"(6) The landlord, being a recognized school or an accredited nonprofit university, has a bona fide need for the premises for educational, research, administrative, or dormitory use.

"(c) It shall be unlawful for any person to remove, or attempt to remove, from any housing accommodations the tenant or occupant thereof or to refuse to renew lease or agreement for the use of such accommodations because such tenant or occupant has taken or purposed to take action authorized or required by this act or any regulation, order, or requirement thereunder.

"ADMINISTRATOR

"SEC. 6. There is hereby created in and for the District of Columbia the Office of Administrator of Rent Control. The Administrator shall be appointed by the Commissioners of the District of Columbia and shall be a bona fide resident of the District of Columbia for not less than 3 years prior to his appointment. He shall devote his full time to the Office of Administrator and, notwithstanding the provisions of any other law heretofore enacted, shall receive a salary at the rate of \$10,000 per annum. The Administrator shall establish offices, acquire supplies and equipment, and employ such personnel subject to approval by the Commissioners of the District of Columbia, and in accordance with the Classification Act of 1949, without regard to race or creed, as may be necessary in the performance of his functions under this act. The Administrator shall submit a semiannual report to the Commissioners of the District of Co-

lumbia for transmittal to the Congress of the United States.

"OBTAINING INFORMATION

"SEC. 7. (a) The Administrator may make such studies and investigations, and obtain or require the furnishing of such information under oath or affirmation or otherwise, as he deems necessary or proper to assist him in prescribing any regulation or order under this act, or in the administration and enforcement of this act, and regulations and orders thereunder. For such purposes the Administrator may administer oaths and affirmations; may require, by subp^ena or otherwise, the attendance and testimony of witnesses and the production of documents at any designated place; may require persons to permit the inspection and copying of documents, and the inspection of housing accommodations; and may, by regulation or order, require the making and keeping of records and other documents. No person shall be excused from complying with any requirement under this section because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (U. S. C. 1934 ed., title 49, sec. 46), shall apply with respect to any individual who specifically claims such privilege. In the event of contumacy or refusal to obey any such subp^ena or requirement under this section, the Administrator may make application to the United States District Court for the District of Columbia for an order requiring obedience thereto. Thereupon the court, with or without notice and hearing, as it in its discretion may decide, shall make such order as is proper and may punish as a contempt any failure to comply with such order.

"(b) The Administrator shall have authority to promulgate, issue, amend, or rescind rules and regulations, subject to approval by the Commissioners of the District of Columbia, and to issue such orders as may be deemed necessary or proper to carry out the purposes and provisions of this act or to prevent the circumvention or evasion thereof.

"PROCEDURE

"SEC. 8. (a) Any petition filed by a landlord or tenant under section 4 shall be promptly referred to an examiner designated by the Administrator. Notice of such action, in such manner as the Administrator shall by regulation prescribe, shall be given the tenant and landlord of the housing accommodations involved. If the petition be frivolous or without merit, the examiner shall forthwith dismiss it. Such order of dismissal may be reviewed by the Administrator in the manner provided in subsection (c) of this section. The examiner shall grant a hearing upon the petition except in cases dismissed under this subsection.

"(b) Hearings under this section shall be conducted in accordance with regulations prescribed by the Administrator. The landlord and tenant shall be given an opportunity to be heard or to file written statements, due regard to be given the utility and relevance of the information offered and the need for expedition. In any such hearing the common-law rules of evidence shall not be controlling.

"(c) The examiner, after hearing, shall make findings of fact and recommend an appropriate order. Copies of such findings and order shall be served upon the parties to the proceeding in such manner as the Administrator may prescribe by regulation. Within 5 days after such service, any such party may request that the recommended order be reviewed by the Administrator. If there be no such request within such 5 days, the findings and recommended order of the examiner shall thereupon be deemed to be the findings and order of the Administrator: *Provided*, That the Administrator may review the proceedings, as herein provided, on his own motion at any time within 10 days after

service of the examiner's findings and order upon the parties. The Administrator may, in his discretion, grant a hearing upon the request. Upon such request or motion the record in the case shall be forthwith transferred to the Administrator for review, and he may, in his discretion, grant a hearing. He shall state his findings of fact or affirm the examiner's findings of fact, which findings in either case shall be conclusive if supported by substantial evidence, and shall make an appropriate order.

"COURT REVIEW

"SEC. 9. (a) Within 10 days after issuance of an order of the Administrator under section 4, any party may file a petition to review such action in the Municipal Court of Appeals for the District of Columbia and shall forthwith serve a copy of such petition upon the Administrator. Thereupon, the Administrator shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript, the court shall have exclusive jurisdiction to affirm or set aside such order, or remand the proceeding: *Provided*, That the Administrator may at any time, upon reasonable notice and in such manner as he shall deem proper, rescind, modify, or set aside, in whole or in part, any such order of the Administrator at any time notwithstanding the pendency of the petition to review.

"(b) No objection that has not been urged before the Administrator shall be considered by the court unless the failure to urge such objection shall be excused because of extraordinary circumstances. No order shall be set aside or remanded unless the petitioner shall establish to the satisfaction of the court that the order is not in accordance with law, or is not supported by substantial evidence. The commencement of proceedings under this section shall not, except as provided in subsection (d), operate as a stay of the Administrator's order.

"(c) The Municipal Court of Appeals for the District of Columbia is hereby granted exclusive jurisdiction to review any order of the Administrator made pursuant to section 4 of this act. The judgment and decree of the court shall be final, subject to review as provided by law relative to other judgments of the court.

"(d) No court shall issue any interlocutory order or decree staying the effectiveness of any provision of this act or any regulation or order issued thereunder unless the person objecting to such provision, regulation, or order shall file with the court an undertaking with a surety or sureties satisfactory to the court for the payment, in the event such objection is not sustained, of the amount by which the maximum rent, if any, permitted under such provision, regulation, or order exceeds or is less than the amount actually received or paid while such stay is in effect.

"ENFORCEMENT; PENALTIES

"SEC. 10. (a) If any landlord receives rent or refuses to render services in violation of any provision of this act, or of any regulation or order thereunder prescribing a rent ceiling or service standard, the tenant paying such rent or entitled to such service, or the Administrator on behalf of such tenant, may bring suit to rescind the lease or rental agreement, or, in case of violation of a maximum-rent ceiling, an action for double the amount by which the rent paid exceeded the applicable rent ceiling and, in case of violation of a minimum-service standard, an action for double the value of the services refused in violation of the applicable minimum-service standard or for \$50, whichever is greater in either case, plus reasonable attorneys' fees and costs as determined by the court. Any suit or action under this subsection may be brought in the Municipal

Court for the District of Columbia regardless of the amount involved, and the municipal court is hereby given exclusive jurisdiction to hear and determine all such cases.

(b) No person shall be held liable for damages or penalties in any court on any grounds for or in respect of anything done or omitted to be done in good faith pursuant to any provision of this act or any regulation, order, or requirement thereunder, notwithstanding that subsequently such provision, regulation, order, or requirement may be modified, rescinded, or determined to be invalid. The Administrator may intervene in any suit or action wherein a party relies for ground of relief or defense upon this act or any regulation, order, or requirement thereunder. No costs shall be assessed against the Administrator in any proceedings had or taken in accordance with this act.

(c) Whenever in the judgment of the Administrator any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this act, or any regulation, order, or requirement thereunder, he may make application to the United States District Court for the District of Columbia for an order enforcing compliance with this act or such regulation, order, or requirement, and upon a proper showing a permanent or temporary injunction, restraining order, or other order shall be granted without bond.

DEFINITIONS

"SEC. 11. As used in this act—

"(a) The term 'housing accommodations' means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes in the District of Columbia, together with all services supplied in connection with the use or occupancy of such property; but the term 'housing accommodations' shall not include (1) any of the accommodations in a hotel in which more than 60 percent of the space devoted to living quarters for tenants and guests is used for furnishing accommodations for transients, or the building constituting such hotel; or (2) furnished non-housekeeping accommodations, whether or not in a hotel, which are rented as rooms without kitchen privileges or facilities for cooking (but not in a suite of two or more rooms); or (3) any building used as a licensed rooming house.

"(b) The term 'services' includes the furnishing of light, heat, hot and cold water, telephone, elevator service, furnishings, furniture, window shades, screens, awnings, and storage; kitchen, bath, and laundry facilities and privileges; maid service; janitor service; the removal of refuse, and the making of all repairs suited to the housing accommodations or necessitated by ordinary wear and tear; and any other privilege or facility connected with the use or occupancy of housing accommodations.

"(c) The term 'rent' means the consideration, including any bonus, benefit, or gratuity, demanded or received per day, week, month, year, or other period of time, as the case may be, for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(d) The term 'maximum-rent ceiling' means the maximum rent which may be demanded or received for the use or occupancy of housing accommodations or the transfer of a lease for such accommodations.

"(e) The term 'minimum-service standard' means the minimum service which may be supplied in connection with the renting or leasing of housing accommodations.

"(f) The term 'tenant' includes a subtenant, lessee, sublessee, or other person entitled to the use or occupancy of any housing accommodations.

"(g) The term 'landlord' includes an owner, lessor, sublessor, or other person en-

titled to receive rent for the use or occupancy of any housing accommodations.

"(h) The term 'person' includes one or more individuals, firms, partnerships, corporations, or associations, and any agent, trustee, receiver, assignee, or other representative thereof.

"(i) The term 'documents' include leases, agreements, records, books, accounts, correspondence, memoranda, and other documents, and drafts and copies of the foregoing.

SEPARABILITY

"SEC. 12. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

APPROPRIATION

"SEC. 13. There are hereby authorized to be appropriated such funds as may be necessary to carry out the provisions of this act, to be paid out of money in the Treasury of the United States to the credit of the District of Columbia not otherwise appropriated.

SHORT TITLE

"SEC. 14. This act may be cited as the 'District of Columbia Emergency Rent Act of 1951'."

SEC. 2. This act shall take effect on the day following the date of its enactment.

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendment of the House, request 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 Vice President appointed Mr. NEELY, Mr. CLEMENTS, and Mr. WELKER conferees on the part of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield.

Mr. WHERRY. I ask the acting majority leader if he will not make a unanimous-consent request that Senators be permitted at this time to make insertions in the RECORD and transact other routine business, without debate.

Mr. LONG. Mr. President, I ask unanimous consent that there be a brief period set aside at this time in which Senators may make insertions in the RECORD and transact other routine business, without debate.

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

PETITION

Mr. MAGNUSON presented a petition signed by Robert A. Hidden and sundry other citizens of Vancouver, Wash., praying for the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, which was referred to the Committee on Interstate and Foreign Commerce.

ESTABLISHMENT OF SEPARATE IMMIGRATION QUOTA FOR NATIONALS OF PAKISTAN—LETTERS AND PETITION

Mr. LANGER. Mr. President, I am in receipt of a letter from the Pakistan League of America, Inc., New York, N. Y., signed by Mubarek Ali Khan, enclosing a petition signed by sundry officers and citizens of the State of Arizona, a letter

from L. C. Boies, sheriff of Maricopa County, Ariz., and a letter from Earl L. O'Clair, chief of police, of Phoenix, Ariz., in support of the bill (S. 1615) to provide for the establishment of a separate immigration quota for nationals of Pakistan, which I introduced on June 8, 1951. I ask unanimous consent that the letters and petition be appropriately referred and printed in the RECORD, together with all the signatures attached thereto.

There being no objection, the letters and petition were referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, together with all the signatures, as follows:

PAKISTAN LEAGUE OF AMERICA, INC.,

New York, N. Y., June 21, 1951.

Hon. WILLIAM LANGER,

United States Senator,

Senate Office Building,

Washington, D. C.

DEAR SENATOR LANGER: You will be glad to know that I am sending you, under separate cover, a petition for the support of your Pakistan quota bill, S. 1615, including a special bill to stop deportation. Am also sending the Pakistan league members in New York petitions, which I have drafted, for signatures.

Ever since I returned to Phoenix I have been extremely busy in getting public support behind your bills. I am sending petitions to Senator ERNEST MCFARLAND and Senator CARL HAYDEN, which have been endorsed. I am sure that public opinion will help to support your bill.

I expect to be in Washington on June 24 and then hope to have the pleasure of seeing you.

Thanking you and God bless you, and wishing you and Mrs. Langer long life and good health, I am

Sincerely yours,

MUBAREK ALI KHAN.

JUNE 20, 1951.

Hon. ERNEST W. MCFARLAND,

Hon. CARL HAYDEN,

United States Senators,

Washington, D. C.

A PETITION TO THE PRESIDENT AND THE CONGRESS OF THE UNITED STATES OF AMERICA FOR THE SUPPORT OF THE PAKISTAN QUOTA BILL, S. 1615, BY SENATOR WILLIAM LANGER, ALLOWING APPROXIMATELY 300 PAKISTAN NATIONALS WHO HAVE ENTERED THE UNITED STATES PRIOR TO 1949 TO BE ELIGIBLE FOR AMERICAN CITIZENSHIP

We, the undersigned, thank you for your democratic spirit.

Pakistan League of America, Dr. Mubarek Ali Khan, Welfare Chairman for the League, Phoenix, Ariz.; Fred O. Wilson, Attorney General, State of Arizona, Phoenix, Ariz.; Earl Anderson, Deputy Attorney General, State of Arizona; Wm. M. Luigi, Deputy Attorney General, State of Arizona; Kent A. Blake, Deputy Attorney General, State of Arizona; Alexander B. Baker, Deputy Attorney General, State of Arizona, Phoenix, Ariz.; Chas. Rogers, Deputy Attorney General, State of Arizona, Mesa, Ariz.; Walter Hopman, Chairman, Board of Parole, Phoenix, Ariz.; Jewel W. Jordan, State Auditor, Phoenix, Ariz.; Mildred Clapp, State Auditor's Office Staff, Phoenix, Ariz.; R. E. Taylor, State Auditor's Office Staff, Phoenix, Ariz.; Wm. H. Graves, General Manager, Asia Supply Corp., Phoenix, Ariz.; Gov. Howard Pyle, Governor of the State of Arizona, Phoenix, Ariz.; Warren Peterson, State Tax Commissioner, Phoenix, Ariz.; Rose Pervis, Secretary, State Tax Commission, Phoenix, Ariz.; Joe Hunt, State

Tax Commissioner, Phoenix, Ariz.; Thad. M. Moore, Assistant State Tax Commissioner, Phoenix, Ariz.; O. Stanford, Deputy Attorney General, Phoenix, Ariz.; R. Bentley, Deputy Attorney General, Phoenix, Ariz.; Leo R. Barton, Deputy Attorney General, Phoenix, Ariz.; H. M. Henderson, Deputy Attorney General, Phoenix, Ariz.; Orme R. Morehead, Captain of Police, Phoenix, Ariz.; J. H. Ashley, Police Department, Phoenix, Ariz.; R. A. Patterson, Police Department, Phoenix, Ariz.; Wm. McGill, Police Department, Phoenix, Ariz.; Harry Roberts, Police Department, Phoenix, Ariz.; C. W. Hoyt, Police Department, Phoenix, Ariz.; Fred Nichols, Police Department, Phoenix, Ariz.; Francis J. Donofrio, Judge of Superior Court, Phoenix, Ariz.; Phil J. Munch, Deputy Attorney General, Phoenix, Ariz.; Ed. Marshall, Liquor Department, Phoenix, Ariz.

PHOENIX, ARIZ., June 20, 1951.

Dr. ALI KHAN,
Phoenix, Ariz.

DEAR DR. KHAN: During the time that I have been Sheriff of Maricopa County, the fine citizens of Pakistan who have been residents of this valley have been among our most upstanding group of citizens.

Any legislation tending to remove any of these people from this valley would be a blow to not only our agricultural economy but also a blow to good law enforcement.

You may feel free to use this letter or call upon me for any amplification of these remarks herein.

Very truly yours,

L. C. BOIES,
Sheriff, Maricopa County.

CITY OF PHOENIX,
POLICE DEPARTMENT,
Phoenix, Ariz., June 21, 1951.

Dr. ALI KHAN,
Phoenix, Ariz.

DEAR DR. KHAN: During the time I have been in office as police chief of Phoenix, I have formed an opinion regarding the citizens of Pakistan which I am passing on to you. I feel that this group of people are a fine, hard-working group of citizens and a credit to the community.

They are honest and law abiding, and I believe that any action taken by any group or organization tending to remove them from this valley would be detrimental to the community and create a problem in the agricultural industry.

You have my permission to use this letter or call on me for clarification of the statements herein made.

Sincerely yours,

EARL L. O'CLAIR,
Chief of Police.

PERSONAL INCOME TAX INCREASE—
MEMORIAL

Mr. LANGER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a memorial signed by L. R. Gregory, of West Fargo, and sundry other citizens of the State of North Dakota, remonstrating against the proposed increase in personal income tax.

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

DICKINSON, N. DAK., June 17, 1951.

Senator WILLIAM LANGER.

DEAR SENATOR: We, the undersigned, protest passage of the pending personal income tax increase unless or until the tremendous waste and the "I don't give a damn where

the taxpayers' money goes" attitude is changed in the present administration. We do not care to throw any more of our tax dollars away to make someone else rich just because he knows somebody in the Government.

L. R. GREGORY,
(And sundry other citizens of Dickinson-
son and Fargo, N. Dak.)

WEST FARGO, N. DAK.

STUDY OF WHEAT AND OTHER GRAIN MARKETS

Mr. LANGER. Mr. President, a few days ago I submitted a resolution, Senate Resolution 155, providing that the Committee on Agriculture and Forestry should investigate and make a complete study of the wheat and other grain markets to determine the reason for the present low grain prices in certain areas. I ask unanimous consent that the resolution be printed in the RECORD, together with a letter which I have received from A. O. Aune, president of the Northwestern Bank of Langdon, N. Dak., showing what is wrong with the grain situation there.

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

Resolved, That the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, is directed to make a full and complete study of the wheat and other grain markets to determine the reasons for present low grain prices in certain areas and to report to the Senate at the earliest practicable date the results of such study together with such recommendations as it may deem advisable.

THE NORTHWESTERN BANK OF LANGDON,
Langdon, N. Dak., June 23, 1951.

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: Thank you very much for your letter of June 13 enclosing a copy of the resolution that you introduced in connection with the investigation of the grain market.

In connection with this investigation I am sure there is information that you will want to have. I believe the one thing that should be brought up to the attention of someone is the method the local grain buyers have in testing the moisture content of grain. I do not know if it is the fault of the machine that tests the moisture or the men that operate it, but I do know there is something wrong. For every point of moisture that they find in the grain there is about a 10-cent reduction in price, so if there is a difference of two points of moisture content, that makes 20 cents a bushel difference.

Just to show you how irresponsible these machines are, yesterday I took a sample of barley from my own farm to a local elevator who found 16.35 percent moisture content in the sample. I took that same sample to another elevator within the hour, he tested it on his machine and found 18.34 percent moisture content. I took it to the third elevator man and he found 17 percent moisture in it. Now this is a sample of how the wheat was graded last fall. I have had several customers take the same sample of grain to several elevators and very, very seldom did they find the same moisture content, and the price would vary from 10 cents to 30 cents a bushel.

I took in a sample of my own durum the other day and the moisture content in that grain was 14.30 percent and the best price offered me was \$2. This durum weighs 60 pounds and should sell for No. 1 Dark Amber Durum.

I am giving you this information, and it is authentic, so if you get anywhere with this investigation, you will know what we are up against. Write me again if there is any further information that I can give you.

Yours very truly,

A. O. AUNE, President.

P. S.—I am going to suggest that you contact our mutual friend, Alex Haaven or Ludvig Pederson, both of whom you know personally are responsible parties and have had plenty of experience of this kind in getting rid of their 1950 crop.

BILLS INTRODUCED

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

By Mr. KEFAUVER:

S. 1752. A bill for the relief of Gordon E. Smith; and

S. 1750. A bill for the relief of Gertrude H. Payne; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1751. A bill to provide for the reimbursement of McLean County, N. Dak., for the loss of certain tax revenue; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 1752. A bill for the relief of Lt. Col. John T. Malloy; to the Committee on the Judiciary.

By Mr. KEM:

S. 1753. A bill for the relief of Mrs. Emily Wilhelm; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 1754. A bill for the relief of certain aliens from Finland; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1755. A bill for the relief of Winfried Kohls; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado (by request):

S. 1756. A bill to provide for the separation of subsidy from air-mail pay, and for other purposes; and

S. 1757. A bill to provide for the separation of air-mail subsidy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

INCREASE IN LIMIT OF EXPENDITURES FOR COMMITTEE ON APPROPRIATIONS

Mr. MCKELLAR submitted the following resolution (S. Res. 162), which was referred to the Committee on Rules and Administration:

Resolved, That the Committee on Appropriations hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-second Congress, \$10,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

CHANGE OF REFERENCE

Mr. HILL. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of Senate bill 1284, to amend the act entitled "An act to amend Veterans Regulations to establish for persons who served in the Armed Forces during World War II a further presumption of service connection for psychoses developing to a compensable degree of disability within 3 years from the date of separation from active service."

It is the sense of the Committee on Labor and Public Welfare that this bill properly comes within the scope and jurisdiction of the Committee on Finance.

The VICE PRESIDENT. Without objection, the Committee on Labor and

Public Welfare will be discharged from further consideration of the bill, and it will be referred to the Committee on Finance.

EXTENSION OF DEFENSE PRODUCTION AND HOUSING AND RENT ACTS—AMENDMENTS

Mr. CASE submitted an amendment intended to be proposed by him to the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, which was ordered to lie on the table and to be printed.

Mr. CAPEHART submitted two amendments intended to be proposed by him to Senate bill 1717, *supra*, which were ordered to lie on the table and to be printed.

Mr. FREAR submitted an amendment intended to be proposed by him to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

Mr. LEHMAN submitted an amendment intended to be proposed by him to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

Mr. BUTLER of Nebraska submitted an amendment intended to be proposed by him to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

Mr. LEHMAN (for himself, Mr. DOUGLAS, Mr. MOODY, Mr. BENTON, and Mr. PASTORE) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

Mr. BENTON (for himself, Mr. O'MAHONEY, Mr. DOUGLAS, Mr. McMAHON, Mr. LEHMAN, and Mr. MOODY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

Mr. DOUGLAS (for himself, Mr. DOUGLAS, Mr. LEHMAN, and Mr. MOODY) submitted amendments intended to be proposed by them, jointly, to Senate bill 1717, *supra*, which were ordered to lie on the table and to be printed.

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Mr. DOUGLAS (for himself, Mr. LEHMAN, and Mr. MOODY) submitted an amendment intended to be proposed by them, jointly, to Senate bill 1717, *supra*, which was ordered to lie on the table and to be printed.

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. KEFAUVER:

Address delivered by the President on June 25, 1951, at the dedication ceremonies in connection with the opening of the Arnold

Engineering Development Center at Tullahoma, Tenn.

Article entitled "Justice Comes Too Late," written by Richard L. Neuberger, and published in *This Week* magazine.

By Mr. O'MAHONEY:

Address entitled "The Communists Have Warned Us," delivered by him at the centenary commencement exercises of St. Josephs College, Philadelphia, Pa., June 10, 1951.

By Mr. LEHMAN:

Statement prepared by him commenting on the first anniversary of Communist aggression in Korea and the tenth anniversary of the creation of the Fair Employment Practices Commission, June 25, 1951.

By Mr. HENDRICKSON:

Address entitled "The Road to Survival," delivered by Irving H. Saypol, United States Attorney for the Southern District of New York, at the annual convention of Jewish War Veterans of the United States of America, department of New Jersey, at the Hotel Ambassador, Atlantic City, N. J., June 23, 1951.

By Mr. HUMPHREY:

Address entitled "American Relations With the Far East," delivered by O. Edmund Clubb, Director for Chinese Affairs, Department of State, in St. Paul, Minn., on April 14, 1951, at a State-wide conference on American foreign policy.

By Mr. LANGER:

Editorial entitled "Magazine Portrays Painted Pheasants," published in the June 14, 1951, issue of the *Golden Valley News* of Beach, N. Dak.

By Mr. FLANDERS:

Letter from Lessing J. Rosenwald, dated June 1, 1951, to the editor of the *New York Times*, commenting on the right of anyone to speak for all American Jews.

By Mr. CARLSON:

Article entitled "Principle of Tributary Control," written by A. Q. Miller, and published in the *Belleville (Kans.) Telescope*.

By Mr. MAGNUSON:

Bulletin No. 242, May 28, 1951, issued by the National Popular Government League, dealing with the development of public power.

By Mr. BREWSTER:

Article entitled "The Role of the Lawyer in Military Procurement," written by E. K. Gubin, and published in the May 1951 issue of the *Federal Bar Journal*.

By Mr. MUNDT:

Article entitled "Where the West Is Wild but Not Too Woolly," published in the current issue of *Holiday* magazine, dealing with South Dakota, which appears in the Appendix.

By Mr. BRIDGES:

Article entitled "Button, Button, Who's Got the Button?" written by Aled P. Davies and published in the *Hoosier Farmer* for June 1951.

By Mr. DWORSHAK:

An article entitled "The Betrayal at Yalta," published in a recent issue of the *Idaho Statesman*.

LETTER WRITTEN BY PFC WALTER F. EVERSON FROM A HOSPITAL IN JAPAN

MR. SALTONSTALL. Mr. President, recently I received news of the death, in Korea, of a boy from Massachusetts. I wrote a letter of sympathy to his stepmother. I received a letter in return from her, and with it was enclosed a copy of a letter from the boy, written while he was in a hospital in Japan, after which he returned to Korea and was killed by the Reds. The boy had been wounded twice, was twice hospitalized, and the second time he died in the hospital. He wrote this letter which I should like to read in full because it is a wonderful letter—to me one of the

most wonderful I have ever received—and expresses so strongly the feeling of what we stand for in this country and the understanding that this boy had before his death of what he was fighting for.

This letter was written by Pfc Walter F. Everson from a hospital in Japan where he was taken after being trapped by the Reds for 13 days. After spending 3 months in the hospital he was sent back to Korea, and was killed by the Reds on April 20, 1951.

The letter is dated November 29, 1950, and is addressed, "Dear Peoples."

It is written to his family. His father and mother had died, and his stepmother had brought him up.

NOVEMBER 29, 1950.

DEAR PEOPLES: Well here I am again after a short pause. Feeling better than when I started out. They are still giving me my 34 pills a day plus a "formula." I think it is a vitamin enriched eggnog but not sure.

The weather here is warm but it has been raining the last couple of days. The news didn't look so good today when I read in the paper that 200,000 Chinese have been thrown into battle. I know just how those guys feel over there when they have to withdraw. Even if it's a foot of ground, one feels that it is going to take some bloodshed to regain it. But then again I guess that's the price for freedom.

You know the word freedom is only a seven letter word, but listen Marion, Billy and Bob and you, too, Helen, maybe back in the States you sort of take the house on the hill, the television set, movies, street cars, buses, schools, business and such for granted because you go home every day, ride to work or school, but look over here (not in Japan—in Korea) all the country is made up of mountains and behind these mountains are more. When one is climbing hills you are crossing rice paddies, cornfields, small remote villages. The houses in the country aren't made of wood, steel, stone. No, they are made of mud. Yes, mud huts with kerosene lamps and paper windows and the people old.

When you come into a village they look bewildered. The middle aged are still hiding in the hills when you first come. Then the old ones begin to yell and the others come out of the hills. But last and maybe most important is the kids—the little kids. They look bewildered, scared as they peer around the corner of a house at you. Small kids, dirty, ragged, hungry. Maybe the "commies" killed their parents, some of the more unfortunate. When we speak to them, offer them candy or a biscuit from the C rations or just smile, they look with a glow of hope in their eyes, sort of saying these people want to help us and not take everything for themselves like the "commies" that just ran out of here.

When we came from Osaka over here to Kyoto by ambulance (a bus converted for litter cases) I was looking out the window and watching the kids playing and the merchants selling their wares. I said, "Yes," that is what we're fighting for—the free enterprises, the freedom of the kids playing—not worrying about war and where's my mommie and daddy? Are those bad soldiers going to kick me again for playing cowboys and Indians or hide and seek instead of playing soldier? No, maybe some day soon I hope all the kids in the world will be able to run about with no worries in mind, only the thinking of a new game, not the worries of where they are going to sleep or eat.

Yes, freedom is a wonderful thing. I know there is a lot more to it than that but you know me, I always did like kids and some day when I get married I don't want to bring my sons up *for* future gun

fodder. That is why we must, some of us must forfeit our lives now for those in the future.

Well, that's about all I have on my mind and its off now and I feel better since I've told you what I've been thinking. Good night for now; I'll write again tomorrow. A person can really think a lot when he is in bed flat on his back.

Love to all.

WALLY.

And that boy died.

THE VOICE OF AMERICA

Mr. BENTON. Mr. President, I ask unanimous consent to have printed in the RECORD a series of interesting and illuminating quotations on our Campaign of Truth, commonly known as the Voice of America. The first group of comments on the effectiveness of our international information and educational exchange program are quotations from people in many walks of life, including journalists and first-hand observers such as Edgar Ansel Mowrer and Edward R. Murrow, both distinguished foreign analysts. Later quotations cover journalists from our foreign-language press and include interesting comments from abroad.

I am also pleased to be able to remind the Congress and the readers of the CONGRESSIONAL RECORD of the quotations from testimony last year at the hearings on my Senate Resolution 243, calling for what I termed a "Marshall plan in the field of ideas." It seems particularly important at this time to remind the Congress of these comments by our distinguished colleagues, Senators LEHMAN, HENDRICKSON, FLANDERS, MUNDT, and MORSE—not to mention the important observations of Generals Marshall, Eisenhower, Bedell Smith, Secretary Acheson, Ambassador Dulles, Assistant Secretary Barrett, and others—because it is my understanding that hearings are to commence this very week before the subcommittee of the Committee on Appropriations considering the appropriations for the State Department.

Last Wednesday I spoke to the Senate about the Gallup poll published that morning in the Washington Post. As I read my remarks the following day I feared they might be misunderstood because in my efforts to be brief, in line with the generosity of the majority leader in yielding me a few minutes' time, I did not stress my opinion that great progress has been made under Secretary Barrett's administration. I want now to go on record that out of my considerable observation of this area of the State Department's activities it is my judgment that it is well led and well administered, and that the group of operating men in Washington and throughout the world are among the finest that can be found in our Government or in any government, or, indeed, in any line of activity. This testimony to their ability, however, does not run counter to my comments on the floor last week, when I regretted the fact that this entire area of the State Department activity has not received sufficient emphasis by top State Department leadership, including all the major political officers, both here and abroad, and that in general the administration and the Congress share responsi-

bility for our failure to set up this major arm of our foreign policy with appropriations and responsibility and personnel to the extent that is urgently required.

Mr. President, I also ask unanimous consent to have printed in the RECORD a series of articles and editorials dealing with the Voice of America operations, and, in some instances, Radio Moscow's constant efforts to jam our VOA broadcasts. These articles and editorials illustrate again and again the need for an expanded, more aggressive effort on our part to counter the increased output of lies and distortions by Radio Moscow.

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

THE CAMPAIGN OF TRUTH—COMMENTS ON THE EFFECTIVENESS OF THE UNITED STATES INTERNATIONAL INFORMATION AND EDUCATIONAL EXCHANGE PROGRAM AS OF JUNE 1, 1951

FROM THE PEOPLE

A series of comments on the United States International Information and Educational Exchange Program (USIE) from the people follows:

Mario Bermudez, director, international relations, International House, New Orleans, La.:

"May I take this opportunity to thank you and the State Department for the wonderful cooperation I received from the American Embassy in each of the South American countries I visited in connection with the International House cultural program. We have always been honored with the most constructive advice, help, and innumerable courtesies, not only personally, but the same applies to the various groups we have conducted to the different countries."

Clay Shaw, managing director, International Trade Mart, New Orleans, La.:

"I was very favorably impressed by the work being done by the United States Information Service in Buenos Aires.

"The location of your center on the Calle Florida is an excellent one and my talks with various Argentinians indicated that the information program is effective."

Malcolm Johnson, in the St. Louis Post-Dispatch, December 5, 1950:

"Letters to the Voice of America headquarters in New York indicate that Russians living outside the Soviet Union are not being taken in by Moscow's propaganda.

"For example, a letter in Russian, received from Bavaria, Germany, states in part:

"I listen every day with pleasure to your truthful information, especially when you speak of the Soviet Union. Do not think that the Russian people cannot separate truth from lies. They are tired of Bolshevik lies. They don't want to listen to the Bolsheviks, and they do want to listen to the Voice of America."

Robert W. Ruth, Baltimore Sun, February 16, 1951:

"The Voice of America, now that it is speaking up with some chance of being heard in Soviet Russia, is hammering hard on one of the best anti-Marxist themes in years: the widening Communist defections in Europe.

"The story of 'bourgeois nationalist deviations,' particularly in Italy, which the Voice is taking behind the iron curtain, comprises a skillful mixture of news and propaganda."

Peter Edson, Washington Daily News, April 10, 1951:

"A ring of 14,000,000-watt broadcasting stations to blanket Russia and her satellite states is now being planned for the Voice of America. With four more new broadcasting stations in the United States and the 43 other transmitters known to exist, this would give the Voice a total of 61 outlets through which the aggressive 'campaign

of truth,' could be beamed to the Communist world.

"Russia now has an estimated 1,200 stations set up to jam all foreign broadcasts directed at its people. In spite of this, it is believed about 20 percent of the free world broadcasts get through to the heart of Moscow. About 80 percent get through to the suburbs of Moscow and more get through to areas remote from the jamming stations."

James E. Roper, UP staff writer, January 29, 1951:

"The Voice of America, a global radio network, is the United States big propaganda weapon in the east-west psychological war. The Voice attacks communism and answers the lies that come from Red countries.

"Broadcasts to Russia are heavy and compact so the listener can hear the story quickly and get away from his radio, since it is not safe to listen there."

Donald G. Bishop, chairman, international relations concentration committee, Syracuse University:

"I was greatly impressed with the informational activities wherever I went and I returned to the United States both with a greater awareness of what you are doing, and with an increased appreciation of the efforts which the members of the staff are making."

Edgar Ansel Mowrer, Boston Herald, April 15, 1951:

"To preserve the Union of Burma as an 'independent and democratic country,' the United States administration, unable to provide that military aid which Burma is not yet ready to accept, has fallen back on other steps.

"The first of these was gaining the confidence of the Burmese Government and, as far as possible, of the people. This has been predominantly a propaganda job accomplished for the most part by the United States Information Service. Until fairly recently, means were small and not much accomplished. In the last year, so much change has been brought about by the USIS, beautifully aided by the sheer friendliness of a well-picked embassy staff, that by September 1950, the Prime Minister and many influential citizens had come to believe that the United States was trying neither to force them into war nor to dominate and exploit them economically."

Emory W. Morris, president and general director, W. K. Kellogg Foundation, Battle Creek, Mich.:

"I was amazed by the comprehensive services being provided by the Information Service."

Edward R. Murrow, CBS commentator, April 6, 1951:

"The Voice of America * * * has belatedly come up with an intelligent and workable idea. It's a plan to put a powerful transmitter on a ship so that it will be mobile and can really reach the Russian people. They have plans for a whole group of these transmitters. This pilot model will cost about a million and a half."

E. M. Lind, district manager, Pan American Airways, Bangkok:

"By sending students and other citizens of Thailand to our country for a study, observation and comparison, we Americans give focus and meaning to the American story. True friendship implies true understanding. Only by this exchange of visits can we ever hope to reach a basis of understanding and friendship between Thailand and the United States of America."

FROM THE FOREIGN LANGUAGE PRESS

The foreign language press comments on the Voice of America follows:

Amerika Magyarsag (the American Hungarian), Bridgeport weekly publication, August 25, 1950:

"We have mentioned it on two previous occasions that our editor, an interview with whom has been broadcast over the Voice of

America radio a few weeks ago, has been receiving letters not only from Hungary, but from all over the world, from Hungarians who have heard the interview. These letters are evidence of the significance of the Voice of America, and of its world-wide success."

Amerikai Magyar Nepszava, New York:

"On July 1, this publication reported from Vienna that Hungarian banknotes were exchanged for new ones on that date. When last October the Voice predicted this event (October 1949) a buying panic broke out in Hungary. Communists at that time ridiculed the Voice and called it a rumor monger. Now when the new banknotes appeared in circulation it turned out that their date of issue happens to be October 23, 1949."

Caskoslovenske Nezavisle Noviny, a daily newspaper published for Czechoslovakian refugees at Ludwigsburg, German, October 1, 1950, in a special note from Czechoslovakia:

"Recently an old peasant woman came to the local SNB (police) station with an anguished and excited face: 'Gentlemen, gentlemen, please, help me. My only goat got lost. Please, help me.' The police lieutenant in charge was very sympathetic. 'Well, well, grandma, don't you worry. We'll get your precious goat back for you. We will make an announcement about it in the next police broadcast.'

"But don't you forget," came the old lady back, "to announce about my goat when there is the largest audience. The best would be in those broadcasts from the Voice of America."

FROM THE DOMESTIC PRESS

The domestic press presents the following items of interest on the USIE:

Detroit News, March 19, 1951:

"We must put across the fact that America was founded by people who fled from oppression and tyrants, from the very kind of thing Stalin would have the gullible believe we are today trying to impose on other peoples.

"All this we can do only by stepping up, many times, the real Voice of America, the true America, which, itself, is a towering refutation of Stalin's big lie."

Providence, R. I. Journal, March 4, 1951:

"The radio war in Europe starts every night at sundown. In Germany one hears it at its loudest. The big guns open up at 7 p. m. booming over tens of millions of German radio sets, trying to capture a fireside here, a village square there.

"First comes 'The Voice' from New York, calm, well mannered, painfully earnest and honest.

"It gives the news straight, good or bad. Then, on a typical day, a commentator will discuss Russia's newest smokescreen at Lake Success, a German trade-union delegation will tell what it has been seeing in America, and a dialog skit will poke genteel fun at Russian bureaucrats tangled in their own red tape."

Portland (Maine) Press-Herald, March 20, 1951:

"The campaign of truth is gaining ground, and the Voice of America is really getting it heard. It's the least expensive of all our weapons, and may well be the most potent in the end. If it can win the battle for men's minds, it will do away with other battles. It will do away with the Big Lie."

Philadelphia Inquirer, April 7, 1951:

"The cause of world peace needs a powerful, vigorous presentation of the American stand against the gigantic Red evil. The United States should not reduce the Voice to a whisper, but should take steps at once to find any weaknesses in it, and correct them."

Dayton News, February 26, 1951:

"The Voice of America is sending news to clandestine newspapers behind the iron

curtain similar to the ones that thrived during the Nazi occupation of Western Europe.

"This is imaginative enterprise in presenting the theme of freedom in Russia, not the least appealing aspect being the fact the newspapers are not even supposed to exist."

New York Times, March 15, 1951:

"Essentially the Voice of America is today our most effective means of communicating directly with the other peoples of the world. It can and does overcome barriers which are often insuperable for other media, barriers set up by rulers whose reigns rest on terror and deliberate misinformation. Roughly one-third of the world's population lives in countries ruled by Moscow, directly or indirectly. Day and night the press, radio, theater, schools, and other propaganda channels in these lands repeat that the United States wants war, that the United States is a land of unbelievable misery for the great majority of Americans, that the United States is the 1951 equivalent of Nazi Germany. Against these lies the Voice of America does battle, exposing falsehoods, correcting misrepresentations, and offering in their stead the truth."

Washington Star, April 9, 1951:

"The mere fact that there is such a thing as Soviet jamming—a costly and elaborate business of around-the-clock squeaks and squawks designed to drown out the sound of truth—is proof enough that the men of the Kremlin regard the Voice as a potent weapon against them. It is proof enough, too, that no misunderstanding should be allowed to stand in the way of making that weapon as strong as possible."

FROM FOREIGN LANDS

From foreign lands come comments on the Voice of America:

Hong Kong Chinese paper, Hsing-tao-Jih-pao, published the following comments on VOA listener reaction in the Canton area:

"The consensus of listeners is that the VOA is very much welcomed because of its good reception and its interesting programs."

Report from Japan:

"Eight Chinese crewmen of a ship which regularly calls at north China ports were interviewed in a Japanese port and said that the VOA broadcasts in Chinese (Mandarin dialect) to Communist China are currently more popular in China than the Peiping Communist broadcasts. They stressed that most of the Chinese are disgusted with the Communist broadcasts finding them monotonous and dry, with an overemphasis on Marxism. Truth seemed to be the most highly regarded quality of the VOA broadcasts. The accuracy of the VOA was accepted by the people regardless of the nature of the news disseminated. The Chinese must maintain secrecy when listening to VOA programs as they never know who might report them to the local police. The main VOA audiences are found mostly in the metropolitan areas of China, where the majority of radio receivers are located. The informants went on to say, however, that the essence of VOA broadcasts is relayed quite rapidly by word of mouth to rural areas."

Chinese daily newspaper, T'ai-p'ing-ying-yang Wan-pao, published in Haipong, (Indochina), October 17, 1950:

"It is believed that an estimated 500,000 people in Canton listen to the Voice of America despite severe punishment meted out by the Communist authorities if the listeners are discovered. But why this enthusiasm for the Voice of America? One reason is that the programs are interesting, informative, and entertaining. Another is that its programs satisfy the hunger of the Communist-controlled people for the news from 'outside.' News about Soviet-bloc countries can be read in the local papers; but news from the United States and other non-Soviet

dominated countries can be obtained only through listening to the radio."

FROM MAGAZINES

The following magazines present comments on the USIE:

Broadcasting magazine, February 5, 1951:

"The Voice of America has vigorously denounced Josef Stalin—and in so doing pulled off one of the neatest propaganda tricks of the century. Noting the Soviet celebration of the anniversary of Lenin's death, the Voice described Stalin as rude, impulsive, and not entirely patient or loyal. The trick: The voice was that of America but the words were those of Lenin himself."

Mrs. Marguerite Clarke, medical editor, Newsweek:

"The first thing to catch my attention was the fact that any information accompanied by pictures, or projected through the cine (how the Mexicans adore United States movies) seemed to make the most profound impression."

Harriet Rasooli-Sa'sed, Presbyterian Life, April 14, 1951:

"The Voice of America * * * has become the champion of religious freedom in the iron-curtain countries."

"The importance that the Voice attaches to the suppression of religious freedom behind the iron curtain can be measured by the fact that generally all major developments are broadcast not only to the satellite countries themselves, but in all 28 languages now going out over the frequencies of the Voice."

"The cases of Cardinal Mindszenty and Lutheran Bishop Ordass, the arrest of 15 Protestant pastors in Bulgaria, the persecution of Archbishop Beran in Czechoslovakia, and a host of less publicized violations of religious freedom which have scarcely come to the notice of the American public, have constituted a major theme in broadcasts to the Communist sphere. In fact it would be difficult to cite any other issue into which the Voice of America has put such concentrated effort."

"There is scarcely a day when all the broadcasts to the Soviet satellites do not have some item of religious news, with the religious struggle sometimes taking precedence even over the Korean war news."

"The Voice has not failed to remind its listeners frequently of the fundamental incompatibility of communism with all religion, quoting often from Lenin that Religion is a sort of spiritual moonshine in which the slaves of capital drown themselves."

FROM REPORTS

The International Library Institute (ILI) in its semiannual report says:

Semiannual report, ILI, December 14, 1950:

"From Iran comes word that the Iranian boy and girl chosen to come to the New York Herald Tribune forum last year, and who spent 10 weeks in the United States, returned enthusiastic about American education. Both in public addresses and in their schools they helped further to bring more appreciation and more understanding of the United States to Iran, and to influence other high-school students in this direction."

A VOA evaluation report says:

VOA evaluation report, January 15, 1951:

"A number of VOA listeners in China have managed to send letters by devious ways, informing the VOA that its programs command large audiences on the mainland of China and meet with general satisfaction there. This evidence is also supported by comments of the Chinese overseas press, indicating that the VOA programs serve to satisfy the hunger of the Communist-controlled people for news from outside. Interrogation of Korean listeners revealed that

the VOA is valued for its full and accurate presentation of news.

"Audience mail from other far-eastern countries emphasizes the widespread reputation of the VOA for veracity and timeliness in its news and commentaries."

Reports from Finland and Afghanistan comment as follows:

Field report, from Helsinki, Finland, November 11, 1950:

"Although Soviet pressure on Finland has increased greatly in recent months, a recent event indicates the real sympathies of the Finnish people. In cooperation with the Student Association of Helsinki University, USIE rented a 400-seat theater in Helsinki to show UCLA, United States Library of Congress and a news magazine to students. Interest in the program was so great that the theater was filled 15 minutes before the performance began and at least 200 persons were turned away. USIE reports that the popularity of its films is so great that since September practically the entire catalog has been continuously booked for 3 or 4 weeks in advance."

Field report on USIE film showings in Afghanistan:

"The mayor of Maimana, an important town near the Soviet border, became interested in USIE films during a recent visit to Kabul and requested the long-term loan of an Embassy projector. When he discovered that he would have to clear this request with his government's foreign ministry, he purchased a machine from his own funds, and arranged for regular shipments of films by truck. The mayor estimates a total audience of 100,000 persons in Maimana and surrounding villages."

QUOTATIONS FROM TESTIMONY AT HEARINGS ON SENATE RESOLUTION 243

Gen. George C. Marshall, president and chairman of the board of directors, the American Red Cross:

"Something has to be done, and it has to be more dynamic than the procedure, I think we have followed up to the present time."

"We ought to have a dynamic procedure in this matter in this conquest of the mind."

Gen. Dwight D. Eisenhower, president, Columbia University:

"We have had a conquest, a military conquest, but it is not lasting. There is a confusion of the mind. How you correct that, I do not know unless it is by some such method as this."

"For the purposes sought by this resolution, I am in complete and absolute accord, so emphatically that it is possible I will experience the sense of frustration in trying to express how deeply I do agree."

"What we're actually talking about here is the morale factor in any struggle. * * * Our experience, not only in our own lives, but in history, keeps emphasizing and emphasizing the value of morale, its decisiveness in battle, with other factors ever having a semblance of equality."

"There is no victory here as long as we are trying to avoid war to be found solely in the piling up of military armaments. They are useless to stop the flow of ideas."

"There is just not enough to win without morale. I believe that can be done by truth."

"Truth, in my opinion, could almost be classified as our T-bomb, if you want to call it that, in this warfare, because it is the truth about everything, the truth about the fact that a committee can meet and discuss these things right here this morning."

Hon. HERBERT H. LEHMAN, United States Senator from New York:

"The contest to win men to ideals of freedom, peace, and justice has reached a stage of crisis. We must strive with the greatest speed and determination to mobilize the moral resources of all nations and all peoples

as we prepare for the next phase of the struggle."

"Armed might alone cannot speak for democracy. We cannot run the risk of having peoples throughout the earth remain in ignorance of our democratic ideals and of our objectives, or be deceived by the devious propaganda of the Soviet Union and its satellites."

"I think, no matter how powerful we may be in a military way, we still could not hope to hold our position in the face of communism unless we sold people the idea that we were fighting for democracy, fighting here for democracy, and fighting in every other part of the world where peoples wish to be free."

Hon. Dean Acheson, Secretary of State:

"We must make the truth known to the peoples of the world. This is a task that calls for greatly expanded and intensified efforts. Truth in the world today is a political force. Nothing makes plainer the power of this force, I think, than the Communist fear of it."

"If totalitarian regimes cannot flourish where the truth is fully available, free and democratic countries cannot flourish unless their citizens do have access to the truth. The growth of an international community of free and democratic nations depends upon the ready and free flow of facts, ideas, and people. Only this free flow of facts, ideas, and people can make clear the common bonds and interests of nations and allow them to settle their differences peaceably and justly."

"So far as Communist efforts to foster falsehoods about the United States are successful, they serve these Communist designs. They help to drive wedges between the United States and other countries, to create hesitancy, and to prevent clear, effective, unified resistance against Communist aims. We must therefore make unmistakable the truth about the United States and the other free nations."

"The facts about what we do, the facts about why we do it, the facts about the way we do it, are integral parts of what we do in foreign affairs."

"There has never been a time when men everywhere who value freedom had a greater need to know the truth."

"You will find quite often that if you put stress on either a military or an economic program, or both, without full explanation, the most curious misconceptions, all of which are aided by Communist propaganda, get loose in the world, and really slow up the program."

"We have accomplished no good if they are not convinced of the rightness of what we are doing."

John Foster Dulles, special consultant to the Secretary of State:

"I believe that the question of whether we have a general war or not may depend, may hinge, very largely upon the relative effectiveness of the Communist propaganda and the free world propaganda."

"It is extremely important that we should effectively use information by all types of media to slow up and prevent any possible consolidation of the captive world by their Soviet Communist leaders."

"Through the iron curtain, through terrorism, and through intensive propaganda, Soviet communism is making an effort to beat masses of people into mental submission. * * *

"If we can get some word through to these captive peoples to keep hope alive, and resistance alive, passive resistance, because there is not occasion at this moment for open resistance, that would be a very important thing."

"* * * (Communists) find that they can move from the cold war to the hot war, and still be, in the eyes of the world, the peace-loving people, then that will encourage them to go on in this way. I think, on the other hand, if this open military as-

sault gets branded throughout the world, as it ought to be, that then it will show them they cannot indulge in open military aggression as against indirect aggression, and if we can demonstrate that in this case, then I doubt whether there will be a repetition of it. Therefore, I think a great deal depends upon the effectiveness as to the way the world is informed as to the realities of the situation."

Mark Ethridge, publisher of the Louisville Courier-Journal:

"By a bold program we saved Greece, Turkey, France, Italy, and perhaps all of Western Europe. By boldness, rather than by force, we saved Iran. Korea presents us with another problem. Our action there makes it all the more necessary that we marshal the efforts of all the nations of the free world in the realm of ideas, as we have in economic and military measures, and create such an understanding and desire for freedom and for self-determination of peoples free from repressions and fears of minorities, that no force will dare move against them."

"It is tragic that the United States is so far behind Russia in the use of this modern method of battling for the minds of men."

David Sarnoff, chairman of the board, Radio Corp. of America:

"The immediate need is to expand our international radio broadcast service as quickly as it is physically and technically possible to do so."

"Now, a large part of the world does not understand yet that our action in Korea is in response to the resolution passed by the United Nations to which we are responding as one nation, and other nations who are members of the United Nations are likewise invited to respond and assist."

"I think, for example, if in our own broadcasting services we referred to the actions in Korea as the actions of the U. N. and not always as the actions of the United States of America only, that would be an effective way, one effective way, to neutralize this obvious malicious propaganda that Russia is broadcasting day and night to indicate that only the United States is engaged in this activity in Korea."

"I agree that there is a need for the Voice of America, and by that I mean a voice that will reflect the American way of life, the happenings here, the events of the day, and the news to the rest of the world."

"That need is emphasized by the fact that we are today the largest and most prosperous and most productive country in the world. One way to maintain peace even if there was no imminent threat of war is to increase the understanding among the peoples of the world."

Hon. ROBERT C. HENDRICKSON, United States Senator from New Jersey:

"In my opinion, we have not done all that we could have done or should have done in democratizing occupied countries, but our past mistakes and shortcomings should be a lesson for future guidance in the course of critical weeks and months and years to come."

Hon. RALPH E. FLANDERS, United States Senator from Vermont:

"Furthermore, it is going to take something more than arms to safeguard Indochina, which is our dike against the southward spread of communism."

Hon. KARL E. MUNDT, United States Senator from South Dakota:

"Now, it is true, Mr. Chairman, that neither history nor communism stand still. Consequently, since last March a lot of water has gone over the dam and a lot of blood has been shed in Korea, and the needs which we expressed in that joint resolution in March it seems to me, are much more drastic and immediate today than they were then."

"We have already moved too long in turtle gear, in a race for the minds of men, which is taking place in an era of jet-propulsion speeds."

Hon. Edward W. Barrett, Assistant Secretary of State for Public Affairs:

"There is one way to overcome the big lie, which was a technique that Hitler exploited, which is a technique that the Russians are exploiting even more, and that way is the big truth, repeated over and over again through all possible facilities as frequently as possible; and today, in my opinion, the big truth is that freedom is on the march."

"We have not been able so far with the manpower available and facilities available to get down among the masses—to get down among the labor groups, for example, who are the raw material which communism so often deals with. I do not see how we can without increased manpower and increased physical facilities; that is why, in this program to which I have referred, we are advocating several definite, concrete steps in that direction."

Hon. WAYNE MORSE, United States Senator from Oregon:

"The program of information and education must be related to the needs and conditions of the peoples involved. We must demonstrate to them that their own well-being lies in truly democratic practices, and we must give them active proof of the superiority in terms they understand, of free human institutions."

Lt. Gen. Walter B. Smith, commanding general, First Army:

"It is a recognition of the effectiveness of our beginning that the Russians have exerted this enormous effort to silence our own voices in this country. Their jamming program is probably the biggest effort of its kind that has ever been undertaken, and it has until recently been extremely effective in the Soviet Union."

Stanley H. Ruttenberg, director of research and education, Congress of Industrial Organizations:

"We must fight communism through the extension of democratic ideals and not through totalitarian methods. This means that we must extend the principles of democracy by improving democratic institutions. This must be forever in the forefront of our minds as we engage in countering the propaganda and infiltration of the Communist philosophy."

"We sincerely believe that an extensive program such as that proposed in Senator BENTON'S resolution and supported by sufficient appropriations, would go a long way in precluding the eventual use of military power by democratic governments of the world."

Hon. Frank P. Graham, United States Senator from North Carolina:

"Falsehoods repeated often and loudly get possession of the minds and then control the wills of people to the denial of truth, the crushing of freedom, and the undermining of peace in the world."

"Above and beyond the war of bullets on the battlefields of Korea is the war of ideas on the air waves of the world. Moscow is spreading misinformation about the United States in every nation on earth. International communism moves from one aggression to another yet the United States is blasted day and night through the years as the great war monger."

[From the Dayton (Ohio) News of June 6, 1951]

UNDER THEIR SKINS

Twice within 3 days the Soviet press has lashed out bitterly at the United States Government's Russian-language pictorial magazine: *Amerika*. The magazine, says the *Literary Gazette*, with rather unliterary flourishes, stinks with the rottenness of unpardonable lies, coated with the many-colored cover which also is false. *Pravda* finds

that the magazine arouses in Russian readers only laughter and nausea.

In Singapore, principals of the two largest Chinese schools have asked the United States Information Service to quit sending them the magazines *America Today* and *America Today Pictorial*. They claim the students, irritated by American propaganda, have been tearing up the magazines and throwing them away.

Here are the late examples of the way the American information program is getting under the skins of the Communists. They are two of many. During the last year, the American information libraries in satellite Europe were closed by request of the Rumanian, Bulgarian, Hungarian, and Czechoslovakian Governments. Nor is this the first spate of harsh treatment for America. The Russian Government, which used to permit distribution of 50,000 copies of the magazine *Welt* on its agreement and some time ago began returning about half the copies.

When J. Douglas Knox and Sanford Marlowe of the State Department were in Dayton recently for the Council on World Affairs Institute on the Campaign of Truth, they reported that the Russians spend five times as much money trying to jam the Voice of America broadcasts as we spend in transmitting them.

Clearly, the Communists are afraid of the truth, and with reason. They have discovered that the truth hurts. If the truth hurts the enemy, we should be pouring it on him. We should be stepping up the program, not letting it stand still or cutting it back by liggardly congressional appropriations.

[From the Richmond Times-Dispatch of May 27, 1951]

REDS STEP UP FOREIGN RADIO PROPAGANDA

WASHINGTON, May 26.—The State Department reported today that Russia will have achieved a 25-percent increase in its foreign propaganda output through radio Moscow this summer.

Radio Moscow's schedule has doubled its English-language service to North America during the last 6 months and substantially stepped up its output to Western Europe. One of the largest European increases has been in German-language programs to Germany, doubled in recent months.

English and French programs likewise have been increased, as have Spanish-language broadcasts to Latin America. Reports to Indonesia have been doubled during the past 6 months and Arabic programs to the Middle East have been expanded. Within the iron curtain bloc the only change reported was a slight increase in Hungarian-language broadcasts.

[From the Washington Star of June 12, 1951]

SOVIET RADIO POWER STEPPED UP, HEARD STRONGLY IN MIDWEST—BROADCASTS IN ENGLISH TO THIS COUNTRY ALMOST DOUBLED IN 6 MONTHS

Radio Moscow is currently throwing a much stronger propaganda voice into the midwestern United States.

Officials speculated today that the power of its overseas transmitters has been stepped up and the number of English-language broadcasts beamed to this country has been virtually doubled during the last 6 months.

So strong was the Soviet signal at times last week that some short-wave listeners in Des Moines, Iowa, got the impression a United States station was rebroadcasting the Radio Moscow programs.

FREQUENCIES SHIFTED

Officials of the Federal Communications Commission which investigated this possibility, told a reporter it just wasn't so.

FCC's monitor, who police the ether around the clock, reported, however, that the Russian short-wave radio last week put through "an exceptionally strong signal throughout the Middle West," with peak reception recorded at Grand Island, Nebr.

Commission experts said the answer may lie in increased power, or may be accounted for by Moscow's recent shift to summer frequencies, something it does at the start of each June.

At least two persons in the Des Moines area reported they thought they heard an American station identification at the sign-off of Russian programs. However, the FCC monitors said both these persons were using standard home sets with short-wave attachments, which may not be highly selective, and that what they probably heard were identifying calls by American short-wave stations WABC at Brentwood, N. Y., or KWID at San Francisco.

BROADCASTS EVERY DAY

Both these United States stations, which handle Voice of America broadcasts for the State Department, are now sandwiched into the middle of the summer frequencies being used by Radio Moscow.

Moscow beams English language broadcasts at the United States 7 days a week, in the late afternoon and early evening hours, United States time. The programs are simultaneously spread over 15 different international frequencies and have the benefit of booster relays in Siberia, Budapest, Warsaw, and Prague.

In addition, United States officials say, Russia operates scores of other transmitters for the sole purpose of jamming the Voice of America and keeping that program out of the U. S. S. R.

The State Department says this country carries on no counter jamming of the Russian broadcasts.

[From the New York Herald Tribune of June 18, 1951]

RUSSIA ON THE AIR—DREAM AND DISTORTION AS PRESENTED IN SOVIET'S WORLD-WIDE RADIO PROPAGANDA

(By Gene Gleason)

There is a happy land far away, but well within the range of American short-wave receivers, where 37,000,000 students freely select their own curricula, scramble eagerly through a vigorous sports program and face no real problem except that of choosing a profession. Their elders work on peaceful construction, cultivate the arts and shop in ever larger stores for increasingly diversified merchandise.

The image of this Greater Graustark, projected by the world's most powerful transmitters, now reaches every country where there is a short-wave radio receiver. This is the Soviet State as it is presented to its listeners in 52 languages by Radio Moscow and hundreds of satellite stations. Outside it, to quote the Soviet broadcasters, looms only an abyss of imperialist war-mongers, American monopolists, enemies of the working class and tools of Wall Street.

Radio Moscow, the dominant voice of the paranoid paradise, broadcasts on nine frequencies in the 19-, 25-, and 31-meter short-wave bands and relays its programs through Communist stations in Budapest, Warsaw, Prague, and Sofia. Every 6 months since April, 1949, the Soviet radio has stepped up its wattage, added new transmitters and expanded its program schedule.

Powered by transmitters ranging from 100,000 to 500,000 watts—the latter more than twice the maximum wattage of any American short-wave station—Radio Moscow and its captive European stations stream clearly into our east coast throughout the evening hours. After midnight, eastern transmitters of the U. S. S. R., probably located in Siberia, beam

their programs to the Pacific States. The weaker Peiping radio and other Communist short- and medium-wave stations also contributed to the propaganda barrage.

The colossus of the Soviet network is the Stalin or "Big Bertha" transmitter, entirely constructed of lend-lease materials during World War II. From its remote location in the Ural Mountains it attained a peak output of 2,500,000 watts, thundering down on Radio Berlin with a ghost voice that shouted "Lies," and similarly emphatic dissents in the midst of Hitler's speeches. After the war, its power was cut back to 500,000 watts. It has since been dismantled, moved west and reassembled as part of the Radio Moscow transmitting apparatus.

The real power of the Soviet radio lies more in its motives than its wattage. It exists, above all other reasons, as the most direct means of pumping Communist propaganda to the Russian people and the world. In 1948, Stalin said, "If our propaganda should ever be permitted to go lame for one reason or another, our entire state would inevitably collapse." In that year, Russia employed 1,401,000 full-time paid propaganda workers, or about 400,000 more than the total personnel of the MVD, the political police organization.

In April 1949, about the time the Berlin blockade became a clear failure, Mikhail A. Susiov was replaced as Soviet propaganda chief by D. T. Shepilov, of the staff of Pravda.

Shepilov's succession coincided with an unmistakable spurt in Soviet postwar propaganda. Intensive jamming of radio stations outside the iron curtain began, and Russian broadcasting started a sharp climb which has continued ever since.

The content of Soviet short-wave programs varies only slightly from Radio Moscow to the iron-curtain stations. All are hooked tightly to the same party line. American reception from Moscow is generally clear, and its announcers, who sound like native American men and women, are competent professionals. Poor radio voices, including that of a particularly callow female on the Budapest radio, are pretty well confined to satellite stations.

The first two paragraphs of his article are a close paraphrase of Radio Moscow's description of life in Russia. One of its programs, Moscow Mailbag, purports to answer questions about Russia from North American listeners whom the announcer identifies only by their initials. One writer asked to have American foreign correspondents appear on Radio Moscow to discuss what they had seen in Russia.

The announcer dismissed this suggestion with the tart comment that "press monopolies deliberately suppress news about Russia" and put on a bewildered trade-unionist who seemed lost in admiration of the peace-loving Reds. The announcer swung into a discussion of Soviet education, observing in a snide parenthesis that American students "have to quit school to go to work," and interviewed several students working on peaceful power plants.

Radio Moscow, like the stations at Budapest and Sofia, reports on the opening of new stores in Russia and the availability of additional merchandise for civilians. Locations of the stores are not given, nor are sales increases stated, except in meaningless percentages.

In all the radio discussions of Soviet life, one feels the Communist Party's eternal struggle to tell the world in ringing terms of its accomplishments, while fearing to reveal anything either relevant or concrete. What the listener receives is a dream world, vague and unconvincing.

The pervading theme of the Soviet radio programs is peace—the same sort represented

in the Stockholm and Warsaw peace appeals. Radio Moscow takes great pains to deny the Communist origin of its peace movement and offers various American sponsors as proof of its neutrality. The effect is somewhat spoiled by the inclusion of one educator who has labored tirelessly for Red front organizations. Peace-petition signatures running into the millions are reported from Italy, Poland, and France, and they sound exactly as fraudulent as the Daily Worker estimates of petition signatures in the United States.

Developing the peace theme further, the Sofia radio attacks the rearming of Western Germany. Radio Moscow, quoting Stalin, offers the American and Bolshevik Revolutions as twin proofs that resisters of aggression are invincible. Stalin held that American intervention in Korea would fail because American soldiers regarded it as unjust. With evident pleasure, the Soviet announcer quotes former Ambassador Joseph P. Kennedy's characterization of American policy in Korea as suicidal.

With a technique borrowed from Hitler, the Soviet radio offers interviews and letters from American GI's held prisoner by the Chinese Communists. Exactly as in the Radio Berlin "interviews" of World War II, the prisoners appeal to the home folks to stop the war and argue that Korea is too remote to fight for. The Budapest radio tells of a heavy vote against rearmament in Western Germany and in favor of a German peace treaty this year.

This is a rather remarkable result since no vote was taken on the matter in Western Germany. However, it is probably felt that the Soviet puppet vote in Eastern Germany needs a little more scope.

The Soviet love of peace stops considerably short of an Allied peace settlement with Japan. Within the last week, Radio Moscow has devoted a series of extraordinarily long speeches to an assault on the United States policy in Japan, charging that we intend to use Japan as a permanent base for aggression against Russia. Indeed, the "American warmongers" are the prime target of the Soviet radio in all parts of the world.

According to Radio Moscow's history of the Korean war, the Americans seized North Korea and were threatening Red China when the Chinese people "rose voluntarily" to protect Korea. On this station, the Chinese Reds in Korea are still "volunteers."

The Soviet war news from Korea changes little from day to day. One short communiqué states that "the Korean People's Democratic Army continues to throw back the enemy on all fronts, inflicting heavy losses in men and materials." There may be an added line claiming several aircraft shot down, but there is no mention of towns taken or lost, miles advanced, numbers of enemy casualties, or other pertinent data. There are frequent accusations that the Americans have bombed hospitals or churches, though the listener is given no reason why the Reds are concerned over the loss of a church.

In its world news bulletins, Radio Moscow and the captive-station network predicts American failure in halting nationalization of the Iranian oil industry, stresses Communist gains in Italy, and consistently attacks Marshall plan aid to Europe.

The Budapest radio quotes at length from Eugene Dennis' statement attacking the Supreme Court decision which upheld his conviction and those of the other 10 American Communist leaders.

In between the speeches, the listener hears selections from Tchaikovsky and Rachmaninoff, but even these suffer some distortion on short wave. Nevertheless, their relative fidelity is refreshing after the gross distortions of the Soviet speeches.

[From the Binghamton Press of Friday, April 13, 1951]

WHAT IS THIS VOICE OF AMERICA?—GRASS ROOTS STATEMENT, LETTERS GIVE HUMAN TOUCH TO PROGRAMS

(By Stuart Dunham)

NEW YORK.—The Voice of America goes deep into the grass roots for ammunition against Russia's hate-America campaign.

To the seven continents, beamed by powerful transmitters in 29 languages, go the fireside sentiments of Americans from coast to coast.

The Voice of America sends a mobile unit to record interviews with farmers and clerks and doctors and steelworkers.

In this effort to show the United States to the world, the Voice of America also broadcasts open letters from American citizens to people abroad.

In addition, the Voice staff draws material from the deluge of mail it receives from overseas—an all-time high of 33,242 letters last month alone.

SOME GET THROUGH

Only a driblet of this mail comes from behind the iron curtain, where an intercepted letter can send a man to prison. But it is a significant driblet.

One letter smuggled out of Budapest, Hungary, was a direct answer to an open letter from an American mother.

"You, dear madame," wrote the Hungarian, "say in your letter that your 20-year-old son will become a soldier. Your eyes in motherly anxiety see tragedy ahead. You foresee that your son will be forced to fight our sons."

"We shall not fight your sons. We see, with rejoicing, that your country is assembling all the forces of the whole free world against those who are trying the menace the world's peace."

TELLS OF SADNESS

Through the far-sweeping Voice of America, Mrs. Melvin R. Rose, of Arbuckle, Calif., told the world of her sadness:

"In the past my prayers have started, 'Dear God, please help me to be a good mother.' * * *

"But now I can go no further with my prayer because in the middle of my prayer come these questions: 'But God, what about the children in the rest of the world? The children in Korea, who is praying for them? The children in Yugoslavia, in Russia, in China?'

A Virginian, Alfred S. Brand, addressed his letter to the people of Russia, saying in part:

"In all my life I have never heard an American express hatred or even dislike toward a Russian. It is only your leaders that we cannot understand and trust."

TELLS OF PROSPERITY

A Greek-American, Theodore Phillips, of Norwich, Conn., told how he had prospered in America, and added:

"My wife and I are very proud of our adopted country. This country is made of different nationalities—that means it belongs to everybody who lives in it."

For contrast, the Voice of America broadcast a letter which came from the Communist shadowland, from Cracow, Poland:

"The danger of a knock at the door at midnight threatens everyone who risks listening to the Voice of America in the presence of unreliable witnesses."

"As in the U. S. S. R., the listening can take place in cellars only, in the catacombs."

"We, a group of reliable persons, therefore gather at the radio at the time of the Polish broadcasts of the Voice of America—to listen to the truth about our Polish cause and

about everything that actually goes on in the world."

From Communist China:

"I write on behalf of many listeners in Shanghai who have to take risk to tune in your daily broadcasts to the Far East."

LANGUAGE OF ALL

The Voice of America makes liberal use of an international language which needs no translation—music.

Under the direction of Walter Ducloux, Swiss-born acting chief of the music unit and guest conductor of the NBC Symphony Orchestra, the Voice of America gives the world a varied musical diet which includes Jo Stafford, John Philip Sousa's compositions, Giuseppe Valdengo of the Metropolitan Opera, Pee Wee Russell and many others.

Much of this music, contributed free by performers and musicians' unions, is sent on discs to hundreds of local radio stations abroad.

Besides helping to portray America, the music creates audiences for other Voice of America programs.

Ducloux favors high-brow music himself, but he concedes: "We find that popular American music is a wonderful come-on."

The Hit Parade, the Boston Pops, cowboy laments—their themes are hummed by Voice of America listeners from Dutch Guinea to Malaya.

[From the Washington Star of May 28, 1951]

A MESSAGE FOR STALIN

Through the Voice of America, the United States has just inaugurated a daily broadcast to Russian in Generalissimo Stalin's native Georgian language. The project is an interesting one, and maybe we can accomplish something with it if the Soviet dictator will listen in and if we keep hammering at his ear with such ideas as the one expressed in the following passage from President Truman's recent message to Congress on foreign military and economic aid:

"Let it never be forgotten * * * that we are ready, as we have always been, to follow the road of peaceful settlement of disputes, of control and reduction of armaments, of cooperation in applying man's talents to the building of a just and prosperous world society.

"If the rulers of the Soviet Union did not drown their words of peace with the drums of war, if their professions of peaceful intent were matched by deeds, the century in which we live could become the brightest man has known upon this earth. For our part, if peace could be made sure, the American people would be glad to invest a part of the resources we must now allocate to defense to a large-scale program of world-wide economic development.

"The benefits of such a program would be immense; the cost, a small part of what we must now pay to build our defenses at home and abroad. With such a program, we could, in cooperation with other peoples, inaugurate the most hopeful and fruitful period of peaceful development the world has ever seen."

That idea is a completely sound one. With the greatly improved technological equipment now at his disposal, and with the wondrous potentialities of things like atomic energy, man today has the means to bring about revolutionary advances in all parts of the globe—advances that would enrich peoples everywhere and open the way to the finest and happiest age since time began. By the same token, however, man also has the means, as never before, to sound the death knell of his race.

The danger that exists now—the danger that the nations of the world will drift into catastrophe instead of working together to create a golden age—stems primarily from

the Soviet Union's policy of dominance-seeking aggression. Yet that policy, if persistently pursued, can net its pursuers nothing but disaster in the end. By way of contrast, the Russians, like all other peoples, would gain enormously from peaceful cooperation.

The central issue of our time is basically as simple as that. The idea expressed by Mr. Truman ought to be repeated over and over again in our Georgian-language broadcasts and in other ways. Possibly—just possibly—Stalin will eventually lend an ear and do something to make the Soviet Union a cooperator, not a saboteur, in the effort to establish an enduring peace and put mankind on the road to a great new era of shining progress.

[From the Washington Post of May 29, 1951]

CHANGING VOICE

The Georgian accent which the Voice of America recently has acquired is directed at listeners not in Atlanta but in Tiflis. It is appropriate that the new language added to the languages in which the State Department is waging the battle of facts and ideas should be in the native tongue of Joseph Stalin. Whether the Voice has acquired a great number of direct listeners in its broadcasts to the Soviet Union may be doubted, but it seems to have had an impact. At any rate, the Kremlin has gone to absurd lengths to jam the broadcasts.

Which reminds us that those in a position to appraise the work of the Voice of America say there has been a noticeable improvement in quality in the last few months. The program has become tougher. Not that it distorts the truth; instead it tells the truth about the Soviet Union as well as about the United States, as well as about relations between them. It has become frankly an instrument of psychological warfare, and it has taken the offensive. This is all to the good.

Quite properly the State Department has disavowed, in Secretary Acheson's appeal to the Georgian people over the heads of their leaders, any attempt at encouraging national revolution or separatism in the U. S. S. R. That there is a basis for separatism has been pointed out by such authorities on psychological warfare as Wallace Carroll. But now is not the time to stress it; the result, very likely, would be purge and needless sacrifice.

Nor ought the Voice to be extolling the virtues of American motor cars or the glories of American plumbing. It ought to be plugging the spiritual values of freedom, such as the dignity of the individual, which is a spark in men's aspirations everywhere, and citing famous libertarians in Russian history. It ought to be asking embarrassing questions about every kind of Soviet denial of those values—slave labor, the MVD, and the other terrors which every Soviet citizen fears. It ought to be making use of recent escapees as sources, though there it is often handicapped by overstrict security regulations. Happily, the Voice has long since abandoned the program of straight news only for a more positive approach designed to indicate to oppressed peoples the bond of kinship which the love of liberty creates.

Elsewhere, too, there ought to be a minimum of programs dwelling upon American material advantages. Senator BENTON has called for a campaign to win India, a friendly country, away from Communist influence. That would be welcome, but it will take some careful thought, calling for an adjustment of the instrument to the field of operation. The boasting of the material wealth of America, for instance, has boomeranged in the free expectations of Indians that all they had to do was to put in a requisition for some of our bounty. The grain loan taught them differently. We must see that we don't create jealousy and resentment and disillusion, instead of friendship.

EXCLUSION FROM GROSS INCOME OF INCOME FROM DISCHARGE OF INDEBTEDNESS—MOTION TO RECONSIDER

The VICE PRESIDENT. The Chair will state that under the order of the Senate of the 22d instant, Senate bill 1717, to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, is temporarily laid aside, and the Senate will now proceed to the consideration of the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote on the passage of the bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness.

The question is on agreeing to the motion to reconsider.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Anderson	Gillette	McKellar
Bennett	Green	McMahon
Benton	Hayden	Millikin
Brewster	Hendrickson	Monroney
Bricker	Hennings	Moody
Bridges	Hickenlooper	Mundt
Butler, Md.	Hill	Neely
Butler, Nebr.	Hoey	Nixon
Byrd	Holland	O'Conor
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Kefauver	Saltonstall
Clements	Kem	Schoeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Dirksen	Knowland	Stennis
Douglas	Langer	Taft
Duff	Lehman	Thye
Dworshak	Long	Underwood
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

Mr. MFARLAND. I announce that the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from North Carolina [Mr. SMITH], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from South Carolina [Mr. JOHNSTON] is absent on official committee business.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate on official business, having been appointed a representative of our Government to attend the International Labor Conference being held in Geneva, Switzerland.

The Senator from Florida [Mr. SMATHERS] is absent because of illness.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. AIKEN], the Senator from Montana [Mr. ECTON], the Senator from Massachusetts [Mr. Lodge], and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent because of illness.

The Senator from Oregon [Mr. MORSE] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

Mr. TAFT. Mr. President, I have heretofore moved to reconsider the action of the Senate in passing the bill (H. R. 2416) relating to exclusion from gross income of income from discharge of indebtedness.

The VICE PRESIDENT. The Chair will state that the motion of the Senator from Ohio is now before the Senate.

Mr. TAFT. My reason for making the motion to reconsider was that there was attached to the bill an amendment which had nothing whatever to do with the subject of the bill as it appeared on the calendar. The amendment, which was offered by the distinguished majority leader [Mr. McFARLAND], changes all social security payments in the way of Federal assistance to the States for the various social security programs. It proposes a major change in the whole social security setup so far as assistance is concerned. The amendment was agreed to and the bill was passed by the Senate without any consideration having been given to it by the Committee on Finance. If the Senate reconsiders its vote on this bill I shall move to refer the bill to the Committee on Finance. If the authors of the amendment then desire to set some time limit within which a report is to be made by the Committee on Finance I am quite willing to agree that that be done.

I do not want to say today that necessarily the proposed increase of \$5 is not a proper increase; but I do object very strenuously to the change in the whole matching formula; to the fact that the entire burden is to be placed on the Federal Government, and to the fact that the various other complications which have arisen because the assistance programs have not been given proper attention.

Last year the Committee on Finance recommended, and Congress passed, an elaborate revision of the entire social-security program, in which the subject involved in the McFarland amendment was considered. The Senate made substantial increases in old-age insurance. It made very large increases in the aid to dependent children. It made increases in assistance to the blind. At that time, the Senate did not increase old-age assistance because it felt that in the whole picture, from the standpoint of a balanced arrangement between insurance and assistance, such assistance payments were already in line with the figures newly adopted for old-age insurance.

The amendment, Mr. President—and, of course, the money it would call for would be binding on the Appropriations Committee, so for all practical purposes it is an appropriation—would increase the present total payments made by the Federal Government to the States, in order to enable them to carry out these programs, which are cash-payment programs, not operations programs by the States. The present budget, that for this year, calls for \$1,300,000,000 for this purpose. The result of the McFarland amendment, as I have obtained the estimates from the Federal Security Administration, would be an automatic increase of \$256,296,000 in the necessary appropriations.

We struggled here for 3 weeks with two appropriation bills making cuts here and there, but this one increase, without any consideration by the Senate of its effect, more than wipes out all those decreases. I think it is probably three or four times as much as all the economies the Senate voted for in the course of the consideration of the two appropriation bills which have been recently passed.

The increase in old-age-assistance payments is \$165,000,000; in aid to the blind, \$5,700,000; in aid to the totally disabled—a new program which the Senate Finance Committee and the Congress adopted last year—the increase is \$6,300,000. The total increase brought about by this amendment in aid to dependent children would be \$79,000,000. In each case the increase is approximately 20 percent over the present Federal payments provided for in the budget.

This increase has not been recommended by the President. It is not included in his budget, although in the budget he has recommended a number of other increases in programs, and Congress may or may not adopt those proposals.

So, Mr. President, it seems to me perfectly obvious that we should refer this matter to the Finance Committee for consideration. In the first place, the amendment is not a simple increase of \$5, but it changes the entire matching formula by which these payments are made. These payments have gradually increased. They began, back in 1935, with \$15 from the Federal Government and \$15 from the States—in other words, on a straight 50-50 matching basis. In 1938 the payments were increased to a total of \$40, with \$20 coming from the Federal Government and \$20 coming from the States.

In 1946 the total was increased to \$45, with the total amount of the increase being entirely at the expense of the Federal Government, namely, \$25 from the Federal Government and \$20 from the States.

In 1948 it was increased by changing the 50-50 basis to a two-thirds basis for the first \$15.

In 1949 the two-thirds basis was changed to a three-fourths basis for the first \$20. The result of that change is that the present law provides that of the first \$50, the Federal Government puts up \$30 and the States put up only \$20.

The present proposal is to increase the Federal contribution to 80 percent of the first \$25, and no increase by the States is proposed.

Of course, it is certain that the States will not increase their contributions. As a matter of fact, there is no assurance, even, that they will maintain the present State payments. Under this amendment, it is entirely in the power of the States, if they desire to do so, simply to transfer to the Federal Government the expense they have. In the long run, I do not think the States will do so. They may do so temporarily, but probably in the long run the increase of \$5 in the Federal payments will be reflected in an increase of \$5 in the total payments made by both the Federal Government and the States. However, that

has not always been so in the case of past increases.

There are many other complications. In particular, as I wish to develop at some length, I point out the difference in the relationship between the old-age-assistance program and the old-age-insurance program. There is also involved the general question of whether the standards for placing persons on the rolls are fair ones—standards which in some States result in only 60 out of 1,000 persons being on the rolls, whereas in other States as many as 700 persons out of 1,000 are on the rolls.

The point I wish to make is that if we are going to increase the Federal percentage, such an increase will furnish an inducement to the States to increase the number of persons on the rolls, rather than to increase the State payments.

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

Mr. TAFT. I yield.

Mr. LONG. The question I have in mind is that if the committee were to consider the question of the standards which the States apply in connection with placing welfare applicants on the rolls, the consideration of that question would require a great amount of study; and inasmuch as the tax bill is before the Senate Finance Committee at this time, it is difficult for me to see how the committee would have time to go into the factors the Senator from Ohio is now discussing.

Mr. TAFT. I think this is largely a matter of expert advice. The Social Security Board, for instance, so far as I can discover—and I talked at length to representatives of the Board—was not consulted about this matter. We can get the Board's recommendations in regard to whether anything should be done in this case. That problem was before us last year, and we decided that nothing should be done.

I notice that on June 21, the Senator from Louisiana recommended that we not increase by \$23,000,000 the annual and sick leave privileges to certain substitute employees in the postal service. At that time he said, in regard to the amendment of the Senator from Kansas [Mr. CARLSON]:

Mr. President, * * * I wish to say that I have no reason to question the suggestion made by the Senator from Kansas. However, I believe the subject has not been studied by a committee. It should be studied by a committee and reported from a committee. I am told that the cost of the proposed amendment will be \$23,000,000. I believe it is well to take a look at the figures and see if that is what it will cost. It might be well also to consider it in connection with the bill which is before the committee to provide a flexible-leave schedule.

The Senator from Louisiana opposed that amendment because he thought any increase of that kind should be referred to a committee, and I hope the Senator from Louisiana thinks this matter should go to a committee.

Incidentally, certainly the proposal to change the Federal Government's contribution to four-fifths should be referred to a committee. If we are to increase at this time by \$5 a month the

amounts paid to recipients of old-age assistance, half of that increase should be provided by the States. That change alone would cut the Federal Government's cost by \$128,000,000.

It seems to me that it is in the matching field that particular consideration by the Senate Finance Committee is required.

There is now at the desk an amendment submitted by the distinguished Senator from South Dakota [Mr. CASE], which he thinks we should consider. It involves the question of permitting aged persons who receive this assistance to earn some additional money. We permit that to be done in the case of old-age insurance, but not in the case of old-age assistance. Such permission, if given, may help in connection with some of the problems the older persons have. Such a change would require an amendment to the present law.

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

Mr. TAFT. I yield.

Mr. LONG. I am certain that the suggestion the Senator from Ohio has made is well taken. The only question in my mind is whether there would be time for the Finance Committee to consider this matter and study it properly and consider all the factors the Senator from Ohio has in mind, whereas, on the other hand, at this time, there is a real need for a little additional assistance to the old-age pensioners, particularly because of the enormous increase in the price of food since Korea.

Mr. TAFT. I may say that the old-age-assistance payments have more than doubled since 1939 and 1940. There has been a rather steady increase, and I do not necessarily object to it.

As I have said, I am quite willing to have the Finance Committee instructed to report on this matter within a reasonable time—for instance, within 3 weeks, or a similar period of time—because I think we can get together the necessary information in 3 days. I have succeeded in gathering enough information to be able to form conclusions of my own, and I think the committee can report a much sounder program with much less cost to the Federal Government.

Last year Representative MILLS, of Arkansas, made to the House of Representatives a proposal which the Federal Security Administration tells me they much prefer to this amendment, and it would cost the Federal Government at least \$100,000,000 less than this particular amendment would.

Mr. LONG. Mr. President, will the Senator yield for another question?

Mr. TAFT. I yield.

Mr. LONG. As a matter of fact, is it not true that last year the Senate Finance Committee considered a proposal to increase the matching formula, and turned it down, even though the committee voted to increase by a substantial amount the assistance for almost every other group of needy persons?

Mr. TAFT. Yes.

Mr. LONG. Many Senators voted at that time to increase it, for the reason that there was not much hope of the committee's changing its position sub-

stantially, because the committee at that time was composed of the same members who compose it today.

Mr. TAFT. But the Senator must remember that since that time, there has been an increase in the cost of living, which the committee certainly is willing to take into consideration. One reason for our not increasing the rate, I may say, was that we wanted to get the right relationship between the contributory system of old-age insurance, which we increased substantially—doubled, in fact—and the noncontributory system. Before the amendments of last year the point had been reached where in most of the States which did not contribute a beneficiary received a larger payment than in the States which contributed, so far as old-age insurance was concerned; and we raised the figures for the old-age insurance to such a point that we felt that the relationship between the noncontributory payments and the contributory payments was correct.

It is possible that if we are to increase the noncontributory payments, we ought also to increase the insurance payments. That, I may say, is a possibility, because the fund has brought in so much more money, under the increased tax and the very largely inflated payroll since Korea, that it is quite possible to make a larger payment on insurance, also, without increasing the tax. I think that if one is to be increased, there ought to be a relative position between them, because obviously the contributory pension ought to be larger than the noncontributory pension.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. The Senator from New Jersey has this question to ask of the Senator from Ohio: The suggestion has been made that a vote to support the motion of the Senator from Ohio on this matter would be a vote against increases in some of these pensions. As I understand the Senator from Ohio, he is not at the moment going into that particular question. Such a vote would not mean that we were opposed to increases. Personally, I think we may have to consider increases all down the line in these various areas.

But the suggestion has further been made that the language of the amendment might make it possible for the States to take the Federal funds and, so to speak, bail themselves out. That has been suggested to me, and I am assuming that that is one of the questions the Senator from Ohio wants to have investigated when the matter goes back to the committee. The proportion to be contributed by the States, as well as by the Federal Government, makes this relief practical, without having the entire burden cast on the Federal Government.

Mr. TAFT. Yes, I think that is true. There is no provision in the amendment that the States must add anything at all to their total payments. As I have said, in the end they will probably pass it on. We have pretty direct advice from one State that it is simply going to relieve its own difficult fiscal situation. We could

insert an amendment which would prevent that, I think. But I call attention to the fact that the report of the Federal Security Agency shows that in January 1947, after the increase of \$5 in 1946, the old-age-assistance payments to beneficiaries, actually increased but \$3.24. The increase from Federal funds amounted to \$4.16; but there was a decrease from State and local funds of 92 cents a month. After the 1948 increase, from September 1948 to December 1948 the beneficiaries received an increase of \$2.49 only, instead of \$5. Though there was an increase of \$4 in Federal funds, there was a decrease of \$1.50 in State and local funds. The Federal Security Board itself at that time said that while, for the country as a whole, the decline in State funds was relatively small, in some States the contributions were such as to raise a question whether the States had not used a considerable part of the additional Federal funds to relieve the burden on State and local treasuries, instead of to strengthen their public assistance program. That this was not the case in most States is apparent, but in some States it was true. So, since that result did follow, it seems to me we ought to provide by legislation that that shall not happen.

When we made the increases in 1946 and 1948 we were at peace, and the income of the Federal Government was considerable. In 1948, we had had a surplus of \$8,000,000,000 in the Federal Treasury. Today, with the present tremendous budgetary program, which may cost \$70,000,000,000 this year and \$90,000,000,000 next year, we have felt that we cannot make the increased appropriations for purely domestic activities we had hoped to make. We have already cut down the housing program, we have cut down along various other lines, and certainly if there is to be the increase in assistance payments which is proposed, it seems to me the Federal Government ought not to be asked to put up more than half of it at the present time.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. If I understand the Senator from Ohio correctly, then, he is not necessarily opposing the consideration of the question whether there should be increased participation on the part of the Federal Government and the States, but he feels that a matter of this kind, which may involve \$250,000,000 should be further considered by the committee before final action is taken on the proposal. Is my understanding correct?

Mr. TAFT. The Senator is correct; and I have no objection to having the committee report within a definite time, so that we can consider the problem intelligently on the basis of a committee report.

Mr. LEHMAN. Mr. President—

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from New York?

Mr. TAFT. I yield.

Mr. LEHMAN. As I understand, the Senator from Ohio does not object to

the granting of a degree of help to those who are now on the public-assistance rolls, but he objects to the manner in which it has been done, and to the fact that there is no assurance that under the amendment which has been adopted, the beneficiary will receive any larger payments in the aggregate. Do I correctly understand the Senator?

Mr. TAFT. The Senator is correct. The money provided could be used in either of two ways. It could be used to relieve the State treasury, or it could be used to put more people on the roll.

Mr. LEHMAN. Will the Senator yield further?

Mr. TAFT. I yield further to the Senator from New York.

Mr. LEHMAN. I am sure my colleagues in the Senate know how I feel about these grants for public assistance. I believe them to be completely inadequate, and I should be delighted to see the beneficiaries receive increased allotments. But what worries me about the suggested amendment is that there would be nothing which would prevent a State from actually reducing its share. In other words, there is nothing in the amendment which has been adopted which would give any assurance whatever that the beneficiaries would receive larger allotments. I want to see them get larger allotments. I am not interested in the Federal Government's bailing out the States, and I believe that could happen under the amendment of the Senator from Arizona. I wondered whether under those circumstances it would not be possible for the Senator to submit an amendment which would prevent a reduction in payments by a State to any beneficiary; in other words, to assure that there would be no diminution, but rather an increase in the benefits accruing to a person receiving public assistance.

Mr. TAFT. I think I would ask an even more drastic amendment than the Senator from New York suggests. To begin with, until the vote is reconsidered I cannot offer an amendment. But it seems to me that, if we are to increase the payments \$5, we ought to make the States match the Federal payments 50-50, certainly as to the particular \$5 increase, at least. Under present conditions, I do not think the Federal Treasury ought to have to bear four-fifths of the additional increase. There is no evidence that the States will increase their share at all. I shall present some evidence to show that they may not pay to the persons affected the full \$5. They will merely put it in the State treasuries. I think the amendment could be somewhat more stringent than the Senator suggests. I think I could work that out, though, much more easily in committee than I could on the floor of the Senate.

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

Mr. TAFT. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to say to the Senator from New York that I have conferred with the legislative counsel of the Senate to try to get an amendment drafted along the lines he is suggesting because I believe that there should be some increase in the payments

to the beneficiaries, and I wanted to make sure, if we acted, that the increase would go to them. I am informed by the Senate legislative counsel that they have tried for about 2 years to draft an amendment along those lines, but that it is very difficult because of the flexibility in the amounts contributed by the States, and, if a specific amount like the one suggested is provided, it might throw out of kilter the whole benefit scheme within the States. That is what I have been told by the Senate legislative counsel.

The Senator from Ohio has twice stated that he would be willing to agree, if the bill were referred back to the committee, that a time limit of 3 weeks might be set for bringing it out again. I would hope that he would be willing to set a time limit of 2 weeks. It would have much influence on my vote if I knew the Finance Committee would report the bill in 2 weeks.

Mr. TAFT. That could be done easily enough. If all the members of the committee would sit down and consider it, it could be done in 3 days. But probably that would not be possible. I do not see why an amendment like this cannot be agreed on in 2 weeks.

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

Mr. TAFT. I yield.

Mr. MCFARLAND. Is it not a fact that what is provided in the bill is precisely the method which has been used for increasing assistance to the aged, the blind, and to dependent children the last two times that subject has been considered?

Mr. TAFT. It is true that the last two times the Federal Government has assumed the entire burden of the increases under programs which are entirely State programs. The Federal Government gives assistance to the States. The States fix the requirements and determine the total number of payments. In Colorado they amount to \$77 a month; in California, to \$67; in Texas, to only \$32. The lowest is in the State of Mississippi, where the payments are \$19.30.

What we have been doing has been simply taking more and more out of the Federal Treasury. We have done it twice. We did it to such an extent that noncontributory payments were greater than the contributory payments under the old-age insurance system. They were wholly out of relationship. That was due partly to the delay in revising old-age insurance. The result has been an increase in the number of persons on the rolls. The smallest number is in the District of Columbia, where only 46 out of a thousand persons are on the old-age assistance roll. In Delaware the number is 61 out of a thousand. On the other hand, in Colorado, it is 417; in Arkansas, 539, more than half the persons being over 65 years of age. In Louisiana the number is 725 out of a thousand. That tendency has grown until a State finds that it is easier to get more money out of the Federal Government by having a large number of low payments instead of adequate pensions. The distinguished Senator from Louisiana [Mr. Long] pointed out that his State more than doubled its own payments. In con-

tributions to old-age insurance it is spending more money per person than is any other State in the Union. But that is not true as to Texas, which is a much wealthier State than is Louisiana.

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

Mr. TAFT. I yield.

Mr. LONG. I believe it would be fair to point out that in the northern and more industrialized States a much higher percentage of persons are covered by social security. There was a time when in the State of Louisiana only approximately 20 percent were covered by social security, while in the State of Ohio the figure was almost 80 percent. In a State like Louisiana, where so large a percentage of the people are not covered by social security, they have to look to old-age assistance. There is no point in offering any excuse or apology. I hope the Senator will not think that we have any desire to receive more money out of the Federal Treasury and match it with our State funds. It is sought merely because of the need of the persons in the State of Louisiana who fall within the classes to be assisted.

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

Mr. TAFT. I yield.

Mr. CASE. Under the current manpower situation, does the Senator know of any reason why we should permit persons who are receiving contributory assistance to obtain up to \$50 a month for doing certain work, and deny the opportunity to those who are under the old-age-assistance program?

Mr. TAFT. I do not. I have read the report of the advisory committee of the Senate, on which the bill was based. They take the position that the program should be based on need only. I do not know the exact reason for that, but that was their position.

Mr. CASE. The able Senator from Ohio will recall that during World War II it was made possible for one who was receiving old-age assistance to engage in agricultural labor without having his assistance payments taken into consideration. Later, by a second amendment, the law was extended to include employment in nursing, so the persons receiving old-age assistance could receive money earned on farms or in nursing without affecting their payments.

Mr. TAFT. It seems to me that that should certainly be considered.

Mr. CASE. It has been my observation that the old-age-assistance recipients hesitate to take odd jobs lest they be stricken from the rolls. The gentleman who used to mow my lawn does not mow it any more because he is now on the old-age-assistance roll. Under the present manpower situation, I think we should make it possible for these on assistance rolls to help out with chores or do nursing. That is the purpose of the amendment which I suggested.

Mr. TAFT. Let me say that Colorado's average payment is \$66.73. The Federal share of that payment was 45 percent. It is now raised to 52 percent. In Texas, on the other hand, the average payment by the State in April of 1951 was only \$32.68, less than half the amount paid in Colorado. There are

more than four times as many persons on the rolls in Texas as are on the rolls in Colorado. The Federal share of the low payment in Texas, under this increase, would be \$27.68, or 81 percent of the total payment. The Federal Government is carrying 81 percent of the total old-age-assistance payments in Texas, whereas in California it is carrying only 52 percent. The effect of the new amendment would be to increase greatly the amount of payments in Texas. At the same time, Texas has the highest per capita income of any southern State. Colorado has a per capita income of \$1,386. The per capita income in Louisiana is approximately half of that of Texas.

The result of requiring the Federal Government to pay a higher and higher percentage is that every State is given a tremendous incentive to widen the rolls, to put everyone on the rolls, and get more money, because the Federal Government will pay 75 percent under the existing law. Thus there is an even greater incentive to do that instead of paying adequate old-age pensions to persons who are really in need, because it cannot be that there is a clear case of need as to 750 persons out of a thousand who are over 65 years of age. Surely those States are disregarding any obligations on the part of the children to do something in looking after their parents.

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

Mr. TAFT. I yield.

Mr. MFARLAND. First, I wish to make a statement and then to ask the Senator a question. I should like to say that the method proposed in this amendment is the only effective method we have been able to use. It has resulted in increased assistance for the aged, the blind, and dependent children. The Finance Committee had this subject before it a year ago and at the request of those in charge of the legislation we did not offer the amendment. Of course, that would have been the time to increase the amount had the committee been disposed to act.

However, if the Senator from Ohio wants the committee to consider the matter for a couple of weeks, I am perfectly willing that the Senator enter into a unanimous-consent agreement to the effect that the bill, as amended, be referred to the Committee on Finance for its consideration for 2 weeks, at which time the committee shall report its recommendations, including its recommendation respecting possible increases in old-age-insurance payments as well as increases in old-age assistance, aid to the blind and totally disabled, and increases in children's benefits. If the Senator is agreeable, I am willing to enter into such an agreement.

Mr. TAFT. I think everyone will agree to that. I think we can do that if that is agreeable to the Members of the Senate. It will enable us to proceed with the defense-production measure more quickly.

The VICE PRESIDENT. Is there any request made?

Mr. MFARLAND. May I say before I make the request, Mr. President, that I am hopeful the committee will give prompt and careful consideration to the bill, and, of course, when it comes back to the Senate we will then have an opportunity to look at it. I am one of those who believes it is desirable that a committee have the opportunity to consider proposed legislation.

But before I propound the unanimous-consent request I wish to say that the people here involved are the forgotten people. No one has done anything for the aged and the blind and the dependent children since 1948, although the cost of living has gone up, way up.

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

Mr. MFARLAND. I yield.

Mr. TAFT. Do not include the blind in that statement. We increased the amount for the blind last year.

Mr. MFARLAND. Mr. President, the recipients of this aid need the little extra money for food. We are going to consider shortly a recommendation to increase salaries of Government employees. Why? Because of the rise in the cost of living, of course. I am in favor of economy. I want to save every dollar that can be saved. But, Mr. President, I am not willing for an aged person, a person who has not had an opportunity to save money during his lifetime, who has not had the opportunity to build some security through social security, to go hungry simply because helping him would mean the imposition of a little more taxes. I do not believe the people of the United States are willing that such individuals should go hungry merely to save the payment of some taxes.

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

The VICE PRESIDENT. The Senator from Ohio has the floor.

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

Mr. TAFT. I yield to the distinguished Majority Leader.

Mr. MFARLAND. This is no small matter to those who are affected. Some may ask, "What is \$5 a month?" In a large number of the States the \$5 contribution is matched by the States' equal payment. Why did we not make such a provision mandatory for all States? Why did we not compel the States to match the Federal payment? I will tell the Senate why. It is because in the South and in some other sections, States are not able to match the Federal payment. So the amendment was submitted in order to give the poor people in those States a little better chance in life.

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

Mr. MFARLAND. I will yield in a moment. I feel deeply in regard to this matter. The Social Security Administration recommended the variable grant program. The House passed a bill along that line and sent it to the Senate. We did not take action on the variable grant program.

The amendment now under consideration is only temporary provision for 2

years to aid the old people in this period; so that they may live, if you please, while we in Congress are working on the program. I dislike to see a delay for even 2 weeks, but I am willing to have the bill receive committee consideration because I believe in committee hearings where possible, and because in this case I believe that with the active cooperation and wise assistance of both the distinguished Senator from Ohio and the distinguished Chairman of the Finance Committee we will have before us very shortly a bill which will increase these payments in all categories and thus give recognition to the fact that these people on small fixed incomes are literally being ground between the upper and nether millstones.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I am glad to hear the Senator from Arizona take the position he has taken, because it seems to me that if we want to attain this objective—and I personally want to increase the payments to a certain degree—we can better do so by having a bill brought before the Senate in an orderly way; a bill which we can amend and which we can discuss. As the matter now stands, we cannot discuss the amounts, we cannot discuss the subject with our home State authorities to see how the plan will work out. If the committee reports a bill in 2 weeks, then it will be open to discussion. We can increase the amount if we think we should do so, or we can change the provisions. I hope the Senator will put the unanimous consent request.

Mr. TAFT. Will the Senator from Arizona put the unanimous-consent request? I now yield the floor.

Mr. LEHMAN. Mr. President, is the Senator from Arizona going to present his unanimous-consent request?

Mr. MFARLAND. I will do so in a moment.

Mr. LEHMAN. I will wait until the Senator has submitted his unanimous-consent request.

Mr. MFARLAND. Mr. President, I ask unanimous consent that the vote by which House bill 2416 was passed be reconsidered, and that the entire bill, as amended and passed by the Senate, be recommitted to the Senate Committee on Finance, with definite instructions that it be reported back to the Senate within 2 weeks with recommendations, including recommendations with respect to possible increases in old-age insurance payments.

The VICE PRESIDENT. The Senator from Arizona asks unanimous consent that the vote by which the bill was passed be reconsidered, and that the bill, with the amendment adopted by the Senate, be referred to the Committee on Finance with instructions to report back not later than 2 weeks from today. Is there objection?

Mr. LEHMAN. Mr. President, reserving the right to object, in the first place, I ask unanimous consent to place in the Record a letter which I received from the Federal Security Agency under date of June 26, 1951, giving certain figures and data.

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

FEDERAL SECURITY AGENCY
SOCIAL SECURITY ADMINISTRATION,
Washington, D. C., June 26, 1951.

Hon. HERBERT H. LEHMAN,
The United States Senate,
Washington, D. C.

DEAR SENATOR LEHMAN: This is in reply to your request for information concerning the public-assistance amendment adopted by the Senate on June 21 to H. R. 2416.

In accordance with your request, I am enclosing a copy of our statistical tables for March 1951 which, among other things, show the average amount paid to assistance recipients. There is also enclosed, as you requested, a table showing the Federal share of the average payments for old-age assistance for September 1950, the most recent month for which data are available.

The answers to the other information you requested are as follows:

1. What is the cost of the amendment?

The additional cost to the Federal Government, assuming that all of the additional Federal funds is passed to recipients, is about \$256,000,000 annually. This figure is based upon estimated case loads as of the end of the fiscal year 1951. The present Federal cost for public assistance is approximately \$1,250,000,000 annually.

2. Is there any provision in the amendment which requires or assures that the needy individual will receive the additional Federal funds?

No; there is not.

3. Does all of the additional Federal money need to be passed on to the recipient or can the money be saved by the State or be used to put additional persons on the assistance rolls?

The State is free under the amendment (1) to pass all or part of the additional Federal money on to the individual, (2) to save all or part of the additional Federal money, (3) to put additional persons on the rolls, or (4) any partial combination of these three policies.

This can be illustrated, in part, by the following examples:

A State paying \$40 to an aged individual can increase the payment to \$45. In this case the Federal share of \$25 is increased to \$30, and the State share of \$15 remains the same.

But if the State wished to save all the Federal money, it could keep the payment to the individual at \$40, in which case the State share would be reduced to \$12.50, a saving of \$2.50 a case, while the Federal share would be increased \$2.50 a case to \$27.50.

Alternatively, a State could increase the total payment to an individual to \$43, an increase of \$3, which would result in a State share of \$14, a decrease of \$1, while the Federal share would be \$29, an increase of \$4.

As an example of how a State can add additional persons onto the rolls without increasing its own costs, assume that the State is now paying 100 persons \$40 a month, of which the Federal share is \$2,500; the State share is \$1,500. If the State divided its \$1,500 by paying \$12.50 to 120 cases, the Federal share would be increased to \$27.50 each or a total of \$3,300, or \$800 more in total Federal funds.

Based upon the experience of similar amendments in 1946 and 1948, it requires about one full year for recipients to get the full benefit of the additional Federal funds. In some States it takes even longer. In the meanwhile, a portion of the additional Federal cost is merely a replacement of State and local funds.

4. Is the Federal share also increased for Puerto Rico and the Virgin Islands?

No.

If there are any additional facts you wish, please let me know.

Sincerely yours,

WILBUR J. COHEN,
Technical Adviser to the Commissioner for Social Security.

Mr. LEHMAN. Mr. President, in the second place I may state to the Senate that, as the majority leader knows, my interest in this question is to see that the beneficiaries receive a larger allotment, a considerable part of which, of course, is paid by the Federal Government. Under the amendment of the Senator from Arizona as it stands, if a State making an allotment of \$40 wishes to "save" all the Federal money, it could keep the payment to the individual at \$40, in which case the State share would be reduced to \$12.50—a saving of \$2.50 a case, while the Federal share would be increased \$2.50 a case to \$27.50.

I want to make certain that if the Federal Government makes this further large grant to the States—

Mr. McFARLAND. The Senator does not call \$5 a large grant, does he?

Mr. LEHMAN. No. I am talking about \$256,000,000 representing the additional share of the Federal Government.

Mr. McFARLAND. I understand.

Mr. LEHMAN. If the Federal Government makes this grant to the States on a matching basis of some kind, I want to make certain that the beneficiaries will receive a very substantial portion of the additional funds which are made available by the Federal Government.

I wonder whether the distinguished majority leader could include in his motion a direction to the Finance Committee to make certain that there would be (a) no diminution of funds provided by the States and (b) an increase in the benefits which flow to the recipient from the State and Federal funds. I think it is most important that the beneficiaries be benefited by the action which may be taken. I am not interested in saving the States money. I want to make sure that the needy persons who are getting this meager and totally inadequate allotment will receive a greater benefit from these funds.

Mr. McFARLAND. I may say to my friend that the Senator from Massachusetts [Mr. SALTONSTALL] has stated the difficulties. It is very difficult to draft an amendment such as this. I think that a study of the record will disclose that the needy people have received these benefits. I myself do not believe that any State officials could remain in office if they were to take this money simply to reduce their State taxes. I believe the needy people will receive benefits from the Federal payments.

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

Mr. McFARLAND. I yield.

Mr. MILLIKIN. Our State puts up more than its share of the money. That is neither here nor there. What I want to suggest to the distinguished Senator from New York is that there ought not to be any limitations placed upon the instructions to the Finance Committee.

Mr. McFARLAND. We can take care of that on the floor if the job is not properly done in committee.

Mr. LEHMAN. Mr. President, continuing my reservation—and I do not intend to object—may I ask the majority leader whether, if the bill when reported from the Finance Committee does not provide increased benefits to the beneficiaries of public assistance, he will think it is bad faith on my part if I oppose the report and fight against it as hard as is possible? I do want to make certain that the beneficiaries receive more liberal treatment than they are receiving today.

Mr. McFARLAND. I will say to my good friend from New York, in all sincerity, that I do not believe there is a Member of this body who has a kinder feeling toward the people who need help than has the Senator from New York. I know that he is sincere in what he is saying, and that he wants to help the people who need help. If I did not feel that this amendment would accomplish the desired purpose, I would not have proposed it. However, I am willing to have the committee give further consideration to the project. I hope the Senator from Ohio will be convinced before final action is taken. That is one reason why I was willing for the Senator from Ohio to have more time to study the question. I want him with us in helping to put through this worthy legislation.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object—and I shall not object—I wish to compliment the Senator from Arizona for the fight which he has consistently made to increase the assistance to these forgotten people and improve their welfare. I refer to the aged, the blind, and the orphans. I do not believe that anyone can go too far in his concern for those people. I appreciate what the Senator from Arizona has done in past years, and what he is attempting to do by this proposed legislation. So reluctantly I agree with the purpose now to postpone consideration for 2 weeks and send the bill to the Committee on Finance.

I agree with what has been said by my colleague [Mr. MILLIKIN], that no strings should be tied to what the Finance Committee does with the bill, because the Finance Committee has made a long study of this kind of legislation and is well informed on it. It is capable of dealing with it in an intelligent way, and with good judgment, I believe. When the bill returns to the Senate, within 2 weeks, I feel that the Senate may expect a bill which all Senators can support.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arizona?

Mr. LANGER. Mr. President, reserving the right to object, I invite the attention of Senators to the fact that sometimes chickens come home to roost.

Only last week the distinguished Senator from South Carolina [Mr. JOHNSTON], chairman of the Committee on Post Office and Civil Service, pleaded

with tears in his eyes that leave for Government employees be not reduced from 26 days to 20 days. He stated that a committee had been considering the subject for a long time, and was almost ready to report. He called attention to the further fact that an employee who had worked a long time for the Government might be entitled to more leave than one who had worked for only a year or two.

At that time, nevertheless, the Senate, with the distinguished Senator from Ohio voting for the proposal, took the matter out of the hands of the committee and legislated upon the floor of the Senate, providing for 20 days' leave instead of 26 days. The result was that the Committee on Post Office and Civil Service might just as well not have existed.

Coming to this specific question, I remember that in 1946 the senior Senator from North Dakota called attention to the fact that North Dakota was the first State in the Union to have old-age pensions. That was long before we ever heard of Dr. Townsend. At that time it was said, "We are not going to pass upon the question today. We are going to refer it to a special committee." A special committee was named, consisting of two of the most distinguished Members of this body. That was the last we heard of the subject for an entire year.

I agree with everything the distinguished Senator from Arizona and the distinguished Senator from New York have said relative to the need on the part of these poor people for an additional \$5 a month.

Mr. President, I object.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed. [Putting the question.]

The Chair is in doubt.

Mr. MFARLAND. Mr. President, may I ask the distinguished Senator from North Dakota if he will withhold his objection for a moment?

Mr. LANGER. Mr. President, I have no objection to being outvoted, but I will not withdraw the objection. It is a matter of principle with me. If, for example, we can take away the power of the Committee on Post Office and Civil Service, why not abolish it and be through with it? After a committee has worked for many months, as did the Committee on Post Office and Civil Service, the Senate comes along and arbitrarily wrecks everything it has done. So far as I am concerned, I will not withdraw my objection to the unanimous-consent request.

The VICE PRESIDENT. The Senator from North Dakota objects.

The question is—

Mr. GEORGE. Mr. President, I hope the Senate will agree to the motion to reconsider the bill, in view of the objection and in view of the willingness of the distinguished majority leader to have the bill reconsidered. This is not a new subject with the Finance Committee.

The VICE PRESIDENT. The Chair suggests to all Senators that if the motion to reconsider is agreed to the Senate may then refer the bill to the committee with instructions to report back in accordance with the unanimous-consent request of the Senator from Arizona.

Mr. GEORGE. Mr. President, the committee is entirely willing to report back within a reasonable time. Possibly 2 weeks is a little short, in view of the fact that we must undertake the consideration of a tax bill. However, we can make a report within 2 weeks. We have studied this question. The question was before the Finance Committee last year, and we gave 6 months' study and consideration to it.

This proposal, so far as the amendment is concerned, is simply to have the Federal Government pay four-fifths of the appropriation for these particular beneficiaries. That is not fair to the Federal Government. It is perfectly ridiculous that the States themselves do not shoulder an equal share of this burden. But we did not so arrange it. We now pay a disproportionate part of the burden.

The committee is entirely willing to make its report promptly, and within 2 weeks. I hope very much that the motion to reconsider the vote by which the bill was passed will be agreed to, so that the bill may go back to the committee.

The VICE PRESIDENT. The Chair will put the question again. The question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT] to reconsider the vote by which House bill 2416 was passed.

The motion was agreed to.

Mr. MFARLAND. Mr. President, I now move that the bill, as amended, be recommitted to the Committee on Finance, with definite instructions to report it back to the Senate, in accordance with the unanimous-consent agreement which I have propounded, within 2 weeks.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona. [Putting the question.] The "ayes" have it, and the bill is recommitted to the Committee on Finance with instructions.

ANNUAL ASSESSMENT WORK OF MINING CLAIMS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 460, Senate bill 1726, to change the date for the beginning of annual assessment work on mining claims held by location in the United States, including the Territory of Alaska, from the 1st day of July to the 1st day of November and to extend the time during which annual assessment work on such claims may be made for the year beginning July 1, 1950, to the 1st day of November 1951.

No objection was raised to the bill in committee. It was unanimously reported by the committee. I have consulted with the minority members of the committee and I have also consulted with the minority leader. I am certain that no objection will be made to the immediate consideration of the bill.

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

Mr. WHERRY. Mr. President, reserving the right to object, I have been absent from the floor for a few minutes. I wonder if it would be necessary to have a quorum call.

Mr. O'MAHONEY. I am quite certain that it will not be necessary to have a quorum call. As I say, the Committee on Interior and Insular Affairs was unanimous in voting to report the bill.

The bill deals solely with the problem of doing \$100 worth of assessment work upon mining claims during each year. The Senate has heretofore passed similar bills.

Mr. WHERRY. I understand. I shall not insist on a quorum call. I should like to invite the attention of the Senate to the situation in which we found ourselves in connection with the last bill. A motion was made to reconsider the action of the Senate in passing the bill. It resulted from the generosity of the minority leader in permitting a bill to pass without having a quorum call. I believe a quorum call should be had before action is taken on a unanimous-consent request to consider a bill. I have been assured by the distinguished Senator from Colorado [Mr. MILLIKIN] that the minority members of the committee were unanimously in favor of reporting the bill; therefore, I withhold my suggestion of the absence of a quorum. However, if a Senator should come in later and make a request to reconsider the action by which the Senate passed the bill, I wish the Record to show that the junior Senator from Nebraska, acting as the minority leader, attempted to protect the rights of any Senator who may later wish to move to reconsider the action of the Senate on the bill.

Mr. O'MAHONEY. I thank the Senator for his comment.

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

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 2324 of the Revised Statutes, as amended, is further amended by striking out "1st day of July" and inserting in lieu thereof "1st day of November."

Sec. 2. The amendment made by the first section of this act shall be effective as of 12 o'clock meridian, 1st day of November 1951, and for the purposes of section 2324 of the Revised Statutes the period from 12 o'clock meridian, July 1, 1951, to 12 o'clock meridian, 1st day of November 1951, shall be considered part of the period commencing at 12 o'clock meridian, July 1, 1950.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. MFARLAND. Yesterday, when the Senator from South Carolina suggested securing a limitation on debate with reference to the defense-production bill the distinguished minority leader

suggested that it be proposed at this time. I understand that some Senators who are interested in the bill are not present, and therefore I shall not profound the request at this time. I am very hopeful that we shall be able to enter into such a unanimous-consent agreement. I may say that in the Democratic caucus this morning I was instructed to try to work out a unanimous-consent agreement limiting debate. I am certain that the minority leader will cooperate with me in that regard, as he always has cooperated with me. As soon as he is able to do so I would appreciate his conferring with me on a proposed unanimous-consent agreement to limit debate.

Mr. WHERRY. I can inform the majority leader now that there are two Senators on this side of the aisle who would like to speak generally on the bill, as I presume the Senator from Michigan is about to speak on it now. I am not certain that it would be necessary to provide more than 30 minutes for that purpose. As soon as I am informed I shall confer with the majority leader. So far as the minority is concerned, we shall be willing to limit debate.

Mr. MFARLAND. Even if we agree to limit debate beginning tomorrow morning it would be of some help.

Mr. WHERRY. I am satisfied that after the two speeches have been delivered there will be no difficulty in entering into a limitation of debate, at least with respect to amendments.

Mr. MOODY. Mr. President, at the outset of my remarks I should like to say that I shall decline to yield until I have completed the prepared portion of what I have to say, for two reasons: First, we are faced with a matter of time, which has been pointed out rather forcefully by the distinguished chairman of the Committee on Banking and Currency [Mr. MAYBANK], and I do not want to take any more time than I believe to be necessary. In the second place, by yielding, as I would certainly be inclined to do under normal circumstances, the continuity of my thought as it would appear in the RECORD would be utterly destroyed. Therefore, as I have said, I shall decline to yield until I have finished my remarks, at which time I shall be very glad to yield to any Senator for any questions he may put to me, and shall endeavor to answer them so far as I am able to do so.

Almost exactly a year after the day of the invasion of Korea by the Red hordes from the north, what purports to be an offer to negotiate a peace is made by our Communist enemies.

Good people everywhere who love peace and freedom will pray to God that there is a measure of sincerity in this overture from the Kremlin and from Peking.

But, Mr. President, I believe the people and the Congress of the United States must be alert to the danger that this Soviet move regarding Korea, whether it culminates in a successful cease-fire or not, may be an effort to induce the American people to relax their vigilance, to fail to do the things we must do to protect our security, to fail specifically either to continue the

military build-up at home and abroad, or to adequately renew the anti-inflation law now before us.

In my judgment, America will not be safe, the American people dare not relax, until there is dependable proof of a real reversal of basic position in the Kremlin. Until then we must proceed with our program of strengthening our military forces, and our economic, political, and psychological efforts abroad, whatever happens in Korea.

Since we must go forward with our program for strengthening our military forces, Mr. President, a program which able Senators on both sides of this aisle have so firmly supported, then, in my judgment, we must be sure that the very process by which we prepare to preserve our Nation from the external danger of Red aggression is not permitted to turn loose the destructive and dislocating forces of inflation within our borders.

That—if we let it destroy our economy from within—would be playing into the hands of Stalin as thoroughly, and almost as painfully, as thought we failed to prepare ourselves militarily and left ourselves vulnerable to attack from without.

I do not question the motives of any man on either side of this aisle as to the means or purposes we take to secure the internal structure of our Nation and of our free incentive system. We are all seeking the same thing—peace, and a stable, prosperous Nation.

But I submit, Mr. President, that the facts of economic history have amply proved that in a period when from \$38,000,000,000 to \$50,000,000,000 worth of our production each year is to be transferred from civilian to military goods, we cannot permit our economy to operate without a steering wheel and a good set of brakes.

In my judgment, it would be reckless in the extreme to move into the crucial period that lies ahead without a firm, direct, effective and well-administered check on prices and wages, which are the parts of our economic system which affect the consumer most closely.

It has been argued on the Senate floor and elsewhere that direct controls prevent the greater production which we all agree must be the ultimate solution to inflation. The facts do not bear out this contention.

In 1943, at a time when full price and wage controls were in effect, industrial production in America reached a level higher than at any time before or since. That, of course, was not because we had controls; but the controls did not prevent it.

None of us like controls. We all know that the things that have made America great are brains and skill and determination and industrial know-how, all of which operate best when they are free and have the maximum incentive.

But we cannot operate our economy if the value of the dollar is to be allowed to plummet downward because of the distortions which must result when so great a proportion of our total production is removed from the normal consumer markets. In these times we must make sure that our dollar is held as stable as we can hold it, so that our taxes will not rise out of sight; so that the

business structure will not be distorted; so that our working people will not be caught in a vortex of rising prices which wages could never catch; so that our farmers will not be ruined by an ultimate deflation; and so that our white-collar workers and our old people and others living on fixed incomes will not be squeezed cruelly in the vice of needlessly higher prices.

It is argued that the way to keep prices down is by greater production. In normal times this is true; but when we are lifting tens of billions of dollars worth of goods out of the markets for the purpose of making ourselves militarily strong, it is illogical and absurd to contend that the supply can be adequate immediately to take care of demand in sufficient degree to keep the economy stable.

The program of the Government, as outlined by Charles E. Wilson, the Mobilization Director, and others, is to increase production to such a degree that in approximately two years we shall have enough military goods to meet the requirements of the global threat of aggression, and also enough civilian goods so that the markets can take care of themselves through the normal workings of supply and demand.

Therefore, Mr. President, we must protect our country against the vicious spiral of prices such as was already on the move in December 1950, and January 1951, before the tentative stabilization was imposed January 25.

I agree with those who say, as Senators on both sides of the aisle said yesterday, that this freeze was delayed too long. I think it should have been ordered more quickly. But I also agree with the estimable, hard-working chairman of this committee, for whom I have the highest regard, the Senator from South Carolina [Mr. MAYBANK]—who, I may say, conducted the hearings every day for six weeks, and heard many witnesses on this subject—that two wrongs do not make a right, and that we should not compound the injury.

I would point out, however, that in delaying, the Government was giving a thorough trial to the economic theory of those who say that direct price and wage controls are not necessary in this emergency. It was giving this machinery a trial at a time before the real impact of military production had hit the economy, as indeed it has not yet fully hit.

As part and parcel of this trial, the Government made a plea directed to the patriotism of the people with things to sell, and many businessmen responded to this plea. Others did not respond. The result, as figures on price movements now in this RECORD will show, was a highly uneven and violently distorted increase in prices. That is something that all of us know.

I am sure it is the purpose of the Senate, as it works toward renewing the present authority to control the economy, to pass a bill which will in fact be workable and will be a stabilizing weapon in the hands of the men who have answered their country's call to lead this fight against inflation.

But I fear this would not be the case should the bill before us today be passed

in its present form. I am supporting the Douglas amendment. If it is adopted, I think the bill will be workable. However, at the present time the bill contains an amendment which six members of the committee hold to be violently inflationary. It is a section banning further roll-backs of prices.

If the committee majority's purpose were merely to restrict further roll-backs on meat, their amendment would burn down the house to roast the pig.

It would not alone kill the previously programmed beef order, but would change the entire basic structure of the entire stabilization program.

It would freeze distortions, which have occurred since the Korean invasion, into the economy by law.

It would prohibit passing on to the consuming public great savings as the prices of raw materials drop; and it would blast open the wage-stabilization formula which was established only after months of difficult and delicate negotiations.

When the price of an article today represents its pre-Korean base price, plus increase in labor and material costs, plus the reasonable pre-Korean profit margins, no one is going to try to roll that price back. Is that not the fair yardstick? Many businessmen adhered to it.

But others did not. They profiteered at the public's expense at a moment when American men were dying on the battlefield to establish the principle that aggression does not pay and an aggressor cannot get away with it. Is Congress now to say: "You who ignored the plea of the President of the United States to hold your price mark-ups to reasonable levels, you who thought it was 'the American system' to soak the consuming public when the fires of inflation you were helping to kindle could burn out the free-incentive system within which you operate, are now to have your gouging prices condoned and frozen into the economic structure by law?

Are we to say to those who held the line: "You men who responded to a patriotic appeal by your Government, you who have a greater sense of public responsibility, were foolish, and Congress will not protect you"? Are we going to put a penalty on the public spirit and patriotism and response to the public interest of these men? It would appear so, for the majority report of this committee, on page 18, in effect directs the Price Administrator not to adjust their prices.

The issue in this amendment, as it is written, boils down to this, even though the distinguished Senators supporting the anti-roll-back amendment of course did not mean it so: The consumers versus the profiteers.

Eric Johnston, the economic stabilizer, is convinced that the increases which would be forthcoming as a result of the necessary upward adjustments would boost the cost of living by at least 6 percent. Six percent may not seem to be very much of an increase, Mr. President, but of course it would automatically bring a resulting rise in the wages of organized workers, under the lawful

wage stabilization formula, and that in turn would boost the entire cost structure of industry—increasing the prices of things farmers buy, jacking up food prices, and launching the economy again on the swirling upward spiral which the Johnston-Disalle order checked on January 25.

Actually, so far as the stabilization program is concerned, this amendment merely makes certain that prices can move in only one direction—up!

It also sets in motion a chain of events making it inevitable that they move.

It is ironic that Congress should be considering such a blow at the stabilization system, now that the impact of military production is about to strike and the inflationary danger is increasing, for it was Congress that last year first moved toward the very sort of steering wheel for the economy which its action now may cripple or destroy.

Mr. Johnston and Mr. Disalle are endeavoring, by a twin cost-price formula, to squeeze some of the profiteering out of the price structure. They work from the base of normal price-cost relationships that existed before Korea, and they declare that in fixing his prices, any manufacturer may add cost increases for both materials and labor since that date.

Mr. President, when prices have been boosted sharply beyond this level, ceilings are being set to see that the public is not overcharged. I should like to ask, what is wrong with that? A roll-back does not happen to businessmen who respond to the President's antiprofiteering plea. It does happen to those who ignored the request.

Now in the works at OPS are roll-backs in clothing, shoes, and other necessities. In prospect are other reductions which promise to eventuate from the Government's own action in forcing down the world price of important materials such as tin, wool, and rubber.

The fact is, Mr. President, that the prices of many essential items are too high today and should be rolled back.

One such item is beef. I believe it would be difficult to convince any housewife that the witness who appeared before our committee was right when he said that beef prices are "subnormal."

I realize of course that the meat industry is immensely complicated. I realize that the roll-backs may not be easy to accomplish. But since January 1950 there has been a 10-percent rise in wages, a 12-percent rise in the things farmers must buy, and a 15-percent rise in prices of food products generally. In the same period cattle prices have gone up 53 percent. Why? At no time has a clear, adequate answer to this question been made by anyone, so far as I have heard.

The Price Administrator is endeavoring to bring these prices back toward balance with other prices. He is trying to do it fairly, and I do not believe we should stop this effort.

I submit, Mr. President, that this amendment, on which the committee chairman yesterday predicted "great controversy" in this Chamber, contains ill-concealed threats against virtually

every category of consumer and producer, and those threats may not have come to the attention of this body.

Seven of these ill effects on the Nation's economy are spelled out for all to examine in the committee report, beginning on page 27. I should like to say at this point that I believe the two reports issued by the committee, the majority report with which regarding the anti-roll-back amendment I disagree, and the minority views, are documents which I hope every Member of the Senate, and everyone else in the country who can get them, will read, because I think they do a remarkably good job of spelling out just what the problem is today. I already have referred to the certain general price increase to the level of the highest prices, and to the automatic upward revision of the wage stabilization formula, as indicated by the testimony before the committee of Dr. George Taylor, Chairman of the Wage Stabilization Board.

The able Senator from Alabama [Mr. SPARKMAN] spoke yesterday about the authority conveyed in this amendment to impose a ceiling on farm prices even lower than the prices prevailing during the so-called freeze period of January 25—thus in effect permitting a roll-back in the event of future temporary deflationary fluctuations in agricultural prices.

Of grave concern to me is the prohibition apparent in this amendment on the passing on to the consumer of any declines in the prices of raw materials which may eventuate after the enactment of this bill banning roll-backs. By the way, the Senator from Illinois [Mr. DOUGLAS] yesterday pointed out that this amendment would prevent a roll-back of burlap prices in line with the reduction in the price of burlap which is imported. There appears to be a similar prohibition on the lowering of other import prices.

We have had numerous witnesses appear before our committee, testifying on various sections of this bill and sharing with us their knowledge of business and industry, marketing and processing, and we have given great weight to their observations and opinions.

But I wonder if we have given full consideration to the unrepresented consumers who have not been before us with counsel and prepared statements, and who do not have the financial backing which would enable them to come to Washington and to have representatives here. The consumers have no lobby and no lobbyists. They have no one to plead their cause save we ourselves, who have been sent here to represent them.

I shall be everlastingly grateful to a young housewife in Grand Rapids, Mich., who wrote with the eloquence that can come only from the heart, and in her writing made all too evident to me the role that I must play in this debate. I should like to read briefly what she said:

We are a family of three, with another child due next fall. Our children deserve oranges, eggs, cod-liver oil, warm clothes—yet, we, like many other young couples who cannot afford lobbyists in Washington, wonder how much longer we can buy these things.

Our grocery bill alone now takes half my husband's salary. That means a lot of figuring for housing, heat, insurance, and growing children's clothes. Even a new child is almost dreaded.

We are not helping inflation; we cannot afford necessities, much less luxuries. We are not saving either, although we long for the self respect a bank account gives.

Why don't our Congress investigate housewives and independent grocers instead of economists? Let your investigators figure out a way to feed a family nutritiously on \$80 a month without controls—and if they can't, please, please give us a tight lid on prices.

That, Mr. President, is typical of the letters we get from the people back home who are not represented by one organization or another, in Washington.

There is not a Senator in this Chamber who has not received, also, a huge volume of mail complaining of ever-mounting taxes. Does it give us any pleasure to report that the \$7,000,000,000 brought in by last year's tax increase already has been thrown down the sinkhole of inflation because of the \$7,000,000,000 extra the Defense Department has already paid in higher prices?

Now the House has approved a new tax bill. Are these additional revenues to be dissipated in the same manner?

The issue before us is quite simple. The Congress can appropriate billions for armaments designed to make of us the strongest nation on earth. But if we permit the insidious leech of inflation to fasten onto our economic structure and drain away the lifeblood of our defense mobilization, then we shall be set up for a swift, telling blow from without, or a fatal pernicious anemia from within.

What is to be gained from the terrible, swift forging of a mighty array of armaments if the left arm is too weak to support the shield, and the right cannot wield the sword?

Are we to battle without stint—in a spirit of bipartisan realization as to the desperate goal—on the field of foreign engagement, only to succumb to destructive pressures in dealing with the economic ills which beset us within our own country?

To do so is to surrender bloodlessly to the enemy, offering him an easy victory with the weapon of his own choosing and on the battlefield of his own selection.

Shall we go ahead with our military preparations at home and abroad; shall we continue to work through the United Nations for a just decision in Korea and in the other troubled areas about the world; shall we continue with the economic uplifting of the impoverished nations with which someday we may conduct a flourishing trade; shall we continue with all the great aims which destiny has given us in this century—or shall we supinely surrender now to selfishness and greed and the un-Christian philosophy of every man for himself and let the devil, and Joe Stalin, take the hindmost?

That decision is the decision which must be made here and now. It is ours and ours alone to make. And the world is watching us.

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

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Connecticut?

Mr. MOODY. I yield to the distinguished Senator from Connecticut.

Mr. McMAHON. Mr. President, I should first like to say that I compliment the Senator upon his maiden speech in the Senate.

Mr. MOODY. I thank the Senator very much.

Mr. McMAHON. It is good for those of us who have been constantly engaged in the MacArthur hearings to have an opportunity now of learning something about this very important bill. Would the Senator tell me who appeared before the committee in opposition to the amendment which the Senator offered, for himself and, I believe, on behalf of five other Senators.

Mr. MOODY. The Senator asks who appeared before the committee?

Mr. McMAHON. Who appeared in opposition to roll-back provision? Is it called the Douglas amendment?

Mr. MOODY. The Douglas amendment is the amendment, as the Senator from Connecticut knows, which would take out of the bill, as it came from the committee, the ban on all roll-backs.

Mr. McMAHON. I am asking who appeared in opposition to that amendment. Did the committee not have testimony regarding that subject?

Mr. MOODY. There was testimony before the committee in support of the view that all price controls should be lifted. There was testimony by a number of representatives of large groups to the effect that such groups should be exempted.

Mr. McMAHON. If the Senator will permit, I may say that everyone is in favor of letting the wife's relatives make the sacrifices.

Mr. MOODY. Yes; that is so. There seems to be a disinclination by many people to have controls on their own part of the economy. I may say it was a somewhat disillusioning experience, even though I had been around the Capitol as a newspaperman for some time, to hear one group after another come forward and place testimony in the record which, in my judgment, appeared to me to have been formulated merely with the temporary, short-term, self-centered view of the present situation in mind, without undertaking the responsibility of realizing that if everyone got his own little advantage, if everyone received his own immunity, the entire structure within which we operate, the very system of free enterprise which means so much to those men who appeared before the committee, and to all the rest of us, might go up in flames and burn out our strength from within.

Mr. McMAHON. Does not the Senator agree that that approach is also used in connection with additional taxes? Everyone who comes before the Finance Committee to testify seems to agree that the budget must be balanced and that we must have more taxes, but says, "Of course, I am a special case. Do not put any more taxes on me."

Mr. MOODY. That is precisely the case. I am glad the Senator mentioned

that, because gentlemen appeared before our committee who took the position that inflation could be controlled entirely by indirect methods. I might point out that Mr. Eric Johnston and others who testified pointed out that today a very vigorous attempt is being made in Canada to control inflation by indirect methods. Canada has a very heavy program of restriction on credit. As a matter of fact, a person has to pay 50 percent down in order to buy an automobile in Canada. There is a very heavy program of taxation, much heavier than our own. There is a general sales tax on nearly everything, amounting to 10 percent, and there is a 25-percent excise tax on automobiles. To buy a car in Canada one has to pay 50 percent down and a 35-percent ad valorem tax on the car. Yet, despite those and other very stringent indirect controls, prices in Canada have risen even faster in the past 6 months or a year than have prices in the United States.

Some persons who appeared before the committee asking that title IV be stricken from the bill and that price and wage controls be eliminated entirely are the same persons, I might say, who appeared in 1946 and said at that time that if price controls were prematurely removed prices would adjust themselves downward and the economy would be stabilized. We all know what happened after the denouement in 1946.

In further reply to the Senator's question, it was brought out by some of the questioning by members of the committee that organizations whose representatives urged higher taxes were some of the same organizations who earlier had gone before the House Ways and Means Committee, from which tax bills emanate, and had testified that they would like to have heavier taxes, but, again, to be applied on someone else, "because we cannot take it."

I believe the fact is very clear that if we want to burn out our economy from within, if we want to subject the consuming public to higher prices, and if we want to risk the very sort of deterioration of our capitalistic system on which the Communists are counting and which Karl Marx said would happen, then we should take off the controls and spend \$50,000,000,000 a year on military production and see what happens to our prices and our economy.

I might add that I hope the Senator from Connecticut and all other Senators will read the majority report and the minority views on this bill, because as to this general principle there is no difference in our committee, as I understand, except as to one Senator. While there is a difference as to how we should accomplish the result, there is, with one exception, no difference between the members of the committee on the point that we cannot afford to lift price and wage controls at this time. It would be a national disaster if we did.

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

Mr. MOODY. I yield.

Mr. LEHMAN. Is it not a fact that even though defense production has not reached its peak, by any means, prices for a long time have continued to rise

perpendicularly, and is it not also a fact that starting 2 or 3 months from now our production of defense material will be at the rate of more than \$3,000,000,000 a month, from 50 to 75 percent higher than it is today? If that comes about, is it not inevitable that if we do not have controls, prices will skyrocket without limit?

Mr. MOODY. I believe the Senator is correct. In my judgment delay in the imposition of controls was a mistake. I believe the advice of Mr. Bernard Baruch, of New York, and of the Senator from Wyoming [Mr. O'MAHONEY], and others, should have been taken when they predicted what would happen and asked for more stringent controls after the Korean invasion. But I should like to point out to the Senator from New York that at that time the impact of the military production and the impact of the withdrawal of consumer goods from the market had not even begun to be felt. There was speculation, and there was no authority in the law to regulate the speculation. Increases in prices were taking place, as I pointed out a little earlier, because there was not a response made to the President's plea that prices be controlled voluntarily. I should like to say to the Senator from New York that the very persons who are the most critical of the stabilization program, the very persons who have asked that controls now be removed, had an opportunity to see that the voluntary system would work had they established leadership in our private economy during the period when the President was calling on them to hold their price line.

As to the Senator's question regarding the greater danger of inflation in the months to come, the expenditure for military production, as the Senator well knows, will not really begin to rise rapidly until the late summer and fall, and, under the present program, it will continue to rise through the year 1952. Then will be the time when we must guard ourselves most firmly against the danger which has its beginning as of today. We shall be a very foolish nation, even if, happily, we reach a ceasefire in Korea, if we relax and go to the ball game thinking that the fight is over because it will not be over until the Kremlin changes its basic policy. Until that time shall come we had better not sit around any council tables with representatives of the Kremlin, like a weak man sitting opposite a bully. If we can bring the Korean war to a successful conclusion and stop the tragic slaughter that is going on there, I hope that we will not relax our efforts, but will continue with our programs, not only increasing our military strength, but also go ahead with such great programs as have been presented to the Senate by the Senator from Connecticut when he said that we must try to reach the minds and hearts of men in the world and let them see what freedom means and that theirs is threatened.

Mr. LEHMAN. I wonder whether the experience of the Senator from Michigan has been the same as mine. In my contacts with businessmen I have found that

the small-business man is not opposed to controls.

Mr. MOODY. I think that is very true.

Mr. LEHMAN. He is in favor of them. I have found that the average independent businessman is not opposed to controls but is rather in favor of them. I have found that the representatives of the National Manufacturers Association and representatives of the great chambers of commerce are the ones who are trying to break down controls and open the way, without any handicaps at all, to uncontrolled inflation.

Mr. MOODY. I think the Senator's statement is correct, but I should like to say that I believe the great organizations to which he refers misrepresent not only small business but the better informed segments of big business. On a recent trip to Detroit I had a talk with some businessmen who do not feel very happy about the presentations which have been made before the Senate committee by persons who purport to represent them.

I might also say that there is another thing about which I believe we should be very careful. There is a tendency to overcomplicate the situation and weigh down the small-business man with complex and intricate questionnaires. I believe that one of the most important things that can be done by the Government is to keep the program as simple as may be possible.

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

Mr. MOODY. I yield to the Senator from South Carolina, the distinguished chairman of the committee.

Mr. MAYBANK. I compliment the Senator from Michigan on his statement about the unfortunately long rules and regulations which are promulgated. But I will ask the Senator if it is not true that the committee did not suggest most of those rules and lengthy orders, but that as a matter of fact the committee has repeatedly asked the Office of Price Administration and others to try to simplify the rules and regulations for the benefit of small-business men?

Mr. MOODY. The distinguished chairman is entirely correct, and I hope his great influence downtown will continue to be exercised to the end that there may be further simplification.

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

Mr. MOODY. I yield for a question.

Mr. LONG. As a former member of the Committee on Banking and Currency, and as one who had to give up his place on that committee to go on the Committee on Armed Services, I noticed that the junior Senator from Michigan was one of the most faithful of the committee members, in his attendance on the meetings of the committee and in making a study of these matters and examining the witnesses. Certainly the information he has presented to us today should be most helpful because of the study he has made of the subject.

Mr. MOODY. I thank the Senator from Louisiana.

Mr. LONG. I compliment the Senator on the helpful presentation he has made. It will be helpful to me in arriv-

ing at what should be a proper conclusion and a proper vote on this question.

Mr. CARLSON. Mr. President, will the Senator yield to me?

Mr. MOODY. I yield to the distinguished Senator from Kansas.

Mr. CARLSON. I have enjoyed very much listening to the statement made by the distinguished Senator from Michigan in regard to food prices and controls. I was especially interested in his comments in regard to the roll-back on meat prices. Admittedly the price of meat is high. I think there is no question about that. However, I think the basis for the cost of meat is the amount that can be purchased by hours of labor. For the RECORD I should like to quote from one or two statements by the United States Department of Agriculture, dated April 25, 1951, as to the amount of meat that can be purchased by 1 hour of labor. Take, for instance, sliced bacon. In 1914, 1 hour of labor purchased eight-tenths of a pound. In 1919, 1 hour of labor purchased nine-tenths of a pound. In 1929, 1 hour of labor purchased 1.3 pounds. In 1939 1 hour's labor bought 2 pounds. In 1949, 1 hour bought 2.1 pounds. In February 1951 it bought 2.3 pounds.

When it comes to beef, I am willing to concede that the price is high. But there has been a great deal of, I would say, loose and unwarranted talk about the high price of beef at the present time. Let us go back to 1914, when 1 hour of factory labor purchased nine-tenths of a pound of beef. In 1919 it purchased 1.2 pounds of beef; in 1929, 1.2 pounds; in 1939, 1.8 pounds; in 1949, 1.6 pounds; in February 1951, 1.5 pounds, 1½ pounds of beef.

An hour of factory labor in 1951 bought almost as much round steak as it did in 1949. It bought only one-sixth less than it did when beef was still at bargain prices in 1939.

The PRESIDING OFFICER. Will the Senator permit the Chair to make an observation? The Senator from Kansas knows, of course, that the Senator from Michigan can yield only for a question. The rule has been very liberally interpreted. The Senator from Kansas will pardon the Chair, but there are other Senators who are desiring to ask the Senator from Michigan to yield.

Mr. CARLSON. I appreciate very much the comment made by the Chair and the observation is well taken.

Mr. MOODY. I thank the Senator from Kansas for the information he has furnished. But I should like to observe that what the Senator has said, it seems to me, is an indication that our standard of living has been rising steadily in the United States, as it should have been. That is an indication of increase in production and an indication that our system works. I am sure the Senator from Kansas would not be very happy if the real income of the average American family was lower now than it was in 1929 or 1914.

Mr. CARLSON. Mr. President, will the Senator yield to me for a question?

Mr. MOODY. Yes, I yield to the Senator from Kansas for a question.

Mr. CARLSON. I appreciate very much the Senator's comment, and I am in accord with him with respect to the income of the people of our Nation. I am for a high income of our individual citizens, especially the laboring people, because that is what makes a prosperous and a sound economy.

I wish to ask the Senator from Michigan a question. In view of the fact that we have been discussing the only roll-back we have on a food commodity, namely on cattle, did the information given the Banking and Currency Committee give any indication that the consumer had received any benefits from a \$700,000,000 roll-back?

Mr. MOODY. My understanding, I may say to the Senator from Kansas, is that the dislocations which happened because of the violent increase in prices, have made it necessary for the Price Administrator to adjust the whole structure of marketing meat, and my understanding is that the Price Administrator's intent was to utilize the benefit of the roll-back—if it will be conceded that there are benefits from roll-backs; I realize there are some Senators who do not concede that—first in reaching an equilibrium, and then extending the benefit to the consumer. I might point out that if the Senate now decides to suspend roll-backs, the consumers will now be penalized. The Senator from Kansas will perhaps agree with that.

Mr. CARLSON. May I ask the Senator a question further?

Mr. MOODY. I yield for another question.

Mr. CARLSON. I should like to ask the Senator from Michigan if it is not true the ceiling prices were placed so high on meats even when the roll-back was established that the shops increased their prices 3 cents, 5 cents, and as high as 25 cents a pound? I should like to make the statement that it is my opinion, after some study, that even with two additional roll-backs, if placed in effect, the consumers would receive no benefit from the roll-backs.

Mr. MOODY. I hope the Senator from Kansas is wrong about that.

Mr. CARLSON subsequently said: Mr. President, I ask unanimous consent that I may insert in the colloquy which I had with the junior Senator from Michigan [Mr. Moody] a table and statement from a publication of the Department of Agriculture.

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

Here we quote from a USDA Office of the Secretary publication, dated April 25, 1951, and identified as memorandum No. 10, subject: Food Prices and Farm Returns. We quote direct, pages 4 and 5:

“FOOD PRICES RELATIVE TO CONSUMER INCOMES

“If we are going to consider average increases in food costs, it is only fair to consider also the average increases in the ability to buy.

“An hour's earnings in a factory may buy less of some things now than it has in the past, but it will buy more food.

“Estimates indicating approximately how much of different foods an hour of factory labor would buy at the beginning of this year and the comparable buying power of

factory earnings in earlier years are shown in the following table:

Quantity of each item that could be purchased with 1 hour of factory labor, United States, designated years

Item	Unit	1914	1919	1929	1939	1949	February 1951
Round steak...	Pound	.9	1.2	1.2	1.8	1.6	1.5
Pork chops...	do	1.0	1.1	1.5	2.1	1.9	2.0
Sliced bacon...	do	.8	.9	1.3	2.0	2.1	2.3

Prices and earnings used were compiled from Bureau of Labor Statistics data.

“Round steak: An hour of factory labor in February 1951 bought almost as much round steak as it did in 1949, only one-sixth less than it did when beef was selling at bargain-basement prices in 1939, one-fourth more than in 1919 at the postwar price peak following World War I, and two-thirds more than in 1914.

“Other items: The same hour's work in the factory will also buy more milk, eggs, oranges, potatoes, and bacon than it would in 1949, 1939, 1929, or 1914.

“MORE FOOD FOR SMALLER SHARE OF DISPOSABLE INCOME

“Americans spent for food last year a smaller share of their disposable income (income after direct taxes, chiefly income taxes) than they did in 1947, 1948, or 1949—and the same share as in 1946. Their expenditures for food and the various services which come along with it, including restaurant service, last year amounted to 27 percent of their total expenditures for goods and services—compared to 28 or 29 percent in every other year since 1941.

“If we had been satisfied with the same kinds and quantities of food we bought in 1935-39 with 23 percent of our disposable income, it would have cost us only 18 percent of our 1950 disposable income.”

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

The PRESIDING OFFICER. (Mr. MONRONEY in the chair). Does the Senator from Michigan yield to the Senator from Connecticut?

Mr. MOODY. I yield for a question.

Mr. BENTON. I address the question to my fellow member on the Banking and Currency Committee. With the possible exception of our chairman, no one was more devoted during the long hearings than the distinguished Senator from Michigan. In line with the quotation from Mr. Eric Johnston in the Senator's most able presentation, on which I congratulate him—

Mr. MOODY. I thank the Senator.

Mr. BENTON. That the cost of living will increase at least 6 percent as the result of the so-called roll-back provision, did the Senator notice the Associated Press dispatch this morning quoting an official spokesman of the CIO?

Mr. MOODY. Yes; I did.

Mr. BENTON. Does not the Senator agree that it will be impossible to expect labor to cooperate on any wage-stabilization program in the face of rising prices, and that 6 percent is a very substantial rise?

Mr. MOODY. I am glad the Senator from Connecticut brought up that point. The wage-stabilization formula, which I mentioned earlier in my remarks, was worked out only after a long and difficult and detailed series of negotiations,

in which at one point representatives of labor refused to participate in the stabilization program because they felt that they were being discriminated against in favor of other segments of the economic community. The wage-stabilization program has now been agreed to by various segments of the economy, by various groups in the economy. It is not a firm freeze, I concede, any more than the price-control situation is a firm freeze, but it certainly is something very different than we would have if we did not have any such formula at all.

Mr. BENTON. Is the Senator from Michigan aware that Mr. Johnston's estimate of a 6-percent increase in prices is based upon manufacturers' prices?

Mr. MOODY. I was about to say that if the cost of living is now permitted to rise, of course, labor will ask for higher wages. Of course there will have to be a readjustment, as Dr. George Taylor testified before our committee. He placed in the RECORD a statement in which he said that the entire wage-stabilization formula would call for a review in July, I believe. If the cost of living is higher at that time, of course the formula will be revised. That is what I meant when I said that costs would go up.

Mr. BENTON. Does the Senator from Michigan realize that the 6-percent estimate of Mr. Johnston is based upon manufacturers' prices, and that 6 percent of manufacturers' prices, interpreted through retail distribution channels, will undoubtedly mean 8 or 8½ percent? Is the Senator aware of that point?

Mr. MOODY. I am; and I believe it is an excellent point. It reinforces the point I am trying to make, that this proposal would undermine the entire effort which I am sure the distinguished chairman of the committee and other members of the committee are trying to make.

My impression of this amendment was that an effort was made to handle the very complicated and controversial question of the price of beef. But when the amendment was proposed it not only addressed itself to the price of beef, and to the controversial roll-backs which have been introduced into the economy, but also, by changing the base date of the stabilization program, it affected everything all along the line, and would require an entirely new calculation.

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

Mr. MOODY. I yield to the distinguished chairman.

Mr. BENTON. Mr. President, may I finish my line of questioning with one further question?

Mr. MOODY. I yield to the Senator from Connecticut.

Mr. BENTON. Does the Senator from Michigan recall the statement which was read into the record at the committee hearings, from the former OPA Administrator, former Governor Bowles, of Connecticut, who thought that even a 3-percent rise in prices was so significant that he suggested what he called a cost-of-living bonus in the event of a 3-percent rise?

Mr. MOODY. In an effort to hold the line in the event of such a rise.

Mr. BENTON. Does the Senator recall the evidence submitted through the Senator from Illinois [Mr. DOUGLAS], in the form of a statement from former Governor Bowles?

Mr. MOODY. I certainly do.

Mr. BENTON. Does the Senator from Michigan then agree that we are facing a potential 8 or 8½ percent rise in prices because of the so-called roll-back amendment, and that we are facing grave risk of destroying hope for the stabilization of our economy?

Mr. MOODY. I agree again with the Senator from Connecticut. I had intended to wait a good deal longer than I have waited before making what my friends call a maiden speech. I wanted to listen and learn rather than speak in the Senate. But it seemed to me that this was such an important matter, and that the real significance of this amendment was so misunderstood, that it was necessary to speak out upon it.

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

Mr. MOODY. I should like to complete my statement.

In line with what the Senator from Connecticut said about a statement being placed in the RECORD by the former OPA Administrator, I remind the Senator from Connecticut that there was also placed in the RECORD a statement from Mr. Bernard M. Baruch, of New York.

Mr. BENTON. Does not the Senator agree that those two gentlemen are two of the most experienced men in the country on the subject which we are discussing today?

Mr. MOODY. I certainly do.

The Senator may recall that last July, a few days after the Korean invasion took place, Mr. Baruch stated that the time to freeze prices was then. He was right at that time. It should have been done then. However, there were many who felt that it could be done voluntarily. Some of the witnesses coming before our committee are still saying that it still can be done voluntarily. The President tried the voluntary system.

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

Mr. MOODY. I yield.

Mr. MAYBANK. I concur in what the Senator has said about Mr. Baruch. Mr. Baruch came before us last year and testified. Congress enacted a control law in September. I felt, as Mr. Baruch and others felt, that prices should have been frozen immediately at that time.

Mr. MOODY. I feel the same way about it.

Mr. MAYBANK. Various control bills were introduced although they were not even recommended by the Administration.

I congratulate the Senator, and thank him for his attendance at the committee meetings. He was of great assistance in bringing out much information. As the Senator from Connecticut [Mr. BENTON] has said, no Senator was more

faithful in his attendance than was the Senator from Michigan, and none gave more thought or time to the subject.

Mr. BENTON. Except the chairman, the Senator from South Carolina [Mr. MAYBANK].

Mr. MOODY. Except the chairman. Let me say that as a newspaperman I have always had the highest respect for the chairman. That respect was enhanced when I saw him in operation every day.

Mr. MAYBANK. I appreciate the Senator's remarks. I wish to bring out a point with respect to the so-called beef amendment, which, by the way, is a misnomer. The Senator from Illinois [Mr. DOUGLAS] called it a Trojan horse amendment. I do not consider it a Trojan horse amendment.

Mr. MOODY. I am sure that it was not intended to be such. The Senator from Illinois referred to it as the "Trojan steer" amendment.

Mr. MAYBANK. The Senator was at the committee meeting when I proposed the amendment. I said that it had nothing to do with beef or cotton as such. It was a general amendment, to affect every manufacturer.

Mr. MOODY. That is correct.

Mr. MAYBANK. The reason for the amendment was that the administration had not frozen prices in October of last year. So when the administration froze prices in January, the committee changed the date from May to January, so as to freeze prices as of January.

In the amendment the committee gave authority for the roll-backs which Mr. DiSalle had placed in effect, and went even further and allowed a 2-percent further roll-back. This is correct, is it not?

Mr. MOODY. Yes.

Mr. MAYBANK. The amendment was not a beef amendment as such. I know that the Senator differs somewhat with me on the amendment. I appreciate his views. However, the purpose I had in the amendment was to freeze prices when the Government said it wanted them frozen. It is said that prices can be allowed to increase 6 percent when everything is frozen. The law freezes everything as of January, and gives authority for roll-backs to take effect up to July 1. I cannot for the life of me figure out how any prices can advance unless the Government wants them to advance. All prices are frozen under this bill. They cannot advance.

Mr. MOODY. I fully appreciate the Senator's fine motives, and I am not in any way questioning his intent.

Mr. MAYBANK. We freeze prices, do we not?

Mr. MOODY. We do not. That is the point at issue, as I see it.

Mr. MAYBANK. My amendment only says that there can be no further roll-backs, after July 1.

Mr. MOODY. That is correct.

Mr. MAYBANK. Prices were frozen on January 25, were they not?

Mr. MOODY. Prices were frozen only tentatively on January 25. That is the whole issue. Prices are not frozen now.

Mr. MAYBANK. Whose fault is it? The administration had authority to freeze prices since last September. The Senator will admit that, will he not?

Mr. MOODY. Oh, yes.

Mr. MAYBANK. The administration has had authority to freeze prices. It froze what it wanted in January, and rolled back the prices it wanted to roll back in May, and said, "Leave it open to us until October, November, or December. We might find something else to roll back."

How is the businessman to conduct his business? How is the farmer to manage his crops? The cotton farmer was led to believe that cotton would be 45 cents a pound. What is it today? Thirty-five cents a pound. It is down \$50 a bale. Senators visited the President, and told him, "If we freeze the price of cotton it will go down \$50 a bale." It did go down. I said that I was going to use my influence as chairman of the Committee on Banking and Currency to write a control bill to stop inflation.

Prices were frozen on January 25, and roll-backs can take effect until July 1. There is a desire to have something to hang over the heads of the people in the months to come when Congress is not in session. Who is going to be rolled back? The farmer, of course.

Mr. MOODY. I wish to refer to what the distinguished Senator from South Carolina has said, but first I should like to yield to the Senator from New York. I ask unanimous consent that I may yield to the Senator from New York so that he may ask a question of the chairman of the committee, without my losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEHMAN. The Senator from South Carolina, for whose service as chairman of the committee I have the highest regard—

Mr. MAYBANK. I appreciate the fact that the Senator from New York attended our meetings. We were glad to have him there.

Mr. LEHMAN. He has referred to cotton. Spot cotton today, bought for delivery in June or July, is selling for 45 cents a pound.

Mr. MAYBANK. At 46 cents a pound.

Mr. LEHMAN. But cotton bought for delivery in October is selling for 35 cents a pound.

Mr. MAYBANK. The Senator is correct.

Mr. LEHMAN. A difference of ten cents a pound.

Mr. MAYBANK. Approximately.

Mr. LEHMAN. Yes. Why should there be any prohibition placed on a stabilizer to reduce the price of cotton goods when the cost of cotton is down to 35 cents a pound?

Mr. MAYBANK. There is no prohibition placed on the Price Stabilizer to freeze the price of cotton goods. The only thing that my amendment would do would be to prevent him from rolling the price back to May or June of last year.

Mr. LEHMAN. Under the bill he could not roll it back.

Mr. MAYBANK. Unless my amendment is adopted, he could.

Mr. LEHMAN. He could not roll it back.

Mr. MAYBANK. If my judgment is not agreed to he could roll it back.

Mr. LEHMAN. I am talking about the amendment which is in the bill.

Mr. MAYBANK. Yes.

Mr. LEHMAN. He cannot roll it back.

Mr. MAYBANK. That is correct.

Mr. LEHMAN. He cannot lower it—

Mr. MAYBANK. I may say to the Senator from New York that he had the right to freeze it on the 25th of January. He did freeze some items.

Mr. LEHMAN. Cotton at that time, as it is today, was selling for 44 to 45 cents a pound. I refer to spot cotton.

Mr. MAYBANK. That is correct.

Mr. LEHMAN. In October it will be selling for 35 cents a pound.

Mr. MAYBANK. Let me remind my good friend the Senator from New York and former governor of his State that manufacturers do not make cotton goods today to be sold today. The cotton mills in New England and in the South are manufacturing cotton goods today to be sold in the Christmas trade and, in some instances, in the spring trade. Then the price will be far below the price of cotton goods today. That is the reason why big stores such as Macy, Gimbel, and others, have already cut prices. They are buying goods much cheaper in the markets, as the Senator knows. Incidentally, Wall Street is the biggest cotton goods market in the world. In Wall Street and in the St. Louis markets prices are down because of the cheap price of cotton goods based on a \$50 break in November. It takes months to go through the process. That is the fear I have. I am afraid to leave open the right to roll back prices to May or June of last year, which the Administrator would have the right to do. I do not say that he would use the right. It would be necessary to consider the increased cost of labor. However, that is the fear I have.

Mr. MOODY. I should like to suggest on this point that it is well known that formulas have been announced by the Price Administrator and Economic Stabilizer which govern their policies at least with regard to industrial roll-backs.

Mr. MAYBANK. That is correct.

Mr. MOODY. The distinguished chairman would agree, I am certain, that if a roll-back as severe as he contemplates were imposed by any administrative officer of the Government there would be very quick action to cancel it.

Mr. MAYBANK. I agree with the Senator that we would have to try to get quick action. However, I fear the policies of agencies. I would like to see positive provisions incorporated into law. As was emphasized in the testimony, representatives of the great labor organizations left the meetings of the economic stabilizers because they did not think they were being treated right. They came back later and they were treated much better. No farmer, so far as I know, has ever been invited to such

meetings. So far as business is concerned, the law requires that representatives from business should be consulted. Business organizations should have an opportunity to be consulted before prices are established. The testimony will show that time after time, according to the testimony of witnesses such as the chambers of commerce and the trade associations, businessmen were not adequately consulted.

Therefore, I can agree thoroughly with the Senator with reference to policy, but the administrators have not followed the policy. They never invited the farmers. The Senator from North Dakota knows that the farmers have not been invited. They invited labor representatives. What did they do for labor? They did nothing for labor until labor walked out of the meetings. I am not accusing labor of anything. I am not criticizing labor for leaving. I know what they were up against. Business people were never adequately consulted, very few farmers were ever invited. The head of the Grange testified that he was not consulted. The head of the Farm Bureau testified he was not consulted.

Mr. MOODY. Does the Senator from South Carolina agree that, under the amendment we are discussing, a violent downward fluctuation in the price of cotton or—

Mr. MAYBANK. My amendment does not apply to cotton alone. I want it distinctly understood that, although I shall never forget the cotton growers and manufacturers, the amendment I have sponsored has as its purpose the freezing of prices at the time the Government wanted them frozen, and to prevent the possibility of rolling them back to July of last year.

Mr. MOODY. I understand the Senator's position.

Mr. MAYBANK. I used to be directly interested in cotton, and, as a Senator from an important cotton State, I am still deeply interested in cotton, but I am not engaged in dealing in cotton.

Mr. MOODY. Let us take wheat. Does the Senator from South Carolina agree that under the amendment we are discussing a violent downward fluctuation in the price of wheat would make it possible for the Administrator to act as the Senator seems to fear he would act?

Mr. MAYBANK. He could freeze the price at the highest price or at the parity price.

Mr. MOODY. Or at the current price?

Mr. MAYBANK. No; he could not go below parity.

Mr. MOODY. He could not go below parity, but he could freeze at any price at parity or above.

Mr. MAYBANK. We tried to protect the parity formula.

Mr. MOODY. That is correct.

Mr. MAYBANK. He could not go below parity. As Mr. Ruether testified, parity is the farmer's insurance. He brought out very clearly that labor would not oppose parity. He was able to secure the escalator clause. He is the head of a big labor union with many members

in Detroit, and I congratulate him for his stand. Mr. Ruether said that he would not object to parity.

Mr. MOODY. I believe every intelligent student of economy believes that parity is necessary, because the buying power of the farmer is one of the great keystones of our economy.

Mr. MAYBANK. I wish to remind the Senator that farmers were not adequately represented at the meetings.

Mr. MOODY. During the 1920's when there was no such thing as parity there occurred a great depression, which helped build up a disastrous national situation. Before we get too far away from what the Senator from Connecticut [Mr. Benton] has said, I should like to refer to the letter written by Mr. Baruch, in which he answered some questions I had asked him. In my letter to him of June 4, 1951, I asked him if price, wage, rent, and other direct controls should be removed what the effect would be on our program to increase our military strength, on the stability and soundness of our economic system, on the cost to the taxpayers of our mobilization program, and on the living standards of the American family. I should like to read a paragraph from his letter, because I believe it to be very pertinent.

Mr. MAYBANK. If the Senator will permit me to say so, I am heartily in agreement with what Mr. Baruch said. Prices should have been frozen. I am supporting title IV of the act. I submitted my amendment only for the purpose of protecting the people who were not adequately represented at the meetings.

Mr. MOODY. The Senator certainly has done so, and I thank him for his leadership in supporting the general principles of title IV.

Mr. Baruch stated:

The removal of price, wage, rent, and other mobilization controls would be a tragic, perhaps mortal, blow to our efforts to rebuild our defenses in time to avert another world war; the stability and soundness of our economic system would be sapped, and the long-range effects might even be worse than the immediate ones. The cost to the people in higher taxes would be doubled and tripled—already price rises have cut every defense dollar by more than one-fifth.

Then Mr. Baruch said:

Although in the process some would profit, the living standards of millions would be severely lowered.

I think the following statement by Mr. Baruch is very significant:

What will it gain the farmer or worker or businessman to get a little more for his production, if that is offset by rising prices and by the cheapening of all savings in every form—life insurance, Government bonds, thrift accounts, annuities, pensions.

Very pointedly this great elderly statesman said:

The issue before your committee—and the Nation—is a simple one. It is a question of which is to be put first—the national interest or the selfish interest.

He also said:

I could go on for pages showing how inflation strikes at everything Americans hold

dear, at all our social and personal values, at all our families and institutions. Nor is it surprising that it should be so. For the test of our ability to stop inflation is the test of our ability to govern ourselves. It is the test of what we prize most highly—petty profits and trivial comforts, or freedom.

Then he said:

It is the test of our fitness to survive.

Mr. President, I think that is a very eloquent statement of the issue which is before us today.

Mr. BENTON. Mr. President—

Mr. MOODY. I now yield to the Senator from Connecticut.

Mr. BENTON. Mr. President, let me ask the distinguished Senator from Michigan whether he agrees, in line with what Mr. Baruch said in his letter and in line with the other statements to which the Senator has been referring, that the last time we had normal price relationships was before Korea; and the minute the North Korean troops crossed the border, the forces which were let loose caused distortions in our economy.

Mr. MOODY. I thoroughly agree.

Mr. BENTON. I should like to have the Senator comment on the various percentages of increase to which I shall now refer, because they so well illustrate the situation. Does the Senator from Michigan recall that between January 1950 and January 1951 dairy products increased 26 percent in price; eggs, 27 percent; hides and skins, 57 percent; shoes, 18 percent; cotton goods, 27 percent; silk, 77 percent; anthracite coal, only 4 percent; petroleum and petroleum products, 4 percent; nonferrous metals, 26 percent—

Mr. MOODY. Does not the table also show that vegetables and fruits decreased in price during the same period?

Mr. BENTON. Yes; the table shows that fruits and vegetables decreased 3 percent, but it also shows that structural steel increased in price 6 percent; lumber, 10 percent; oils and fats, 79 percent; and crude rubber, 134 percent.

Does the Senator from Michigan wish to comment on those figures, which illustrate the distortions in our economy as of the date fixed by the particular rollback provision we are now discussing in connection with this bill?

Mr. MOODY. I thank the Senator from Connecticut, and I shall be glad to comment. The table the Senator has just read indicates clearly the distortions which have occurred in the economy since the invasion of Korea. The effort made here is, not to let prices rise rapidly or to roll back prices in an unfair way, but to stabilize the economy and to stabilize the relationships between wages and prices, and to reach as nearly as possible the former relationships—not the price levels existing before Korea, because it is impossible for us to do that, and not the wage levels existing before Korea, because that is also impossible for us to do, although there are some persons with fixed incomes who have had no increase in their incomes since then, and they are being squeezed badly. The effort is to restore normal relationships and normal balance.

I may say to the Senator from Connecticut that, as I have said before, one

of the most important points in this situation is that there are businessmen—including some who called me on the telephone before my appointment to the Senate and some who called me after the committee hearings began—who said they had endeavored to hold the line and had responded to the President's plea not to increase prices, but that they now find themselves squeezed because they responded to that plea, whereas in the case of others, who did not respond to that plea, but rapidly raised the prices of their goods during that period, when I believe controls should have been imposed, now it is proposed that we prohibit by law any effort on the part of the Price Administrator or the Economic Stabilizer to squeeze some of the water out of those prices and to give the public a break.

Mr. BENTON. Is not the Senator from Michigan stating that this provision would reward those who increased their prices and attempted to profit, and would penalize the businessmen who heeded the pleas and warnings of the Government to the effect, "There is no use in increasing your prices, because if you do, we will roll them back."

Mr. MOODY. Yes.

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

Mr. MOODY. I yield to the distinguished Senator from Indiana.

Mr. CAPEHART. I have several questions I should like to ask. I believe the distinguished Senator from Connecticut just said that the price of fruits and vegetables has decreased.

Mr. MOODY. That is correct.

Mr. CAPEHART. Is it not a fact that fruits and vegetables were never under price controls?

Mr. MOODY. That is true.

Mr. CAPEHART. And yet they are among the items which have decreased in price.

Mr. MOODY. That is true.

Mr. CAPEHART. As to the many items which increased in price, is it not a fact that the Administrator had a right, under the law Congress passed last year, to control prices and to prevent them from rising, if he wished to do so?

Mr. MOODY. As the Senator from Indiana well knows, because he also was very dutiful in his attendance at the committee hearings, an experiment was made along the lines of the advice which was given to the committee by so many witnesses who said to the committee that this matter should have been handled by voluntary means. I have said several times during the debate today, perhaps before the Senator from Indiana entered the Chamber, that I agree with what I believe is the Senator's position; namely, that there was too long a delay in the imposition of the controls, and I think the one thing that delayed their imposition proved beyond any doubt that we cannot afford to remove controls now and we cannot afford to freeze into the economy the distortions which have resulted.

A great deal has been said about the question of why the stabilization has not been handled more rapidly. The distinguished senior Senator from Illinois [Mr. DOUGLAS] pointed out yesterday that the

President in endeavoring to fill the position of Price Administrator, asked 25 different persons to accept the position before he was able to get the able Mr. DiSalle to accept it.

I may say that I can understand thoroughly why many persons might be hesitant in these days to stick out their chins, so to speak, in accepting such a position. However, there was a great deal of difficulty in setting up the organization to handle the program, and I believe that the Senator from Indiana may agree that that may have had something to do with what occurred.

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

Mr. MOODY. I yield.

Mr. CAPEHART. There is no question that it takes times to do these things; but my point is that on September 8 of last year the bill which Congress had passed was signed and went into effect, and provided the power to control prices. That power could have been used at that time. I believe we should have a permanent statute in connection with this matter, so that the very minute our country goes to war all prices and all wages will be frozen at the then existing levels, because it is impossible to roll back prices effectively.

The Administrator did not freeze prices as of the day we went to war, even though the law went into effect on September 8. Prices were frozen on January 25. All that the amendment of the able Senator from South Carolina provides is that prices cannot be rolled back beyond that point. Had prices been frozen as of last September, I would have voted to prevent prices from being rolled back beyond that date.

Mr. MOODY. I may point out to the Senator from Indiana that the Congress waited from July until September to pass the law.

Mr. CAPEHART. No.

Mr. MOODY. I agree with the distinguished Senator from Indiana that the law should have been placed in effect speedily after its enactment. We have no difference on that point.

Mr. CAPEHART. The Congress started hearings on the bill in the early part of July, and the bill which was presented to the Congress at that time had absolutely no price or wage controls in it.

Mr. MAYBANK. It was in June.

Mr. CAPEHART. Hearings were started in June, and the bill at that time contained no price or wage controls whatever; and had it not been for the Congress, and had it not been for the Committee on Banking and Currency, of which the able Senator from Michigan is a member, as is also the Senator from Illinois, there would never have been any price or wage controls in the act. The result would have been that we would not today be considering for the first time a bill to control prices and wages but on January 3 of this year, we would probably have begun consideration of a bill to control prices and wages.

Mr. MOODY. I may say to the Senator that I did not mean that what I said should be considered in the least as a criticism of the Congress. I merely wanted to point out to the Senator that

our democratic processes require time, and it took a few months for the bill to pass; and, as I pointed out a few moments ago, it also took a few months to set up the administration, to look over the situation, and to analyze and consider the advice which was received, which, as the distinguished Senator will remember, we received in the form of testimony by witness after witness, who came before the committee to tell us that we ought to pull the plug now. I am sure the Senator had that sort of advice, as well as advice of the other sort.

Mr. CAPEHART. I agree with the Senator, it is unfortunate that prices and wages were not frozen as of May or June a year ago.

Mr. MOODY. I agree.

Mr. CAPEHART. Likewise, it is again unfortunate that the administration did not freeze them on the very day the President signed the bill Congress had passed. They did freeze them on January 25. Therefore, I say it is almost impossible to roll prices back beyond that date.

Mr. MOODY. The distinguished Senator from Indiana will agree, I am sure, that the freeze of January 25 was a temporary administrative measure, undertaken for the purpose of readjusting the balance and the equilibrium which existed, as the Senator from Connecticut pointed out a moment or two ago, before Korea. I am sure the Senator from Indiana would agree that it would not be equitable merely to freeze into the law the distorted prices of that particular date, which was a date which had followed 2 months of price increases, which had been as rapid as in any other 2 months of our history, or more so.

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

Mr. MOODY. I will yield to the Senator in a moment. I am sure the Senator from Indiana will also agree that, during a period when a great many businessmen had held their prices, and others had done their utmost to get all they could out of the markets, the freeze of January 25 would have been an entirely unjust procedure, had it not been an administrative measure, temporary in form, which was adopted for the purpose of holding the line while some stabilization measures could be applied.

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

Mr. MOODY. Would the Senator agree to that?

Mr. MAYBANK. No.

Mr. CAPEHART. The truth, of course, is that the Administrator and the administration have been dealing with this matter on a temporary basis, rather than following a law providing for the freezing and controlling of prices. The Senator must remember that if there has been a single increase in price in the United States since September 8 last year it has been because the Administrator and the administration permitted prices to go up, because all during that period there was upon the statute books a law which said they could control them.

Mr. DOUGLAS rose.

Mr. MOODY. I should like to answer the statement of the Senator from Indiana, but I believe the Senator from

Illinois has been on his feet for some time. He seems eager to answer it, so I yield to the Senator from Illinois.

Mr. DOUGLAS. No; I do not want to answer it. I should like to ask the Senator from Michigan a question. Is it not true that, immediately after the passage of the act, the President tried to get a man to fill the Office of Price Stabilizer and that he made an offer of the office consecutively to 25 persons before he secured the services of Mr. DiSalle, after a considerable delay? Is not that true?

Mr. MOODY. The Senator from Illinois also pointed out yesterday on the floor of the Senate that Mr. DiSalle is not a "twenty-sixth" team, and what the Senator said is true.

Mr. DOUGLAS. Was not at least 2 months of time consumed before a Price Administrator could be obtained, and is it not true that without a Price Administrator prices could not have been frozen?

Mr. MOODY. That is certainly true.

Mr. DOUGLAS. Is it not also true that, during the initial period when Mr. DiSalle was Price Stabilizer the Economic Stabilizer was Mr. Valentine, who, in all honesty, did not believe in any compulsory price controls, but wanted everything to be done on a voluntary basis, and that it was not until Mr. Valentine resigned and Mr. Eric Johnston came into office that we got an administration which really wanted to control prices?

Mr. MOODY. That is certainly correct.

Mr. DOUGLAS. I do not want to bring in any partisan consideration, but the political affiliations of Mr. Valentine are well known.

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

Mr. MOODY. I will yield to the Senator in a moment. I might add that the views of Mr. Valentine are the views of persons who came forward to attack wage and price controls, and that they are the views of some of the sharpest critics of the administration.

Mr. DOUGLAS. Is it not true that the same group which is now saying, "Yes, you should have frozen prices last fall," is now saying, "You should unfreeze prices now"? In other words, whatever is being done is wrong, according to this group.

Mr. MOODY. I think that is an unusually penetrating observation.

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

Mr. MOODY. I yield to the Senator from South Carolina.

Mr. MAYBANK. I should like to make a comment regarding 26 persons having been invited to take the position of price stabilizer. I am glad the Senator from Illinois informed us that there had been 26 persons invited to take the position.

Mr. DOUGLAS. That is well known.

Mr. MAYBANK. I understand that perfectly. I also understand that this is no place to debate the merits or demerits of Mr. DiSalle. What I say about Mr. DiSalle is certainly not said with any but the kindest motives, because he is trying to do the best he can. But no one can convince me that had the President of the United States wanted to get

someone to fill the position, he would not have been able to do so. I desire to say also that the Banking and Currency Committee stood ready to vote to confirm the nomination of anyone the President might choose. The only time I was absent from the city was on one brief occasion, at which time I was called from Washington on the telephone. I requested the Senator from Arkansas [Mr. FULBRIGHT], as acting chairman, to conduct a hearing; and the appointment of Mr. DiSalle was confirmed in 1 day. The President may have tried to get others to take the position; I do not doubt that he did. But when a similar law was passed previously, President Roosevelt sent to the Senate a nomination, if I remember correctly, within 48 hours.

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

Mr. MOODY. I yield to the Senator from Indiana.

Mr. CAPEHART. Is it not a fact that, under the law passed by the Congress on September 8, 1950, the President was given the right to make the Secretary of Commerce the Administrator, if he desired, and if the Secretary of Commerce wanted the job. Is it not also true that he could have appointed any one of his Cabinet members to handle the job, particularly the Secretary of Commerce, because the Secretary of Commerce, at the time, was given complete responsibility for the allocation of materials, rent control, and similar matters? The President could have given him the power to control prices. Is it not a fact, that under the law, the President could have made the Secretary of Commerce the Price Stabilizer?

Mr. MOODY. Perhaps the President felt, since the Secretary of Commerce was assuming other very great responsibilities, that he did not wish to overload him and thus prevent his handling his work properly.

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

Mr. MOODY. I yield to the Senator from Kentucky, but first let me add to what I said to the Senator from Indiana, that the price and wage control section of the law required that a new agency be created.

Mr. UNDERWOOD. What happened in a good many of the States, where cattle are brought in to be fed, is that cattlemen went to the Western States to buy cattle, and bought them before the ceiling was imposed. They bought cattle after September, when the ceiling was authorized, but they bought the cattle before the ceiling was imposed. They then transported the cattle into their respective States, including the State of Kentucky, where grass is grown, and the cattle were fed and fattened on the grass. After they had bought the cattle, a ceiling was imposed. My reason for asking for a ceiling which will continue for at least a year without a roll-back, is that we want the price of meat in the cities to be as cheap as possible. But we do not want to pay for that privilege accruing to those living within the large cities.

Mr. MOODY. Our desire is that meat may be cheap for everyone, not merely for those living in the great cities.

Mr. UNDERWOOD. We want it to be cheap for everyone, whether in or out of the great cities; but we do not want to pay for it, ourselves. We do not think it fair to require a cattle feeder to pay a subsidy in order that consumers may be able to buy meat at other places at low prices. Can the Senator tell us any method by which to prevent changing the price of cattle, or rolling the price back, once the cattle have been purchased?

Mr. MAYBANK. My amendment undertakes to do that.

Mr. UNDERWOOD. That is the purpose, as I see it, and the only justification for it. I may not be an old cow-hand, but I am an old stabilizer, because I was here with Fred M. Vinson when he was Director of the Office of Economic Stabilization. Certainly we want to hold prices down, but we want to do it in a fair and honest way. We do not want to let one group buy cattle and then roll the price back. We do not want to change the rules of the game after the hands are already down.

Mr. MOODY. I should like to point out that my principal objection to the amendment which is pending—not the Douglas amendment, but the amendment of the majority of the committee—is that in endeavoring to roast the pig, it burns down the house. If there are Members of the Senate who want to take action on the beef roll-back, that is their privilege, but I should like to have a separate vote on it. My understanding is that the intent of the amendment is practically to prohibit the third beef roll-back and part of the second. But it also prevents the adjustment and stabilization of other prices all along the line. It freezes into the economy the unjustified price increases which were made without paying attention to the patriotic request made by the Government to hold the line, and it penalizes the people who did hold the line. In other words, it freezes into the economy a distortion which in all equity and all justice should not be frozen into the economy. If we want to adjust that inequity, which Mr. Eric Johnston says must be adjusted, then we shall bring about an increase in the cost of living which will obviously blast the wage line, and we shall again be in an inflationary spiral.

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

Mr. MOODY. I yield.

Mr. CAPEHART. Does not the Senator know that under the act as it is now in force, and under the bill which the Banking and Currency Committee reported, the Administrator can permit changes in prices? There is nothing in the act to keep prices as they are.

Mr. MOODY. I thoroughly understand that.

Mr. CAPEHART. The Senator said it was unfair, after prices are frozen at a certain point. Under the law, the Administrator can permit them to rise.

Mr. MOODY. What I was trying to say was that we will have a very unfortunate choice to make if this amendment should be adopted. Either we will have to freeze the prices to which the Senator has been referring, freeze an inequity

into the structure, or we will have to let prices rise. In the latter case we shall have a spiral of inflation. Neither one is the choice of the junior Senator from Michigan.

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

Mr. MOODY. I yield.

Mr. MAYBANK. I congratulate the junior Senator from Michigan on his statement that he would not like to take that choice. It would not be his duty, nor would it be my duty, to take that choice. But since January 25 the administration has had an opportunity to adjust inequities. The Office of Price Stabilization should get down to business and not leave inequities to be taken advantage of by some.

Mr. MOODY. I agree with the distinguished Senator and believe it is getting down to business as the contemplated roll-backs indicate.

Mr. MAYBANK. I offered the amendment to stop the dilly-dallying, because the administration created the inequities, and the Senator from Michigan knows it. Of course, I am not suggesting what the House of Representatives will do. I do not know what sort of bill will be sent to the Senate. But the Office of Price Stabilization had from January 25 until last Monday to make any roll-backs or any adjustments or to correct any inequities that might exist. I think they should have done it, and I am sure the Senator from Michigan thinks they should have done it.

Mr. MOODY. That is correct. The adjustments should be made as rapidly as possible.

Mr. MAYBANK. I do not want to leave it open to the Administrator to create inequities and let them continue month after month. I can appreciate the difficulties of Mr. Johnston and Mr. DiSalle, but the administration of the law has not been in keeping with either the letter or the spirit of the law. That is what I do not like about it.

Mr. MOODY. I agree with the Senator that the entire procedure has been too slow in originally imposing controls and in carrying out the functions under the act which the Senator has mentioned.

Mr. MAYBANK. How does the Senator know that they will not continue to be slow? I am as much opposed to inflation as is the Senator from Michigan. When the Senate was sitting in the old Supreme Court Chamber I fought last June, July, August, and September, to stop inflation. But these inequities have been created, and I am not certain that they will not continue to occur or that we can correct them unless we do it by law.

Mr. MOODY. If we write this language into the law now, the Office of Price Stabilization will not, as a practical matter, have time to complete readjustment of the economy between now and July 1. I do not dispute the Senator's point that the administration of the law has not proceeded with sufficient expedition, and that we want to stop inflation.

Mr. MAYBANK. The Senator will admit that they have had time to do it.

Mr. MOODY. I do not admit that, in view of all the difficulties in getting able officials to administer the law and all the administrative difficulties they may have had, with which neither the Senator from South Carolina nor I are fully acquainted.

Mr. MAYBANK. We did away with the OPA years ago, and we brought back an organization to do the same thing OPA had done before—dilly-dally.

Mr. MOODY. The Senator stated yesterday, in response to a question of the senior Senator from New York [Mr. Ives], who agreed with the Senator, that the procedure had been too slow. Nevertheless, two wrongs do not make a right.

Mr. MAYBANK. I am not arguing that, but if we make it the law, the Office of Price Administration will have to take positive action.

Mr. MOODY. Does the Senator want them to make these roll-backs before July 1?

Mr. MAYBANK. The law will not become effective until it passes. I hope the amendment will be adopted.

Mr. MOODY. Do we want them to make roll-backs before July 1?

Mr. MAYBANK. The Senate cannot make legislative history as to a bill which has not yet passed the House. We can only express our personal opinion.

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

Mr. MOODY. I yield.

Mr. DOUGLAS. Is it not a fact that section 2 really prevents the Office of Price Stabilization from doing anything to correct inequities, except to raise prices? That is, it permits upward, but not downward, corrections.

Mr. MOODY. That is correct.

Mr. DOUGLAS. It prevents the Office of Price Stabilization from reducing prices. It is a heads-I-win-tails-you-lose amendment.

Mr. MOODY. It may be a tails-everybody-loses amendment.

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

Mr. MOODY. I yield.

Mr. WILLIAMS. Do I correctly understand that the amendment of the Senator from Michigan provides for roll-backs so that all prices will be rolled back in proportion until we reach the pre-Korean level?

Mr. MOODY. No. The present law, as I am sure the Senator from Delaware well knows, provides for due consideration to be given—I believe that is the wording of the law; I do not have it before me at the moment—to the level, equilibrium, and balance of prices as they existed before the invasion of South Korea.

Mr. WILLIAMS. There has been much said about meat prices. Is the Administrator to roll back the price of meat and automatically roll back the price of grain that goes to make up the meat, until we have the same relationship which existed before the Korean war? Is that correct?

Mr. MOODY. I hope the Senator from Michigan in the debate here this afternoon may have made some small contribution in bringing out this point, which I think is the central point of the

entire issue before the Senate; that is, that this is not an effort to victimize anybody who is producing. It is not an effort to roll back prices to the pre-Korean level, except that in a case where there had been no increase in cost it would operate in that way; but there is little likelihood that many such cases would exist.

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

Mr. MOODY. Let me answer first. The fact is that every Member of the Senate knows how the present law is being administered. A formula has been set up which is based on the pre-Korean base price, which allows any fair increases in labor and material costs to be added, plus the pre-Korean profit margin. Now if we are in the business of trying to stop inflation, I should like to have the Senator from Delaware tell me what is the matter with that formula.

Mr. WILLIAMS. There may not be anything the matter with the formula—

Mr. MOODY. I am glad to hear that.

Mr. WILLIAMS. If we both understand it alike. The question I ask is this: The Senator comes from a great wheat-producing State. If we roll back the price of cattle to the pre-Korean level, would the Senator be willing to say that we should roll back the cost of grain which goes to make up the cost of production of cattle? In other words, as the Senator has just defined the law, if we allow grains and other costs entering into production of cattle to advance 10 percent, would the Senator allow the cattle producer to carry that increase over into his cost, or would the Senator let the price of wheat advance while the cattle producers in other States are rolled back?

Mr. MOODY. Perhaps the Senator can explain to me—because I have been trying to get an explanation from committee witnesses, and I have listened quite carefully to what others have had to say on the subject—why the price of cattle has gone up 53 percent in a period when most other prices have not gone up so rapidly.

Mr. WILLIAMS. I think the Senator from Michigan does not understand me. I am not defending the increase in the price of cattle.

Mr. MOODY. I am glad to hear that.

Mr. WILLIAMS. I told the Senator from Illinois [Mr. DOUGLAS] that his amendment, as he explained it, possessed a great deal of merit if we were convinced that it would do the things it is claimed to do. That is what I am trying to find out.

Mr. MOODY. If the Senator from Delaware asks me the question whether I believe the price of wheat should be rolled back to what it was before the Korea period I should say not.

Mr. WILLIAMS. Do I understand that the amendment applies merely to meat alone?

Mr. MOODY. It does not apply specifically to meat.

Mr. WILLIAMS. Would it apply to all agricultural commodities in relation to the pre-Korean situation?

Mr. MOODY. Is the Senator speaking of the Douglas amendment now?

Mr. WILLIAMS. Yes.

Mr. MOODY. Very well. The Douglas amendment merely deletes from the bill, as reported by the committee majority by a 7-to-6 vote, the six-line insertion by the committee, which would prevent any roll-back beyond the base period, not only in farm commodities but in any other commodities. I should like again to say to the Senator from Delaware that the amendment not only affects meats but it affects every price which rose on a profiteering basis between the Korean invasion and January 25. I believe that if the Senate clearly understands the Douglas amendment it will want to vote it into the law.

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

Mr. MOODY. I yield to the Senator from Delaware.

Mr. WILLIAMS. With respect to many commodities the price increase since Korea is the result of the Department of Agriculture's planned program of forcing prices higher. After buying commodities they are shipping them out of the country as surplus, or destroying them, as was done in the case of potatoes, for the purpose of pushing the prices upward, at the same time we are talking about holding prices down. I wonder which purpose the Senator is for. I think we should make up our minds.

Mr. MOODY. Now the Senator is going deep into the question of farm economics. I should say, however, that I am for stabilization of the economy. The history of price support in the law, which was previously passed by Congress, was that in the 1920's when the party the Senator from Delaware has the honor to represent was in power, there was no provision for supporting farm prices, and as a result there was an agricultural depression which lasted a decade, and helped to build up in America a depression which nearly ruined our economy.

Mr. WILLIAMS. Will the Senator from Michigan yield further at that point?

Mr. MOODY. Yes, I yield.

Mr. WILLIAMS. I should like to point out to the Senator from Michigan that in pulling us out of the so-called "Republican depression" we have had two "Democratic" wars which left us with a \$260,000,000,000 debt. This debt is the pyramid upon which today's "Democratic" inflation is erected.

Mr. MOODY. Will the Senator pardon me? I did not hear his statement.

Mr. WILLIAMS. I might point out to the Senator that as the Democratic Party pulled us out of the depression we have had two wars, which cost the American people \$260,000,000,000.

Mr. MOODY. Yes, we resisted aggression. And my understanding is that the war has something to do with the national debt.

Mr. WILLIAMS. It must also be the Senator's understanding if he understands economics at all, that war has something to do with increased prices since 1932.

Mr. MOODY. Oh, yes, indeed.

Mr. WILLIAMS. So I think that if the Senator is going to take the credit to his party for having pulled us out of the depression, he should also take credit for the inflation, and assume responsibility for his two wars.

Mr. MOODY. I was simply pointing out that if the Senator from Delaware is attacking the general parity principle, which the Senate so often has endorsed, I simply wanted to remind him that in the days when we did not have a parity principle in the law, agriculture in America was not in a very prosperous condition.

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

Mr. MOODY. I yield to the Senator from Delaware.

Mr. WILLIAMS. I am not discussing at this point the merits or demerits of the parity principle. What I am endeavoring to point out is the inconsistency of having one agricultural agency buy agricultural products and destroy them, thus creating artificial shortages, and then shedding crocodile tears because of the results.

Mr. MOODY. Is the Senator from Delaware implying that I am shedding crocodile tears?

Mr. WILLIAMS. Yes, so to speak.

Mr. MOODY. I was not a Member of the Senate when the potato program was passed. If I had been I would have taken a very dim view of it, as I hope the Senator from Delaware did.

Mr. WILLIAMS. I did. I voted against it. I hope the Senator will go along with us this afternoon in knocking out all these support programs, at least for the duration of the emergency of this inflationary period. Certainly we should immediately stop this Government agency from destroying food at a time when the country is at war.

Mr. MOODY. I do not think we are destroying food. And I do not know who is, as the Senator said, shedding crocodile tears. But I know that the housewife is having difficulty in obtaining what she needs because of the high price of groceries.

Mr. WILLIAMS. Not only is she having difficulty, but extreme difficulty, largely due to this administration's reckless-spending policies.

Mr. MOODY. Is the Senator from Delaware shedding crocodile tears while saying that?

Mr. WILLIAMS. I shall vote as I am speaking. I will say to the Senator from Michigan that I believe he will agree with me that we certainly cannot justify a food-destruction program in this country in time of war.

Mr. MOODY. I agree with the Senator on that point completely.

Mr. WILLIAMS. I hope the Senator will support me on that point this afternoon.

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

Mr. MOODY. I yield.

Mr. DOUGLAS. May I ask the Senator from Michigan if, when he was not a member of this Chamber, but sat in

the Olympian heights of the press gallery up there—

Mr. MOODY. It is a good deal more comfortable up there, I will say, than it is down here.

Mr. DOUGLAS. If he remembers the vote on the motion of my then senior colleague, Senator Lucas, abolishing the potato subsidy? Is it not true that on the question of the potato subsidy a majority of the Senators on this side of the aisle voted to abolish the subsidy, and a majority of the Senators on the other side of the aisle voted to retain the subsidy?

I want to pay tribute to the Senator from Delaware and say that he voted against that subsidy. I think he is a completely honest and sincere man. But I suggest to him that his missionary efforts should be devoted to the other side of the aisle, because I can well remember the votes cast on that side by Members from the potato-producing States.

Mr. MOODY. We are glad to have him with us at the moment on this side of the aisle, but as the Senator from Illinois said, perhaps he might direct his missionary efforts toward Members on the other side of the aisle.

Mr. DOUGLAS. Yes; we are glad to have him here with us now.

Mr. WILLIAMS. I wish to point out to the Senator from Illinois that I was a cosponsor of the amendment providing for doing away with the potato subsidy, and was one of the first to criticize that program, and was supported in my effort by a majority of my party.

Mr. DOUGLAS. The Senator from Delaware has been a completely sincere representative of those and other issues. I only lament that the seeds of wisdom which he has sown did not bear fruit across on the other side of the aisle. But apparently he has now discovered his spiritual affinity for us, and has come over here to be with us.

Mr. WILLIAMS. I am glad to know that the Senator from Illinois is susceptible to my charms.

Mr. DOUGLAS. I will say I was susceptible to the logic of the situation.

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

Mr. MOODY. I yield.

Mr. BENTON. I should like to have the attention of the committee chairman while I ask this question.

Mr. MAYBANK. Mr. President, I shall be glad to remain in the Chamber for a few minutes. However, the Senator from Nebraska [Mr. WHERRY] is waiting outside the Chamber to confer with me. With the help of Mr. Watkins, the Parliamentarian, we are endeavoring to arrange a unanimous-consent agreement.

Mr. BENTON. I was about to ask some questions in which I thought the chairman of the committee might be interested.

In line with the spirit of the recent colloquy with the chairman of the committee, does the Senator from Michigan feel that if the present roll-back proposal of the committee is adopted the administrative officers should be given 30 days in which to examine all the discrepancies and distortions and to take the kind of action which the distin-

guished committee chairman has suggested they take between now and the 1st of July?

Mr. MAYBANK. Is the Senator addressing the question to me?

Mr. BENTON. Yes.

Mr. MAYBANK. I may say that they had 5 days in January; they had 31 days in March; they had 28 days in February; they had 30 days in April; they had 31 days in May; they have already had 25 days in June, and they have done nothing. If we pass a bill leaving it wide open for them to take their time to do things, we shall never get anything done. What I am trying to do is to make them take some action to stop inflation.

Mr. MOODY. On that point, I may say to the distinguished Senator from South Carolina, the chairman of the committee, that CPR 22, which is the general manufacturing order, was delayed three times at the request of industry, for the purpose of adjustments. It will not become effective until July 2. The pending legislation is so complex that it could not be applied overnight.

Mr. MAYBANK. It is no more complex than the orders issued by the economic and price stabilizers through Mr. DiSalle and Mr. Johnston, which no one understands.

Mr. MOODY. I agree that they should be simplified as much as possible.

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

Mr. BENTON. Mr. President, may I ask a further question?

Mr. MOODY. I yield to the Senator from Connecticut.

Mr. BENTON. Is it not true that the administrative officers have not only been delayed throughout this long period, as the distinguished Senator from Michigan has pointed out, by the absence of personnel, and, as the committee chairman has pointed out, by pressures from industry, but also by uncertainty as to what legislation Congress is going to enact, as the distinguished Senator has suggested?

Mr. MOODY. I believe that to be true.

Mr. BENTON. In view of the many reasons for delays on roll-backs and other actions on the part of administrative officials, if the Senate should make what in my judgment and the judgment of the Senator from Michigan would be the mistake of accepting the committee recommendation with respect to the new roll-back provision, could there not at least be attached to it a 30-day provision, so as to give to the administrative officers the opportunity to make the kind of adjustments which our distinguished committee chairman agrees are necessary?

Mr. MOODY. I thoroughly agree with the Senator from Connecticut. Sixty days would be better.

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

Mr. MOODY. I yield.

Mr. UNDERWOOD. Is not production the only key to meet the situation of high prices?

Mr. MOODY. Fundamentally that is true.

Mr. UNDERWOOD. We can enact all the laws we wish, and the Office of Price Stabilization can issue all the regula-

tions it wishes, but unless we have beef in this country, beef prices will be high.

Mr. MOODY. That is certainly correct.

Mr. UNDERWOOD. Either because of the black market, or for other reasons. No one in any Eastern State is going to Texas to get cattle and bring them into a feed lot if there is to be a roll-back. The cattle feeders must have a little profit from their operations. I think the same thing is true in regard to parity price supports as is true with respect to what is undertaken in line with the intent of the Maybank amendment, which is to permit production, which is the only way in the world, in the long run, to keep prices down to a reasonable level. While we want to retard prices, we do not want to stop production.

Mr. MOODY. I agree with the Senator from Kentucky that we should not retard or stop production. I am confident that means can be worked out whereby we can have reasonable prices on beef without stopping production.

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

Mr. MOODY. I yield.

Mr. LEHMAN. Is it not a fact that the cattle population at the present time is very near, if not quite up to the record of recent history?

Mr. MOODY. I believe that to be true.

Mr. LEHMAN. Is it not also a fact that the present level of the price of meat, which is 157 percent, is so high that no question is raised by any cattle grower as to whether or not he is making very substantial profits?

Mr. MOODY. I believe that in general profits must be adequate, because of the price situation.

Mr. LEHMAN. And also because the cattle population is at such a very high level, very considerably higher than it has been in the past 2 or 3 years.

Mr. MOODY. The Senator from New York will recall, I am sure, that the problem in connection with the matter of production, to which the Senator from Kentucky [Mr. Underwood] refers, does not relate so much to the cattle population as to what happens when the cattle are placed in feed lots, and whether or not adequate feeding occurs. I think that is a very difficult problem. My own personal judgment is—I may be wrong, but I hope I am not—that if the proposed roll-back goes into effect, possibly with an incentive-payment system to absorb any actual losses, that in itself will stabilize the situation in such a way that we shall get production. There may be some individual losses; and I should be willing to support a proposal whereby there would be some sort of equalization payment made to any cattle feeder who actually suffers a loss and can prove it.

That is the same sort of problem that exists in connection with the copper mines of upper Michigan. When the Nation needs more copper, the question is whether to raise the price all along the line and make the taxpayers, who are buying a great deal of the copper produced in America, pay a higher price for all the copper which is produced, or whether to keep the price at a normal

level and make an equalization payment of some sort to the high-cost mines to bring in additional production. If anyone is actually losing money in the feed lots, perhaps that would be the way to solve the problem. However, I do not believe that it is necessary to have the price of beef so high as it is today. I should like to have someone really spell out if there is a good reason for beef prices being so high.

Mr. LEHMAN. Of course, no provision is made in the bill as it came from the committee for the granting of subsidies. I intend to offer an amendment which would make it possible to grant subsidies in connection with marginal or high-cost production, with respect to agricultural products as well as mining products and other materials.

Mr. MOODY. I am glad to learn that.

Mr. President, I yield the floor.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union.

PERSECUTION OF ARCHBISHOP JOSEF GROESZ

Mr. IVES. Mr. President, recently the free world has been shocked by the revolting story of the imprisonment and forced "confession" of Archbishop Josef Groesz. We can only speculate on what foul means were used to extract such distortions from that noble man's lips.

No matter what their religious background may be, all men of good will must join in deplored such suppression of religion. The lessons of the thirties must not go unheeded. Suppression of any religious group denies those values on which all religions are based.

The entire free world must join in extending a positive message of hope and encouragement to this imprisoned man of God. While the specter of Communist tyranny haunts men like Archbishop Groesz, no man of religion may be secure in the sanctity of his faith.

Mr. President, together with the distinguished senior Senator from Connecticut [Mr. McMAHON] I have prepared a resolution, which reads:

Whereas the arrest, confinement and trial of Archbishop Josef Groesz in Hungary evidences anew the abridgment and violation of fundamental human freedoms guaranteed in the treaties of peace and reaffirmed in the United Nations Charter: Now, therefore, be it

Resolved, That it is the sense of the Senate that these actions should be strongly protested in the United Nations or by whatever other means may be appropriate.

I ask unanimous consent to submit the resolution and ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 163) submitted by Mr. Ives (for himself and Mr. McMAHON), was received and referred to the Committee on Foreign Relations.

Mr. McMAHON. Mr. President, I join with my colleague the distinguished senior Senator from New York [Mr. Ives] in his expression of sentiment relative to the persecutions which are now going on in Hungary. The archbishop and his associates, who are being persecuted in Hungary, are mostly in the news today. However I understand there is a tremendous wave of persecution now going on all through Hungary.

Persons who belong to what is now left of the middle class are being taken from their homes in the dead of night and shipped in cattle cars to God knows where. It would seem that there is a new wave of extermination under way which may proceed through all satellite states.

Mr. President, I can only say that such actions, horrible as they are, would seem to indicate that back of the iron curtain there is a growing disaffection within the police states. As more and more persons are placed in concentration camps, it cannot but weaken the forces which would seek to overwhelm us. I think it is most important that we in the Senate, as we did in similar cases of persecution, evidence once again our feeling of loathing and revulsion for the terrible men who are committing these horrible crimes against God and mankind.

EXTENSION OF DEFENSE PRODUCTION, AND HOUSING AND RENT ACTS

The Senate resumed the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended.

Mr. DIRKSEN obtained the floor.

Mr. CARLSON. Mr. President, will the Senator from Illinois yield so that I may suggest the absence of a quorum?

Mr. DIRKSEN. I yield for that purpose.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

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

Anderson	Gillette	McKellar
Bennett	Green	McMahon
Benton	Hayden	Millikin
Brewster	Hendrickson	Monroney
Bricker	Hennings	Moody
Bridges	Hickenlooper	Mundt
Butler, Md.	Hill	Neely
Butler, Nebr.	Hoey	Nixon
Byrd	Holland	O'Connor
Cain	Humphrey	O'Mahoney
Capehart	Ives	Pastore
Carlson	Jenner	Robertson
Case	Johnson, Colo.	Russell
Chavez	Kefauver	Saitonstall
Clements	Kem	Schaeppel
Connally	Kerr	Smith, Maine
Cordon	Kilgore	Smith, N. J.
Dirksen	Knowland	Stennis
Douglas	Langer	Taft
Duff	Lehman	Thye
Dworschak	Long	Underwood
Eastland	Magnuson	Watkins
Ellender	Malone	Welker
Ferguson	Maybank	Wherry
Flanders	McCarran	Wiley
Frear	McCarthy	Williams
Fulbright	McClellan	Young
George	McFarland	

The PRESIDING OFFICER. A quorum is present.

The Senator from Illinois has the floor.

Mr. MAYBANK. Mr. President—

Mr. DIRKSEN. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I appreciate the Senator's courtesy in yielding to me. The proposed unanimous-consent agreement is not quite prepared as yet. It is possible that a little later either the majority leader or the minority leader may ask the Senator to yield, in order that we may be able to consider the proposed agreement when it is prepared.

Mr. DIRKSEN. I shall be glad to yield for that purpose.

Mr. MAYBANK. I thank the Senator.

Mr. DIRKSEN. Mr. President, when the pending bill was reported by the Banking and Currency Committee, there was one vote against it. That vote was mine. It was cast in the utmost sincerity, because I have a deep and abiding conviction in regard to some of the provisions of the bill. I do not know what the ultimate disposition of the bill will be or whether there will be votes against it; but unless the bill is modified in substantial form, there will be at least one vote against it, and that vote will be mine. So, Mr. President, I propose to take a little time this afternoon not only to delineate my own viewpoint in regard to the bill, but also to redevelop a little of the background behind the 1950 bill.

It was just a year ago that the troops moved into Korea. I was in the field at that time, contacting many persons at group meetings. I remember the feeling and the passion and the sense of distress which came to people everywhere, and it was quite common to hear them say, "Well, this is it." A note of defeatism was expressed, and over and over again people talked about the inevitability of war. I think they envisioned another catastrophic conflict in the form of world war III. Let me say parenthetically, Mr. President, that I certainly do not share that sense of defeatism.

However, it was 3 weeks after that action that the President sent a message to Congress. The interesting thing about his message is that at that time the President did not ask for controls. It was not until hearings had gotten under way in the House committee and in the Senate committee, and not until after the testimony of Mr. Baruch—and if there is any member of the Senate Banking and Currency Committee who was in attendance at those hearings, I shall be glad to have him correct me if I am in error about them, because I was not a Member of the body at that time—that amendments were suggested for a price freeze; and even then the President of the United States was rather disinclined to accept them. However, provisions for controls were finally incorporated in the bill. So today we have before us an extension of the 1950 act, which became law on September 8 of last year.

We have had quite a time wrestling with this bill in the Senate committee,

Mr. President. One hundred and sixty-five applications came from national organizations to testify before the committee. In view of the limitation on time, it was necessary to reduce that number to approximately 65 organizations and some individuals. Nearly 2,000 pages of testimony were taken on the bill and on the 47 amendments which came from the other end of the Avenue.

When the act became effective in September of 1950, of course, it was necessary to obtain a Price Administrator. However, if my friend, the Senator from Michigan [Mr. Moody], is now in the Chamber, I wish to correct him about one matter: Unless I am in error and cannot read the English language, in that act there is not the slightest hint of the creation of a separate agency for a Price Administrator.

I remember that when the Office of Price Administration was created in 1942 and my distinguished and lamented friend, Leon Henderson, became the first Price Administrator, I was a member of the House Appropriations Committee. I almost fell out of my chair when he came before the committee and gently suggested that he expected to have 66,000 full-time employees to monitor the people of America and keep them in line. The appropriations for that agency finally amounted to \$201,000,000 in a single year.

I may state for the edification of the Senate and for the information of the country that I asked Mr. DiSalle what requests and estimates he had in the new budget. He presently has somewhat more than 6,000 employees. He is asking for 29,000 more. So, Mr. President, he will have a force of 35,000 persons in order to enforce the directives, edicts, ukases, decrees, regulations, and so forth. So the agency will be a rather substantial one before we get through.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. Does the distinguished Senator from Illinois have any idea that the 35,000 employees will be the maximum number employed by that executive agency?

Mr. DIRKSEN. Mr. President, I discovered from rather painful experience when the OPA was operating that not only did the number of employees of that agency increase, but, in addition, more than 100,000 persons were recruited to cooperate in the policing effort. So 35,000 may not be the maximum number of employees of the present agency, which is just getting started.

I wish to say to the Senator from Indiana [Mr. CAPEHART] that this power could have been delegated to any Cabinet officer, because the power is, by the act, delegated to the President of the United States, and the cooperation of all the executive agencies is enlisted. So, although it may have been difficult to find a Price Administrator, and although the effort proved abortive for quite a while, yet the fact is that any Cabinet officer or any person in the executive agencies could have been used at any time for that purpose.

I wish to comment again on the point that 25 persons were considered before

an Administrator was finally obtained. The first person selected was Mr. Alan Valentine, a very distinguished scholar, a very distinguished economist, and a very distinguished American. When it is said that he had no sympathy with compulsory price controls, it should be pointed out that he was only echoing the sentiment which had been expressed by the President of the United States when the 1950 act was under consideration and when testimony was being taken in the Senate Banking and Currency Committee and in the House Banking and Currency Committee regarding it. Mr. Valentine knew fairly well what he was about; and in the Sunday morning press he had a two-column article stating that in his judgment the effort would be futile and expensive and tragic and that it did not come to grips with the fundamentals or with the real causes of inflation and the inflationary pressures which disturb us at the present time.

The nomination of Mr. DiSalle, it will be remembered, was confirmed on the 6th of December, and the nomination of Mr. Wilson, Director of Defense Mobilization, was confirmed on December 20; and it was on the 26th of January, but one day after the placing into effect of controls, that we got the general freeze. After all the testimony, 2,000 pages of it, I found myself unconvincing, I found myself unconvincing; and I am unconvincing now.

What we are dealing with essentially, and were at the outset, was a scare-buying volume, which was the most natural thing in the world, because of the irresponsible statements and the irrational pronunciamientos which were issued from Washington. What was more natural, when people in Washington, in my home town in Illinois, and elsewhere could recall so vividly the coffee queues, the nylon lines? One had even to line up in order to get into a picture show. We became indoctrinated with the complex of forming queues in order to get a pound of coffee or a pair of nylon hose which would fit. So, when scare statements go out to the public, what should be more natural than that, first of all, individual families should say, "This is it, we might just as well get ready"? The Government taught the American people that. So, will anyone quarrel about that now? No. The people have long memories; they are wise; they are smart, in the accepted sense of that word; and they are not going to get caught at a disadvantage this time, if this country shall be projected into an overwhelming conflict, in meeting the kind of conditions with which we had to contend starting back in 1942.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. Does the distinguished Senator from Illinois recall that about July or August, 1950, when we first discussed price controls, the Government sent tons of propaganda materials throughout the country, saying that the housewives must not hoard—thereby indicating that they had been hoarding, when as a matter of fact, they had not even thought of it—but the propaganda itself started the very buying they said

they wanted to avoid. So then, of course, there was a wave of buying.

The junior Senator from Nevada said at that time, "The time to hoard is when there is a plentiful supply of commodities on the market; the time to fill the cellar is when the goods are available." They mentioned sugar, particularly when it was possible to get another shipload of sugar from Cuba at any moment. Does the distinguished Senator remember that that was done, that propaganda was sent out, along that line?

Mr. DIRKSEN. I know, from the figures which were submitted to the committee, that retail sales went up from June 1950 to February 1951, by one and one-third billion dollars, retail inventories went up by \$3,100,000,000, and manufacturing inventories went up by \$5,600,000,000. That was simply a reflection of the statements which were made to the country, which frightened the people who did what human behavior has dictated since the beginning of mankind, namely, to come out of the rain, if possible. That is what our people did.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. Then, does the distinguished Senator from Illinois remember that, after 2 or 3 months, the date being relatively unimportant, but in the early fall, they sent out another type of propaganda to the effect that "now is the time to buy"? In other words, they were trying to influence the buying and selling and were thereby causing the buying sprees. To bring about the necessity of controls they excite the buyers, then try to allay fears; and now again, they are building up the fears, are they not, to get extension of controls?

Mr. DIRKSEN. Yes. There is one other thing to which I desire to allude. One would assume, from all the discussions we have heard, that there was no inflation before the announcement came with respect to Korea. The country was in a roaring inflation, as a matter of fact, and the conditions brought about by the emergency simply threw more fuel upon the fire and built it infinitely higher.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. The distinguished Senator from Illinois will certainly remember that the first act of the Democratic administration, in 1934, or one of its first acts, was to remove the metal base of our currency.

In other words, they followed the pattern of the rulers of nations throughout the world for 2,000 years of recorded history, who, when they wanted to control their people, first removed the thing they had been using for money, giving them something which they could fully control. They removed the gold and started printing money freely, did they not?

Mr. DIRKSEN. That is true.

Mr. MALONE. Then we have never made any attempt to stop inflation.

I may say to the distinguished Senator, if we try to stop the price at the top, it is like a man putting his thumb on the snout of a teakettle without extinguishing the fire under it. The teakettle sim-

ply keeps on creating steam. He knows that finally he is going to be scalded and hurt, and it is but a question of time; and that is just what we are now building up through controls.

Mr. DIRKSEN. I have said on occasion that high blood pressure is not cured by putting a man in a strait-jacket; and that is about what is being attempted.

But, Mr. President, to continue. First, I think everyone would like to find the answer to inflation. It is a common search, and I believe inflation represents a common fear in the country.

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

Mr. DIRKSEN. I yield briefly.

Mr. MALONE. I should like to say to the distinguished Senator, I thoroughly agree with him regarding that point. But further, there has been no attempt to stop inflation. It is easy to stop inflation; the President has the necessary machinery in his hands, but he will not use it, because the man who stops inflation will not be popular as President of the United States.

Mr. DIRKSEN. I said that certainly it is quite different from applying the real remedy. There is a search for it, there is a constant effort to find it. In some places it has been found. The people have found it in our neighboring country of Canada, and they have no price controls there; they eschew them and run from them as if there were something leprosy about them.

Now, Mr. President, I wish to allude to what my friend from Nevada has just said, because one of the high and mighty councils we have in the country today is the Council of Economic Advisers. Frankly, I was astonished to find in their midyear report for 1950 this statement:

But it is no solution to overcome an inflation by private or public policies which turn the economy downward, for this not only carries us into an even more difficult situation, but also leaves us with a prospect of a restoration of inflationary trends as we shake off the recessionary threat and move vigorously forward.

That is like having Mr. Keyserling say, "Why stop it, because, afterward, you are going to have inflation all over again?" But, while I differ with my committee colleagues, and while I voted against the report on this bill, I think it ought to be said for me that I try, in my own humble way, to find the answers as best I know how, and I am not going to be taken off the rock of conviction by letters or by importunings; and I am not going to be taken away from my conviction with respect to what I think is the ultimate destiny of the country. I would rather be the only one in the Senate to intone my voice to the Reading Clerk and say "nay" when this bill comes to a vote, if it is a matter of conviction, and, Mr. President, I assure you that it is.

There are differences of opinion as to the best way of reaching the objective. That is not at all strange. It will be remembered that Henry Ford once said, "My policy is to reduce the price, extend the operation, and improve the article." That was a great American slogan; and

he built his business, of course, into a transportation empire. The Ford Motor Co. sent us a representation that they favor certain controls, with modifications, and then they say, also, that they believe that a price rise for Ford cars is overdue. If I am wrong in that statement, I hope I shall be corrected.

Ten years ago—to be exact, it was on January 29, 1941—"Charley" Wilson, the Chief Mobilizer, said in the course of a speech in New York:

We must demonstrate that the public-spirited people administering the private enterprise inherently and actually excel the people comprising the political organizations as instrumentalities for insuring an ever-increasing measure of economic freedom and security for all of our people.

The free-enterprise system must either deliver the goods or be pushed aside * * * for Government agencies will then come into being.

That was Mr. Wilson, speaking 10 years ago. Ten years later he comes into the Government. I respect him and his capacity as a brilliant businessman and a capable organizer, but today he favors controls and putting the country into a strait-jacket. I said:

Mr. Wilson, in essence, what you are saying to us is this: You would have the American people, through their Representatives in Congress, surrender their freedoms until June 30, 1952, and then, if things work out all right, we will restore those freedoms to them. How can you be sure?

One can lean out of a window too far just once, and then he is going to hit the ground. A nation can lean out too far only once, and then the question is, Do you finally get your freedoms back?

It is on that basis, and on the basis that mischief comes from the human heart and the human brain, that I have got to be convinced beyond the point where I have been persuaded before I can, with a sense of conviction, approve this bill so long as it contains its present control features.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. As the distinguished Senator from Illinois will remember, when the bill passed last year there were three votes against it. They were the votes of the Senator from Delaware [Mr. WILLIAMS], the Senator from Montana [Mr. ECTON], and the present speaker, the junior Senator from Nevada.

There was one argument made against it on the Senate floor, and that was by the junior Senator from Nevada.

There is only one answer to a scarcity of meat, for example, and that is more meat.

If the great DiSalle, who has laid down these orders running lean steers out of the feed lots, would give a little more thought to adopting principles that would bring more steers into the feed lots—and my statement relates to other products as well as beef—there might be some expectation of lower prices for the consumer.

If we are to adopt the system which is used in the very countries which we are trying to defeat as soon as an emergency arises, then we cannot possibly

increase our production, which is necessary. We cannot go any place in the direction of this bill.

Mr. DIRKSEN. I doubt it.

We are confronted by three points of view. First of all, the viewpoint of those who would take the bill without any modification whatsoever. It had seven titles, relating to inflation control, allocations and priorities, requisitioning of property, expanding productive capacity, making amortization loans, and the price, wage, and rent stabilization feature, settlement of labor disputes, the control of credit, and the enforcement provision.

The second viewpoint might be represented by the act of 1950, plus the proposal written into the bill by the committee against further roll-backs, recognizing the validity of the roll-backs which were made, especially insofar as they relate to cattle.

There was one other, and that was a modification of regulation W as it related to automobile credit. The Federal Reserve Board was given broad powers in the act, and out of those powers came regulation X and regulation W.

Television and radio manufacturers appeared before the committee and stated that they had 600,000 radio and television sets in storage ready to be sold, but they could not sell them because of the credit restrictions.

Representatives of automobile manufacturers came before the committee. I say this not with any malice, but I was just a little tickled when my predecessor in office, the former majority leader of this body, came before the committee and asked that we relax regulation W so that it would not affect the financing of automobiles.

He said:

Mr. Chairman—

Referring to the very distinguished and genial chairman of the Committee on Banking and Currency—
if I had had the slightest idea that the Federal Reserve Board was going to take the powers delegated and use them in the way it did, I would have insisted that there be a floor under those powers.

My friend, Mr. Lucas, got smart when he left this distinguished body, because he now has a different idea.

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

Mr. DIRKSEN. I yield.

Mr. MAYBANK. I think the Senator from Illinois will agree with me that no one has worked any harder than have he and I to try to get the Federal Reserve Board to be realistic in its approach to this subject. The Senator has spoken of automobiles, television sets, and radio sets. For those who are employed in their manufacture and those who finance those industries, it would not be any more anti-inflationary for automobiles to be tied up in a yard than it would be to permit them to be sold to someone who was employed in the war effort, would it?

Mr. DIRKSEN. There is real truth in the Senator's statement, and I appreciate the encomium which the Senator has bestowed upon me.

Mr. President, the Senate Banking and Currency Committee was persuaded by the observations of my distinguished predecessor, so that it did, at the instance of the Senator from Indiana [Mr. CAPEHART], write a modifying provision into the bill.

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

Mr. DIRKSEN. I yield to the distinguished Senator from Ohio.

Mr. BRICKER. I should like to emphasize the fact that the 600,000 units of radio and television sets mentioned by the Senator are in manufacturing inventory.

Mr. DIRKSEN. Yes.

Mr. BRICKER. The former leader of the majority in this body was joined by the former Democratic whip of the Senate in advocating the elimination of regulation W, which they were both active in getting passed. Is not that correct?

Mr. DIRKSEN. That is correct.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. I should like to ask the Senator from Illinois what wage bracket is first affected by regulations such as those promulgated by the Federal Reserve Board.

Mr. DIRKSEN. I do not know; nor do I know whether they are tied to any wage bracket.

Mr. MALONE. The wage bracket first affected by tighter credit controls is that of the workingman, is it not?

Mr. DIRKSEN. I was wondering whether the Senator was talking about the Federal Reserve Board, and whether they had that in mind. I do not know. They did not say. But when such a regulation is imposed, the first persons hit are the humble people of America. When the question was put to Mr. Green, president of the American Federation of Labor, and the background was spelled out, he said to the committee that the regulation should be flexible. That is sensible, and I think that is what we have been contending for.

Mr. MALONE. It does not make very much sense, unless we want to stop the lower-wage-bracket folks from having these conveniences, because the people who can simply pay cash are not affected, and the only ones really affected by such regulations are the lower-wage earners.

Mr. DIRKSEN. That is quite true.

Mr. President, I said there were three points of view. One was in favor of the original act as such being extended for 8 months or a year. The second was to take the original act and put in two provisions on roll-backs and the modification of regulation W, to which I referred. The third, of course, would have been to take the original act plus the amendments which are embodied in a bill covering 47 pages. There has not been very much discussion about it. I think the committee in its wisdom rejected virtually in toto the amendments which came from the other end of the Avenue.

Among other things the President wanted—and I say "the President" because these matters came, after all, from the White House and the Bureau of the

Budget, and, of course, had the blessing of Mr. Wilson and his associates—among other things there was the exemption of certain types of hoarders and certain kinds of hoarding. They wanted power to condemn property, to take a man's property without asking him whether he wanted to surrender it. They wanted subsidies for foreign agricultural products. There was a provision which I spelled out for myself as authority to pay food subsidies to producers under certain conditions. There was authority to acquire and build more plants, as a matter of fact. I do not know that I want to give my blessing to that unless it can be shown that it is indispensable to the defense effort of the country. There was the power—and oddly enough it was compressed in probably not more than 20 words—to create more Government corporations. It put no limit on such corporations. It did not say what kind of corporations they were to be. It simply would give to the Government blanket authority to create Government corporations within the will and discretion of the President of the United States.

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

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Illinois yield to the Senator from Nevada?

Mr. DIRKSEN. I yield.

Mr. MALONE. Since the beginning of our Government we have had the law of eminent domain relating to the matter of condemning and purchasing private property. The law of eminent domain can be utilized when there is any desire on the part of the Federal Government to obtain property for any legal purpose. Is it not true that property can be condemned in the regular course under the law without delay?

Mr. DIRKSEN. Yes.

Mr. MALONE. Then why should the Government seek further power along such lines? It is just a "sleeper" to be used for ulterior purposes.

Mr. DIRKSEN. That is a question which is constantly asked: Why was this power needed?

I continue with the other powers which were requested. The power was requested to make virtually unlimited loans. Also the power to set price ceilings below parity. And then the power was requested to freeze parity.

Then request was made for the creation of a council for production planning to bring everybody in. It did not specify particularly those who might have an interest in the matter. So anybody could be brought in.

Then there were additional penalties and sanctions. Mr. President, I like the word "sanctions." It is a good mouth-filling term. But it takes on rather a mean aspect when it is spelled out. So there were pages of penalties and sanctions.

Then more damages and certain kinds of damages in enforcement suits.

Then of course there were licenses. The authority to license business so that one would be doing business conditionally, just as in the radio industry and in

the television industry. A man gets a license which lasts for 6 months. The conditions of course are that he comport himself according to the regulations which are issued by the Federal Communications Commission, and if he fails to do so, his license can be suspended or even revoked. So a man would be doing business conditionally and his license could be suspended. It might be revoked for a limited period of time. A man might find himself in the toils of the Federal court.

And then of course there were credit restrictions on existing housing. Homes built 5 or 6 or 10 or 20 years ago were to be brought in.

Then there was the regulation of trade on the commodity exchanges. I have placed some figures in the RECORD to show that in the case of lard, eggs, and other commodities which are traded in on the exchanges, such as the one in Chicago, we have the largest volume of trading, and there is the smallest percentage of price rise. So the theories which were advanced to us simply did not stand up on the basis of experience.

Then there was the broader re-delegation of power; and finally legislative hearings by the President. Frankly I have never seen that in a bill before, where the President could call a person in, and I suppose by persuasion or otherwise, compel him to testify, to give of his knowledge, his talent, his background, even though he might be unwilling to do so. The procedure was not spelled out, but at least the power was there.

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

Mr. DIRKSEN. I yield.

Mr. WILLIAMS. The Senator from Illinois referred to the President's request for the regulation of trading on the commodity exchanges. Apparently this was for the purpose of stopping speculation, but I wonder if the President had in the back of his mind that he wanted to stop Government officials from speculating. I remember this was the situation we discovered a few years ago.

Mr. DIRKSEN. The junior Senator from Illinois cannot very well observe on that statement. But we could see no necessity for handing over control of margin trading on the commodity exchanges of the country.

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

Mr. DIRKSEN. I yield.

Mr. CARLSON. I was interested in the comment of the Senator from Illinois in regard to the powers of persuasion on the part of the President of the United States, as it might affect legislative action. I believe it is less than 10 days ago that the President went on the air and appealed to the public of the Nation to let the Members of the Congress know their views on controls and price ceilings. I was expecting in my own office a large volume of mail. The truth is that I received nine letters in which the writers mentioned that they had heard the President's speech. Eight of them opposed and one favored price controls.

Mr. DIRKSEN. The Senator expected a mountain, and he got a mouse.

Mr. CARLSON. That was what I received recently, but previous to that time one of the commentators went on the air, and my office did receive, thereafter, 17,000 letters.

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

Mr. DIRKSEN. I yield.

Mr. BRICKER. On the question of commodity exchanges I wish to say that in the hearings every Government witness was interrogated as to the effect control of commodity exchanges would have on the ultimate price to the consumer. No one said that it would have any effect, except temporarily, when the little fellow rushes in, when there might be an inflation of prices to the ultimate consumer. That was the only excuse given. No proof was offered to the committee at any time in the memory of the Senator from Ohio as to what effect commodity exchange trading would have upon the price to the consumer or the price of any commodity.

Mr. DIRKSEN. That is correct. Mr. President, I wanted to develop this background. The hearings began on the 7th day of May and ran well into June, and then the committee sat behind closed doors and endeavored to contrive some kind of a bill which might be brought to the Senate floor. The Chairman of the committee, the Senator from South Carolina [Mr. MAYBANK], presided with rare patience, and has done a masterly job, and the bill is now before the Senate for consideration. As I indicated at the outset, I voted against it, in committee, and, so, I think I ought to make my views known somewhat about this matter.

First of all, I fully recognize the necessity of what I refer to as the military features of the bill. Allocations and priorities are, in my judgment, necessary to the defense effort. I recognize that the President or some agency of Government must have power to requisition material, and take over property. I also recognize the necessity for credit control, because it is consonant with my own views, Mr. President, as to how I think inflation ought to be controlled. But I could not bring myself to approve this measure so long as it contained the physical control features. So, the burden of my observations today will be devoted mainly to the question of wage, price, and rent controls.

At the outset, by way of prelude, let me say that I am not unmindful of the fact that perhaps I will be called the enemy of the housewife. I understand that in one of the newspaper columns this morning I was referred to in that way. Mr. President, my antecedents have been humble. I shall not take the time of the Senate to dwell upon them, except to say that I started out in blue jeans when I went to school, one of five kids who lost his father at the age of five. Mr. President, no matter how long one lives, I do not believe that the heart develops such encrustation as to make one insensible to the welfare of his country.

I wore the uniform of my country on the western front in 1917, and I am sen-

sitive enough not to like the kind of reference to which I have alluded because I think it is extremely unfair. But I shall not throw back at those who talk that way, because I have learned to defend myself, and so long as one stands upon what he thinks is his convictions, nothing else matters. With that feeling and with that instinct in my heart, Mr. President, I will say simply that I am against the physical controls which are provided for in the bill, and that applies to price controls, and wage controls, and rent controls.

First of all, I would say that they would not be needed if some of the irrational and unsupported statements that go out from the Nation's Capital were stopped.

If we persist in this sort of thing, we shall continue to frighten the people, and there will be a continuation of scare buying. The result will be to add to the inflationary fever.

It is strange, is it not, that our neighboring country to the north, where conditions are not unlike those in our own country, and where a defense program is in progress, has got away from price controls? They were never imposed. I have before me a very interesting article by James Muir, president of the Royal Bank of Canada, in which he sets forth, *seriatim*, quite to my heart's content, what he esteems to be the way to meet inflation. In his summation in the article from the *Tax Review* for March 1951, he says:

Direct controls, especially in the form of price control and rationing, should be measures of the last resort.

They have met their problem in the general credit field, and reasonably satisfactorily.

So I affirm that we could get along without this program. Productivity and production being what they are, the economy would level off, and it would not be necessary to place an unconscionable burden upon the people.

A little while ago I diverted myself by reading *Ceiling Price Regulation No. 7*. It deals with retail selling prices for certain consumer goods. Senators ought to take a little time off to read that document. It is one of the most intriguing mental exercises I know of. When one finishes reading it, he finds that he has been through an etymological bath. He wonders where he has been, and how a humble merchant can understand what is written upon that piece of paper. So I advise Senators to read *CPR No. 7*. It is a very engaging mental exercise.

I reaffirm that we would not need controls if we gave the economy half a chance and stopped the business of frightening people and exaggerating everything, which seems to be the custom today. The President talks about disaster. I do not believe that that is a good, rational way to talk to the American people. I do not believe that he has implemented his case by pointing out the disaster at all.

The second reason why I am against controls is that they are a palliative. They are secondary. On Sunday I was on the television with my esteemed colleague, the Senator from Illinois [Mr. Douglas]. I think I can safely say that

as an economist he shares the view that controls are of secondary importance, that they are palliative. I think he approaches the question from the proper angle—that we have extraordinary conditions, and consequently the other weapons must be implemented with price control. But price control does not deal with causes. It deals only with symptoms. It deals only with effects.

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

Mr. DIRKSEN. I yield.

Mr. ROBERTSON. I was interested in the comment of the distinguished Senator from Illinois to the effect that credit, price, and wage controls do not deal with causes. I received a letter to that effect today. One of my valued constituents wrote me that he wanted all prices frozen and many of them rolled back, but he wanted nothing done to wages until he had had two more increases.

Of course, all economists will tell us that the inherent cause of inflation is a situation in which spending power outstrips production.

Mr. DIRKSEN. Certainly so. That is the contention which the Senator from Illinois has made ever since he started to give some attention to this problem, back in 1941, when my esteemed and learned friend from Virginia and I were serving at the other end of the Capitol.

Mr. BRICKER. Mr. President, will the Senator from Illinois further yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. Has the Senator any illusions about this being an anti-inflationary bill?

Mr. DIRKSEN. The bill before us?

Mr. BRICKER. Yes.

Mr. DIRKSEN. Indeed, no.

Mr. BRICKER. I was about to ask if there were any anti-inflationary aspects about the bill. If so, I should like to have them pointed out to me. I think the whole import of the bill is inflationary instead of deflationary.

Mr. DIRKSEN. Yes. That is the point I made a while ago, that we are frightening the people more and more; and the effect will be exactly contrary to deflation.

Mr. BRICKER. The only claim for deflationary effect in this bill is with respect to price and wage and rent controls, which have nothing to do with fundamental causes. The bill treats only the outward aspects of inflation.

Mr. DIRKSEN. The Senator from Ohio is correct. I wish to assign some observations to that very question.

The root cause is fiscal, and in the credit field. I think the record will bear out that statement. The law, including a delegation of power to the Federal Reserve Board, became effective on September 8, 1950. A long time went by before the Federal Reserve Board ever actually, vigorously, and diligently moved into the credit field. If that is not a correct statement, I defer to my esteemed friend from Virginia, whom I recognize as an authority in that field when it comes to the Federal Reserve Board. But there was dilatory action on the part of the Board. So the economy got out of hand. That situation was coupled with scare buying when we invaded Korea, and we had a situation

which was to be expected in view of every principle of human behavior of which I have any knowledge whatsoever.

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

Mr. DIRKSEN. I yield.

Mr. JENNER. In the President's speech on this subject is he not again attempting to bring on scare buying when he says:

In the next few months, as shortages of civilian goods develop, the danger of inflation will become more and more serious.

Is not that an invitation to further scare buying?

Mr. DIRKSEN. I would not be a bit surprised, although I would not attribute anything deliberate to the President in that field. I try to recognize that he is just as earnest in discharging his responsibilities as we are. I shall not reflect upon his purposes or motives. I simply disagree with him.

The real root force, and the first of the root forces, is Federal spending. Let me say to my senatorial colleagues that I have seen no tangible evidence in this body that we are coming to grips with the question of Federal spending. We are pouring more and more billions into the economic blood stream. It all becomes consumer dollars. If there is anything to the inflation equation, the price finally equals the amount of spendable money multiplied by the velocity of the money, checked against the available consumer goods in the country. I have always been taught that. I think it is a sound formula. I think it is sound doctrine. However, the Government and the Congress themselves violate that doctrine by pouring more and more spending money into the economic arteries of the country.

Does that statement require any proof? What happened last week? An amendment was offered to a bill which would charge the Federal Treasury with another \$250,000,000 of public-assistance payments by modifying the social-security formula.

What happened when we had under consideration Senate bill 445, to establish public-health units in all the States? I had to embarrass one or two of my colleagues who kept saying, "It will cost only \$15,000,000," or "It will cost only \$20,000,000." I had to say to the Senator from Minnesota [Mr. HUMPHREY] and to my colleague [Mr. DOUGLAS], "I am sorry, but you forget the testimony which was taken a year ago. It will not cost \$20,000,000. It will cost \$80,000,000 out of the Federal Treasury and \$160,000,000 out of the State and local treasuries. That is a total of \$240,000,000."

We authorized it; and if the House passes favorably upon it, we shall disburse more and more money into the economic blood stream. It is like holding one's hand on a teakettle lid and stuffing up the spout while forgetting to turn off the gas. The result will be an explosion.

Mr. MCKELLAR. Mr. President—

Mr. DIRKSEN. I yield with delight to my esteemed friend from Tennessee.

Mr. MCKELLAR. The Senator from Illinois will recall that last week we passed the Labor and Federal Security

appropriation bill and the independent offices appropriation bill. We saved a very large sum of money. I do not recall exactly what the total amount was, but it was in the millions of dollars. It should help.

Mr. DIRKSEN. I hope so.

Mr. MCKELLAR. The Senator voted for the bills.

Mr. DIRKSEN. Yes, indeed. I will be on that side any old time. Then we had a dispersal bill before us, involving \$107,000,000. The distinguished occupant of the chair [Mr. HOLLAND] gave very earnestly of his time to that bill, because his heart was in it. I was distressed that I had to oppose him on the floor. We agreed to a motion to recommit the bill. It involved \$107,000,000. I was not against it as such. What I was concerned about mostly was that if the inflation danger is as great as it is said to be, why do we not start, as charity starts, at home, in this Chamber and in the Chamber at the other end of the Capitol, in coming to grips with the moving root causes which develop inflation?

Mr. BRICKER. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. BRICKER. The Senator recalls, does he not, that in the record of the hearings there appears the testimony of Mr. Martin, the Chairman of the Federal Reserve Board, as well as of other witnesses, to the effect that Government money is multiplied by about five when it is expressed in the form of impact upon the credit and currency of the country?

Mr. DIRKSEN. Yes.

Mr. BRICKER. The Senator realizes, does he not, that in the public-housing program, by the authorization of 50,000 housing units, we pumped into the pressure of inflation more than \$3,000,000,000?

Mr. DIRKSEN. Yes; that is correct.

Mr. BRICKER. It is more than double the savings we made by all the votes of all the Senators in the appropriation bills which we have passed thus far.

Mr. DIRKSEN. Yes; it becomes cheese paring, and it does not go to the root of the problem. It will take much more heroic action than that to remedy the situation. If we could get away from irresponsible statements and inspire a degree of confidence in the American people, we would experience a leveling process and we would not have to put our country in a strait-jacket.

Secondly, I am opposed because I think it is a mustard plaster when a surgeon's scalpel is needed to cut deep.

Thirdly, as I pointed out, we are not going to the root cause.

Mr. President, we have an advisory committee in existence in the mobilization set-up. They issued a rather interesting release under date of June 22. It comes from the executive office of the President, Office of Defense Mobilization. For all I know it may have appeared in the press. I shall only summarize it. At first they set up the background, and then say that among the weapons needed are, first of all, economy and a balanced budget. They stress

taxes. They stress credit. They speak of flexible credit. They speak about keeping the debt within manageable dimensions. They speak about interest rates. They speak about allocation of materials which are in short supply. This is what they say about prices and wages:

Direct controls of prices and wages are at best supplementary methods for helping prevent the inflationary gap from becoming larger until it can be closed by the more fundamental remedies which reduce excess purchasing power and increased production.

Who made that statement? I did not make it. It was made by the members of the National Advisory Board on Mobilization Policy. Many distinguished Americans are members of the Board. The membership of the Board includes George Meany, of the A. F. of L.; Phillip Murray, who I understand signed with some reservations; Paul Porter, who at one time was Administrator of the OPA; and Walter Reuther. It seems to me it is rather faint praise for a price-and-wage-control set-up such as is proposed within the dimensions of the pending bill.

Mr. President, I say—and one of the reasons I assign for my attitude—that it becomes a rather clumsy and uneconomic approach. We have 9,000,000 prices in the country. We have 35,000 employees to administer the program. Perhaps that is not the top number. Then it runs athwart some rather interesting situations.

The Commodity Credit Corporation, as I understand, lost \$276,000,000 last year in supporting prices. We support the prices from the bottom, and then we put a ceiling on prices at the top. In that way we get the old millstone effect.

I am glad that my good friend, the Senator from Delaware [Mr. WILLIAMS], has taken account of the situation and is endeavoring to cure it with the amendment which is now pending and will be voted on first.

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

Mr. DIRKSEN. I yield.

Mr. KILGORE. I should like to ask the distinguished Senator from Illinois for a short definition of "inflation" as he has used the word.

Mr. DIRKSEN. I can give the Senator many definitions. I could define "inflation" as a cheapened and depreciated dollar. That is the short definition. I can give the Senator a definition which I believe will stand up and which is in accordance with the sound economics I have learned. The definition is that inflation results from too many dollars with too much velocity of those dollars against a limited or unavailable supply of goods.

Mr. KILGORE. I may say to the distinguished Senator from Illinois that inflation is actually the depreciation of the purchasing power of a unit of value, such as the dollar.

Mr. DIRKSEN. Yes; I just stated that it was the short answer or definition. It is a cheapened and depreciated dollar.

Mr. KILGORE. The Senator has stated that the Government has lost money by its support of farm prices. I

ask the Senator whether he means that he is opposed to the program of supporting farm prices?

Mr. DIRKSEN. Not necessarily. However, let us look at the other side of the dollar.

Mr. KILGORE. I want to know. Is the Senator from Illinois opposed to the idea of supporting farm prices?

Mr. DIRKSEN. The Senator from Illinois is opposed to what he believes to be an irrational and anomalous policy under which prices are pushed up and pulled down.

Mr. KILGORE. The Senator from Illinois declines to say specifically whether or not he is opposed to the theory of support prices for the farmer?

Mr. DIRKSEN. Oh, I believe the record is abundantly clear that the Senator from Illinois has been on record many times as carrying the torch for them as chairman of a subcommittee of the Committee on Agriculture in the House of Representatives.

Mr. KILGORE. May I ask the Senator for whom he carried the torch?

Mr. DIRKSEN. The Senator from Illinois was just as regardful of the farming population as he was of any other segment of the population. The Senator from Illinois is glad to say that the farmers of the country are willing to let the tail go with the hide and to make all necessary sacrifices, and nothing has heartened him quite so much as to hear farm leaders say, "We will take our share of the sacrifices and we are only too glad to do so, if Congress will diminish the funds, if it will be in the interest of a balanced budget and a sound economy."

Mr. KILGORE. Then, I take it that the Senator from Illinois interprets the farmers' statement as meaning that they are perfectly willing to do away with the farm-support-price program.

Mr. DIRKSEN. The Senator from Illinois did not say anything of the kind.

Mr. KILGORE. Then, I cannot understand what the Senator has in mind. The Senator from Illinois apparently has one foot on one side of the fence and the other foot on the other side of the fence.

Mr. DIRKSEN. No; he is standing solidly on one side of the fence. The Senator from Illinois will say to the Senator from West Virginia, if we are to have controls, the Senator from Illinois will be willing to take every dollar out of farm price support, because it does not make sense to put a ceiling at the top and to put pressures at the bottom at the same time.

Mr. KILGORE. Shall I interpret the Senator's position with respect to controls to be in favor of farm-support prices or vice versa?

Mr. DIRKSEN. Was my good friend the Senator from West Virginia in the Chamber when the Senator from Illinois began his remarks? The Senator from Illinois started with reason No. 1, and he is now down to No. 5 or No. 6. He has still some additional reasons to give.

Mr. KILGORE. I have listened to many of them. I am trying to interpret the Senator's position based upon the

theory that the depreciation of currency is inflation, and therefore if a dollar will not buy as much as it should we have inflation. In other words, when the purchasing power of the dollar drops, we have inflation. Then the Senator from Illinois would say that the way to handle the problem would be to let the law of supply and demand control the situation.

Mr. DIRKSEN. Indeed, sir.

Mr. KILGORE. What?

Mr. DIRKSEN. Indeed, sir.

Mr. KILGORE. Suppose it is found that the shortage of supply has repealed that law. On what do we then stand?

Mr. DIRKSEN. Frankly, I do not know what the Senator has in mind.

Mr. KILGORE. The law of supply and demand. In an inflationary period we have a surplusage of supply as against demand.

Mr. DIRKSEN. Let us see whether in my very humble and somewhat obtuse way I can make it clear. First, the January survey of the Department of Commerce shows that production, particularly of consumer durable goods, was approximately 60 percent more than that in 1941; it increased that much in approximately 10 years. At the present time there is enough for all our people, if the administration will stop frightening them and cease employing scare techniques and inducing scare buying, as has been done, and thus causing the decrease of inventories. If my friend will consider the state of inventories, he will see how goods have been going out of circulation.

Mr. KILGORE. Are not prices related to the hoarding of the supply?

Mr. DIRKSEN. Oh, certainly.

Mr. KILGORE. I thank the Senator.

Mr. DIRKSEN. Mr. President, it seems to me that price controls simply hamstring production. I sometimes wonder at the patience and forbearance of producers and distributors as they get along somehow under this blanket of restrictions.

Let us consider what happened. On the 26th of January the general freeze came. It is rather astonishing. Mr. President, my old friend, Eric Johnston, stated to the committee that it was an attempt to fence in the stampede. Of course that is a picturesque expression, but I do not know that the matter was quite that simple, actually, for the effect of imposing the price freeze was to say to the merchants, "The prices of the goods you have on your shelves are frozen, and the prices of the goods you bought for delivery 3 months from now at higher prices are frozen, and the prices of goods which you purchased for delivery 6 months from now at even higher prices, are frozen, under this ceiling."

Mr. President, it took only 30 days to ascertain the difficulties which ensued from that freeze. So a modification was made. It was known as CPR-7, I believe, although I rather lose track of the numbers. In any event, it had the fancy title of "Divisional Factor Directive." I have not the slightest idea what that means, but I know that it affected more than 200,000 items with which retailers deal. That modification was made because the

Administrator realized that it was not quite so simple to impose that kind of a freeze and to take into account all the complexities of the commercial and economic life of America. I say that in my judgment price controls hamstring production and thwart the incentive of people and develop a kind of frustration, as these burdens are imposed.

Let us consider what happened in the hardware trade. When the Administrator issued a directive calling for a determination of the price of each of the countless items hardware stores handle, by measuring the price against the invoice sheet of long ago, and then finding out what the increase in price was, and then setting a ceiling, some hardware stores probably had on their shelves items which had been there for 20 or 30 years, particularly in the case of the country hardware stores. The proprietors of those stores simply gave up the task; it seemed entirely futile to them, because they could not begin to comply with that directive. That is the inevitable result, I think, of trying to put the country into that sort of a strait-jacket.

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

Mr. DIRKSEN. I yield.

Mr. CARLSON. While the Senator is talking about controls, let me say that an example of that situation is presented by the packing houses. I have on my desk a letter in regard to a packing house at Goodland, Kans. The writer of the letter states that the owner of that packing house "has \$40,000 invested in his plant, and will have to close it unless something is done, and so far as the regulation is concerned, it does not, in my opinion, accomplish the purpose for which it is intended, and conditions will be worse than before, if black marketing starts."

I think everyone knows that when production at the packing houses is limited to 80 percent of their former production, they simply cannot operate.

Mr. DIRKSEN. In my judgment, the Senator from Kansas is correct.

Mr. President, it seems to me that if the present price controls are suspended and if the country is given a chance to go back to a normal level, and if there is an end to the effort to inspire fear from the minarets and turrets of Washington, where everyone seems to want to try to throw a scare into the good people of the country, we shall go a long way toward inducing economic healing and shall make it unnecessary to put this kind of blanket control on the country—a blanket control which can only retard us, instead of helping us go forward.

Of course, it is very easy to impose such controls, just as it is easy to snap on a pair of handcuffs. It is quickly done, of course. However, it is not easy to remove them, for when the time comes to remove them, often it is difficult to find the key. In many cases the handcuffs do not come off quite so easily as they were put on.

Mr. President, I could make quite a speech in regard to rent control, which has been in effect since 1942, 9 years ago. In fact, in 9 more months it will have been in effect 10 years. When we

come to February 29, 1952, whom shall we find camped on the doorstep of the Capitol, asking for an extension of rent controls? We shall find camped there the same persons who were here in 1942, to my certain knowledge, requesting rent controls, and who have requested their extension ever since—in 1947, in 1950, and in 1951. Meanwhile, year by year we have fewer and fewer tenant-occupied houses, because our builders and our enterprisers simply cannot go into the rental field under present conditions.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. I assume that the distinguished Senator is familiar with the second-hand automobile market and with the inventories of second-hand automobiles and with the inventories of many different kinds of goods which now are on the shelves in the stores. I refer to the necessities. Those inventories are increasing day by day, chiefly because the controls prevent the free movement of the goods from the shelves or off the lots, as the case may be.

Mr. DIRKSEN. Yes.

Mr. MALONE. Of course, once that condition develops, it is practically impossible to handle it by means of the remedy now proposed. Those who urge the use of that remedy are rather like those who would attempt to stop steam from coming out of the spout of a tea kettle by putting their finger over the spout.

The way to handle that situation is to take the kettle off the fire or pull the fire out from under the kettle, and remove the cause of the situation. This can be done by removing the causes of inflation—restore the metal base for our currency and stop deficit financing.

Mr. DIRKSEN. Exactly so.

Mr. MALONE. Most of those who feed cattle, for example, in the feed lots, do not own the cattle clear of debt, but borrow from the banks the necessary funds. Those persons may have 10 or 50 or 100 steers ready for the feed lots, and they borrow from the banks sufficient funds to be able to have enough feeders to comprise an economic unit. I know that in my own State of Nevada as much as 37 cents a pound has been paid for feeders. Today many of those who are in that business are getting out, since they can follow their own judgment, but not a random price-fixer such as DiSalle, 2,000 miles away.

In view of the present high prices for feed, a man who has a 750-pound steer in a feed lot figures that in 90 days he will not only increase the weight 100 to 150 pounds, but the meat will be worth more per pound. He cannot gamble on what a bureaucrat will do.

I could cite many examples—perhaps 100—of that situation in other industries.

In any event, DiSalle changes the entire situation; while the steer is in the feed lot, Mr. DiSalle grades down the meat and tells him he cannot sell the meat in that category. The result is to scare those operators almost to death, and many of them get out of the business.

Many sell the steers at the first opportunity. As a result, the lean meat reaches the market under the 60, 90, or 120 days, where it should have been held long enough to be developed into prime beef.

Thus there is later a shortage of prime beef.

Similarly, in the case of housing, during the 9 years since 1942, private money has practically disappeared from the housing market. In other words, a house can only be built by using the taxpayers' money, either through FHA or some other Government agency.

No one will invest the savings of a lifetime in a duplex or in other rental units in hopes of developing an income.

So, Mr. President, as a result of that process, private capital is run out of business—whether in the case of steers, automobiles, or housing. Is that not true?

Mr. DIRKSEN. Yes.

Mr. MALONE. In the opinion of the junior Senator from Illinois, over a long period of years—and the President is very frank to say that the emergency may last that long—what will happen in all these cases?

There will be more demands for more of the taxpayers' money, will there not, or else the entire program will have to be abandoned?

Mr. DIRKSEN. Yes; they will either have to go deeper in the hole or they will have to throw themselves upon the mercy of government at the State and local levels.

Mr. MALONE. The consuming public is interested in a program of plenty—not of scarcity.

The answer to a scarcity of meat is more meat; the answer to a scarcity of automobiles is more automobiles.

The way to get more meat, more automobiles, or any other commodity is to establish incentives for the investment capital—not run it out of the market.

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

Mr. DIRKSEN. I yield.

Mr. CASE. The one community in the State of South Dakota which today has the tightest housing situation is one where rent control has been continued in existence, and it has successfully accomplished the driving of rental housing off the market. There is practically no rental housing whatever being built. The only housing that is being built is that which is being built for sale. The very purpose sought to be accomplished is being defeated.

Mr. DIRKSEN. Mr. President, let me add to this discussion by saying that how anyone expects sensibly and effectively to control business, producing a commodity, without controlling every component in it, is simply more than I know; and, one of the larger elements of cost—the largest element, now—is the element of labor. Let us see what happened. General Motors Corp., by reason, of course, of the escalator clause which is in its contract with the men, has said, "We have to approve 4 cents an hour increase for 335,000 employees"; so that much is added to the rising stream.

Ford, Chrysler, and Packard, they being closely competitive, of course, with General Motors, will have to approve, for

1,000,000 persons, extra compensation to the extent of \$80,000,000.

The railroad-yard workers got wage increases up to 33 cents an hour, as I understand; the road workers, up to 18½ cents an hour, which pierces the ceiling by 5 percent. The new Westinghouse agreement, entered into for the purpose of averting a strike, calls for an increase of 9 cents an hour, dated back to April, for 51,000 employees. The packing-house workers in Chicago obtained approval of an increase of 9 cents an hour; and the shipyard workers got an increase of 15 percent for 25,000 employees. Furthermore, there are, as I understand, 5,000 cases of one kind and another pending at this time before the Wage Stabilization Board. Various conditions will be imposed, such as fringe benefits, direct compensatory benefits, and so forth. All of this goes into the economic stream of the country, and it has an upward, inflationary effect.

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

Mr. DIRKSEN. I yield.

Mr. MALONE. I presume the distinguished Senator from Illinois has in mind the escalator clause, on the basis of the cost of living index, and that the wages are adjusted to that. Is that correct?

Mr. DIRKSEN. That is correct.

Mr. MALONE. Perhaps that is about as fair a way as could be adopted to adjust wages. But I should like to ask the distinguished Senator, if we take care of wages, adjusted to the cost of living index, which seems to be a very fair way to do it, should there not be a way of increasing prices in accordance with the general cost index? If we do not do that, are we not right back to where we started?

Mr. DIRKSEN. Yes. And what it amounts to finally is legislating a price spiral and a wage spiral. That is about what it amounts to.

Mr. MALONE. That is true, because, as the Senator knows, referring to the illustration he used of a man putting his thumb over the spout of a teakettle without putting out the fire under the kettle, the thumb is going to be blown off the spout of the teakettle, because no one has the courage to extinguish the fire; by which I mean inflation. That is in the hands of the President of the United States; is it not?

Mr. DIRKSEN. That is correct.

Mr. WHERRY. Mr. President, I understand the distinguished majority leader is about to propound a unanimous-consent request. Before he does so, if the Senator from Illinois will yield, I desire to propose an amendment.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may yield to the Senator from Nebraska for that purpose, without prejudice to my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Out of order, I send to the desk an amendment, which I ask to have read. I do this in order that it may come within the provisions of the unanimous-consent request about to be propounded by the distinguished majority leader.

THE PRESIDING OFFICER. The clerk will state the amendment.

THE CHIEF CLERK. It is proposed that title VIII of the Housing Act, as amended, be amended—

(a) By striking out of section 803 (a), "July 1, 1951", and inserting "July 1, 1953."

THE PRESIDING OFFICER. The amendment will lie on the table and be printed.

MR. DIRKSEN. Mr. President, I shall not detain the Senate much longer, but I desire to correct one impression which I may have left, that it was not mandatory for the head of an independent agency to enforce and administer controls. From reading the context of the bill, it is mandatory. If I left the wrong impression, I want to correct it now, so that the RECORD may be accurate.

MR. MOODY. Mr. President, I thank the Senator from Illinois for making that correction.

MR. BRICKER. Mr. President, will the Senator from Illinois yield?

MR. DIRKSEN. I yield.

MR. BRICKER. The prices are to be administered under the same authority.

MR. DIRKSEN. Yes.

MR. BRICKER. And the Stabilization Board, so-called, is not authorized directly in the bill.

MR. DIRKSEN. That is correct. Let me indulge in two more observations. I am fully sensible of the diligence and the earnest quality that officials bring to their jobs. With reference to the price-control establishment, I would be the last man in this Chamber to demean Mr. DiSalle. I believe he is doing the best he knows how. That goes also for Eric Johnston, with whom I have had a long friendship, and I salute him as a patriot and a great citizen. But there is not enough genius in the mind of a man or a group of men to operate under a law such as this without some harmful effects. I think we do best by our people if we keep our economy on an even keel and stay away from the strait-jacket of control.

Mr. President, our Dominion neighbors have been a little wiser than we have. Mr. James Muir, president of the Royal Bank of Canada, had this to say:

The only priorities are on steel.

Price control and rationing are last-resort measures and should be treated as stopgap efforts and not as substitutes for true anti-inflationary policy.

He makes this interesting observation:

There is a moral and economic obligation for governments to maintain ordinary expenditures at the lowest possible level.

Mr. President, it seems to me the President of the United States ought to be the first to suggest to the Congress all those things with which we can dispense in an hour of crisis and emergency, but I cannot agree that the President and the Budget Bureau have gone far enough with what I am pleased to call a rather swollen budget.

Finally, Mr. Muir makes this observation:

The allocation of armament expenditure is a job for military experts but the over-all size of the defense program like war itself is too important to be left to the generals.

Mr. President, it was Clemenceau, "The Tiger," the great Prime Minister of France, who made that statement in World War I. That is another thing which I think we can take to heart.

So, Mr. President, I simply express myself humbly upon this subject. Unless the bill is substantially modified, I shall probably oppose it when it comes up for final action and the Senate works its will. But I shall do so only because I sincerely feel that it is harmful for the country and that it is not necessary, if the Government will proceed along rational lines in foreign and domestic policy. I believe that we shall get infinitely further, as have our neighbors on the north, if we do not surrender our freedom even for a brief time. As I said before, a man can lean out of the window too far just once. That goes not only for an individual, Mr. President, but for a country as well.

I yield the floor.

MR. MFARLAND. Mr. President, I ask unanimous consent that on Wednesday, June 27, 1951, after a quorum call, following the convening of the Senate, the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, be proceeded with; that the general debate thereon shall be limited to not to exceed 2 hours and 30 minutes, to be divided equally and controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Nebraska [Mr. WHERRY], respectively; that after the disposition of amendments of a perfecting nature, pending or that may be proposed to section 2 of the bill, further debate upon the motion of the Senator from Illinois [Mr. DOUGLAS] to strike out section 2, being lines 4 to 13, inclusive, on page 2, shall be limited to not to exceed 1 hour, to be divided equally and controlled by the Senator from Illinois [Mr. DOUGLAS] and the Senator from South Carolina [Mr. MAYBANK]; provided that debate on the amendment on rent control shall be limited to not to exceed 1 hour, to be controlled by the proponent of the amendment or amendments, and the Senator from South Carolina [Mr. MAYBANK], if he opposes the amendment; and, if he is in favor of the amendment, then by the Senator from Nebraska [Mr. WHERRY], or any other Senator he may designate; and that thereafter the debate upon any amendment or motion, including appeals, with the exception hereinafter indicated, shall be limited to not to exceed 30 minutes, to be divided equally and controlled, respectively, by the mover of any such amendment or motion and the Senator from South Carolina [Mr. MAYBANK], or if the Senator from South Carolina is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Senator from Nebraska [Mr. WHERRY], or some Senator designated by him; provided further, that no amendment or motion which has not heretofore been submitted as an amendment intended to be proposed to said bill that is not germane to the subject matter thereof shall be received; and provided further, that upon the question of the final passage of the bill, debate shall be limited to

not to exceed 1 hour, to be divided and controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Nebraska [Mr. WHERRY], respectively, or by some other Senator designated by the latter.

THE PRESIDING OFFICER (Mr. HOLLAND in the chair). Is there objection to the unanimous-consent request?

MR. O'MAHONEY. Mr. President, will the Senator yield?

MR. MFARLAND. I yield to the Senator from Wyoming.

MR. O'MAHONEY. On behalf of the Senator from Alabama [Mr. SPARKMAN], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from South Dakota [Mr. CASE], and myself, I offered yesterday an amendment to the bill to provide for the consideration of the desirability of dispersing new defense plants so as to avoid too great a geographical concentration and so as to make better utilization of the natural resources of the country. How much time, may I inquire, would be available for the discussion of such an amendment?

MR. MFARLAND. There would be 30 minutes, 15 minutes to a side.

MR. O'MAHONEY. It is a rather important amendment. I realize, of course, that it is desirable to limit the period of discussion, but I am wondering whether there could not be allowed, say, 45 minutes for the discussion of that amendment.

MR. MFARLAND. Forty-five minutes or fifty minutes?

MR. O'MAHONEY. Fifty minutes.

MR. MFARLAND. Fifty minutes. That would be agreeable. I modify the unanimous-consent request to that extent.

THE PRESIDING OFFICER. The majority leader modifies his unanimous-consent request.

MR. WHERRY. Reserving the right to object—and I shall not object—I desire to ask the distinguished Senator from Wyoming if he is referring to the so-called smaller business plant matter.

MR. O'MAHONEY. No. It has nothing to do with that.

MR. LEHMAN. May I ask the Senator from Arizona whether, if the amendment proposed by the Senator from Illinois [Mr. DIRKSEN] shall be defeated, it will be in order to present amendments in substitution therefor, and, if so, how much time would be permitted?

MR. MFARLAND. The amendments relating to rent control are limited to 1 hour. Any other amendment would be in the same category.

MR. LEHMAN. I have reference to amendments in connection with section 2 of the committee bill.

MR. MFARLAND. The time would be 30 minutes.

MR. WHERRY. The unanimous-consent request is silent on that point. I think we should have an understanding that on such amendments there may be allowed 30 minutes, 15 minutes to each side. Any perfecting amendment to the Douglas amendment would have to be offered prior to the time of the vote on the Douglas amendment.

MR. DOUGLAS. If my amendment is defeated, it is our intention to offer an

alternative, and, if that is defeated, to offer a third. We should like to have the way clear, so that if the original amendment is defeated, it would then be in order to propose a second and third amendment.

Mr. MFARLAND. Then I ask, Mr. President, that as to any additional amendment the time be limited to 15 minutes to a side.

Mr. WHERRY. Outside the rent control amendment and the O'Mahoney amendment, all amendments can be discussed for 30 minutes, 15 minutes to a side, the same as in the case of any motion or appeal.

Mr. MFARLAND. That is correct.

The PRESIDING OFFICER. The Chair understands that as to the excepted amendment, which will take a longer time, all amendments may be discussed for 30 minutes.

Is there objection to the request of the Senator from Arizona? The Chair hears none, and the unanimous-consent agreement is entered into.

The unanimous-consent agreement as subsequently reduced to writing, is as follows:

Ordered, That on Wednesday, June 27, 1951, after a quorum call following the convening of the Senate, the consideration of the bill (S. 1717) to amend and extend the Defense Production Act of 1950 and the Housing and Rent Act of 1947, as amended, be proceeded with; that general debate thereon shall be limited to not exceeding 2 hours and 30 minutes, to be equally divided and controlled, respectively, by Mr. MAYBANK and Mr. WHERRY; further debate upon the motion of Mr. DOUGLAS to strike out said section (being lines 4 to 18, inclusive, on page 2), shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by Mr. DOUGLAS and Mr. MAYBANK; that debate on the amendment on rent control, when offered, or on any amendment thereto, shall be limited to not exceeding 1 hour, to be equally divided and controlled by the proposer thereof and Mr. MAYBANK, respectively; that debate on the amendment intended to be proposed by Mr. O'MAHONEY (for himself and others), relating to dispersal of defense plants, shall be limited to not exceeding 50 minutes, to be equally divided and controlled by Mr. O'MAHONEY and Mr. MAYBANK, respectively; and that upon any other amendment or motion (including appeals) debate shall be limited to not exceeding 30 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. MAYBANK: *Provided*, (1) That in the event Mr. MAYBANK is in favor of any amendment or motion proposed during the consideration of the bill, the time in opposition thereto shall be controlled by Mr. WHERRY, or some Senator designated by him; and (2) that no amendment or motion that has not heretofore been submitted as intended to be proposed to said bill that is not germane to the subject matter thereof shall be received.

Ordered further, That upon the question of the final passage of the bill, debate shall be limited to not exceeding 1 hour, to be equally divided and controlled, respectively, by Mr. MAYBANK and Mr. WHERRY, or some Senator designated by him. (June 26, 1951.)

Mr. WHERRY. Mr. President, I wonder if the distinguished majority leader will state now whether any votes will be taken before tomorrow. It would be of interest to many Senators.

Mr. MFARLAND. A vote will be taken if we can reach a vote; but I take

it that unless the amendment of the Senator from Delaware is agreed to we shall not reach a vote this evening. I think I should say that I believe the importance of the pending bill justifies our holding a night session tomorrow night.

Mr. WHERRY. Mr. President, I did not quite understand the majority leader's statement as to whether there will be a vote tonight.

Mr. MFARLAND. I cannot say. I do not think it will be necessary for the Senate to remain in session late tonight, because of the unanimous-consent agreement.

Mr. WHERRY. I have no objection to arguments being presented, but I feel that an announcement as to any votes, if one could now be made, would be of assistance.

Mr. MAYBANK. Mr. President, I defer to the wishes of the Senator from Delaware [Mr. WILLIAMS] who thought that perhaps we might get his amendment out of the way tonight.

Mr. WHERRY. Several Senators have asked whether there is to be a vote. If there is not to be a vote today, I think it would be a fine thing to announce that tomorrow the Senate will hold a night session if necessary.

Mr. WILLIAMS. I am willing to let the vote go over until tomorrow.

Mr. WHERRY. In view of the unanimous-consent agreement and the lateness of the hour, if it is agreeable, the Senate might continue in session as long as any Senator wishes to discuss the bill, but I believe the vote should go over until tomorrow.

Mr. MAYBANK. I thoroughly agree with the Senator.

The PRESIDING OFFICER. The unanimous-consent request has been entered into.

PETITION FOR RENEWAL OF STRONG PRICE CONTROLS

Mr. LEHMAN. Mr. President, this morning I was called up by a group of civic leaders from New York City who presented me with a statement showing that 9,167 signatures of New York City settlement members and neighbors had been placed on a petition addressed to the President asking for the renewal of strong price controls. I ask unanimous consent to have this statement, showing where and by whom these signatures were collected, printed in the RECORD at this point in my remarks.

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

UNITED NEIGHBORHOOD HOUSES OF NEW YORK, INC.,
New York, N. Y., June 26, 1951.

Signatures from New York City settlement members and neighbors asking for renewal of strong price controls on a petition addressed to President Harry S. Truman

Collected by— Number of signatures
Christodora House, 154 Avenue D, 755
New York 9, N. Y. 755
Church of All Nations, 9 2d Ave., 196
New York 3, N. Y. 196
Educational Alliance, 197 E. Broadway, New York 2, N. Y. 1,520
Grand St. Settlement, 283 Rivington St., New York 2, N. Y. 1,951
Greenwich House, 27 Barrow St., Greenwich 14, N. Y. 57

Collected by—	Number of signatures
Hamilton House, 72 Market St., New York 2, N. Y.	246
Henry St. Settlement, 265 Henry St., New York 2, N. Y.	792
Hudson Guild, 436 W. 27th St., New York 1, N. Y.	187
J. W. Johnson Community Center, 173 E. 112th St., New York 29, N. Y.	856
Lavanburg Social Center, 132 Bach Pl., New York 2, N. Y.	29
Madison House, 226 Madison St., New York 2, N. Y.	416
Manhattanville Neighborhood Center, 514 W. 126th St., New York 27, N. Y.	113
Moshulu Neighborhood Center (JANC), 3503 Tryon Ave., Bronx 67, N. Y.	60
Recreation Rooms, 86 E. 1st St., New York 3, N. Y.	666
Ris House, 48 Henry St., New York 2, N. Y.	290
Ris-Queensbridge Center, 10-25 41st Ave., L. I. C., N. Y.	257
Union Settlement, 237 E. 104th St., New York 29, N. Y.	353
University Settlement, 184 Eldridge St., New York 2, N. Y.	423
Total	9,167

Mr. WILLIAMS. Mr. President, I direct my remarks briefly to the pending amendment. I think the amendment can best be described by quoting from the analysis prepared by the legislative counsel, which reads as follows:

This amendment will have the effect of suspending the price-support provisions of the Agricultural Act of 1949 for the duration of title IV of the Defense Production Act of 1950 (Price Control Authority) which, under the proposed extension, is until March 1, 1952.

In other words, the amendment would merely suspend—not repeal—the agricultural support programs for the duration of price controls. The administration claims that the purpose of this bill is to control inflation. The farm-support program was authorized to check deflation. If the purpose of this bill is, as announced, to check inflation, then surely there is no justification for the continuation of a support program under which the Government declares surplus and destroys good agricultural products.

I refer to the report of the minority members, who pointed out reasons why, in their opinion, food prices have advanced. For instance, on page 29 of the report, they call particular attention to how the wool price has advanced unreasonably since the outbreak of the war in Korea.

We all know that at the present time the Government is in the midst of stockpiling 200,000,000 pounds of wool. The committee report points out accurately that wool has advanced over a dollar a pound since the outbreak of the Korean war. I call attention to the fact that in 1948 the Eightieth Congress extended a law authorizing an agency to stockpile strategic materials and appropriated adequate money for that purpose. At that time the Government owned and held in inventory 252,000,000 pounds of wool. That inventory of wool was declared surplus and liquidated at a loss to the American taxpayers of some \$44,000,000. After it was liquidated at

such a loss the Government agency which was responsible for stockpiling strategic materials suddenly decided that wool was a strategic commodity, and announced a program to repurchase 200,000,000 pounds of wool at a price of over \$1.50 per pound higher than the price for which it was sold. Thus we find that this one stupid operation will cost the taxpayers over \$300,000,000 plus the \$44,000,000 loss when declared surplus and, ending up with substantially the same inventory as originally held. This was bad enough, but it is even worse when we reflect what this artificial price rise means to the American consumers in higher cost of clothing.

This is just the first example I am calling to your attention today showing how this administration is directly responsible for today's inflationary trends.

The administration is expressing a great deal of sympathy for the American people because of the high cost of clothing resulting from the high price of cotton. Mr. DiSalle is threatening now to roll back the price of cotton to the pre-Korean level to help the poor consumer. I will now show how the Truman administration is directly responsible for today's high prices on clothing. At the outbreak of the Korean war this Government, through the Commodity Credit Corporation, held in storage inventories of 3,413,635 bales of cotton which had cost the taxpayers \$580,236,924. After the war broke out in June of last year they decided that this cotton was surplus, a nonessential, and proceeded to liquidate every pound of this cotton within 60 to 90 days at slightly over its cost.

Cotton always advances when war starts, but the sales were made early and at that time when the Government had placed into effect very strict export controls over cotton. Therefore the cotton was sold in the domestic market, in wholesale quantities, thereby depressing the domestic market to such an extent that it only brought about \$600,000,000. These sales were made at the lower price on the assumption that the buyers would not be allowed to export the cotton out of this country. After this cotton had all been disposed of, placed over into the hands of the private individuals, the Government then reversed itself, and said that they would allow exports. On October 10, 1950, 10 days after they liquidated their inventory, they granted export-control licenses for 2,000,000 bales, and on November 2, 146,000 bales, and on November 7, 1,350,000 bales. This authorized the exporting from this country of a total of 3,496,000 bales, which is almost identical with the amount of cotton which had been declared surplus and sold just a few weeks prior at 10 to 15 cents per pound lower than the world market price prevailing at the time the export licenses were granted. Thus this cotton, which was purchased from the Government after the war started last June, was exported at a profit to the individual buyers of about \$200,000,000.

Prices had advanced about 50 percent. The Government manipulated the market at a loss to the taxpayers of around \$200,000,000.

Another interesting point is that since the war in Korea broke out on June 25, 1950, some of this cotton which was sold by the Government was allocated for shipment to Red China. Those shipments of cotton are documented. This cotton was shipped from United States ports in American-flag ships since the outbreak of the war to Red China under authorization of the United States Government itself.

So I think we might well question the sincerity of any administration official today who stands up and says that he sympathizes with the American housewife because the price of cotton and clothing has gone up. The price of clothing is up today because, and only because, they planned it that way. This question is another part of the New Deal planning from Washington.

It is another example of New Deal bureaucrats regulating the law of supply and demand.

I ask unanimous consent to have printed in the RECORD at this point in my remarks a chart showing a breakdown of the shipments of cotton to Red China and Manchuria since the outbreak of the war in Korea. These shipments were justified by the administration on the basis that we are not at war with Red China, it is only a police action.

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

Cotton exports, June—September 1950

MANCHURIA

Month	Dollar value	Pounds	Bales	Amount CCC cotton
June.....	0	0	0	0
July.....	3,407,357	10,926,712	22,377	22,377
August.....	2,728,500	8,690,667	17,798	21,771
September.....	0	0	0	0
Total.....	6,135,857	19,617,379	40,175	44,148

CHINA

Month	Dollar value	Pounds	Bales	Amount CCC cotton
June.....	\$3,613,339	11,345,205	22,802	0
July.....	1,246,447	7,792,080	15,361	0
August.....	8,410,929	25,466,478	50,227	4,415
September.....	74,393	247,209	500	0
Total.....	13,345,108	44,850,972	88,890	4,415

Date	Amount exported	Destination
July 13, 1950 (2 shipments).	Bales 13,000 1,857	Dairen, Manchuria.
July 17, 1950.....	7,520	Do.
Aug. 7, 1950 (2 shipments).	3,946 10,127	Do.
August 21, 1950.....	3,615	Tientsin-Taku Bar, China.
August 24, 1950 (2 shipments).	800 2,839	Do.
August 28, 1950.....	4,859	Dairen, Manchuria.
Total.....	48,563	Do.

Mr. WILLIAMS. Mr. President, the same thing is true with respect to butter. The Government, since the outbreak of the war in Korea has been buying butter at over 60 cents a pound, and shipping that butter all over the world. Housewives in other countries can buy good American butter at from one-half to one-third the cost, and in some instances

we have given the butter to them in order that we may create an artificial shortage of butter here in America and force the price higher to our own housewives.

Yet the same Government officials who have been operating this program are speaking to the country today and expressing sympathy to the poor housewives. What a farce? The rules of the Senate would not permit me to express my real opinion of this absurd and deceitful policy.

Again I say the price of butter is high because the Government "planned it that way." They have bought and shipped out of this country since the outbreak of the war in Korea over 75,000,000 pounds of butter that has been either given away outright or else sold for an insignificant fraction of its cost. All this was done by a Government agency under a law sponsored by the same New Deal administration which now says it wants to roll back prices.

The same thing is true with respect to cheddar cheese. The Government has been buying cheese to keep the price up. I pointed out some weeks ago how the Government had sold for export cheese for about one-third of what it cost. At the same time they were forcing prices higher in this country. To make it even more ridiculous, during the period in which we were selling 50,000,000 pounds of cheese at a fraction of its cost and exporting it, we were actually importing cheese from the same countries to which we sold the bargains. They were selling their cheddar cheese to the American housewives at advanced prices. Cheese was being imported into this country under a reciprocal-trade agreement, whereby tariffs had been lowered in order that the countries who were the recipients of our benevolence could ship their cheese into this country at a lower rate. Again I say that the high price of cheese to the American housewife did not just happen. It is a part of the administration program. It was planned that way. The administration has been deliberately manipulating the commodity markets for the past several years and more so during recent years than ever before.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I made on February 21, 1951, outlining the Government's activities in manipulating the cheese market, and also included in this report is the over-all cost to the American taxpayers of all these programs.

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

STATEMENT OF SENATOR JOHN J. WILLIAMS IN THE UNITED STATES SENATE, FEBRUARY 21, 1951, RE SALE OF CHEDDAR CHEESE TO BRITISH GOVERNMENT

Mr. President, recently there was released to the press by the Department of Agriculture a notice to the effect that 50,000,000 pounds of Cheddar cheese had been sold to the British Government.

Upon inquiry relative to the price the British paid, I was advised that it was the policy of the Department not to disclose prices of negotiated sales with foreign governments. However, further correspondence has developed the information which I now pass on to the taxpayers who, after all, are going to pay the bill.

This 50,000,000 pounds of Cheddar cheese cost the Federal Government an average of about 31 cents per pound, or approximately \$15,500,000. On October 20, 1950, the 50,000,000 pounds referred to above was sold to the United Kingdom Ministry of Food for 15 cents per pound, or about one-half of its cost, representing a loss of about \$7,500,000.

It is of interest to note that during the same period in which this cheese was purchased by the Federal Government, and subsequently was exported out of this country to Great Britain, at a substantial loss—apparently for the purpose of making the price of Cheddar cheese higher to the American housewife—we imported Cheddar cheese from the British Empire in quantities amounting to over 13,000,000 pounds, with 2,470,000 pounds coming from Canada and 10,370,000 pounds coming from New Zealand, at prices ranging from 21 to 37 cents a pound.

To further complicate the case, the importation of this cheese was encouraged under the reciprocal-trade agreements by a 50-percent reduction in tariff rates.

The senior Senator from Massachusetts [Mr. SALTONSTALL] recently called a similar transaction to the attention of the Senate in relation to our exportation of substantial quantities of butter at 15 cents a pound, while the American housewives are being forced to pay 75 cents.

Unless we discontinue this absurd contradictory policy, by which we find that one Government agency is spending millions of dollars for the sole purpose of deliberately forcing food prices higher, by creating artificial shortages, and, at the same time, another Government agency is set up and staffed with thousands of employees for the sole purpose of holding down these same prices, Washington, instead of being classified as the Capital of the State of Confusion, will find itself as the Capital of Bankruptcy.

As evidence of what this type of program is costing the American taxpayers, I ask unanimous consent to have inserted in the RECORD at this point a letter from Mr. F. J. Lawton, Director of the Bureau of the Budget, dated October 11, 1950, in which he points out that the Commodity Credit Corporation, the agency which handles these transactions, has, since its inception, cost the American taxpayers \$3,251,843,466.22. This amount does not include \$1,952,544,994 which has been expended by the Department of Agriculture under section 32 of the Agricultural Adjustment Act; although that amount has been spent as a subsidy to agriculture, those operations are conducted under separate legislative authority.

Mr. WILLIAMS. Let us now discuss butter. I point out that 37,500,000 pounds have been given away outright to various countries, 18,000,000 pounds going to Israel, 11,000,000 pounds to Yugoslavia, 5,000,000 pounds to Germany, 1,250,000 pounds to Italy, 547,000 pounds to France, 278,000 pounds to Trieste, 43,000 pounds to Great Britain, and so on down the line. Housewives in those countries have been able to get cheap butter since the outbreak of the war in Korea, because the United States taxpayers have been charged with the cost of the butter. It has been shipped out of the country and given to housewives in other countries, in order that an artificial shortage might be created here at home, pushing the price of butter up to the point where the average workingman today cannot buy it. It is done by the same administration which is bewailing high prices and telling how it pities the American people. Again what a farce.

This program is operated by a branch of the Department of Agriculture, handling export sales of what is described as surplus and nonessential commodities—commodities of which, supposedly, we have more in this country than we need, so we are exporting them in order to get rid of them.

In December of last year—1950—I called to the attention of the Senate, and placed in the RECORD, a chart showing several thousand carloads of commodities which were being offered at bargain prices for export to foreign countries only. I read for the information of the Senate a list of those international bargains, a list which was issued as recently as December 1950. This, I may say, was at the time when our boys were being driven back in Korea, and no one knew whether the war in Korea would end without the outbreak of world war III.

On this international bargain list—or what may be called the "international gravy train" of the New Deal administration—are the following: 2,400 carloads of dried skim milk, or 240,000,000 pounds; 5,000 carloads of raw linseed oil, or 529,000,000 pounds, representing 66,000,000 gallons, declared surplus and nonessential; 1,120 carloads of bulk flaxseed, or 2,000,000 bushels; 920 carloads of dried pinto beans, or 92,000,000 pounds.

These commodities were declared surplus and nonessential by this administration which at that time was, as it is today, advocating price ceilings on the same commodities in order to hold down prices. Yet, as recently as 3 months ago, the Government was trying to give them away all over the world. Only one condition was attached to the contract, and that was that under no circumstances could any American citizen or housewife be the recipient of the bargains; nor could they go to any of our international friends. They could go only to those countries which were not the recipients of the ECA program.

Continuing with the list: 250 carloads of dried pea beans, or 25,000,000 pounds; 570 carloads of dried red kidney beans, or 57,000,000 pounds; 1,370 carloads of Great Northern dried beans, or 137,000,000 pounds; 126 carloads of dried pink beans, or 12,600,000 pounds; 150 carloads of dried baby lima beans, or 15,000,000 pounds; 600 carloads of dried edible peas, or 60,000,000 pounds; 73 carloads of Austrian winter pea seed, or 7,300,000 pounds; 60,000 carloads of wheat, or 100,000,000 bushels.

I may point out that this wheat was carried on the surplus list as recently as December 1950 and offered for sale anywhere in the world at bargain prices. At the same time the same administration and the same agency of this administration was calling on the American farmers for increased production as a result of the Korean war. They were actually asking farmers to increase their production this year to take care of the shortage of wheat, when at the same time the same agency was declaring surplus and offering on the international bargaining counter 60,000 carloads of wheat.

Continuing with the list: 3,700 carloads of oats, or 11,675,000 bushels; 15,000 carloads of barley, or 28,300,000 bushels; 56,000 carloads of corn, or 100,000,000 bushels, offered as an international bargain to anyone who wanted to buy it, by the same agency of the Government, the Department of Agriculture, which at the same time was asking the American farmers to increase their corn acreage.

Continuing with the list of commodities: 16,000 carloads of grain sorghum, or 1,600,000 pounds; 540 carloads of potato starch, or 5,460,000 pounds. An unspecified quantity of fresh Irish potatoes was being offered at 1 cent per 100-pound bag. They were offered to anyone, provided it was not an American housewife. She was not eligible, but anyone else could buy them. If the buyer did not want the potatoes, he could load them on a barge and take them off the Atlantic Coast, dump the potatoes, and bring the bags back, and we would give him 15 cents apiece for the bags.

All this was permitted and encouraged by the same Government which today is shedding crocodile tears for the American housewife. No one can say but that this program has added to the increased cost of living in the past few months. I fully agree with the President of the United States when in his campaign speeches last year he stated that these things do not just happen, but "we plan them that way." This is a part of the planned program of the administration to create shortages in order that there may be price controls, and then to create surpluses in order to bring about supports. The administration wants a completely regulated economy in this country. It does not care what happens to the taxpayers, the housewives, or anyone else, provided it can keep them fooled and get the votes.

Continuing with the list: 210 carloads of dried eggs, or 21,000,000 pounds, representing about 63,000,000 dozen in shell form. This is why the American housewife pays dearly for eggs. Only this afternoon the junior Senator from Michigan [Mr. Moody] read a letter from one of his constituents. At that time he stated that that letter influenced his support for this bill to a large extent, and he pointed out how this mother had written from Grand Rapids, Mich., that she was having a great deal of trouble obtaining eggs for her children. She was also having trouble obtaining oranges which her children needed, as well as clothing. The junior Senator from Michigan should tell her that the reason she was having trouble getting eggs and oranges for her children was that an agency of the Government, with her tax money, was buying them and destroying them, or exporting them from this country.

Again I say that these shortages did not just happen. They were "planned that way," by an administration which wants to create artificial shortages and increase prices. In other words, it is part of a planned inflationary program. I criticized these sales last December. I pointed out that during the last 6 months of 1950 the export sales of agricultural commodities listed as surplus

and nonessential in this country had increased 1,200 percent above the sales of the 6 months prior to the outbreak of the war in Korea. Countries all over the world were taking advantage of the bargains that were being offered by Santa Claus. The argument was advanced at that time that it was unfair for me to make such a comparison because, as was pointed out, farmers automatically harvested crops in the last half of the year. Therefore it was argued the Department of Agriculture under this program would have more of a surplus in the last half of the year than in the first half of the year.

At that time I could not contradict this argument because I did not know what they would be in January or February.

Since that time, however, I find that in January and February of this year, which months surely are in the first half of the year, sales under the program have increased not 1,200 percent but 1,400 percent over the prewar period. In other words, in the first 2 months of the year sales were running at a rate 1,400 percent higher than during the first 6 months of 1950. It confirms again the fact that foreign countries were taking advantage of the stupid and wasteful policies of this administration, which had no more sense than to liquidate and dissipate the resources of our country at a time when we were at war.

They are now talking about stockpiling cotton. The administration proposes to stockpile cotton today when it is being sold at 15 cents a pound higher than it was last July and August during which time the administration was liquidating its cotton inventories. Again, the American taxpayers are the victims and it is these contradictory policies which account for a substantial part of the President's budget.

These stupid operations which I have listed in the last few minutes of my remarks would account for hundreds of millions of dollars of the taxpayers' money since the outbreak of the Korean war. These millions are only a part of the many which have been poured down the rat hole of confusion in Washington by this Fair Deal administration.

There is no excuse for it. I do not know a single Senator on the other side of the aisle who would stand up and try to justify it to the American housewife.

I ask unanimous consent to have printed in the RECORD an article which appeared in the Washington Post of January 22, 1950, written by John W. Ball, in which he points out very clearly how this international give-away program operates and how the American housewife is victimized.

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

CCC Food BARGAINS LISTED

The world's biggest dealer in food commodities last week advertised Irish potatoes for sale at 100 pounds for 1 cent.

Similar bargains in canned meat, eggs, edible beans, peanuts, flaxseed, etc., were made public by Ralph S. Trigg, president of the Commodity Credit Corporation, Uncle

Sam's agency for operating the Government's farm price support program.

These prices, however, are only for export. The goods can't be bought for use in this country.

The sacks in which the potatoes will be sold cost from 10 to 15 cents apiece, or 10 to 15 times as much as the Government asks for them filled with the world's best potatoes.

NEW CCC POLICY

The low prices accompanied announcement of a new CCC policy to encourage export of surplus farm commodities bought by the Government to keep prices in this country high and farmers prosperous.

Americans will still be charged several hundred times the export price. Similar potatoes retailed in Washington this week at 3½ to 4 cents a pound. In other words, the Government is selling potatoes at 100 pounds for 1 cent that are costing American housewives from \$3.50 to \$4. The potatoes cost the Government about \$2.10 a bag.

The entire operation was ordered by Congress in its series of laws for the benefit of the Nation's twenty-odd million farmers.

In addition to the potato bargains, CCC is offering to sell to exporters:

1. Thirty million pounds of Mexican canned meat at 15 cents a can. This was bought from Mexico at about 30 cents a can. These purchases were made to reimburse Mexican cattle raisers whose markets were shut off when this country put an embargo on the importation of Mexican cattle, because of a hoof-and-mouth disease epidemic in Mexico. This meat is not permitted to be sold in this country under the pure food and drug laws because it comes from areas infected with the dreaded hoof-and-mouth disease.

2. Dried whole eggs, 73,000,000 pounds, at 40 cents a pound. These cost Uncle Sam about \$1.20 a pound.

3. About 4,750,000 100-pound bags of beans. Pinto beans are offered at \$7 a bag (cost about \$9), red kidney at \$8 (cost about \$9.50) and great northern, \$6 a bag (cost about \$8).

4. Thirteen million bushels of flaxseed at \$4.45 a bushel that cost the Government \$6 a bushel in 1948.

5. About 50,000,000 pounds of shelled peanuts at 8½ cents a pound, or just half the 16½ cents CCC paid for them.

OATS, BARLEY, AND CORN

Trigg also offered 13,579 bushels of oats, 20,000,000 bushels of barley and 100,000,000 bushels of corn at "not less than market price on date of sale."

Sales will not be made to buyers using ECA dollars or other Government funds. Other methods, such as subsidies, are provided for such sales. Sales of potatoes are restricted for export to areas not normally supplied by United States exporters.

Similar announcements will be made monthly, Trigg said. The prices named last week will prevail until March.

The announcement was met by a sharp break on the Nation's commodity exchanges. Most of the losses were regained later.

From now on, Trigg said, "exporters will know in advance the commodities and quantities that are available, and the prices for a fixed period ahead. Thus they will be in a better position to negotiate sales abroad."

LOSSES ABSORBED

The loss the Government takes on such sales is absorbed in several ways. Much is replaced from "section 32" funds. Section 32 of Public Law 320 sets aside 30 percent of the Nation's customs receipts. "Such sums," the law states, "shall be used by the Secretary of Agriculture" to:

1. Encourage the export of agricultural commodities by benefits to the exporter, or

payment of losses in connection with the exportation or by payments to producers to encourage production of commodities needed domestically.

2. Encourage domestic consumption of farm commodities by increasing their use through benefits, donations, etc., among persons in low-income groups.

Under the first provision, CCC is making the following subsidies available:

1. Four million dollars to exporters of fall and winter apples and winter pears. These may be shipped to ECA countries, and to any Western Hemisphere countries except Cuba, Canada, and Venezuela. They also may be exported to Israel, Egypt, and the Philippines.

These funds may be used to pay half the cost of the commodities.

2. Fifty thousand dollars, to permit payment of 10 cents a bale to exporters of cotton.

3. Seven and a half million dollars to exporters of surplus dried peaches, prunes, and raisins. These funds are to be used to reimburse the exporter up to 50 percent of the cost of the commodities.

4. One million dollars for dried egg exports.

5. Two million dollars for flaxseed or linseed oil sold for export to any "agency" furnishing relief to foreign countries."

6. Forty thousand dollars to encourage use of concentrated orange juice abroad.

7. Five million dollars to encourage use of peanuts abroad, to be paid to any Government agency administering relief to foreign countries.

8. Five million dollars to wheat exporters to meet the difference in price between the current domestic price and the International Wheat Agreement price of \$1.80 a bushel.

9. Two million dollars for export sales of packed fresh oranges, and "canned single-strength orange juice," to be used to meet half the cost of such exports.

OTHER ALLOTMENTS

Other section 32 funds have been allotted to purchases and donations of the following commodities for domestic use—chiefly school lunches. Government and charitable institutions:

Butter, \$14,000,000.

Early fruits, \$4,000,000.

Dried fruits, \$1,800,000.

Dried eggs, \$6,500,000.

Payment for transportation, storage, packaging, etc., of dried eggs to be so donated, \$500,000.

Vegetables, \$300,000.

Honey, \$260,000.

Potatoes, \$5,000,000.

Non-fat dry-milk solids, \$3,050,000.

Sweetpotatoes, \$500,000.

Fall and winter apples, \$10,000,000.

Pork products, \$5,000,000.

Cotton, for insulation program, \$150,000.

Dried fruit—to divert surplus dried prunes, raisins and figs outside normal channels of trade—\$11,200,000.

Sorghum grains, for study of dry-milling process, \$40,000.

Almonds—to divert shelled almonds from normal channels of trade, \$7,750,000.

English walnuts, to divert from normal channels, \$2,200,000.

Filberts, same as above, \$250,000.

A third program, operating under the National School Lunch Act, provides for the following payments for use in the national school-lunch program and to dispose of farm surpluses bought by the Government:

Canned tomatoes and tomato juice, \$3,600,000.

Concentrated orange juice, \$2,800,000.

Processed and natural Cheddar cheese, \$5,000,000.

Peanut butter, \$2,000,000.

Canned fruit, \$3,850,000.

Mr. WILLIAMS. Mr. President, in the event any Senator is under any illusions that the administration does not like this program, I should like to read what they had to say about it as recently as October 2, 1950, 3 or 4 months after the outbreak of the war in Korea. I quote a statement of Ralph W. Trigg, the president of the Commodity Credit Corporation a division of the Department of Agriculture, which was in charge of administering these sales. He says:

This program is working out very well. Since the 1st of July nearly \$30,000,000 of our surplus commodity holdings have been moved into export through normal consumer channels.

In other words, he boasts that he has been able to give away or sell at bargain prices \$30,000,000 worth of our food products, which the American housewife was not able to buy at that time. He was boasting of the fact, and he said the program was working out very well. He was very much pleased with it.

From their viewpoint it was working out very well because it is part of the planned program to create an artificial shortage so that the American housewife will have to pay high prices. They then hope to get her vote by promising her price controls and low prices. Then they go to the American farmer, who receives at the other end, and they solicit his vote. In that way they play one group against the other. Again I say what a farce! Some day this administration will be called to an accounting by the American people.

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

Mr. WILLIAMS. I yield.

Mr. WHERRY. I know that the Senator has made a very careful investigation of the sales. I do not know whether the Senator from Delaware has mentioned it, but sometime ago a Senator mentioned the fact—and I would not want to make an excessive statement—that millions of dozens or thousands of cases of eggs were stored in caves in the West. Does the Senator know anything about it?

Mr. WILLIAMS. Yes.

Mr. WHERRY. What became of the eggs?

Mr. WILLIAMS. I do not know what became of the eggs. A great many of them were sold in export at approximately one-fifth of what they cost. It is interesting to note that our commercial users have imported dried eggs from Red China for their purposes because they can import them cheaper than they can buy them from the Commodity Credit Corporation at the established domestic price. Therefore we are importing from Red China dried eggs, and we are exporting our own eggs to other nations. Whether or not some of our own eggs come back to us I do not know. I have not been able to find out. I have not been able to find anyone in the administration who even cares.

Mr. WHERRY. Does the Senator know whether the eggs which were supposed to have been stored in caves have

actually been shipped out of the country?

Mr. WILLIAMS. I understand that some of them have. I understand some of them are still stored in caves. I was greatly concerned about the subject and I asked the Department of Agriculture to explain what was happening. I asked them whether or not they were making a careful check to see that we were not buying back some of the same agricultural products that we were exporting out of the country at bargain prices. I also expressed concern that some agricultural products sold at these bargain rates might eventually end up in Russia, China, or other Communist countries. After all, it could happen. I read from a letter from the Department of Agriculture dated December 14, 1950. It is signed by Mr. Lionel C. Holm, acting president of the Commodity Credit Corporation. It reads:

The matter of checking on any rerouting of commodities is not administratively feasible since we do not have available the means for such an undertaking. In the past, we have consulted with the State Department in certain cases to make certain that sales to the original countries of destination did not interfere with the foreign policies of the United States.

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

Mr. WILLIAMS. I yield.

Mr. WHERRY. The State Department does not even enforce the provision of the Export Control Act with reference to strategic materials which was placed in the act by the Senate. The President has nullified the act of Congress so far as Austria and Norway are concerned, and he has completely nullified the act for 90 days with respect to strategic materials which find their way into Red China. Certainly if the Commodity Credit Corporation is depending on the State Department to make a check on whether or not eggs and agricultural commodities are coming back they will have to wait a long time before they get any correction from the State Department. Is that not a fact?

Mr. WILLIAMS. I checked with the State Department. I have not been able to find out whether they have made any effort or whether they have any concern with what is going on.

I wish to read an excerpt from another letter. I was concerned about the subject and I took it up again with the Department of Agriculture. I told them I thought there should be some check made because these bargains were being offered to any country who was not a recipient of ECA aid, which excluded almost every friendly nation in Europe. I received the following letter on January 8, 1951:

In line with the prime concern of the Corporation and of the Department, proof of exportation is required on all commodities which are sold to exporters at reduced prices. Since it is the responsibility of other departments of the United States Government to maintain controls over exports and export licensing, it is not considered to be within the jurisdiction of the United States Department of Agriculture to follow through each export sale to the point of ultimate recipient.

As near as can be determined, one agency of the Government seems to be waiting for another agency of the Government to do the job. In the meantime the American cupboard is becoming bare. There are a lot of mothers in America who will agree with me that charity should begin at home. This asinine policy of destroying good edible food and creating artificial shortages is hard to explain to a mother who is having difficulty in obtaining sufficient food for her children.

I might add that the farmers of America do not endorse this stupid program either. This is purely a New Deal bureaucratic socialistic scheme.

No agency of our Government is making any effort to find out where this food goes. It does not seem to be of any concern whatever to anyone. The sole purpose of the administration seems to be, as I have said, to buy the commodities with taxpayer money and give them away. As Mr. Trigg said, he thinks the program is working out very well. It does not seem to make any difference to them whether or not they lose money on the transactions.

In fact, after making some checks, I believe that a number of them ran their own businesses that way before they came to Washington, and that is perhaps why they are in Washington now, they could not make a living operating their own business.

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

Mr. WILLIAMS. I yield.

Mr. WHERRY. Does the Senator know whether some of the potatoes which were sold for 1 cent a 100 pounds may have found their way to the reciprocal trade countries and may later have been shipped into the United States market, to burden it, in addition to the regular imports from those countries?

Mr. WILLIAMS. Of course, it is impossible for us to determine whether that has actually happened, because there seems to be no effort on the part of any of the Government departments to check on that matter. Much has been said by the Secretary of Agriculture and by others in the administration in an attempt to excuse themselves for carrying on that stupid program. They have said that Congress is at fault and that Congress gave them the instructions to do it.

To repudiate that false claim, Mr. President, I ask unanimous consent to have printed at this point in the RECORD my correspondence from Mr. Harker T. Stanton, assistance legislative counsel of the Senate.

This correspondence places the responsibility squarely upon the administration. This shows that a large number of commodities are being supported solely at the discretion of the Secretary of Agriculture. Those which are supported under the mandatory provisions of the law are being supported under a law which was endorsed by the Fair Dealers. They cannot dodge their responsibility.

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

DECEMBER 5, 1950.

MR. HARKER T. STANTON,
Legislative counsel,
United States Senate,
Washington, D. C.

DEAR MR. STANTON: I notice that the Department of Agriculture has declared as surplus the following commodities:

Mexican canned beef, Mexican canned meat, dried whole eggs, flaxseed, dry edible beans, dry edible peas, wheat, corn, barley, grain sorghums, gum rosin, linseed oil (raw), nonfat dry milk solids.

Will you please advise me which of these commodities are being supported under the mandatory provisions of the law and which are being supported merely at the discretion of the Secretary of Agriculture?

Yours sincerely,

JOHN J. WILLIAMS.

MEMORANDUM FOR SENATOR WILLIAMS

This replies to your letter of December 5 concerning price-support operations for the commodities hereinafter mentioned.

Price support for wheat and corn is mandatory under the provisions of title I of the Agricultural Act of 1949 (Public Law 439, 81st Cong.).

Price support for milk and its products (which would include nonfat dry milk solids) is mandatory under the provisions of title II of the Agricultural Act of 1949.

Mexican canned beef and Mexican canned meat are not subject to any price-support program, but supplies of these commodities were acquired in carrying out the foot-and-mouth disease and rinderpest programs undertaken pursuant to the act of February 28, 1947 (21 U. S. C. 114b-114d), and supplementary legislation.

The 1950 production of eggs, flaxseed, dry edible beans, dry edible peas, barley, grain sorghums, and gum rosin, have been supported at the election of the Secretary. Prior to 1950, eggs, flaxseed, beans, and peas were required to be supported under the provisions of the so-called Steagall amendment and the Agricultural Act of 1948, but these acts were not operative with respect to the 1950 production. Linseed oil has been supported in the past as an incident of the flaxseed-price-support program.

The Secretary of Agriculture has announced that the price of eggs will not be supported in 1951. It has been announced that there will be programs for flaxseed and barley in 1951. No announcement has been made with respect to 1951 programs for the other discretionary commodities listed in your letter.

Respectfully,

HARKER T. STANTON,
Assistant Counsel.

DECEMBER 6, 1950.

MR. WILLIAMS. Mr. President, I shall read excerpts from Mr. Stanton's letter:

Mexican canned beef and Mexican canned meat are not subject to any price-support program—

In other words, as to them, price supports are optional.

I read further from the letter:

The 1950 production of eggs, flaxseed, dry edible beans, dry edible peas, barley, grain sorghums, and gum rosin, have been supported at the election of the Secretary.

So there is no dodging the responsibility for this program.

I read further from the letter:

Prior to 1950, eggs, flaxseed, beans, and peas were required to be supported under

the provisions of the so-called Steagall amendment and the Agricultural Act of 1948, but these acts were not operative with respect to the 1950 production.

In other words, those commodities were bought and sold at bargain prices or were given away by the administration on its own responsibility, without being required to do so by law. Nevertheless, the administration wished to do so because it was trying to create an artificial shortage in the United States and trying to raise the cost of living. At the same time they did a lot of howling about how they were trying to hold down prices. They have deliberately been promoting inflation under one law by creating scarcities while at the same time advocating price controls. Again I say what a farce. When we think of what this administration is doing it is little wonder that the laboring man and the farmer are having a hard time to make both ends meet. It is to correct these abuses that I have submitted my amendment to the amendment of the Senator from Illinois. I wish to correct that inconsistency and put a stop to this destruction of good edible food, and at the same time to halt the inflationary spiral.

Much has been said about the meat shortage. Only this week the Quartermaster Corps, which is the procurement division of the Army, stated that it was attempting to procure 20,000,000 pounds of beef, but was unable to obtain it in the United States. The Quartermaster Corps said it needed beef so badly that it would purchase 10,000,000 pounds of beef in foreign countries.

In the first place, Mr. President, there is no sense at all in having the Government agencies make all their purchases at one time. They have followed that practice time after time, even though its stupidity has been pointed out to them. Certainly there is no justification for it. The Government may need 20,000,000 pounds of beef in the next 3 months; I do not question that. However, it is senseless for the Government agencies to attempt to purchase all of the 20,000,000 pounds of beef in a period of 5 days. The Army already has a substantial supply of meat on hand. The sensible thing to do to prevent disrupting the market would be to spread out the purchases over a fairly long period. However, the Government is not willing to do that, but insists on purchasing the entire 20,000,000 pounds of beef at one time.

On the other hand, I find that the Department of Agriculture had 28,000,000 pounds of canned meat and canned beef on hand at the outbreak of the war in Korea. Practically all of that canned meat and canned beef has been declared surplus and has been sold to foreign countries at less than one-half of what it cost the American taxpayers. I checked with the Department of Agriculture to find out whether that was good, edible meat and beef, suitable for American consumption. The Department of Agriculture informs me that the canned meat and canned beef are edible; in fact, the Department has pointed out that a portion of it was shipped to Korea, to be fed to our forces there. If that beef is good enough for our boys in Korea, certainly it is good enough for those of us who are here at home.

Twenty-eight million pounds of meat has been declared surplus by the same administration that is making a terrific complaint about the shortage of beef. There may be a temporary shortage in this country; but if such a shortage exists, it exists because the administration planned it that way. The administration wants to have these shortages to exist because they give the administration something to talk about. Shortages and the high cost of living occupy the attention of the American people, and take their minds off the scandals and corruption that have been exposed in Washington. I think the administration is glad to find something to divert the attention of the American people from its corruption.

Another major reason for the adoption of my amendment to the amendment of the Senator from Illinois is that if those who are sponsoring the roll-back are sincere, and if Mr. DiSalle is sincere in his stated purpose of rolling back the price of beef to the projected level that he has for October 1951, he must agree to the desirability of the adoption of my amendment suspending the price-support program.

It is agreed by the Senators sponsoring the roll-back that in rolling back prices, meat prices would not be the only ones to be rolled back to the pre-Korean level, but equal treatment would be given to the prices of all agricultural commodities. The statement was made that the prices of both beef and manufactured articles and many other commodities would be rolled back, but I point out that unless my amendment is adopted suspending the price-support program and canceling this wasteful food-destruction program, their amendment just will not work. In fact, it would only be a continuation of the same policy which has existed since the outbreak of the Korean war—a policy which has promoted the greatest cost-of-living rise ever known in this country during such a short period.

Regardless of how many times the American consumers are told that they will be able to obtain cheap meat or lower-price groceries if the Douglas amendment is adopted, or that the cost of living will come down, I say it just will not happen. It cannot come down as long as there is a continuation of this stupid policy of hoarding food products, or having one Government agency throw them away—give them away to some other country—all in an attempt to create an artificial shortage. Such a procedure is senseless, and the sooner that is recognized, the better it will be for all of us.

If the Douglas amendment is adopted, theoretically Mr. DiSalle would have authority to roll back the price of beef to \$23.80 per 100 pounds. Also, theoretically, if the Douglas amendment is adopted, Mr. DiSalle claims he will roll back the price of wheat to the pre-Korean level or \$2.06 a bushel. However, Mr. DiSalle cannot roll back the price

of wheat to the pre-Korean \$2.06 a bushel without violating the price support of \$2.17 per bushel which was recently announced by the Secretary of Agriculture. In fact, if the minimum 100-percent-parity provision is left in the law he cannot roll back wheat prices beyond \$2.41. They cannot roll back the price of wheat without rolling back the price of other grains—if they roll back the price of wheat to \$2.06 a bushel, every farmer who cooperates with the Department of Agriculture then will be a black-market operator and the Secretary of Agriculture will then be the biggest black-market operator the country has ever had. Every sponsor of the roll-back amendment knows full well that they are only kidding the American consumers when they talk about roll-backs to the pre-Korean level. It just cannot be legally done with their amendment as it is now written. It can only be done if they will accept my modification providing for a suspension of the support program for the duration of price controls.

Under the law, the Secretary is supporting the price of wheat at \$2.17 per bushel, and it is mandatory, unless we suspend that law, that he must support the price of wheat this year at \$2.17 per bushel. So there is no sense in standing on the floor of the Senate to say that, if we vote for the Douglas amendment, we shall roll these prices back and thereby give cheaper bread, because it cannot be done. The same thing is true of practically every agricultural commodity.

Under the Douglas amendment, unless we repeal or suspend the price support program at least for the duration of the crisis the benefits to the American consumers will be exactly zero.

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

Mr. WILLIAMS. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to ask the Senator this question: If the Douglas amendment were adopted, then Mr. DiSalle could roll back meat prices to the October level, which is approximately 18 percent lower than the prices were at the time the meat prices were frozen. If that is done, and if the price of corn is not controlled, and there is a floor under it, because of the support price, and if corn goes up—and it is steadily climbing, with the weather conditions—how in the world can anyone expect to get cattle fed, with no price ceilings on corn, but with a floor under the price of corn which supports it to a point where it is difficult even now to buy and feed cattle at the levels at which prices were made in December. Does the Senator believe the Secretary of Agriculture, can, without cattle feeders, get a replacement of cattle, when there is no importation of corn, and when there is a roll-back on meat?

Mr. WILLIAMS. Of course, it could not happen. I point out to the Senator from Nebraska that, in the language of the committee report, and in the legislative background of this amendment, and the legislative background on the floor will govern the interpretation of the law; the Senator knows that—all of

those sponsoring it admit and agree that they recognize the relationship of one commodity to another, and if they roll back one commodity to the pre-Korean level, they must also roll back others. Likewise you cannot roll back farm prices unless you roll back wages proportionately. The sponsors of the Douglas amendment noticeably avoid mentioning this obvious fact.

No matter how long Senators may stand on the floor of the Senate, or how much they may say they want to roll back prices, mathematically it cannot be done, unless the support program is suspended. Otherwise we will have one Government agency violating the laws. For instance, with respect to rice, the Secretary of Agriculture is buying rice at \$5 per hundred pounds. Mr. DiSalle would have to roll the price of rice back to \$4.18, to reach the pre-Korean level. He would not do that, but if he is not going to do that, and if Mr. DiSalle is going to authorize higher prices—prices in some instances 25 to 30 percent higher than the pre-Korean level then someone has been lying to the American housewife, telling her that she is going to get a lot of cheap food, because she is not going to get it under the Douglas amendment.

The administration has no intention of rolling back prices, and I think the people should be plainly and frankly told the truth.

I offer this amendment to correct this inconsistency. If my amendment is adopted, thus making it possible to accomplish the purpose which every sponsor of the Douglas amendment says he intends, I shall vote for the Douglas amendment as modified. It is impossible to justify a continuation of the price support program, which is purely designed to check deflation and take care of surplus, at the same time that Senators are standing on the floor of the Senate trying to rush through a price-control law. We do not need both.

There can be a difference of opinion of whether we need one or whether we need the other, but no man can intelligently rise to tell the American people that they need both agencies operating at the same time. It is but an example of another stupid program and policy of this administration, which, if not checked, will complete the sending of this country into bankruptcy.

The New Deal bureaucrats are always pitying the poor fellow. They are keeping him on their minds so much that they have just about run him into the poorhouse. They cannot build poorhouses fast enough to take care of them. They are always talking about how they are going to put the tax on rich men. As recently as 12 months ago I obtained from the Secretary of the Treasury information as to how much revenue we would get if we were to place a 100-percent tax on all incomes in excess of \$20,000. At that time I was advised that we would only get \$1,800,000,000 extra money, if we confiscated all incomes over \$20,000. Yesterday I asked him the same question in order that I might show how we have gradually been killing off incentive in this country. I was advised that if we were to pass this

same 100-percent tax on all over \$20,000 incomes today, we would only get \$1,300,000,000. In other words, it is down from \$1,800,000,000 in that bracket a year ago to \$1,300,000,000 this year, 12 months later. This reduction comes at a time when most incomes in this country have advanced substantially. So I say that it is time somebody quit talking about how he is going to put this tax and the cost of all these operations on the rich fellows, because there are not enough rich fellows left. We have practically milked dry that source, and we are going to have to put the income tax into the low brackets, because that is about all that is left in this country.

Mr. President, for the information of the Senate and for the information of the country, I ask unanimous consent to have inserted in the RECORD this letter from the Secretary of the Treasury, and the Assistant Secretary of the Treasury, which gives a complete breakdown of the taxes paid by the \$5,000 group, the \$10,000 group, and the \$20,000 group, and the corporations.

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

TREASURY DEPARTMENT,
Washington, June 25, 1951.
Hon. JOHN J. WILLIAMS,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: This is in further reference to your letter of June 4, 1951, to the Secretary requesting information pertaining to the distribution of individual income taxes, corporation taxes, and excise taxes.

The answers to your questions are as follows:

1. At calendar year 1951 income levels, it is estimated that the revenues from the individual income tax will amount to a total of \$24,000,000,000 under present law rates. Of this total, \$8,300,000,000 or 34.5 percent will be paid by those with adjusted gross incomes (i. e. incomes before deductions and exemptions) under \$5,000. We have not prepared estimates of the proportion of total individual income taxes paid by taxpayers with taxable net incomes under \$5,000.

2. Of the total \$24,000,000,000 of individual income tax liabilities in 1951, \$13,300,000,000 or 55.4 percent would be paid by those with adjusted gross incomes under \$10,000.

3. In the fiscal year 1952, it is estimated that corporation taxes will represent 37 percent of the total net budget receipts.

4. Excise taxes will represent approximately 14 percent of budget receipts in fiscal year 1952.

5. An increase to 100 percent in the rate on taxable incomes in excess of \$20,000 would raise revenues by \$1,300,000,000.

Sincerely yours,
JOHN S. GRAHAM,
Assistant Secretary of the Treasury.

Mr. WILLIAMS. Mr. President, I am not going to press tonight for the vote. I understand it is desired to carry that over until tomorrow, but I hope that those who express concern for the housewife, those who express concern over the inflationary spiral in this country will remember that concern when voting. Inflation is a grave threat, and unless some degree of sanity is restored in this country we will find our country in the same category as many other nations which have spent themselves into

socialism. I venture to say we shall not find a single Member of the Senate rising in an effort to justify this wasteful program at any time during this debate.

They know it cannot be defended.

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

Mr. WILLIAMS. I yield.

Mr. DWORSHAK. The Senator from Delaware has indicated that he finds it extremely difficult to justify the criminal procedures involving the destruction of our foods and natural resources, which have resulted in a total loss of approximately a billion dollars. Is it not possible that the administration has followed the course of destroying our wealth primarily to justify the huge additional tax bill which the President has requested? I think he has asked for about \$10,000,000,000 in taxes. Is it not possible that the President feels that the American taxpayers will be happy to provide the dollars which will be used to compensate the Commodity Credit Corporation for the one-billion-dollar loss? Is not that a plausible justification for the new tax bill?

Mr. WILLIAMS. That is where part of the money goes. They will not attempt to use it as one of the justifications, because they are ashamed to tell the truth to the American people. We shall see in the next campaign a repetition of what we saw in the last campaign. Officials of the administration will go out into the country and tell the farmers, "Look at the high prices. We gave them to you. We planned it that way." Then they will tell the consumers how they tried to hold their prices down but were handicapped.

There has been authority in the hands of the Government for the past 12 months to check the price of beef as it crossed the level to which they now attempt the roll-back. They could have checked the price of cotton, and wheat or any other commodity instead of waiting until the prices went up to an unreasonable figure and then tried to roll them back.

If they were sincere in wanting to hold the prices of beef below the projected level of October, it would have been sensible to have held it before it crossed that figure, and not go through the farce of trying to roll back the price. The President could have put the law into effect in September, last year, but, no, they let the price advance out of all reason, and, when it neared the peak, they asked for an extension of the law. They said, "If you will extend the law we will roll back the price." Both of the projected roll-backs of beef prices have been promised by Mr. DiSalle under a bill which has never been passed by the Congress. In other words, for 6 months he sat around and did nothing. Now he is making a great hullabaloo about what he would do if we will pass another law giving him the authority to do it. If he had wanted to do it, he could have done it before. Frankly, I think he would be the most disappointed man in the United States if Congress gave him the power to do what he said he wanted to do. It would expose the hypocrisy of the administration claims because Mr. DiSalle and every adminis-

tration official knows full well they cannot roll back prices without suspending the farm-support program.

EXECUTIVE SESSION

Mr. BENTON. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGE'S REFERRED

The PRESIDING OFFICER (Mr. NEELY in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

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

The PRESIDING OFFICER. If there are no reports of committees, the clerk will read the nominations on the Executive Calendar.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Thomas F. Murphy to be a United States district judge for the southern district of New York.

Mr. WHERRY. Mr. President, I ask that that nomination be passed over. I think that by tomorrow we shall be ready to consider it.

The PRESIDING OFFICER. The nomination will be passed over.

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Chief Clerk read the nomination of John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEYS

The Chief Clerk read the nomination of Bryce R. Holt, to be United States attorney for the middle district of North Carolina.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Howard Caplan to be United States attorney for the northern district of West Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. O'MAHONEY. Mr. President, I observe that the junior Senator from West Virginia [Mr. NEELY] is presiding over the Senate at this time. I know that if he were not in that position he would move that the President be notified immediately of the confirmation of the nomination of the United States attorney for the northern district of West Virginia. So I ask that the President be immediately notified of the confirmation of the nomination of Howard Caplan

and all the others whose nominations have been confirmed.

The PRESIDING OFFICER. Without objection, the President will be immediately notified of the confirmations of nominations made this day.

ADJOURNMENT

Mr. BENTON. Mr. President, as in legislative session, I move that the Senate adjourn until tomorrow at noon.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. There has been a unanimous-consent agreement entered into that after the quorum call tomorrow the time is to be divided.

Mr. O'MAHONEY. Mr. President, the Senator from Arizona [Mr. McFARLAND] spoke to me a few minutes before he left the Chamber. I see that he is now in the Chamber.

Mr. BENTON. I yield to the majority leader on this subject.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the time will be divided from the time the first quorum call is had.

Mr. McFARLAND. Mr. President, if I may state my reason for wanting an adjournment, it was to end the legislative day. It does not make any real difference.

Mr. WHERRY. It means that we shall have a morning hour, does it not?

Mr. McFARLAND. No, it does not, because we have a unanimous-consent agreement.

The PRESIDING OFFICER. Under the unanimous-consent agreement, there would be no morning hour.

Mr. WHERRY. It is all right with me, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut.

The motion was agreed to; and (at 5 o'clock and 56 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, June 27, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 26 (legislative day of June 21), 1951:

IN THE AIR FORCE

The following officers for appointment to the positions indicated under the provisions of section 504, Officer Personnel Act of 1947:

To be lieutenant generals

Lt. Gen. Idwal Hubert Edwards, XXXX (major general, U. S. Air Force), Air Force of the United States, to be commandant, Air University, with rank of lieutenant general, with date of rank from October 1, 1947.

Lt. Gen. Earle Everard Partridge, XXXX (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Research and Development Command, with rank of lieutenant general, with date of rank from April 11, 1951.

Lt. Gen. Otto Paul Weyland, XXXX (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Far East Air Forces, with rank of lieutenant general, with date of rank from April 11, 1951.

Lt. Gen. Edwin William Rawlings, XXXX (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Materiel Command, with rank of lieutenant

general, with date of rank from October 1, 1947.

Lt. Gen. Benjamin Wiley Chidlaw, **XXXX** (major general, U. S. Air Force), Air Force of the United States, to be commanding general, Air Defense Command, with rank of lieutenant general, with date of rank from October 1, 1947.

Maj. Gen. Thomas Dresser White, **XXXX** United States Air Force, to be Deputy Chief of Staff, Operations, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Maj. Gen. Orval Ray Cook, **XXXX** United States Air Force, to be Deputy Chief of Staff, Matériel, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Maj. Gen. Charles Bertoddy Stone III, **XXXX** United States Air Force, to be Deputy Chief of Staff, Comptroller, United States Air Force, with rank of lieutenant general, with date of rank from date of appointment.

Lt. Gen. Kenneth Bonner Wolfe, **XXXX** Deputy Chief of Staff, Matériel, United States Air Force (major general, U. S. Air Force), to be placed on the retired list in the grade of lieutenant general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Air Force of the United States under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Thomas Herbert Chapman, **XXXX** United States Air Force.

Brig. Gen. William Maurice Morgan, **XXXX** United States Air Force.

Brig. Gen. Raymond Coleman Maude, **XXXX** United States Air Force.

Brig. Gen. Joseph Vincent DePaul Dillon, **XXXX** (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. John Halliday McCormick, **XXXX** (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. Frederick Rodgers Dent, Jr., **XXXX** (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. Julius Kahn Lacey, **XXXX** (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. William Dole Eckert, **XXXX** (colonel, U. S. Air Force), Air Force of the United States.

To be brigadier generals

Col. Earl Maxwell, **XXXXXX**, United States Air Force (medical).

Col. Wilfrid Henry Hardy, **XXXX** United States Air Force.

Col. Walter Williams Wise, Jr., **XXXX** United States Air Force.

Col. Joseph Cyril Augustin Denniston, **XXXX** United States Air Force.

Col. Elmer Blair Garland, **XXXX** United States Air Force.

Col. Matthew Kemp Deichelmann, **XXXX** United States Air Force.

Col. William Tell Hefley, **XXXX** United States Air Force.

Col. Donald Bertrand Smith, **XXXX** United States Air Force.

Col. Ernest Keeling Warburton, **XXXX**, United States Air Force.

Col. Thomas Ludwell Bryan, Jr., **XXXX** United States Air Force.

Col. Daniel Campbell Doubleday, **XXXX**, United States Air Force.

Col. George Elston Price, **XXXX** United States Air Force.

Col. Floyd Bernard Wood, **XXXX** United States Air Force.

Col. Wiley Duncan Ganey, **XXXX** United States Air Force.

Col. Gordon Aylesworth Blake, **XXXX** United States Air Force.

Col. Henry Keppler Mooney, **XXXX** United States Air Force.

Col. Lee Bird Washbourne, **XXXX** United States Air Force.

Col. John Raymond Gilchrist, **XXXX** United States Air Force.

Col. Clinton Dermott Vincent, **XXXX** United States Air Force.

Col. Lloyd Pauahi Hopwood, **XXXX** United States Air Force.

Col. William Milton Gross, **XXXX** United States Air Force.

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be captains, USAF (medical)

Roy B. Coffey, **XXXXXX**.

Richard W. Eells, **XXXXXX**.

Donald M. Haskins, **XXXXXX**.

George J. Murphy, **XXXXXX**.

Guy L. Rutledge, Jr., **XXXXXX**.

Fred S. Schwarz, **XXXXXX**.

Craig R. Sigman, **XXXX**.

Robert W. Youngblood, Jr., **XXXXXX**.

To be first lieutenants, USAF (medical)

Robert H. Adams, **XXXXXX**.

George R. Anderson, **XXXXXX**.

McAlpin H. Arnold, **XXXX**.

Harry R. Claypool, **XXXXXX**.

Robert T. P. de Treville.

Walter W. Dewey, **XXXXXX**.

Charles W. Does, **XXXXXX**.

Alonzo M. Donnell, Jr., **XXXXXX**.

Louis A. Fraysse III, **XXXXXX**.

Benjamin W. Gilliotte, **XXXXXX**.

Raphael S. Good, **XXXXXX**.

John E. Graf, **XXXXXX**.

William K. Graves, **XXXXXX**.

R. D. Gregory, Jr., **XXXXXX**.

James P. Hensen, **XXXXXX**.

Alvin S. Natanson, **XXXXXX**.

Bertram L. Pear, **XXXXXX**.

Chester R. F. Poole, **XXXXXX**.

George E. Reynolds, **XXXXXX**.

Gerard B. Schroering, Jr., **XXXXXX**.

Bland H. Schwartzen, **XXXX**.

Franklyn C. Spiro, **XXXX**.

Thomas P. Talley, **XXXXXX**.

Andrew L. Tucker, **XXXXXX**.

Allen S. Weed, **XXXXXX**.

Gregory J. Zann, **XXXXXX**.

To be first lieutenants, USAF (dental)

William E. Ayres, **XXXXXX**.

Edward E. Dickson, **XXXXXX**.

Barnes R. Kendrick, **XXXXXX**.

Ray E. Parsons, **XXXXXX**.

Hubert W. Woodward, **XXXXXX**.

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Senior Division, Reserve Officers' Training Corps, for appointment in the United States Air Force, in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Wilbur O. Aikin, Jr., **XXXXXX**.

Burt S. Bailey, **XXXXXX**.

James E. Banks, **XXXXXX**.

Wendall C. Bauman, **XXXXXX**.

Cecil L. Brewer, **XXXXXX**.

Murray L. Brockman, **XXXXXX**.

Elmer H. Green, Jr., **XXXXXX**.

Charles R. Hoffman, Jr., **XXXXXX**.

John A. Brown, Jr., **XXXXXX**.

Jesse A. Key, **XXXXXX**.

George M. Browning, **XXXXXX**.

Robert H. Krumpe, **XXXXXX**.

Wilbur S. Light, **XXXXXX**.

John W. Lloyd, **XXXXXX**.

Eugene L. Main, **XXXXXX**.

George W. Mallick, **XXXXXX**.

Russell E. Schmitt, **XXXXXX**.

Frank S. McCracken, **XXXXXX**.

Stanley G. South, **XXXXXX**.

Richard H. McFarland, **XXXXXX**.

Worth, Jr., **XXXXXX**.

Herbert R. Swing, Jr., **XXXXXX**.

Richard R. Tumlinson, **XXXXXX**.

John T. Schiffer, **XXXXXX**.

William A. Warner, **XXXXXX**.

The following-named graduate, United States Naval Academy, class of 1951, for appointment in the United States Air Force, in the grade of second lieutenant, with date of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Melto Goumas, **XXXXXX**.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 26 (legislative day of June 21), 1951:

INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

John W. Snyder, of Missouri, to be United States Governor of the International Monetary Fund, and United States Governor of the International Bank for Reconstruction and Development for a term of 5 years.

DEPARTMENT OF THE INTERIOR

Robert R. Rose, Jr., of Wyoming, to be Assistant Secretary of the Interior.

UNITED STATES ATTORNEYS

Bryce R. Holt to be United States attorney for the middle district of North Carolina.

Howard Caplan to be United States attorney for the northern district of West Virginia.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 26, 1951

The House met at 12 o'clock noon.

Rev. Wales E. Smith, pastor of the First Christian Church, Santa Monica, Calif., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, kindle, we pray Thee, in the hearts of men, the true love of peace, and guide with Thy pure and perfect wisdom those who take counsel for the nations of the earth. We beseech Thee with Thy favor, to behold and bless Thy servants, the Representatives of these United States. Endue with the spirit of wisdom all these to whom, in Thy name, we entrust the authority of government, that there may be justice and well-being at home and abroad. We pray for a true and just peace in Korea, and for all time to come, throughout the world.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 1726) entitled "An act to provide for the organization of the Air Force and the Department of the Air Force, and for other purposes" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses

thereon, and appoints Mr. HUNT, Mr. BYRD, Mr. STENNIS, Mr. SALTONSTALL, and Mr. KNOWLAND to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 2321) entitled "An act to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. MAGNUSSON, Mr. BREWSTER, and Mr. CAPEHART to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4200) entitled "An act to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. BYRD, and Mr. FLANDERS to be the conferees on the part of the Senate.

CALL OF THE HOUSE

Mr. RIBICOFF. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Evidently a quorum is not present.

Mr. RANKIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

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

[Roll No. 87]

Adair	Furcolo	Morano
Allen, Ill.	Gillette	Murphy
Allen, La.	Hall,	Murray, Wis.
Boggs, La.	Edwin Arthur O'Konski	
Breen	Harden	Philbin
Burton	Harvey	Potter
Byrne, N. Y.	Hays, Ark.	Powell
Camp	Irving	Preston
Carnahan	Johnson	Ramsay
Chatham	Kelley, Pa.	Redden
Cole, Kans.	Kilday	Riehman
Cotton	Larcade	Sutton
Cox	LeCompte	Trimble
Dawson	Lind	Velde
DEwart	Lucas	Vorys
Dingel	McGrath	Watts
Durham	Mack, Ill.	Whitaker
Evins	Magee	Whitten
Flood	Merrow	Wickersham
Frazier	Miller, Calif.	Woodruff

The SPEAKER. Three hundred and seventy-three Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

REAFFIRMING FRIENDSHIP OF THE AMERICAN PEOPLE FOR ALL OTHER PEOPLES

Mr. RIBICOFF. Mr. Speaker, I call up the conference report on Senate Concurrent Resolution 11, reaffirming the friendship of the American people for all the peoples of the world, including the people of the Soviet Union, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the concurrent resolution.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 632)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) entitled "Concurrent resolution reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

A. A. RIBICOFF,
THURMOND CHATHAM,
BROOKS HAYS,
JOHN M. VORYS,
FRANCES P. BOLTON.

Managers on the Part of the House.

TOM CONNALLY,
BRIEN McMAHON,
ALEXANDER WILEY.

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the concurrent resolution (S. Con. Res. 11) reaffirming the friendship of the American people for all the peoples of the world, including the peoples of the Soviet Union, submit the following statement in explanation of the effect of the action agreed upon by the committee of conference and recommended in the accompanying conference report.

The House struck out all of the Senate concurrent resolution after the resolve clause and the preamble and inserted substitute amendments. The committee of conference has agreed upon the House amendments. The resolution, as agreed upon by the members of the committee of conference, reads:

"Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

"Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

"Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

"Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion"; and

"Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

"Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

"Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

"Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

"That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

"That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

"That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

"That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet government, and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

"That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution."

This resolution was initiated solely by the legislative branch of our Government. It sets forth in simple language an attitude that has characterized American policy since the inception of our Government. As a nation we have condemned tyrannous and oppressive governments; for those who have suffered under them we have always felt a deep sympathy. We have never engaged in a policy of damning those whose voices cannot be heard because of their master's voice.

We know that the Soviet philosophy is an aggressive one. The Politburo uses every opportunity to attack peace-loving nations by word and even by arms through its satellites. These activities, bordering so close to war, give us tremendous concern.

This resolution is not belligerent in word or spirit. It seeks to explain in explicit language the underlying attitudes that determine American foreign policy. If the artificial barriers between the Soviet-dominated peoples and the outside world could be lowered, if not leveled, and these ideas imparted to them, the committee is confident that present tensions could be immeasurably reduced.

As the elected representatives of the American people, we feel a particular responsibility in these critical days to do everything that will further the cause of peace. At the same time we wish to make known our sentiment that we do not seek peace at the expense of freedom and security.

This resolution seeks to convey these thoughts to all peoples, including those of the Soviet Union.

The purpose of this resolution is to ask the Soviet Government to lift the iron curtain so as to inform the Soviet people of the peaceful purposes of the American people and the American Government. Under our American system of freedom of expression, the position of the Soviet Union is always made available to the American people. At the same time, the Soviet Government which has complete control of its press and radio refuses to publish the truth about the peaceful aims and purposes of American foreign policy.

This is indeed the iron curtain in operation. It is without a rival as the world's greatest threat to peace.

The resolution touches the Soviet Government in its most vulnerable spot by inviting its peoples "to cooperate in a spirit of friendship" in an endeavor to resolve the differences between the United States Government and the Soviet Government.

Dictators fear nothing more than the unleashed wrath of their subjects. Any endeavor to separate the people from the rulers challenges the illusory popular base on which dictatorship rests. The Soviet Government is no exception to this age-old concept of tyranny.

An English-language broadcast from Moscow accused the resolution's sponsors of "resorting to demagogical and hypocritical maneuvers and subterfuge, posing as men of peaceful aspirations whose only desire is to achieve peace and international cooperation."

The resolution's sponsors were accused of "obviously trying to pull a fast one when they speak of settling differences between the American people and the Soviet Government."

The request to the President to make the contents of the resolution known to the peoples of the Soviet Union drew heavy fire from the broadcaster.

The authors of the resolution seek to contrast the Soviet Government with the Soviet people. The absurdity and duplicity of such an assertion is only too obvious. The Soviet Government is serving only the interests of the people. It enjoys the complete support and confidence of the people. The Soviet Government is firmly and persistently fighting for peace because it is thereby expressing the aspirations and defending the vital interests of the Soviet people."

Soviet reaction to the resolution is striking proof that the Soviet authorities fear an appeal to the rank and file of their citizens. It may well mark the first step in furthering a body of public opinion within the Soviet state that may check, if not counter, the Kremlin's policies.

The resolution challenges the Soviet Government by urging it to take a positive step toward the advancement of peace, namely, by removing the artificial barriers which block the free exchange of information between the peoples of the two countries.

A. A. RIBICOFF,
TURMOND CHATHAM,
BROOKS HAYS,
JOHN M. VORYS,
FRANCES P. BOLTON,

Managers on the Part of the House.

Mr. RIBICOFF. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the conference report on the resolution before us today is a simple and effective one. This resolution expresses the friendship and good will of the American people for all the peoples of the earth. It also reaffirms the deep and sincere desire of the American people to do everything in their power to bring about a just and lasting peace.

This resolution further asks the Soviet Government to lift the iron curtain so that the people of the Soviet Union can be informed of the peaceful purposes of the American people of the American Government. Under our system of freedom of expression, the position of the Soviet Union is always made available to the American people. At the same time, the Soviet Government, which has complete control of its press and radio, refuses to publish the truth about the peaceful aims and purposes of American foreign policy.

The resolution invites the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor.

This resolution was introduced on February 8, 1951, simultaneously in the House and the other body. It was adopted unanimously in the other body. The resolution received most careful study by the Committee of Foreign Affairs and numerous changes were made at the suggestion of various members of that committee. It was reported unanimously from the Committee on Foreign Affairs and came to the floor on June 4, 1951. Unfortunately, on that day, there was an agreement between the leadership that there would be no roll-call votes. When the resolution was before the House for passage, a division was asked for by a Member and the resolution was adopted on a 36 to 7 vote.

The proponents of this measure were deeply disturbed over the fact that only 10 percent of the House was recorded in favor of the high principles contained in this resolution. The psychological value of the resolution was therefore undercut. It is most difficult to explain to the peoples of the world the parliamentary situation which led to such a small vote.

The damage to our good faith had to be restored. The Senate and the House resolutions differing were then sent to conference. The Senate conferees adopted verbatim the House version. The conference report was then adopted unanimously by the Senate. The conference report is now before this body. A roll call will be asked so that this House can tell in overwhelming numbers that it, too, stands for a just and lasting peace and friendship for all the world's peoples and inviting the Russian people to work with the American people to advance the cause of peace. To be effective, this resolution should be passed as near to unanimity as possible.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

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

Mr. BENDER. The gentleman stressed that this is a statement of our policy. I do not interpret this as a statement of foreign policy at all. It is merely a statement of our hopes and aspirations and our desire for world peace.

Mr. RIBICOFF. That is correct.

Mr. BENDER. And expressing our general attitude as a Christian nation toward our fellow nations. It is not an endorsement of any specific foreign policy.

Mr. RIBICOFF. Our western civilization is based on the Judeo-Christian principles. As a matter of fact, this particular resolution comes out of this Congress, and it is an expression of this Congress itself as to its desire. I believe it is a definite contribution that we can make toward our foreign policy. These are the ultimate aims of the Congress and the people of the United States.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Mississippi.

Mr. COLMER. In the other body we had no dissenting votes cast.

Mr. RIBICOFF. No dissenting votes whatsoever.

Mr. COLMER. Then it would be very appropriate and commendatory if this body could also go on record by a record vote, as the gentleman points out, without a dissenting vote.

Mr. RIBICOFF. That is correct.

Mr. COLMER. While some of us realize the conditions that exist over there and realize that this is possibly a pious hope, I think it would be a splendid thing for the Congress to go on record without a dissenting vote.

Mr. RIBICOFF. I thank the gentleman.

I want to point out that the effect of this is incalculable. In the final analysis, as General MacArthur and General Wedemeyer stated, the great mass of people all over the world want peace. The Soviet Union, in their cold war, have dropped most of their propaganda and stress peace, so they say. They have stolen this word "peace," and you notice every time the Soviet Union takes a position it finds the front pages in the newspapers and on the radio of the United States of America, because we have freedom of the press, as witness Malik's statement last Sunday, and yet when we express our point of view, the Politburo keep it out. Thus the people behind the iron curtain do not realize that we are a peaceful nation and that our deep desire is a just and lasting peace for the entire world.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, I am wholeheartedly in favor of this conference report. It ought to pass unanimously.

On a recent inspection trip some of us made to Europe I was struck by a remark I heard a high American official make. He was one of the leading architects of our foreign policy during and after the last war. He said the single biggest mistake made by our Government in World War II was the Casablanca decision requiring so-called unconditional surrender by the Germans. He said it was the biggest mistake because it made no differentiation between the Nazi Government and the German people, and it gave no hope to the German people, millions of whom were opposed to Hitler and would have worked harder than anybody else in the world to overthrow him from within while we were fighting his regime from without. Without some indication that we were their friends as much as we were Hitler's enemies, they had little choice except to fight and support him. That led to the unnecessary loss of a great many American lives and left a vacuum in Germany with an inevitable struggle between Russia and the West over who is to fill the vacuum.

This resolution is evidence that we have learned something from that experience. We do not want to make the same kind of mistake again. It is designed to begin the process of hammering away relentlessly in every possible way to pierce the iron curtain and get through to the people who are enslaved behind it that the American people do differentiate sharply between their tyrannical Communist governments and the people themselves. The governments are our enemy. They are the enemy of all free

peoples. The peoples of those countries are our friends. There is every reason, in my judgment, why we should make the maximum effort to make clear to those people that we have no attitude toward them whatsoever except one of complete good will and a desire to encourage them in their efforts to regain their freedom.

In the long run we can have no world peace and no relaxation in our own country until the tyrannies that exist under the domination of the Kremlin are overthrown. How can they be overthrown? Only from the outside or from the inside. Surely we do not want to have to do it from the outside. That is the way that would cost most in American money and American lives, and leave us with a burdensome problem after the overthrow.

Surely to the extent that we can encourage and strengthen resistance from the inside we are saving American lives and money and helping build friendly forces that can take over the countries after liberation. Therefore we must do everything possible to give hope to these people who in many places have been reduced to despair.

We are facing a resourceful enemy that uses two main weapons. One is arms and the other is ideas. Sometimes you hear people say, "Don't worry about the Soviet arms. Our better idea will ultimately win. You cannot stop an idea with a bullet." That is true, but it is also true that you cannot stop a bullet with an idea. We cannot overcome their bullets with our ideas, or their ideas with our bullets. We have to have better arms to overcome their arms and better ideas to overcome their ideas. I am not so worried today about the strength of our arms as I was a year or two ago. America and its allies are rapidly rebuilding military strength. Our greatest weakness now is in the field of ideas. Our society is built on the better idea but we are not using it effectively, we are not selling it.

Therefore, this resolution is a part of our efforts to strengthen ourselves in the vital field of defeating bad ideas with good ideas, overcoming falsehood with the truth, while at the same time we are strengthening our arms in order to be able to resist any attacks by them.

I cannot imagine why anybody who wants to save American lives or American dollars or American freedom would vote against this resolution. It cannot conceivably do any harm and it can conceivably do a great deal of good.

One of the evidences of that is reported on page 4 of the conference report. Just look at this quotation from the Soviet press. It is the best proof that the passage of the original resolution some weeks ago struck home in a vital spot. The Soviet press said:

The authors of the resolution seek to contrast the Soviet Government with the Soviet people. The absurdity and duplicity of such an assertion is only too obvious. The Soviet Government is serving only the interests of the people. It enjoys the complete support and confidence of the people. The Soviet Government is firmly and persistently fighting for peace because it is thereby expressing the aspirations and defending the vital interests of the Soviet people.

Do you suppose they would have bothered to go to all that trouble to deny the implications in this resolution if it were just an innocuous, plous gesture, as someone has suggested? On the contrary, it shows that the resolution is a powerful shaft and that it struck them in the spot where they are weakest, namely, that they do not have the support of their people.

Their squirming denial demonstrates the wisdom and good strategy of a policy of sound ideological warfare in this struggle with a relentless enemy. So if we want to win the over-all struggle with a minimum of cost in lives from our own homes and money from our own pockets, it seems to me we must vote unanimously for this conference report. We must do everything we can to weaken the enemy's home front as well as to strengthen ourselves and our allies.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from New York.

Mr. KEARNEY. Simply as a matter of personal information, can the gentleman tell me why the nations behind the iron curtain were not mentioned in the resolution by name?

Mr. JUDD. It does not mention them by name, but you will note it says it is "the deepest wish of our Nation to join with all other nations in preserving the dignity of man." It "reaffirms the historic and abiding friendship of the American people for all other peoples." It begins with the major premise: The people of the United States are friendly toward all peoples. Among "all peoples" are the Russian people. Therefore we are friendly toward them. Then we direct our attack at the Russian Government because the real enemy is not the people of Russia or the people or the government of Czechoslovakia or of Poland or of North Korea; the real enemy is the government sitting in the Kremlin. Why should we not pin the rose where it belongs, on the one that is responsible for putting up the iron curtain: It is the one we want to expose and ultimately compel to remove the iron curtain.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, this resolution is an expression of friendship on the part of the American people for the peoples of all nations. It does not specify any particular people in the resolution. If we can convey to the people of Russia or of any other nation that has a totalitarian government that we are a friend of all people, regardless of the type of government they have, it would be helpful, I think, in building up a counterforce to what is going on in those countries at this time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. GROSS. Is the friendship of the American people suspect all over the world?

Mr. REECE of Tennessee. I do not think it is.

Mr. GROSS. Then why this resolution?

Mr. REECE of Tennessee. This expression is pointed not to the people of any one nation, but to the peoples of all nations. Certainly it can do no harm. We are not suspect so far as the people are concerned, but there are certain governments that are making an effort to make us suspect and that is what we want to overcome. This expression should be helpful.

Mr. GROSS. Then why not beam this resolution at those governments?

Mr. REECE of Tennessee. It is the hope that our Government will have some means of making this expression of friendship known to the people of Russia.

Mr. GROSS. You say all of the people all over the world. Another question: What other parliament, or what other legislative body in the world is adopting a resolution expressing its friendship for the United States? Do you know of any?

Mr. RIBICOFF. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. RIBICOFF. Of course I think the United States should take the lead in this. It is our hope that after this body expresses its friendship, and the President of the United States notifies the Soviet Government, other legislative bodies throughout the world will adopt similar resolutions. It is no answer to say "Why are we the first?" I think we ought to be the first to make such an expression at this time because the United States is the leader of the free world.

The SPEAKER pro tempore. The time of the gentleman from Tennessee has expired.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman two additional minutes.

Mr. REECE of Tennessee. The gentleman is quite correct. We are the leaders and we are making an expression of friendship which certainly can do no harm. An expression of friendship will do good if that expression is forcefully carried to the peoples of the other nations. That is the purpose of the resolution.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. RANKIN. Having gone through the terrible aftermath of reconstruction in the South, I want to ask the gentleman from Tennessee if he does not think the best thing we could do would be to stop this carpetbag regime with which we are now punishing the German people and try to make peace with them. We are going to need them a darn sight worse than we are going to need Russia, if this thing keeps on.

Mr. REECE of Tennessee. I think the expression of friendship ought to be forcefully carried to the people.

Mr. RANKIN. You cannot make peace with people by carrying on a carpetbag administration, and by hanging German soldiers, doctors, and civilians 5 or 6 years after the close of the war. We know what happened after the War Between the States. The people of the South have never got over it. It has

kept us divided for almost a century. The thing we need most today is for the real Americans of both sections to get together and save this country.

Mr. REECE of Tennessee. I sympathize with the gentleman's feelings, but had we had more expressions of this kind at that time we would have had a little easier time of it during the reconstruction period.

Mr. RANKIN. The long, drawn-out friction between the North and South was not about the war, but it was over the evil blunders of reconstruction. Yet we are doing the same thing in Germany today, in a worse form, if possible, than was perpetrated against the people of the South.

We should make peace with the German people. We may need them.

Mr. REECE of Tennessee. I hope that that condition will be overcome.

Mr. WOOD of Idaho. Mr. Speaker, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. WOOD of Idaho. Do you not think we ought to find out the constitutional authority for this resolution, wherein the effort to treat with other countries is entirely 100 percent through the present State Department, which has been taken over from the American people and the American Congress?

Mr. REECE of Tennessee. This resolution expresses the hope that the President will find some manner of sending an expression to the German people.

The SPEAKER. The time of the gentleman from Tennessee has again expired.

Mr. RIBICOFF. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Speaker, I believe at this time the Congress would like to have a statement on the floor as to the answer of the Secretary of State to my question before the Foreign Affairs Committee this morning.

The Secretary of State has stated that he will not enter into negotiations with the North Koreans or with Communist China until he has assurances that each of those nations will conform to the Geneva Convention on American and Allied Prisoners. That will mean good news to the relatives and the families of the soldiers of this country who have been taken prisoner. There will be no talk of peace unless these opponents tell us who the prisoners are, where they are located, their mailing addresses, and identify them, and show us that they took care of the wounded; and, in addition, let our packages and medical supplies go through to them. The Secretary of State secondly, in answer to my question whether Formosa would be used as a makeweight or a bargaining element in making peace in Korea, has again assured us for the administration that Formosa will not be used as any bargaining element in any peace negotiations in Korea, and that the freedom of the free people of Formosa will be respected.

Mr. ARMSTRONG. Mr. Speaker, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Missouri.

Mr. ARMSTRONG. Can the gentleman tell us if he has any assurance from either the President or the State Department whether or not in this cease-fire talk there will be any assurance to the other peoples of the world that those who have been declared the aggressors, both by our Government and the United Nations, will somehow be apprehended and brought to the bar of international justice and punished for their aggression, or whether we are going to sit down and dicker on the thirty-eighth parallel.

Mr. FULTON. As I have no such assurance, I would yield to the gentleman from South Carolina [Mr. RICHARDS], chairman of the Foreign Affairs Committee, to answer the gentleman's question, on behalf of the administration.

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

Mr. RIBICOFF. Mr. Speaker, I yield such time as he may desire to the gentleman from California [Mr. DOYLE].

Mr. DOYLE. Mr. Speaker, I vigorously support the conference report reaffirming the friendship of the American people for all peoples of the world, including the peoples of the Soviet Union, and urge every Member of this distinguished legislative body to approve the same by his or her vote on the roll call.

I supported the House resolution when it was before us previously, and now that the United States Senate has unanimously approved the text thereof and it is referred back to this House for conference consideration, I find pleasure and satisfaction in again having opportunity to vigorously support the worthy objectives as stated on the part of the managers of the House and embodied in the conference report.

Do not the first two paragraphs of this report state what is in the heart and mind and soul of all patriotic thinking Americans?

First:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Second:

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and then each and every subsequent statement in the report, so clearly and ably made to us by our own managers on the part of the House, is likewise crystal clear in revealing to all peoples of the world, the intent and purpose of the American people to be friends with all freedom-loving peoples of the world. Nor does it put the soft pedal on any aggressive communistic philosophy in the Soviet Union, for it, among other things, states:

We know that the Soviet philosophy is an aggressive one. The Politburo uses every opportunity to attack peace-loving nations by word and even by arms through its satellites. These activities, bordering so close to war, give us tremendous concern.

Previous speakers today have urged to your attention that the battle of ideas is not less important than the battle of bullets and that both are sometimes necessary. I state that the battle of ideas is perpetually necessary, and I pray God that the time may not be too far dis-

tant when it shall be unnecessary to have any battle of bullets. But, until that happy day arrives, we must be prepared, if needs be, to enforce peace by virtue of our military strength and resourcefulness.

Inasmuch as previous remarks by Members this day are strongly in accord with my own convictions in the area of the importance of promulgating to other peoples of the world our concept of life as rapidly as possible, I am reminded that on May 23 on the floor of this House I, amongst other things, stated:

We can help spank spreading communism by spreading the practice of American idealism. Yes, Mr. Chairman, I have an abiding and enduring faith that the American idealism which speaks out for human dignity and for human rights can be made more than a match for aggressive communism. I read history which tells me that the surest way a false idea or ideology can be whipped is to match it with an idea or ideal which has enduring value in the hearts and minds and souls of men. The destiny of our Nation ultimately will be determined by our applied ideals and ideas far more than by power and bombs.

So it is, by the express terms of this conference report on which we are voting in a few minutes, again clearly stated by the Congress of the United States—by both Houses thereof—that we not only oppose the Soviet philosophy of aggressive communism, but that we have something tangible and feasible which can be possessed by the common people of the world.

In other words, the raising of the human being to the level of personal dignity with the freedoms which are ours, for an idea which will promulgate human liberty of our own national security and the security of the nations of the world. This is the way we live, and we must let the peoples of all other nations know this at the earliest possible moment. This resolution will be a powerful factor in this regard. Peace is the normal way of human life. Americans are peace loving and abiding. This resolution, given life, will help toward world peace, peace with honor and assurance of it lasting, for when the people of the world cement together for peace, dictatorial government will not destroy it.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Speaker, a victim in the depths of his torture is not much inspired or consoled by expressions of sympathy from one standing by when those expressions are coupled with meekness toward the torturer.

The people of the Soviet Union are the foremost victims of a satanic tyranny—their own Communist regime. Since it came into power in 1917, this regime has murdered over 49,000,000 of its own citizens. The body of the Soviet citizenry is presently being tortured on the rack of the police state.

This resolution insofar as it expresses sympathy for the peoples of the Soviet Union is one step in the right direction.

But the greater part of the realities of the situation are left untouched.

There is a very large area in our relations with the peoples of the Soviet Union and with the regime that now enslaves them which has not been covered. I have attempted to cover that additional area by Resolution No. 89, introduced by me on April 3, 1951, to which I call to the committee's attention and I ask that the committee give it early consideration. I have also introduced Resolution No. 4, pertaining to the enslavement of non-Russian peoples within the Soviet Union; Resolution No. 119, pertaining to the enslavement of the Hungarian people; Resolution No. 120, pertaining to the enslavement of the Polish people; Resolution No. 121, pertaining to the enslavement of the Bulgarian people; and Resolution No. 123, pertaining to the enslavement of the Rumanian people.

I also call the committee's attention to these additional measures.

The resolutions introduced by me go considerably further into the relationship between the American people and the Russian people than does the resolution we are now debating. They also go into fields untouched by the instant resolution: Namely, the specific relationship between the Soviet Government and the various classes of Soviet society, the basic rights of the Soviet citizens as human beings, specific measures that might be taken to help the peoples of the Soviet Union toward their liberation.

I was deeply impressed by the speech of the gentleman from Minnesota [Mr. JUDD]. He referred to the necessity of assisting these unfortunate people in overthrowing their government. I commend him for his forthright statement. I believe that that is the great and urgent necessity in the relationship between the free world and the slave world. The world cannot continue to exist half free and half slave.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.]

Mr. FULTON. Mr. Speaker, will the gentleman yield? Will the gentleman yield me 1 minute to answer the gentleman from Missouri [Mr. ARMSTRONG], because I had passed the question to the chairman of the Foreign Affairs Committee to be answered? The question has been asked and it has not been answered.

Mr. RIBICOFF. I yield 1 minute to the gentleman from Pennsylvania.

Mr. FULTON. And I now yield for answer to the gentleman from South Carolina [Mr. RICHARDS], chairman of the Foreign Affairs Committee, to the gentleman's question.

Mr. RICHARDS. I did not hear the gentleman's question.

Mr. ARMSTRONG. The question I asked, in substance, was whether we can have assurance, as these cease-fire talks are contemplated, that there will be some agreement with those who have been declared aggressors because of their military action against free and peaceful peoples, namely, the North Koreans and the Chinese Red Communists regime, that those aggressors will be apprehended and brought to the bar of international justice for punishment, or whether we are going to sit and dicker

with them at the thirty-eighth parallel; that we should have some assurance that we are going ahead and fulfill the desire of peaceful peoples that they be punished.

Mr. RICHARDS. I am sure the gentleman knows I cannot give him any assurance on the question he has raised.

Mr. FULTON. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. I should like to inquire of the members of the committee if this resolution would in any way commit us to this one-world plan?

Mr. FULTON. I do not believe this resolution would commit us to a one-world plan. It is merely an expression of friendliness to all the peoples of the world.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.]

Mr. HERTER. Mr. Speaker, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield.

Mr. HERTER. Mr. Speaker, I hope very much this resolution will pass unanimously in this House because I think it is of very great value overseas.

Mr. RANKIN. Mr. Speaker, will the gentleman yield for a question?

Mr. HUGH D. SCOTT, JR. I am sorry; I have only 3 minutes; I cannot yield.

Mr. Speaker, I may say that I support the resolution.

I do not think, in supporting this resolution, that it is necessary for any Member of this House to disavow his denunciation of aggressive, armed Soviet Communist expansionism as now enforced from the top by its leaders. But the desire for peace runs strong and penetrates high and low in Soviet Russia. I want to tell you a story.

Once upon a time not so very long ago I had the very rare and unusual experience of a private conversation outside the United States with a Russian commissar. I said to him: "My country is strong, and proud, and great, and is prepared to defend itself against aggression. I know that your country is strong, and proud, and great, and equally prepared to defend itself. I hope that within your country there will grow up a concern for a peaceful way of life among all the peoples of the world, a concern I am sure exists on the part of the people of your country, and I know it exists on the part of our American people."

He looked down for a minute, then he looked around to see whether anyone else was within earshot. Then he said, "Mr. Scott, do you like vodka?"

I had always thought vodka was something I could well do without, but I thought, too, that protocol demanded an answer and a friendly answer, so I told him "Yes." I appreciated the offer, and the implication behind the offer. He said, "Tomorrow at 10 o'clock there will be in your room the finest bottle of vodka in this city."

The next day at 10 o'clock that bottle was there. It has not been consumed, Mr. Speaker, but I keep it as a memento of something very revealing. What? The fact that that Russian commissar

was trying to say to me that even as high as he was in the hierarchy, the will and the desire for a peaceful way of life existed among the people behind the iron curtain as it existed with him, and just as it exists in this country.

I believe that truth is a flaming sword, that if wielded with courage and intelligence its sharp edge will cut through error, rumor, distrust, suspicion, that if the Russian people know the truth it is the only hope they have of achieving freedom, that only the truth will give to them the incentive to find the ways and the methods to join the ranks of the free peoples, and that also is even more true of the satellite nations behind the iron curtain. I will therefore support this resolution of good will and of friendship, this message of spiritual force from a free and peaceful people to all those who live in darkness and hunger for the truth.

Mr. RIBICOFF. Mr. Speaker, I yield to the gentleman from Ohio [Mr. REAMS] for a consent request.

Mr. REAMS. Mr. Speaker, I support this resolution enthusiastically. It is an expression of the American people for an abiding friendship with the people of the Soviet Union. May I briefly summarize what it means to me:

We, the people, speaking through the Congress of the United States, reaffirm our historic friendship for all other people. We regret the artificial barrier that separates us from the Soviet people and keeps them from learning of our desire to live in friendship and to work with them in advancing the ideal of human brotherhood.

We believe that the Soviet Government could immeasurably advance the cause of peace if this barrier, which we call the iron curtain, was removed. With a free exchange of ideas and information between us, you could then see that neither we nor our Government wants war or its terrible consequences.

We will defend ourselves if we are forced to, because freedom means much to us. But we welcome your help in peacefully resolving any differences between your Government and ours.

We invite you the Russian people to work with us toward the realization of a just and lasting friendship between our Governments and the people of our respective lands.

Those are the ideas which we express when we vote for this resolution. But let us not underestimate its value because it is couched in such simple words and is so plain in its meaning. Great moments have always appeared over the horizon of history garbed so plainly that they have not been recognized by the sophisticated.

People have resisted the invasion of marching armies but not the power of an idea whose time has arrived. The simple ideas expressed in this resolution when implanted in the minds of the Russian people may be more effective than all or weapons of defense—as necessary as armaments seem to you and to me today. They may be the rearmament program for which we strive.

I hope Mr. Speaker, this resolution may have the unanimous vote of this House.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. This resolution does not commit us to the United Nations, does it?

Mr. RIBICOFF. This is a resolution reaffirming the desire of Congress and the American people for a just and lasting peace. It also confirms our inherent friendship for all the peoples of the world.

Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, let us understand what this resolution is. The Russian people are not only kept enslaved by a dictatorship, but they are kept enslaved by fear constantly dinned into their ears over the radio and from various sources that somehow or other the "imperialists," and that is always pictured by the Communist propagandists to include the United States, will attack and enslave them. It is pointed out to them by the same poisonous propaganda that after World War I there was an allied force which actually went into Russia and occupied some of its territory without in any way explaining the situation of that time. The resolution before us is an effort to assure the Russian people as to their own security and as to their personal safety; and as such, it is tremendously valuable because it is so true. The United States wants to win in this situation with the weapons of peace and it can do so only if it gets across the truth of its peaceful intentions; this we must do with the peoples of the free world, but also with the Russian and satellite peoples. This resolution is an opportunity for doing so. I hope the resolution will pass unanimously.

Mr. RIBICOFF. Mr. Speaker, I yield such time as he may desire to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker, Senate Concurrent Resolution 11 as now before the House in the form of a favorable conference report has my entire approval. The underlying purpose of the resolution is to give assurance to the peoples of all nations of the friendship of our Nation, expressed through its duly elected representatives in House and Senate.

The resolution clearly sets forth in unmistakable terms that our Nation has no desire other than to promote peace and good will among the nations of the world. It deprecates conditions that preclude the people of some nations from understanding our true and sincere objectives. It is fervently hoped that this expression of good will upon the part of the Congress of the United States will go far in giving assurance to all people that peace and security for all people is the basic policy of the Government of the United States. At no time has the Nation sought territorial gains or enhancement of its material resources. We have already in two world wars, and, in the Korean incident, given evidence of a willingness to sacrifice and die in the cause of liberty and to protect the weak against the

strong, to the end that justice might prevail as between all peoples and nations.

America is a peace-loving Nation. Never in all the history of our Nation can it be said that this Nation has provoked war, but, on the contrary, time and again, our strength and influence have prevented war. The desire for peace is the aspiration of our people.

Nowhere in all the world is there a more pronounced and outstanding desire for universal peace than in America. Nowhere has there been a more ready and willing response to every effort that has been made to substitute peaceful means for the settlement of international differences rather than resort to military force. As a people we are justifiably proud of the fact that our Nation, above all others, has led in every movement to establish principles upon which international peace might be promoted. The peace of the world, made permanent and secure, is the sincerest desire of our people—an aspiration of the very heart and soul of America. It was for this that America shed her blood in two world wars and in Korea. What finer or more sacred contribution to the cause of peace could there be?

As America in the past has sought to foster and maintain peace and good will among the nations of the world, so we can with confidence look into the future with the fullest assurance, knowing full well that peace and not war will continue to be the aspiration of the heart and soul of America.

This resolution, to which I give my full support, is in my opinion an outstanding document in that it sets forth in clear and strong language the attitude of our Nation, and, makes plain that which is now and always has been our policy since the inception of our Government.

It is my fervent hope and prayer that the passage of this resolution will make plain to the peoples of the world the true spirit of brotherhood that dominates this Nation in all its undertakings to advance the cause of peace and justice in the world.

The resolution reads as follows:

Whereas the goal of the American people is now, and ever has been, a just and lasting peace; and

Whereas the deepest wish of our Nation is to join with all other nations in preserving the dignity of man, and in observing those moral principles which alone lend meaning to his existence; and

Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom; and

Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons and mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion"; and

Whereas this Nation has likewise given of its substance and resources to help those peoples ravaged by war and poverty; and

Whereas terrible danger to all free peoples compels the United States to undertake a vast program of armaments expenditures; and

Whereas we rearm only with reluctance and would prefer to devote our energies to peaceful pursuits: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States reaffirms the historic and abiding friendship of the American people for all other peoples, and declares—

That the American people deeply regret the artificial barriers which separate them from the peoples of the Union of Soviet Socialist Republics, and which keep the Soviet peoples from learning of the desire of the American people to live in friendship with all other peoples, and to work with them in advancing the ideal of human brotherhood; and

That the American people believe the Soviet Government could advance the cause of peace immeasurably by removing those artificial barriers, thus permitting the free exchange of information between our peoples; and

That the American people and their Government desire neither war with the Soviet Union nor the terrible consequences of such a war; and

That, although they are firmly determined to defend their freedom and security, the American people welcome all honorable efforts to resolve the differences standing between the United States Government and the Soviet Government and invite the peoples of the Soviet Union to cooperate in a spirit of friendship in this endeavor; and

That the Congress request the President of the United States to call upon the Government of the Union of Soviet Socialist Republics to acquaint the peoples of the Soviet Union with the contents of this resolution.

Mr. RIBICOFF. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Committee on Foreign Affairs, the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Speaker, I hope this conference report will be adopted without a negative vote. As has been said, it passed the Senate unanimously and it was passed by the Foreign Affairs Committee unanimously. This is the next step to be taken.

Mr. Speaker, the thing for the Members of this body to primarily remember in the consideration of this measure is that it commits the Congress and the American people to the program of no organization. It commits us to nothing except friendship to all the peoples of the earth.

This resolution was not proposed by the State Department or any other department of our Government. It comes from the people of America through the Congress of the United States, made up of their chosen representatives.

As the gentleman from Minnesota so aptly said a few moments ago, a select committee of this Congress, composed of members of the Appropriations Committee, the Committee on Armed Services, and the Committee on Foreign Affairs, has just returned from Europe after 10 or 12 days of the hardest study and work I think any committee ever made abroad. One of the glaring weaknesses we found abroad in this so-called warfare against communism was in the field of the battle of ideas. As has been said, we are coming along pretty good in the field of the military and in the field of economic cooperation, but in the field of dissemina-

tion of ideals and ideas we are sadly deficient.

This is a statement from the people of the United States to people everywhere saying that no matter what you may think of our Government or what we may think of yours, so far as your people and our people are concerned we have a common desire for peace and a friendly spirit for each other.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Iowa.

Mr. GROSS. Was there a roll call in the Senate on the passage of this measure?

Mr. RICHARDS. No; there was not a roll call. I hope there will not be a vote against this conference report.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. RIBICOFF. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Speaker, I would like to ask the chairman of the Committee on Foreign Affairs a question, and I compliment him for his expression regarding the feeling of the two peoples, the American people and the Russian people. But apart from that, can the gentleman tell me as to his idea, or does he believe any agreement that we may make with the Soviet regime would be effective, and, if so, might not such an agreement be against the Russian people?

Mr. RICHARDS. I have not any faith at all in any agreement we have made or may make with the Soviet regime; therefore, our only sensible approach is to the people of Russia and not to the Government of Russia.

Mr. KERSTEN of Wisconsin. I am happy to hear the gentleman say that.

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

Mr. RIBICOFF. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Speaker, would the gentleman from South Carolina explain this particular section:

Whereas, in proof of this, the United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom—

And so forth.

Mr. RICHARDS. That is correct.

Mr. GAVIN. What does the gentleman mean by "share"?

Mr. RICHARDS. The United States has announced to the people of all the world on more than one occasion that we consider atomic energy a force that should be used for the benefit of all the peoples of the earth and not as a force of destruction. This resolution reasserts that principle.

Mr. RIBICOFF. Mr. Speaker, I yield 5 minutes to the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the reason that the conference report is before us now is due to practical conditions. A few weeks ago this resolution came up under suspension of the rules, as I remember. On that day there was no

controversial legislation and many Members were engaged in their office work or in conferences, or performing their duties with different agencies of Government in connection with their constituents, and the result was that there were few Members on the floor at the time. You and I know that the vote on that occasion represented the will of the House as a whole. But, we found out, due to the fact that there were few Members present on that occasion, that the Communists abroad used that for propaganda purposes against us and against the very purposes of the resolution. Therefore a very practical situation presented itself to us as the result of which the resolution as it passed the House, in different form in detail than it passed the Senate, was sent to conference, to come back for a separate vote at a time when the full will of the House might be expressed on this particular resolution.

There will be a roll call on the resolution because, again, from a practical angle, that is advisable and wise. The contents of the resolution certainly represent the hopes and the aspirations and the policies of our Nation. I think it represents the hopes and the aspirations of every decent-minded person. No harm can certainly come out of its adoption and an awful lot of good might come out of its adoption.

I think the gentleman from Minnesota [Mr. JUDD], as well as other speakers, but the gentleman from Minnesota [Mr. JUDD], in particular, gave to the House the benefit of his profound knowledge on this particular resolution when he said that it is in "the field of ideas" that we have got to take the affirmative. I thoroughly agree with the gentleman. When he talks about "the field of ideas" he is also talking about the minds of people, because in the challenge that confronts the world today there is a difference in philosophy, that is, our philosophy against the ideology of atheistic communism, and that comes within the purview of "the field of ideas," or what might otherwise be termed, but meaning the same thing, "the battle of the mind."

Behind the iron curtain and throughout this world in nations dominated by dictators, whether vicious or benevolent, but addressing myself to the totalitarian type, there are countless millions of persons who are hoping for their day of deliverance. There are countless millions of human beings who want liberty. That is something which we all obtain from God Himself through the natural law. The people dominated by totalitarian regimes inherit the same desire through the natural law that we have inherited.

One of the great inheritances by and through the natural law is the desire of every man and woman for some degree of freedom. Behind the iron curtain in those countries dominated by Communist regimes are countless millions of persons who have the desire for freedom and who are hoping and praying for the day of their deliverance. This resolution might make some contribution in that respect.

In all honesty, I cannot see why any Member would vote against the resolution. I hope no Member will. But in any event, if any do, I hope the vote on the part of the House will be overwhelming, conveying as it will behind the iron curtain—it will trickle through to those people—the sentiments of the people of the United States for peace, for friendship, and for freedom, not only for ourselves but for the people of those lands where it is effectively denied at the present time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Iowa.

Mr. GROSS. We are being called upon to pass this friendship resolution. We passed a resolution not so long ago branding China as an aggressor. Does the gentleman suppose that when the next police action is started we will get a resolution before the House of Representatives to approve or disapprove that police action?

Mr. McCORMACK. The gentleman is asking a question which has no relevance to the matter before the House.

Mr. GROSS. It has every relevance to it.

Mr. McCORMACK. In my opinion, the gentleman's question has no relevance to the matter before the House. I say that with all respect for the gentleman's views. I am talking on this particular friendship resolution. It is one that every one of us could well vote for, and I hope there will be no vote against it.

Mr. Speaker, throughout its proud history, this Chamber has echoed the convictions of those whom we represent. There are issues upon which the American people are divided. That division is reflected here, and the will of the majority prevails. That is true democracy in action.

But there are many profound convictions shared by an overwhelming majority of the people of our Nation. These convictions are rightfully a powerful force in shaping the destiny of civilization. When, in the exercise of our duties, we give voice to these convictions—then, we have contributed toward the universal understanding which must be the foundation of any just and enduring peace.

We now have an opportunity to make such a contribution. There is before the House a concurrent resolution expressing once more the deep friendship of the American people for all other peoples.

It is especially fitting that we reaffirm this abiding feeling for all peoples, at this time. We live in a world threatened by tyranny. The enemies of freedom have enslaved millions, and conspire to extend their sway through new aggressions.

The heart of this conspiracy lies among the rulers of the Soviet Union, and its strength lies in the iron grip which the conspirators have fastened upon the bodies and minds of the peoples of the Soviet Union.

By artificial barriers, the conspirators have denied these great peoples all contact with the free world. They have

launched a "hate America" campaign of unexampled virulence. The Soviet peoples are told they have no friends, save their masters. They are told that the American people are their enemies, and that they must stand ready, at their masters' bidding, to destroy America.

This monstrous lie is vital to the Communist bid for world domination. If it is not destroyed, the future of civilization is dark and forbidding. Destroy it—and mankind can resume the march toward peace, and freedom, and justice, and decency.

I say to you that it is our duty to destroy this lie; to make every effort to let the Soviet peoples know that Americans are their friends, not their enemies; that we seek only to work with all men "in advancing the ideal of human brotherhood."

This is the purpose of the concurrent resolution now before the House. In simple language, it states the feelings of the American people.

It reaffirms their friendship for their fellow men.

It expresses the conviction that the Soviet Government has done a disservice to peace by isolating the Soviet peoples from their friends.

It states forcefully and directly that the American people abhor war and its terrible consequences.

It sets forth again our eagerness for just and honorable settlement of differences between nations; and invites the cooperation of the Soviet peoples toward this end.

And finally, the resolution asks that the President call upon the Soviet Government to acquaint Soviet peoples with these abiding convictions of the American people.

This is a challenge to the Soviet rulers. It says to them: "Let your people know the truth."

We must acknowledge that they may reject the challenge. They may seek to keep this message from those for whom it is intended.

If they do this—if they reject the challenge—they will have admitted their guilt, and their lies.

But they proclaim themselves the champions of peace. Their deeds belie them, but let us give them one more opportunity. If we adopt this resolution, we say to the men in the Kremlin: "If you seek peace, let there be an end to these lies. Let the peoples of the Soviet Union know the truth about the American people. Then, let them judge for themselves."

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. RANKIN. Mr. Speaker, it is unfortunate that this resolution was not debated thoroughly, and the House given all the facts involved.

It is my intention to vote "present." I do not like to be put in the attitude of voting against an alleged expression of "friendship," and I certainly do not want to be put in the position of underwriting

by my vote some of the expressions contained in this resolution.

In the first place, I am disturbed over this expression:

The United States has offered to share all that is good in atomic energy, asking in return only safeguards against the evil in the atom.

Just how much attention communism would pay to the last portion of that statement is certainly problematical. After we had shared "all that is good in atomic energy," how do we know what use would be made of it?

We had better build up our own defenses, including the strongest air force on earth, with an ample supply of atomic bombs, an adequate Navy, and a radar perimeter covering the entire Western Hemisphere. Then, I dare say, no nation will dare attack us, because they know that to do so would probably mean their destruction.

But one of the most dangerous provisions of this resolution is this one:

Whereas the Congress reaffirms its policy as expressed in law "to continue to exert maximum efforts to obtain agreements to provide the United Nations with armed forces as contemplated in the Charter and agreements to achieve universal control of weapons of mass destruction and universal regulation and reduction of armaments, including armed forces, under adequate safeguards to protect complying nations against violation and evasion."

In other words, this resolution underwrites the United Nations and would make of it a supergovernment to control the weapons of destruction, even in the United States.

Everyone knows that this United Nations is teeming with Communists who are bent on the destruction of this Government, the wiping out of Christianity, and destroying the American way of life.

They have already attempted to repeal some of our local laws, such as alien land laws, and are now trying to interfere with our marriage laws and our school laws in the various States. In that way, they are stirring up race trouble throughout the country and subjecting the people of the South to a degree of irritation, if not persecution, they have not experienced since the dark days of reconstruction.

The sooner we get out of this United Nations, and get that group of spies out of this country, the better it will be for these United States.

As I said, I do not want to be put into the awkward position of voting against "peaceful relations" with the peoples of other countries throughout the world, but I cannot vote for a resolution containing provisions that I fear would not contribute to the welfare or the safety of my country.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. GROSS. Mr. Speaker, I know of no substantial reason why this resolution is before the House of Representatives unless it is admitted by proponents

that the friendship of the American people toward other people of the world is suspect.

And still unanswered is my question as to whether legislative bodies in other nations of the world have or contemplate adopting resolutions professing friendship for the people of the United States.

In the minds of other people, the world over, we will be measured by our deeds, not by what we say. We will judge foreign governments and their people likewise.

Members of the House have a right to expect, as I suggested to the gentleman from Massachusetts [Mr. McCORMACK], that if resolutions dealing with foreign relations are to be decided by a record vote, there should also be record votes approving or rejecting police actions such as President Truman launched in Korea.

There is no reluctance on the part of the House leadership in bringing to the floor a resolution branding the Chinese as aggressors or this one professing friendship for everyone. But the House was denied even the slightest consideration of an action that threw the Nation into one of its most sanguinary wars—an action that has affected every home in America.

In my opinion the pending resolution will accomplish no good and it may do no particular harm.

For that reason I will neither support nor oppose it. I will vote "present."

Mr. SPRINGER. Mr. Speaker, during the last 6 years since the end of World War II we have been trying to achieve permanent peace by direct negotiation. In this we have failed time and again. This resolution is now a part of a plan of appealing directly to the peoples themselves who live behind the iron curtain. If we are to keep the friendship of those peoples, it is necessary that our position be not only clearly stated but also understood. By this resolution we are trying to get the thoughts of this body about peace to the ordinary man at the street level. If there is any vulnerable spot in the Soviet Union, I believe that we are striking at it in this resolution. Our battle is the free exchange of ideas and I agree with the gentleman from Minnesota [Mr. Judd] when he states our position as "fighting ideas with other better ideas."

At the present time the Soviet Union is carrying on a campaign and is using the word "peace" on every occasion. I presume that if that word is used often enough some people would come to believe it regardless of the manner in which it was used or by whom it was spoken.

I believe that we are on the right track by showing that the two legislative bodies in this country are directly behind the idea of spreading the truth about our stand toward other peoples of the world. There is nothing to be feared so much as for us to be misrepresented or to be misunderstood. This resolution is just one more striking example of our attempt to tell the truth to other peoples of our peaceful intentions toward them.

Mr. RIBICOFF. Mr. Speaker, I move the previous question.

The previous question was ordered.

into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949. That after general debate which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and pending that I yield 5 minutes to the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Speaker, several months ago I appointed a subcommittee and directed the members of that subcommittee to carefully consider all aspects of the problems involved in the use of Mexican nationals on the farms of our country. The committee was authorized to conduct studies, hold hearings, and to make such investigations as might be deemed necessary. Hearings were held in different parts of the country and the hearings were well-attended by interested parties. Hearings were held here in Washington, and I am certain that all parties interested were accorded an opportunity to be heard and to be present their views. As a result of the studies, investigations, and hearings, the House Committee on Agriculture reported the bill now under consideration. This a very important measure and vitally affects many people. Failure to pass the pending bill might very well likewise vitally affect the production of essential food and fiber.

American agriculture has embarked upon a greatly expanded program. High production goals have been fixed and the farmers of the Nation have been called upon to produce the abundance which will be needed. American agriculture has been called upon again to fill the bread basket of democracy. We can recall with great pride how the American farmer discharged his assignment in World War II. Our farmers performed magnificently and actually amazed the world with their production.

The bill which we are presenting seeks to deal with an unfortunate situation. It is unfortunate that we do not have in America sufficient farm labor to harvest the abundant production of our farm lands. There is no question about a shortage of farm labor. Everyone familiar with the situation is apparently willing to admit that there is a great need for a great number of laborers for the farms of America. Because there may perchance be unemployment in some of our metropolitan centers does not necessarily mean that the unemployed of the cities are available for farm labor. The situation now facing us has actually existed for many years.

In the past, Mexican farm workers, without regard for our immigration laws, have crossed the border and have per-

formed farm work in many States. Our immigration authorities have been unable to cope with the situation. Many of these so-called wetbacks have been exploited by selfish landlords. Some of these wetbacks have remained in America, our immigration laws to the contrary notwithstanding. Some of them, knowing that they were illegally in this country, no doubt feel somewhat as fugitives, and they cannot, therefore, demand fair wages and decent living conditions. We seek by the pending bill not to legalize the entry or the status of wetbacks who are illegally in this country, but we can try to provide machinery which will authorize the entry of Mexican workers under the terms of a contract which is negotiated and agreed upon by the officials of the American Government and officials of the Mexican Government, and it is clearly understood and agreed that Mexican laborers desiring to enter America for farm work will be carefully screened before being admitted. Protection is afforded the workers and the landlords and both Governments and it should certainly bring about a great improvement in the deplorable situation which has existed in the past. This is not a local, district, or State matter. Mexican workers have been used in about 18 States of the Union in the harvesting of crops. Mexicans will not be permitted to enter as contract laborers for the purpose of accepting employment in this country except upon proper certification to the effect that no American is available to perform the services. How then can it possibly be contended that Mexican laborers will take over the jobs of American workers?

I would like to call your attention to the fact that our cotton farmers have been called upon to produce a 16,000,000-bale cotton crop. Almost all of the American cotton crop must be picked by human hands, and cotton pickers in sufficient numbers are not available in the American labor market. Unfortunately, they must be imported or brought in from other places. This situation is not only true in the cotton country; the same problem exists with fruits and vegetables and with a variety of crops.

I shall not attempt to discuss the details of the pending measure but shall leave that assignment to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee. I urge you to give Mr. POAGE your careful attention, as I am certain that he will intelligently discuss all phases of the matter, and I believe that if you understand the provisions of the bill you will agree that the House Committee on Agriculture has done a very good job. If this bill is controversial, I am frankly of the opinion that it is because its purpose and provisions are not fully understood.

Certainly no member of the House Committee on Agriculture would be willing to bring in foreign labor to take jobs away from American citizens. I do not suppose you could find 30 better Americans than the 30 members of the House Committee on Agriculture, and certainly every member of our committee is not only interested in farmers and farm problems but is likewise interested in

American laboring men and in the general welfare of all our people. Certainly no American landlord would prefer to give work to an alien in preference to a citizen, nor is it reasonable to believe that American employers of farm labor would be willing to incur the expense and to assume the risk incident to bringing in foreign labor if local labor were available.

Let us start this discussion by realizing the urgent need for importing Mexicans to do a job which otherwise will not be done.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. Are they drafting farm boys in North Carolina?

Mr. COOLEY. Yes, they are drafting farm boys not only in North Carolina but in all the other agricultural States in the Union.

Mr. GROSS. They are in the State of Iowa, that I well know.

Mr. COOLEY. I would just like to say this, without attempting to discuss the details of the measure before you, that I do hope you will listen as it is discussed. I again urge you to listen to the gentleman from Texas [Mr. POAGE], the chairman of the subcommittee that conducted the hearings. He understands all of the problems here presented. If you will listen to him as he presents the bill, I think you can vote more intelligently.

I know none of us want to destroy the labor market, none of us want to break down our immigration laws. We have provided in this bill safeguards which we think will enable us to bring in the labor and return the labor. The gentleman from Texas [Mr. POAGE] was in Mexico at the time of the negotiations between our Government and the Mexican Government regarding the importation of Mexican labor to our Nation. This problem has been handled at a high level, and we are trying to protect the immigration laws. I think that when the gentleman from Texas [Mr. POAGE] comes to discuss the details you will understand the bill better.

NARCOTIC PEDDLERS TO TEEN-AGE DRUG ADDICTS AMERICA'S MAJOR CRIMINALS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ANGELL. Mr. Speaker, I have introduced H. R. 4593 which has for its purpose imposing of life sentences on certain major criminal addicts with death sentences in certain cases where these diabolical criminals are convicted of peddling these habit-forming drugs to persons under the age of 21 years and thereby making them slaves of the drug habit.

Traffic in these habit forming narcotic drugs has become a menace to thousands of young people in our schools and there is a determined effort being made throughout the Nation to stamp

out this nefarious practice. I believe that the severe penalties provided in this legislation, which has also been introduced in the Senate, will be a deterrent to these dope peddlers and will help to destroy this inhuman practice.

Harry J. Anslinger, United States Narcotics Commissioner, has described this increasing traffic in an interview appearing in a recent issue of United States News and World Report which I include as part of these remarks:

[From the United States News and World Report of June 29, 1951.]

TEEN-AGE DOPE ADDICTS: NEW PROBLEM?—NARCOTICS CHIEF SAYS ONLY BIG CITIES SUFFER

(Juvenile dope addicts are a sign of the times. Their number is increasing rapidly in the big cities. Youngsters start on marijuanna, quickly graduate to other narcotics. Smugglers, dope peddlers keep them supplied. In the following recorded interview Harry J. Anslinger, United States Narcotics Commissioner, tells what is behind the dope spree, where it is centered, and how to combat it.)

Question. Is teen-age addiction to narcotics limited to major cities, Mr. Commissioner?

Commissioner ANSLINGER. Yes; it is.

Question. It isn't spread generally throughout the country?

Answer. No. There is little of it in small cities and rural areas.

Question. Then is there actually an epidemic?

Answer. I wouldn't say an epidemic. We have a situation in the metropolitan centers—New York, Philadelphia, Washington, Baltimore, Detroit, Chicago, St. Louis, and New Orleans.

Question. No city on the west coast?

Answer. We haven't seen it there. In Seattle they say, "What's worrying them back East? We haven't seen it."

Question. Has teen-age use of drugs actually increased in the last few years?

Answer. Yes; it has. It happened after the First World War, too, and the rate was much higher then. I hope it is a temporary phenomenon. It is happening in many other countries. Turkey is one. And you see all this bebop partying in London—marijuanna parties and all that. In Japan, the first time they had addiction was in 1940. There is a lot of it now.

Question. Do you trace it to the war?

Answer. I think it is just a general breakdown—breaks in family life, lack of parental control, lack of personal responsibility in the home. Repeatedly we said it was coming, as supply spots were opening in Turkey, Italy, and China, and we might as well face it.

Of course, we thought the returning GI would be a problem, but he didn't turn out to be one at all. He came back perfectly clean and he stayed clean. He stayed out of this. It's the kids who never saw a gun. It is hard to figure out the reasons. Family conditions have a lot to do with it.

Question. Is it correct that addiction among young people has doubled or tripled in 1950 and again this year?

Answer. Oh, it has. I think I made that statement. At the Lexington, Ky., hospital for addicts we find that our average age has dropped 10 years, from 36 to 26, in just 2 years' time.

Question. That is because more teen-agers use narcotics?

Answer. Yes. And they are all from metropolitan centers. High-school addiction, as far as we find right now, is confined to New York City.

They say, educate them. But what education can you give children who are not in school? In a weak mind? Education on

narcotics places ideas. I don't think it is a wise thing.

Question. Is there more addiction among boys than girls?

Answer. It's 10 boys to 1 girl. If anything, the proportion of girls is decreasing.

Question. Are the youngsters who use dope mostly from broken, unfortunate families?

Answer. Yes, they are. And so many of them have criminal records before we get to them. That, again, shows that criminals make addicts and addicts make criminals.

Question. What is the relative use of marijuana, cocaine, and heroin among teenagers?

Answer. Hardly any cocaine. They start on marijuana, then graduate to heroin. Marijuana is the dried leaves and flower of the hemp plant. It is put up in cigarettes, "reefers," and smoked.

Question. Is it illegal to smoke marijuana?

Answer. It is illegal to possess it. And you can't smoke marijuana without possessing it.

Question. Is it habit forming? Is it as dangerous as other narcotics?

Answer. It is habit forming but not addiction forming. It is dangerous because it leads to a desire for a greater kick, from narcotics that do make addicts.

Question. What is heroin?

Answer. A narcotic produced from morphine, which in turn is produced from opium. Its production has been forbidden in this country since 1922.

Question. Do young people get these drugs from peddlers on the streets?

Answer. They have to know somebody in the underworld. They associate with underworld characters, with criminals.

Question. Where do the narcotics come from?

Answer. They are smuggled in, largely from Italy, Turkey, and Communist China. Now Communist China is the unreachable source. They put 500,000 tons of opium, a year's supply for the world, on the market through Hong Kong. But nobody has bought it yet. They tried to exchange it for cotton in this country. I said, "Absolutely no."

I might say that that is about half of our problem now. It's half smuggling and half forging of prescriptions and robbing of drug stores. We have about 130 drug-store robbers a month.

Question. Do narcotics cause an addict to commit crimes or does he turn to crimes to get money to buy narcotics?

Answer. Well, it works two ways. You commit the crime to get the money to buy narcotics. Then you see how easy it is to commit crime when you take narcotics, so you keep on going.

You see, in the hospitals they use narcotics for preoperative care, to relieve tension and fear. If you get a bank-robbery job, or a house, and you get it all figured and cased, naturally you're on tension. A good shot of heroin will take all that tension and fear out of you. That's why those fellows use it and why they are dangerous. Our agents are out there where they are using guns and where there is blood and danger. We have casualties. But usually when they play rough, we do, too—probably rougher.

Question. Just how do narcotics affect a person physically?

Answer. You build up a tolerance, then a habit. You've got to have it at regular hours. That sets up a metabolism in your body, which you can't throw off. It throws you off.

If the drug is denied you, after 8 hours you have 18 different withdrawal symptoms which hit your body. There is diarrhea, there's vomiting, there's perspiration, water running out of your eyes and nose and mouth, cramps, you've got the jitters, and your skin is like a cold turkey. Nature does horrible things to you. It says, "Come on. You've had the pleasure, now pay me." And usually the drug addict lives about two-

thirds as long as the average person. He's very susceptible to tuberculosis.

Question. Can a teen-age addict be cured relatively easily?

Answer. We like to have them 4 months.

Question. Would the cure be effective and complete?

Answer. If he doesn't go back to bad associations. We get repeaters. We get about 4 percent readmission in the age group under 21.

Question. Can a youngster, and his family, who wants to get over the drug habit be protected from humiliation and embarrassment?

Answer. The record is entirely secret—the first time. The second time we have to run it through the courts and they go into the hospital as offenders. The first time, they can just come voluntarily to us or the Public Health Service. An addict anywhere in the country can walk into a police station and say, "I want to be cured." Unless he is a repeater, they will turn him over to us to be cured, secretly and without arrest.

Question. Do parents generally need to worry about this increasing use of drugs among young people?

Answer. Not if they look after their children properly. We don't find addicts among children from good homes. People get a bit hysterical about reports of narcotics sales around school children.

Question. Then the increase in sales and addiction among teen-agers is not a grave menace?

Answer. Certainly it is a menace, as far as the situation goes. And we have to clean it up. It is a social danger. There is no question about that.

Question. It is a menace that can be licked?

Answer. It can be stopped.

Question. How?

Answer. I think the situation in St. Louis probably is cured by the fact that Federal Judge Roy W. Harper gave a peddler there 18 years. There is a general exodus.

We have 180 agents. It's like using blotting paper on the ocean. But we catch them—the smugglers, the syndicates, the pushers, the wholesalers, and the users. We can catch them. But we can't keep them in. They serve about 16 months. We put one crowd in jail, then start on another one. By the time we get the second one, the first is out working again. So it's just a merry-go-round.

Question. Can Congress help?

Answer. The merry-go-round probably will stop if the bills are passed to increase the penalties to a minimum of 2, 5, and 10 years for first, second, and third offenses. Senator DIRKSEN is introducing a bill making it life for the sale of narcotics to minors. We are going to support that.

We would like to increase our force. And of course the Customs Bureau should be given additional guards.

Question. You have 180 agents—one for 800,000 people?

Answer. We had 250 at one time.

Question. What is being done internationally to combat the drug traffic?

Answer. The UN Economic and Social Council will consider next month calling an international conference to approve an agreement to limit opium production in Turkey, Yugoslavia, India, and Iran to medical and scientific needs. The agreement was worked out by the UN Commission on Narcotic Drugs—the first agreement we've had on that since the United States enunciated a policy on it in 1909.

Question. Is there anything States and cities should do?

Answer. We are recommending that States provide heavier penalties. Four States have done it—Tennessee, West Virginia, New Jersey, and Maryland.

We recommend that States and cities provide hospital facilities for drug addicts, instead of saying, "Send them to Lexington." We recommend that States increase the force of narcotics enforcement agencies. Pennsylvania and California have the only adequate forces. City police departments should establish narcotics squads. Los Angeles has the only adequate squad.

Question. Hasn't all the hue and cry about enforcement and teen-age addicts developed since the first of the year?

Answer. Yes, but the situation has been with us and we have been aware of it. Bills have been pending in Congress 2 years, but only now are there signs of action. And, of course, we are getting heavier sentences. If they all did like Judge Harper in St. Louis, we wouldn't need a new law.

A thought-provoking discussion of this nefarious practice appeared in the Pathfinder in its issue of June 27, 1951, as follows:

DRUG PEDDLING, THE DIRTIEST CRIME

For once, at least, New York's junior high-school students had a composition topic assigned them which cut through the tough rind of boredom: What I Know About Narcotics.

Their harrowing, first-hand essays—prescribed as part of a \$50,000 State-wide investigation of dope peddling—hammered home the uncomfortable truth: That all too many of the Nation's kids know too much about narcotics. The total number of addicts in the United States is not large—about 60,000. But two facts alarm officials: The roster has grown by 10,000 in only 2 years; and the proportion of addicts under 21 has jumped from 3 percent in 1946 to 18 percent today.

In New York City alone, police believe, at least 6,000 of secondary school-age children have become addicts, while arrests of teenagers are running at 27 times the 1946 rate.

LOST GENERATION?

It takes a lot to shock a New Yorker about New York. But the story back of these bald statistics, told in recorded interviews by the children themselves, had plenty of Gothamites in a mood for murder. They learned that boys and girls were smoking "reefers," "snorting" heroin, and "going on the needle" within the schools themselves—in the lunchroom or down in the boiler room or up on the roof. Others were trailing their favorite bebop bands to sleazy joints and mixing drugs with downbeats. Still others indulged in all-night sex-and-narcotics binges in "joy palace" apartments.

For beginners, the children testified, the price is often cheap—at first. Initial doses of heroin are sometimes given free by peddlers; marijuana cigarettes can be had for 75 cents apiece. "Naturally," explained one boy bookie, "if they continued the habit, the price would go up to \$3, \$3.50." Addicts (it takes less than a month to clinch the heroin habit) soon find daily bills running up to \$15.

SOLUTION

For such youthful victims of a conspiracy managed by adults, neither pious horror nor easy pity will suffice. As New York's Attorney General Nathaniel Goldstein has stated: "The public is apathetic. If the public gets all the ugly facts, the public will get mad. Then we will get action—that is the chain reaction of law enforcement."

Last week the chain reaction started popping. In New York police raided dope peddlers in three boroughs, arrested 21. Among them: 39-year-old dancer Ralph Kaye, described as Broadway's No. 1 "pusher." In Washington, the House Ways and Means Committee voted minimum penalties of 2, 5, and 10 years imprisonment for all narcotics vendors. And in Lisbon, Portugal, police of

36 countries¹ met to synchronize their war against the smuggling of drugs by air.

IMPORTATION OF FOREIGN AGRICULTURAL WORKERS

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Speaker, in our consideration of the bill H. R. 3283, made in order by this rule, the first question should be that of its benefit to the farmers of this country. If it will not be beneficial to them, then it has no place on the statute books.

There are, however, at least two other factors which must be satisfactorily resolved. One of these is the question of the Mexican Government's attitude, for if the bill is not satisfactory to the Government of Mexico, then it is not properly before us now for it involves the use of Mexican nationals as farm laborers in this country.

The third element, and one I think extremely important, is the effect this measure may have upon the thousands and thousands of American farm laborers. If it is to affect them adversely, then assuredly it should not pass.

There is a definite shortage of farm labor and American farmers have responded readily to the Government's call for a bumper cotton crop. It is one of the largest in the history of our country, and there is a serious question as to whether there will be labor available to pick it.

However, anyone who would take the time could soon ascertain that it is not the desire of the Texas farmers to employ illegal Mexican immigrants. It is simply not good business. They do not make desirable or dependable workers. The farmers of our area much prefer and as a rule use only American citizens, or, if they are not available in sufficient numbers, then Mexican nationals who have been properly and legally admitted.

The Committee on Agriculture deems this measure to be the best that they are able to bring out after exhaustive hearings. I am convinced, after considerable study, that the measure, as reported out by the House committee, could not adversely affect American farm labor.

However, if this bill were amended in the House as it was in the Senate by adding the so-called Douglas amendment, it would do great harm to hundreds of thousands of splendid Americans of Latin descent, it would humiliate and disgrace them, and it would make informers out of reputable citizens. It is an amendment which has been foolishly introduced without regard to the facts and without regard to the people involved.

Many of our fine citizens are of Latin descent. Their ancestors fought for the independence of Texas and for the freedom of this country in three other wars. They have proven their loyalty and allegiance to this country in a manner which

makes their citizenship unchallengeable. Yet, they bear Mexican names. They have the characteristics of the people across the border. They speak Spanish fluently. Yet the effect of this amendment would be to compel them to carry at all times, when they sought employment, proof of their citizenship, in effect, a card saying, "I am an American citizen because I was born in this country and because I have fought for this country."

This House could do no greater disservice to thousands of fine people than to adopt the Douglas amendment. I know that it is popular in some sections among people who are not familiar with the problems involved, or who, understanding, do not care that highly discriminatory legislation is being offered under the guise of protecting so-called downtrodden people. It is popular, yes, and will have great appeal to those who do not know its real effect. But I hope that no Member of this House will vote for an amendment for political reasons or votes which may accrue to them by such sponsorship.

There is a shortage of farm labor in Texas and in other parts of the country. But if the House of Representatives does not feel that it can pass the bill as recommended by the Committee on Agriculture, which has thoroughly studied the problem and has the facts, then let it be defeated. Many farmers will find it difficult, if not impossible, to gather their crops, but I am certain that they would prefer that difficulty, that they would prefer to have their crops go to waste, rather than have this House pass ill-advised legislation which would be calculated to cause much harm to fine Americans of Latin descent and would serve only the illusion of helping to uplift humanity. We do not want illegal foreign labor. We want only a workable, practical, sound program by which they may be brought to this country for seasonal employment under terms which are agreeable to both countries. If we cannot have that, we would prefer to have no legislation on the subject at all.

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. Has there been some kind of agreement with the Mexican Government on this bill?

Mr. LYLE. Yes.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield to the gentleman from New York.

Mr. CELLER. I think the gentleman means he does not wish anybody to hire anybody who comes into this country illegally. The so-called wetback is one who is in this country illegally, who does not satisfy the provisions of the immigration statutes, the public-health statutes, the narcotic statutes, the McCarran law with reference to internal security. You would not expect anybody to come in without regard to those laws?

Mr. LYLE. Of course not.

Mr. CELLER. All that the Senate bill does with reference to those illegal entrants is to provide a penalty for anybody who conceals or hires or transports any

¹ No United States representatives attended. FBI Chief J. Edgar Hoover boycotted the conference after it refused to help trace four Czechs on grounds the men were refugees, not criminals.

illegal entrant. He shall be guilty of an offense. As it is now, the law is inadequate, under the decision in *United States v. Evans* (33 U. S.). That decision provides that because of lack of penalty the Department of Labor cannot apprehend those who were guilty of bringing in these illegals.

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

Mr. ELLSWORTH. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the bill has already been explained by the distinguished chairman of the Committee on Agriculture, the legislative committee which has so thoroughly considered and reported this bill.

I would like to direct the attention of the House to the fact that this bill is not essentially a bill for farmers, or to help farm production. It has a deeper purpose and a deeper significance than that. The real objective of this bill is to attempt to solve, in an orderly way, a problem which has been of great concern and of considerable trouble to the Governments of the United States and Mexico over a great many years. We all know there are thousands and perhaps millions of Mexicans in the United States. They are here to work and help us harvest the crops and plant them and so on. We also know, the report so reveals, that thousands upon thousands of those Mexicans are here illegally. It is a problem which has plagued our Immigration Service and which has plagued the Government of Mexico. Early this year a meeting was held in Mexico City between representatives of our Government and the Mexican Government for the purpose of working out some details and plans for alleviating this situation, to bring about some orderly way of having Mexican farm labor come into the United States and not be in violation of immigration laws, and not be the subject of controversy as between our two Governments. The meeting in Mexico City resulted in a very comprehensive report, a part of which is embodied in the bill reported by the House. The Government of Mexico now tells us, I think with good reason, that unless there is legislation of this kind, which will make this problem of employing Mexican Nationals in the United States a matter of orderly procedure, the present haphazard procedure by which Mexicans are coming into this country will be terminated as of the end of this month.

Now, without this bill which is now before us, if this rule should fail to pass and the legislation is not considered, our present arrangement with Mexico would be terminated. We would have a far greater area of confusion especially along the border states, far greater than we have now under the arrangement existing; so it seems to me that there is much more in this bill than merely a plan, and it is a specific plan, for the importation of Mexican labor for farmers. The bill is much broader than that; it helps two friendly governments solve a problem which has been mutually disturbing down through the years.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from New York.

Mr. CELLER. I think it would be well for the House to know, and I wonder if the gentleman can supply the information, as to what portions of the bill the Mexican Government has agreed to and what portions it has disagreed to?

Mr. ELLSWORTH. I would have to let that be answered by members of the committee in general debate. The only answer I can make to the gentleman is that the Mexican Government has said that unless appropriate legislation—and we are told by the committee that this is appropriate legislation—that unless such legislation is passed the present arrangement is to be terminated.

The bill is very simple and it is specific. It has for its purpose as stated in the very first section, section 501:

For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

To recruit workers and so on, and the bill sets up specific procedure.

Section 502 provides:

No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

The whole procedure is spelled out.

Section 504 provides that workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws, and so on, under conditions to be specified by the Attorney General.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Iowa.

Mr. GROSS. How many such employables are available in Mexico today?

Mr. ELLSWORTH. That question will have to be asked of some members of the Committee on Agriculture, one of the students of this subject; I cannot answer the gentleman with figures.

Section 505 provides exemption from certain United States laws for Mexican nationals who are brought in under this arrangement. Then the Secretary of Labor is authorized to enter into agreements with Federal and State agencies, and all the way through, the procedure under which these Mexican laborers will be brought in is spelled out, and I assume and believe it is true, spelled out in accordance with, insofar as the provisions of the bill are concerned, the Republic of Mexico.

Mr. Speaker, I urge the adoption of this rule and I urge the favorable consideration by the House, not as a hand-out to farmers, because I do not think the bill is that; I do not think the bill has much of that feature in it at all, although there has been in my opinion a great deal of misunderstanding along that line. I think the bill is necessary to further and complete the friendly relations we now have between the Government of Mexico and the Government of the United States.

I think the bill is sound legislation as reported by the House committee. I wish to make a digression at this point. The other body has also acted on this legislation. The Senate bill up to the last section which was added as an amendment in the Senate is very nearly identical with the bill now before us, but the Senate amendment which has been discussed by the gentleman from Texas [Mr. LYLE] goes far afield from the purposes of the bill now before us and deals with subjects entirely foreign to the purposes of the bill; it deals with the matter of criminal penalties against anyone, not just farmers, but against anyone who has knowledge of the presence of an alien in the country and who does not report that knowledge.

So I conclude my remarks on the rule with the warning that the bill as reported by the House Committee on Agriculture is, in my opinion, a sound bill and should not be amended with the amendments which appear in the bill passed by the other body.

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

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Speaker, I am for the adoption of this rule and will support the bill. It is, in my opinion, absolutely essential to help the farmers who have been asked to increase their production this year to harvest their crops after they have planted them.

Mr. Speaker, I would like to direct the remainder of my remarks to the agricultural situation, which may be deemed out of order under the strict rules of the House; therefore, I ask unanimous consent to speak out of order for the balance of my time.

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

There was no objection.

Mr. VURSELL. Mr. Speaker, a recent report from the Department of Agriculture crop experts has brought forth the greatest argument that can be used against the need of further price controls and consumer subsidies.

The Department of Agriculture reports the average family of four persons will have 592 pounds of meat available in 1951, which is 87 pounds more than was available during the period 1935-40.

That there will be available to the average family in 1951, 196 pounds of eggs compared to 148 pounds in 1935-40. This means 126 dozen eggs during 1951, or one egg a day for every breakfast for each in a family of four.

The Agriculture Department states that the public will have an 88-percent increase in turkey poundage, greater than in the years 1935-40 when we had a surplus.

Butter is reported to be the only staple food in shorter supply than in during prewar years, and oleomargarine is expected to fill this gap.

RECORD-BREAKING CROP YIELDS

Mr. Speaker, a check this morning with the Department of Agriculture gives indication of the abundant food supply for 1951 which, in fact, carries over into 1952.

WHEAT

Mr. Speaker, here is good news. Over a billion bushels of wheat, will be produced in 1951, a bountiful supply for every person in America and some to export to the rest of the world.

PIGS AND PORK

The biggest pig crop for both spring and fall the country has ever known. The spring pig crop for 1951 is 5 percent above the high record of last year, and the fall pig crop shows an increase of 8 percent—premium ham, pig knuckles, ham hock, spare ribs and bacon in abundance for all.

BEEF ROLLS ON

If the roll-back on beef does not prevent millions of grass-fed steers from rolling into the feed lots of the Corn Belt States where each steer will have added to its carcass an extra 200 pounds of prime beef, there should be such a supply of beef as will cause the price to recede as beef production in the Nation is also above normal.

BUMPER CORN CROP

To feed the extra millions of beef cattle, we will be blessed this fall, according to the present outlook of the Department of Agriculture, with a corn crop that will exceed a billion bushels, probably the largest on record.

Potatoes, like hidden taxes under this administration, cannot be reduced to a shortage or eradicated. This underground tuber against which the people and the Congress have declared war throughout the years continued to produce to the extent that acres of them were left underground, millions of bushels were dehydrated or fed to animals, and millions of bushels were destroyed by the bureaucratic application of kerosene.

They thrived on begrimed subsidies. Regardless of the fight of the people and the restricted measures affecting its production by the Congress, which has been effective in reducing potato production, our good earth will turn out this year 350,000,000 bushels, enough to supply the need of everyone.

CONTROLS NOT NEEDED

With the production of fruit and foods of every other kind supplementing these basic agricultural products, it seems foolish indeed, to ask that any agricultural products be brought under price controls, or that present controls on agricultural products should be continued.

Greater production of agricultural products, yes, and manufactured goods of every kind as well, is the only real cure that will stop inflation.

If this Congress and the administration will assure the farmer of this Nation that no controls will be placed on any of his production, and he is urged to produce to the limit, his greater production will not only make a greater contribution to the financial strength of the Nation, but will make a greater contribution than can be made in any other way to prevent inflation and reduce the high cost of living through greater production.

Let us eradicate the cause of inflation rather than perpetrate it by treating only its symptoms.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the gentleman if he believes in farm subsidies?

Mr. VURSELL. Only to a certain extent; where they are absolutely necessary.

Mr. BAILEY. All right. Is the gentleman aware that this legislation that he puts his approval on contains both direct and hidden subsidies?

Mr. VURSELL. I would not consider this a subsidy.

Mr. BAILEY. I will take it upon myself to prove it when my time comes.

Mr. ELLSWORTH. Mr. Speaker, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Speaker, I am wholeheartedly in favor of this rule and shall support it. The distinguished chairman of the Committee on Agriculture has stressed the incisive work and effort put forth by the subcommittee headed by the gentleman from Texas [Mr. POAG]. I feel it is proper that an opportunity be afforded by passage of this rule to have the benefit of the explanation, the investigation, the negotiations with the officials of Mexico and the reasons why the bill H. R. 3283 merits favorable consideration on the basis that the need of farm workers, in this instance, is an emergency measure.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, down through the years it has been, as the honorable Speaker of this House often refers, my high privilege to work at this type of work which is performed by the workers who are covered by this bill. By that I mean to say that in past years I have had the high privilege of chopping cotton and picking cotton and planting cotton and working in the grain fields, and following the threshing machines from the Southwest to the Northwest, working in sugar-beet fields, and performing other types of work such as is performed by the people who are covered in this bill, and I speak from experience.

Mixed up in this international game which we are playing today, with rumors of wars, and with the international contributions that we are making, I wish to say to my friend from West Virginia that if the people of this country want food it is going to be necessary to have a source of supply of workers to produce that food. You have two real sources of raw labor left in the Western Hemisphere applicable to the United States, and that labor is located in old Mexico and Puerto Rico. We do not have any substantial supply of migratory workers any place else except in those two areas. Old Mexico is a foreign republic, and this bill deals with contractual relations between the United States Government and old Mexico. Puerto Rico is a Territorial pos-

session of the United States. Puerto Ricans are citizens, and therefore you have an entirely dissimilar relationship between the people of Puerto Rico and the people of the United States and the Puerto Rican government and the United States Government than you have between old Mexico and the United States. So, when my friend from West Virginia refers to this bill carrying subsidies direct and indirect, it might pay him to give some consideration to what a subsidy consists of. This bill is designed to provide a supply of labor from old Mexico.

In reading the provisions of the bill I find that someone has given a lot of good thought to it because this language is more or less technical. For instance, suppose you as an individual farmer go into old Mexico and try to recruit labor to come into the United States to work your farm lands. Suppose five, ten, twenty-five, or a million other farmers go down into old Mexico and try to bring in workers. You can imagine what a perfect mess we would soon involve ourselves in under such a procedure.

Here the Government of the United States proposes to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States. After those workers are centralized at those centers within the United States, American farmers can go to those centers and pick up their supply of labor, provided the farmers can qualify under this bill.

I think that is one of the most constructive steps this country has ever made since the supply of raw labor disappeared here in the United States. Why did it disappear? Because of our developing economy and the absence of migrants from the Old World, or Western Europe. For years we brought them in by the hundreds of thousands, and there was a constant supply of raw labor coming into this country from Western Europe and from the Near East. In recent years that supply of labor has been discontinued.

In my district in Michigan we have literally hundreds of top-level citizens who came into that part of the country as raw labor recruits, as sugar-beet workers, for instance. They have acquired ownership of very fine farms. Their sons and daughters have been educated at the Michigan State College at Lansing and the university at Ann Arbor. They have gone out into the professions and into the banks and into the hospitals, acting as nurses, doctors, and surgeons. Who were these people? They were raw migrants who came to this country from Europe and found the opportunity here. In my State we have citizens of old Mexico who have done likewise.

Mr. Speaker, I am for the rule and for the bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, in years gone by I used to take a great deal of interest in immigration matters, but of late I do not claim to be anything like an expert. However, I should like to call

the attention of those who are responsible for this legislation to section 509 on page 6 of the House bill.

I have known and everyone else has known for many years that much of the common labor, especially west of the Mississippi River and on the railroads and the farms, and more especially the transient labor, has been Mexican labor. A good portion of these are known as wetbacks. They have come across without any legal entry papers. They come and go as they please. The immigration authorities have on many occasions never been too strict about getting them out, because they knew it would cost them considerable money to get them out, and they knew they would be right back in again.

If this law is to be applied strictly to agricultural labor, that is one thing. I would not be at all in favor of the amendment someone has told me about that Senator DOUGLAS has introduced, because that would work a terrific hardship on the farmers of the West.

We know that farmers generally would be apt to employ any Mexican who would appear to be physically able to do his work, and would not go into any details about how this laborer came into the country, but the Douglas amendment would make him liable for a severe penalty. But getting down now to my objection with reference to section 509 on page 6, it is this: I want to call your attention to it because if I am wrong of course I will be glad to be corrected. It says:

Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws—

That means all the immigration laws—to permit the importation of aliens of any nationality for agricultural employment as defined in section 508.

You surely do not propose through this bill to allow the admission of immigrants of every nationality. Basically in this bill you are contracting for Mexican immigrants and only Mexican immigrants. Then why do you want to give authority to the Attorney General to open all the immigration gates and let everybody in who wants to come in from other countries?

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I happen to be responsible for that provision in the bill. The Attorney General now has the authority to make rules and regulations with reference to the importation of alien workers in agriculture.

Mr. JENKINS. Does he have that authority outside of the authority under the displaced persons laws?

Mr. AUGUST H. ANDRESEN. He has had this authority right along and has exercised it.

Mr. JENKINS. I want to understand this correctly now. You say the Attorney General has the authority now to prescribe regulations whereby aliens of any nationality can come in if they

want to work in agricultural employment?

Mr. AUGUST H. ANDRESEN. That is true, and that authority has been exercised largely in respect to agricultural workers from the Western Hemisphere. It is true that this agreement only has to do with Mexico, and some of us felt that the agreement should extend further than that. But it was the opinion of the committee and also of others responsible for the legislation that this agreement should be limited to Mexico.

Mr. JENKINS. If that is the case—if the gentleman from Minnesota, who everybody knows is an expert on all agricultural matters—approves of language, and he can guarantee to me that it will be held down strictly within the limitations that he has indicated, then I would have no objection. You can see my position. If you parse that language out, literally you are giving to the Attorney General, pursuant to the general immigration laws, permission to bring in aliens from any country, and then, of course, I would not be for it.

But if you are going to hold it down to mean that under it you bring in immigrants for agricultural purposes only, and bringing them in under the law which controls now, then I have no more to say.

Mr. AUGUST H. ANDRESEN. He has that authority in section 508, which was referred to on line 17. We did not want some other agency of the Government to make some other regulations which might contravene the definition as prescribed by the Attorney General.

Mr. McCARTHY. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. McCARTHY. I think there is a bit of confusion here in that the power will still remain for him to authorize the bringing in of foreigners from other countries. The only thing is that when they come in from Mexico they would have to come in under the terms of this act. The House should know that much of the impetus behind the passage of this bill came from the Mexican Government because they insisted on having certain safeguards for their people which are not being given to them now.

Mr. JENKINS. I am sorry about this contractual business. That does not fool me at all. I know we have to make ourselves responsible. Mexico will not do any more than she has to do, and many of our farmers will be called upon probably to pay money that they do not know they are contracting to pay. I do not think this is a very fine thing for our farmers, but I am not going to oppose it because we have this Mexican help all throughout the West now, anyhow, and we might as well use them; and just as the gentleman from Minnesota says, if these other people can come in from these other countries in the Western Hemisphere, with the regulations of the Attorney General applied to them, it might not be so bad.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman from Ohio is one of the outstanding food experts of this country and he knows that we must have labor to produce food.

Mr. JENKINS. You have to have people who know how to do agricultural work and you must have confidence in them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. JENKINS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Independent of what the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has said, the bill reads:

Nothing in this act shall be construed as limiting the authority of the Attorney General.

As I understand, this language in itself says in substance the Attorney General has this authority, under the present law—the general immigration law. So I would like to have the point cleared up on the basis of the language contained herein.

Mr. JENKINS. I think the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has been sincere and, as he always is, and I am willing to take his interpretation of the language of this section.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Speaker, I am not seriously opposed to the rule. I am deeply concerned about some of the provisions of the bill which this rule makes in order.

Like the gentleman from Ohio [Mr. JENKINS], I am concerned about immigration and the entry of illegal aliens into the United States.

The bill as reported from the Committee on Agriculture, in my judgment, opens wide the doors to the continued illegal entrance of so-called wetbacks from Mexico. For a number of years this has been a very serious problem in the Southwest and is becoming a serious problem for a great part of the United States. We know that these Mexican wetbacks go as far north as Chicago. They become a serious social problem wherever they congregate in large numbers. They come in as illegal entrants. This bill as reported from the committee, as I said before, tends to give legislative sanction to this illegal entry.

At the proper time it is my purpose to offer an amendment in the nature of a substitute, which will contain the provisions of the bill which passed the Senate. The Senate bill, I believe, is a much better bill than the bill reported by the Committee on Agriculture of the House.

I hold in my hand a letter which I received from the president of the United Latin-Americans of America, Inc., an organization with headquarters in San Francisco. With your permission, I would like to read a portion of that letter:

The following resolution was introduced and adopted unanimously by our members at our general assembly meeting April 20,

1951, and we urge you to give it your most serious consideration:

"RESOLUTION

"Whereas hundreds of thousands of Spanish-Americans, mostly in Texas, California, and Arizona, have been displaced from their jobs by the importation of illegal labor known as wetbacks, specially in the agricultural fields and urban work.

"These people are Americans who have been in this country for two or three generations. Now they are confronted with disaster, having to leave their homes and belongings because they no longer can make a living. They cannot compete with the miserable wages that are paid to the poor wetback, who has been exploited and compelled to work for pay so low as to be tantamount to peonage. These conditions are intolerable as mentioned in the Look magazine, edition of March 27, and also mentioned in the New York Times.

Resolved, That a congressional investigation start immediately to bring justice and prosecute the individuals and corporations responsible for the violation of the minimum wage and immigration laws.

"ALFRED A. ESPINOR,
"President."

A few months ago the New York Times carried a series of articles by Mr. Gladwin Hill, who spent some considerable length of time along the Mexican border. He made a statement which I think is very significant with reference to these illegal entrants into our country. He said that by this procedure Communists and subversive elements could come in very easily; in fact, he made the statement that Josef Stalin by using a very slight disguise could walk across the border without detection.

There are about 1,600 miles of this Mexican border and about 900 employees to police the border. And that brings up another point. In that area they have what is known as the high law and the low law. They refer to the border patrolmen and the Texas Rangers, whenever they enter into the picture as the high law; but the low law is the term by which they refer to local police officers in the communities. The low law are very often interested in helping the so-called wetbacks get across the border. Because of local pressures local law-enforcement officers make little effort to enforce our immigration laws, and leave the entire problem to the immigration service.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I think it is essential to clear up one or two misunderstandings that have crept into this debate thus far. This bill permits the entrance of a vast number of Mexicans, most of whom I will say will be illegal entrants who would unduly interfere with American labor. The CIO, the A. F. of L., and the railroad brotherhoods are opposed to this bill. I read from the report of the President's Committee on Migratory Labor:

The Commission received evidence that in 1950 domestic workers had been removed from employment from cotton picking in order to accommodate contract Mexican aliens.

The inducements to wetbacks this bill affords will greatly aggravate the situation.

I have before me a communication from the Department of Labor in which it is stated that during the freeze in late January, in early July in certain counties in Texas in the Rio Grande Valley, approximately 10,000 American agricultural workers were unemployed; 45,000 to 50,000 were on relief, and despite that fact between 1,200 and 2,000 Mexicans were working on farms.

Again, between March 12 and 25, 8,191 wetbacks were picked up. Those are illegals who come into the country. Five thousand and sixty-two were employed, while many American workers were on relief and out of work, seeking work. My complaint is not lodged so much against legal entrants as against the illegals, the wetbacks.

What I am primarily interested in is the failure of this bill to provide adequate safeguards against the coming in of the wetbacks. A wetback is one who is illegally in this country. There is no provision in this bill with reference to proper safeguards concerning the public health, and the testimony is replete with evidence to the effect that these illegal Mexican workers coming in here are afflicted with tuberculosis, dysentery, and in some cases leprosy. I understand that we need workers to handle the crops, particularly the additional crops, needed for defense, but when we have these disease-ridden workers handling our food, as they do in the Imperial Valley in California, as they do in New Mexico, Arizona, and Texas, handling the food that we all eat, and when we further consider that this bill does not set up proper safeguards involving public health, we must do something about it. This bill does nothing about it. It actually would encourage wetbacks to come across the border—encourage more disease-ridden Mexicans to handle our raw food. Furthermore, what about internal security? We can pass all the internal security acts we wish, but when we have inadequate border control, and we have an invasion—that is what it is called, an invasion—of Mexican illegals coming into the country, thousands of them undoubtedly imbued with communistic ideas, we run into difficulty. Evidence has been brought to bear on the fact that they come in with communistic literature. There are no safeguards in this bill to protect our internal security. The wetbacks can come in—in fact are encouraged to do so. They are not examined either for health or screened for security purposes.

Let me read to you line 1, page 2 of the pending bill: "to recruit such workers, including any such workers temporarily in the United States."

It does not say that one can recruit such worker whether the worker is here illegally or legally. The legality is immaterial. Are they here? That is all that is necessary. Then they can be hired with no questions asked. No inquiry is made how they got here. That puts the stamp or legality upon those who are in this country illegally. If they are here temporarily they can be employed and recruited.

That must give us pause. It is dangerous to do that. How about the narcotic carriers? The narcotic carriers

can come in without hindrance. The illegal wetback is not examined for narcotics. There is nothing in the provisions of this bill that exclude or that will put proper safeguards against those who would carry heroin, marijuana, and opium into this country. That is a grave danger that I am addressing myself to.

At the proper time I shall offer amendments.

How shall the American farmers expand agriculture production to the degree required by our defense program and obtain a sufficient labor supply to harvest these needed crops; and, secondly, should the greed of a few agricultural producers be permitted to endanger the health and the internal security of our Nation?

It now appears that the defense agricultural program will result in the American farmers cultivating approximately 28,000,000 acres for the production of 16,500,000 bales of cotton. The production of foods also is being tremendously expanded. It is the opinion of the manpower experts in our Government that the complete utilization of all agricultural workers in this country will not permit us to harvest these crops. An additional 200,000 to 225,000 agricultural workers may be needed during 1951.

If it is evident that additional agricultural workers are essential to our defense effort, the Department of Labor must be in a position to obtain these workers from friendly foreign countries. The present international agreement between our Government and the Government of Mexico will be terminated by the Mexican Government on July 1, 1951, because it has permitted unscrupulous employers to defraud and mistreat Mexican nationals. The Mexican Government has notified us officially that no additional agricultural workers will be furnished to American farmers unless Congress authorizes the United States Department of Labor to regulate the flow of workers to the United States and to guarantee that Mexican nationals will be paid all amounts due them by American farmers.

The Mexican Government also is concerned about the use of wetbacks—Mexicans entering the United States illegally—by American farmers. It is demanding that no Mexican Nationals be furnished to any employer who also hires wetbacks, and has urged our Government representatives to prohibit entirely the employment of Mexicans entering the United States illegally.

The Mexican border extends for approximately 2,000 miles, and the Immigration and Naturalization Service has a Border Patrol force on duty which consists of only 700 officers. Annual and sick leave, holidays, and the 5-day week reduce this force by approximately 39 percent, leaving only 427 officers available for daily duty. When this group is divided by 3, to get a 24-hour daily coverage, and again by 2, because these officers invariably work in teams of at least 2 men, we find that only 71 Border Patrol teams are available at any one time to cover the entire Mexican border.

Despite its meager force, the Border Patrol back in 1940 apprehended and deported 7,000 wetbacks. Since that

time, however, the flow of wetbacks into this country has reached the proportions of a raging torrent. For 1950 the Border Patrol deported almost 600,000 Mexican illegals. This tremendous increase is the result of two serious blunders. First, certain groups of American farmers are granting employment to wetbacks as freely as they possibly can. They have become so actively engaged in stimulating the desire of Mexicans to enter this country illegally regardless of the consequences to our Nation that the Mexican Government complained very bitterly to representatives of our Government that American employers had come into Mexico and distributed leaflets inviting Mexicans to enter the United States illegally and accept work on American farms. Second, in 1949 representatives of our Government and the Government of Mexico entered into an international agreement which permitted the contracting of Mexican wetbacks for work in American agriculture. When it became known in Mexico that wetbacks were being given legal status and steady employment by American farmers, this country was flooded with wetbacks. The records show that in 1944, when employment of wetbacks was not "legal" fewer than 30,000 wetbacks were apprehended by the Border Patrol. In 1949, however, this figure jumped to more than 300,000; in 1950 it became almost 600,000; and if H. R. 3283, the Poage bill, is passed by the House we can expect the number of apprehensions to exceed 1,000,000.

Because the present small force of border patrol officers cannot possibly apprehend even half of those who enter this country illegally, it is reasonable to believe that another million wetbacks have eluded them and are remaining in this country breaking down labor standards and spreading communicable diseases.

Reference to the breaking down of labor standards by Mexican wetbacks is not merely inflammatory language, but is very realistic. For example, the records of the Texas State Employment Commission have estimated that in Texas alone 80,000 to 100,000 American citizens annually are driven from their homes to enter the migratory ranks of labor because they cannot stay at home and compete with illegal labor. A Government survey revealed that most wetbacks are being paid from 20 cents to 25 cents per hour.

It is also important to know that these wetbacks do not always remain in agriculture. There are no well-supported statistics on this phase of the subject, but Border Patrol officers have apprehended wetbacks as far north as the State of Michigan, where they were employed in various industries. Some of the Members of the House no doubt are aware that it is estimated that as many as 30,000 are in the Chicago area.

An illustration of the danger to American health standards is revealed by the records of the Public Health Services. According to C. R. Kroeger, health officer of Imperial County, Calif., the more than 1,000,000 wetbacks now illegally entering this country annually will infect more than 6,000 Americans with

tuberculosis. Other surveys have revealed that these Mexicans have 12 times as much whooping cough as Americans, that the death rate among babies is 5 to 1 against the Mexicans, and that they have 4 to 6 times as much dysentery and malaria as the average for the United States.

Through examinations by Public Health Service officers, it has been discovered that Mexican wetbacks are, found as I said before, to have a substantial incidence of tuberculosis, syphilis, and other highly communicable diseases. Even a few cases of leprosy have been observed.

I repeat, because these wetbacks handle food which is shipped all over the United States, it is reasonable to believe that the greed of a few American farmers is being permitted to endanger the health of the whole country.

If the facts relating to labor standards and health conditions are startling, the truth about the dangers to our internal security are appalling. Because the border patrol is so busy apprehending, processing, and deporting wetbacks it is unable to do the work for which it was originally designed; that is, protect our borders from subversive elements.

One border patrol officer reported that he and his partner discovered a single group of more than 400 wetbacks crossing the border. Another pair of officers apprehended more than 150 wetbacks at a river crossing one night. The volume of the flow of wetbacks into this country has so completely broken down effective control of our borders that it has created a highway through which this country can be invaded by subversive elements. Although most of the wetbacks are innocent agricultural workers, it would be a simple matter for highly subversive individuals to intermingle with groups of wetbacks as they entered this country. In fact Communist literature has been found on some wetbacks when they were apprehended. It is also well established that much opium and marijuana have been smuggled into this country by people who had joined innocent-looking groups of wetback agricultural workers.

The failure of Congress to treat effectively this wetback situation has made a mockery of the Displaced Persons Act and the McCarran Antisubversive Act. How futile it is for Congress to devote time and energy to debate over the admission to this country of a few hundred thousand European aliens while more than a million others freely pour across our borders.

The wetback problem has extended itself all the way to the Canadian border where the border patrol has stripped its forces to no more than 232 officers in order to bolster the Mexican border group. This is being done at a time when distressing numbers of European aliens have been apprehended who have illegally entered this country through our northern border.

If it were possible to rid ourselves of the wetback problem, the border patrol could then effectively give its attention to the type of alien whose entry is a menace to our Government and its institutions. We must strengthen the hand of the Immigration and Naturalization Service

before we pass a Poage bill. That Service should have its forces increased to the point where it can effectively deal with subversive elements and make our borders secure. It also should have the clear statutory authority to enter places of employment to determine if illegal aliens are there, and also by statutory penalties against harboring, concealing, or transporting illegal aliens.

The international agreement, to which I referred earlier, now has been corrected to prohibit the use of wetbacks by those employers who participate in the program of importation of Mexican workers for American agriculture. Now they are here solely because American agriculture claims it is impossible to harvest crops without Mexican labor. The solution to both our problems is through the passage of good legislation creating an orderly program for the importation of Mexican workers and the outlawing of the employment of wetbacks.

In this endeavor we shall have the wholehearted support of the Government of Mexico whose representatives have repeatedly endorsed the entering of this country by Mexican nationals only through the orderly processes established by law and by international agreement. I repeat, this country can be safe only through the adoption by Congress of legislation such as is proposed in S. 984 with the additional amendments which would strengthen the Immigration and Naturalization Service.

Finally, while I was temporarily absent from the Chamber, I regret to note that the gentleman from California [Mr. WERDEL] injected some remarks of a "racist" character into the RECORD. He implied that I supported the so-called Douglas amendment. He wondered what I would say if the punishment involved therein would be directed against an Irishman or a Jew in New York. That is how colleagues reported to me his remarks which I did not hear. If he made that statement, it has rather unfair undertones. I shall not dignify it with any extend answer. It speaks volumes concerning the thinking of the gentleman, volumes that are not very edifying in my opinion.

I want our laws enforced without regard to race, color, or creed. That is the American way.

Frankly, I oppose the Douglas amendment as being too severe. The gentleman from California is woefully uninformed as to my views.

Mr. ELLSWORTH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the gentleman from New York seems to think it is necessary to deal with illegal aliens coming into this country in the present bill. Why, we already have laws on our statute books and if properly enforced they will take care of all the illegal aliens who come into the United States. There is no place for such provision in this act.

The gentleman from Ohio referred to the fact that this bill might make possible the coming into the United States of a lot of Communists. There might be a few come in. But if you will look

at the records submitted by the FBI, you will find Mr. Hoover states that we now have 50,000 or more Communists running loose in the United States, in all parts of the country, in every community, who are operating under orders from Russia, ready to sabotage anything we have on a moment's notice. If I had my way about it, I would take all of the Communists in the United States and their fellow travelers, put them on some of these boats we have now in moth balls, and ship them all over to Russia where they really belong. So that we do not need to have any fear about any great number of Communists coming in as a result of this act.

I would rather not have a bill of this kind to import foreign labor to do certain kinds of agricultural work in this country, but it is absolutely necessary because American citizens will not do the stoop labor that is required in producing a tremendous amount of food in this country to take care of the needs of the American people. At this time when we have an inflationary spiral. It seems rather strange some of the gentlemen who are here advocating stricter controls in the United States are opposed to this bill. The only reason they may be doing that is because we will have a greater shortage of food so that there will be tighter controls and a lot of this food will have to go into the black market at higher prices to the people. This bill should be passed in the interest of the general economy of the country and to increase the food supply for the people.

Mr. COLMER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, permit me to say at the outset that I am a restrictionist when it comes to immigration. I want to see our immigration laws tightened rather than liberalized. But we are faced here with a practical situation. This is not a question of immigration; this is a question of whether we are going to have the necessary labor supply in order to harvest the necessary food and the staples that are produced in this coming year. This is nothing new. It is an old practice, but it has a new angle. These people have been coming here for years, doing this work, but here this year we are engaged in a war. The thing we need above everything else in this war to defeat communism is production and more production. That is the way to defeat communism. Here is a bill that tends to do that, and at the same time it is something that would halt inflation.

Frankly, I am at a loss to understand some of my friends to whom I have yielded time here today. They oppose this legislation. They say that American labor is opposed to this legislation, yet American labor is occupying the forefront today in the advocacy of controls in order to keep down the cost of living. Now, the best way to keep down the cost of living is to produce and to produce and to produce. So, it seems to me that some of my friends who label themselves liberals—and with that I find no fault—should be behind this legislation in order to bring about the production to keep down inflation and prevent the necessity for controls.

Incidentally, I agree with them on the question of controls. I think this inflation has got to be beat and I think the best way to beat it and the best way to stop Russia in its one main objective above everything else in breaking down our economy is to produce, as I said.

The question was raised about the health of these people. Why, this bill provides that safeguards shall be made for the health of these people that are brought in here. So far as I know, that is something entirely new and I think it is a very liberal provision in this bill. Let me say again, although I speak as one who comes from a southern State and a cotton-growing State, that this is not a question of cotton. Yes, we have been using Mexicans over here to harvest cotton for many years. This is not a question of harvesting apples in the Northwest. It is not a question of harvesting beets in the West. This is not a question, as was so appropriately stated by the gentleman from Oregon [Mr. ELLSWORTH], of aiding the farmer. It is a question in this immediate year of 1951 of assisting the people of the United States, the American farmers, laborers, and all other segments of our economy, in defeating inflation and winning this conflict with which we are engaged with Russia.

Mr. Speaker, I think this bill ought to pass. Frankly, it does not affect me personally any more than it affects you or anyone else. It is all a part of the set-up; of the scheme of defeating communism. I do not see how we can afford not to pass this bill.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3283) to amend the Agricultural Act of 1949.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3283, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I had hoped it would not be necessary to offer a detailed explanation of the purpose of this legislation, but the remarks of the two gentlemen who have spoken in opposition to this bill and to the rule made it clear that there is much misunderstanding as to both the purpose of the bill and its actual content.

The criticism that has been launched at this proposed legislation so far has been confined to suggestions that illegal entrants were coming into the United States from Mexico and that doubtless after this bill was passed there might still be violations of our laws along the Mexican border. I would readily grant that this bill cannot be expected to prevent the violation of other laws, but surely it will in no wise aggravate the situation.

For the 103 years that the United States has had a common border with the Republic of Mexico there have been individuals who have crossed that border in both directions without the permission of the governmental authorities. Probably such crossings will continue to be made by certain individuals. Certainly this bill in no wise adds to the ability of anybody to cross the border without detection. Certainly this bill in no wise makes it more likely that there will be illegal entrants in the United States. On the contrary, this bill goes a long way toward making it improbable that we will have the substantial numbers of illegal entrants we have had in the past.

Certainly the only effect this bill will have upon the enforcement of the immigration laws will be to make the enforcement much easier than it has been in the past, because it provides a legal method whereby a Mexican can enter the United States, whereas, if you do not pass this bill, there will be no legal method whereby a Mexican can come in, yet the economic magnet of high wages on the north side of the Rio Grande as opposed to the very low wages and poor living conditions on the south side will continue to draw Mexican workers across that river just as it has during the past 100 years.

If perchance additional legislation in regard to purely immigration matters is needed, the gentleman who so recently addressed you, the chairman of the Judiciary Committee, might well consider bringing in such legislation, but to condemn the Committee on Agriculture because that committee properly exercised a function which is within its jurisdiction and did not seek to extend its jurisdiction into a field over which the Committee on the Judiciary has unquestioned jurisdiction, seems to me to be a little unfair and uncharitable on the part of the chairman of that committee. Why blame us if the chairman of that committee does not bring in the type of immigration legislation that he wants? We are not writing immigration laws. We are amending the Agricultural Labor Act. We are not trying to change or add to or diminish existing immigration laws. In our strict endeavor to try to leave the jurisdiction of other committees to those committees, we wrote a provision in this bill which was questioned here on the floor, which provision simply says that nothing in this bill shall be construed to interfere with the powers that the Attorney General now has. The gentleman from Ohio questioned the propriety of that. We are simply saying all the way through that we are trying to provide adequate agricultural labor for this country. When we have done that the Committee on Agriculture is not concerning itself with social reforms or immigration laws or with the jurisdiction of the Attorney General of the United States. We have sought here to bring to the House legislation which would correct an obvious evil. If members of other committees feel that reforms within the jurisdiction of their respective committees are needed, let those members bring legislation out of their own committees.

Let me review the circumstances that make this legislation necessary: Throughout all these years, as has already been stated, many of our farmers have used Mexican labor. Sometimes it has come into the country legally, and other times it has come in without benefit of law. But it has come into this country. Why does it come? Right now the wages on the Mexican side of the river are possibly 2 pesos a day. A peso is worth less than 20 cents—that is less than 40 cents for a day's work on the south side of the river. In the lowest wage areas on the United States side that same worker can make more than that amount by 1 hour's time.

On the Mexican side of the river the population is pressing against the means of subsistence with such tremendous force that the Mexican worker who wants to provide for his home and family—and my experience with those people is that they have the same love of family and home that you have for your family and home—that man sees the opportunity to cross the Rio Grande and goes to the north and there in a few weeks' or months' time makes more to support his family than he could by working a year at home. He works on the American side. He goes home and takes with him the means whereby he purchases the necessities of life for himself and family. He, his family, and his country profit thereby. And what of the north side of the river? Here we are producing what we hope will be some of the largest crops in history, our vegetable crops and our fruit crops, our beet crops and cotton crops, all need much more stoop labor than is available on the American side.

Last year we grew less than 10,000,000 bales of cotton. This year, if the season remains good, we will harvest between 16,000,000 and 17,000,000 bales of cotton, a 60- to 70-percent increase.

Last year we were barely able to pick that cotton crop with the labor force that was available—and it included a substantial number of Mexicans, both contract Mexican nationals and illegal entrants. Since that time there have been thousands of American boys who have left those farms and gone to work in the industries of the Nation, in the war plants, and in the Armed Forces of the country. Our own labor force is not nearly as large as it was 1 year ago. We were barely able, with a long picking season, to gather 9,750,000 bales of cotton. With sixteen or seventeen million bales this year and a smaller force to gather it, how can we hope to save that fiber without the help of our neighbors to the south? How can we hope to save the fruits and vegetables on the Pacific coast without our neighbors to the south? How can we hope to save the beet crop of America without someone who is willing to get down on his hands and knees and do the stoop labor required to do it?

So we have turned, as always, to Mexico, seeking the needed labor.

We have had an agreement with Mexico whereby Mexican nationals come into this country under contract, but the Mexican Government has said that agreement was not favorable enough to

the Mexican nationals, and they wanted it amended in numerous respects.

I went to the city of Mexico about the 1st of February and the chairman of the Senate Committee on Agriculture went. We worked with representatives of our State Department and with representatives of the Mexican Government, seeking to secure a new agreement. The Mexicans demanded first that the United States agree to a contract between the Government of the United States and the Mexican workers. They insisted that the United States Government be the employer of every Mexican worker in this country. They said in that way they would know that they would get paid, that they would be properly treated.

We took the position, and I think we were right, that it would be improper for the United States to become a broker in human lives, human labor. We took the position that the United States would not employ Mexican labor and then subcontract it to someone else, like you might sell a herd of cattle. We finally convinced the Mexican officials that the dignity of their citizens required that we reject that proposal of governmental contracting.

Then they said, "We must have some guarantee that the Mexican worker who comes to the United States will be paid; he cannot rely upon the courts." Of course he cannot. How can a worker, who has a few dollars coming to him and who lives in the Guadalajara or Hermosillo come back to the United States to collect \$30 due him for work in Arkansas or in Colorado? Oh, the Federal Court is open to him, but how can he get before it, and how could he stay around and litigate the matter? We realized that he could not. So we agreed with the Mexicans that the United States Government would guarantee that these wages would be paid.

Then we said we wanted that contracting done on the American side of the border, because that is the only way we can get it done with the efficiency and dispatch that we feel is necessary. We felt there was too much delay in going down to Monterey and Hermosillo and Chihuahua to make those contracts. The Mexicans finally agreed, but they said, "You have to guarantee the transportation of our workers up there during the time they are employed." So the United States agreed that we would send our immigration officials and health officials and Department of Justice officials to make a security check down to Hermosillo and Monterey and Chihuahua, and there we will make an examination of the Mexican workers, just as we have heretofore made it on the border when they came in. We will then give clearance to those Mexican workers at those points, and the United States Government will bring them to recruitment centers on the American side of the river or the American side of the American boundary farther west, and there, on the American side, the American farmer will come and, under the terms of this bill, he will be allowed to employ any Mexican he wants, and he can reject any individual Mexican whom he does not want to

employ. The individual Mexican has the same right; if he does not like your looks and thinks you will not be a good boss he has the right to say "I do not want to work for you."

But the American employer who goes and gets those men must then and there pay the United States Government for the expense it has been to bringing them in. We did not propose to have the United States Government subsidize the transportation of workers either within or without the United States; on the contrary, we said in this bill that the employer must reimburse the Government for all of the expenses incident to bringing those individuals in except the ordinary expenses of maintaining the immigration service and other services which would go on whether they brought these contract laborers in or not. We put a limit of \$10 upon these expenses in this bill. This limit is intended to restrain the Government, not to relieve the employer. This action has been criticized. It is claimed that it would constitute a subsidy, because it has been said that the Government would spend more than \$10. Maybe the Government will spend more than \$10, but this limitation will certainly tend to restrain the Government. The Government need not and should not spend more than \$10.

We put the \$10 limit on as a limitation on the Government not for the purpose of giving anybody a subsidy. I hold in my hand a number of affidavits as to the actual cost of bringing Mexicans from Monterey to various points in the United States last year and some of them this spring. Incidentally, I see right here that the cost of bringing and maintaining workers from Hermosilla to Nogales was \$2.10 on May 16, 1951. It cost \$2.15 to transport workers from Monterey to McAllen, Tex., on May 12, and to provide them with two meals; \$3 for first-class transportation and two meals from Monterey to Hidalgo, Tex. These are the actual costs that are current now. That means that a round trip costs less than \$5 at the present time. We figured it would cost the Government more than it would cost an individual—it always does—but we thought that if we should let the Government take twice as much as an individual that that ought to be very liberal and that that was hardly a subsidy to the farmer to make him pay twice what he would normally have to pay as an individual.

No, Mr. Chairman, there is no subsidy in this bill. This bill provides that the man who employs the Mexican will pay all the costs; then it provides that he will pay the current wages in the community, and it provides that he shall not have the opportunity to recruit any Mexican until the Department of Labor—not the State Department as some have suggested, not the Department of Agriculture which might be accused of being biased toward the farmer, not somebody else—but until the United States Department of Labor finds: First, that there are not enough American workers in the community to do the work; and, second, that the importation of Mexican nationals would not impair the wage standard or living conditions of Americans if those Mexican nationals were brought in.

Those things have to be affirmatively found by the United States Department of Labor before any man can get a certificate to bring in a Mexican national. After that has been found and after the American employer has brought the Mexican national in, the American employer has got to pay his transportation, his subsistence while he is bringing him in, provide him with a place to live when he gets there, and then he has to pay him current wages.

Now, do you believe—and I want to submit this to the intelligent businessmen in this House and I want you to hear me and I want you to answer it honestly and fairly in your own conscience—may I ask the membership to search your own conscience and ask yourself can you honestly say that there is any reason to believe that any American farmer would employ Mexican nationals under the terms of this bill if competent American labor were present, ready, and willing to do the work? Remember that American labor will cost exactly the same per day, per hour, or per hundred as the Mexican labor and in order to use Mexican labor the farmer has got to pay in addition the transportation, subsistence and other charges. Do you think they are going to pay a bonus to use this Mexican labor? I do not think so. I do not believe it will be done. We have given the strongest guaranty that can be devised to American farm labor that we are not going to allow any harmful competition with American labor. I think these economic guaranties are far stronger than any political or legislative guaranties that we might write into the bill.

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

Mr. COOLEY. Mr. Chairman, I yield the gentleman five additional minutes. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Carolina.

Mr. COOLEY. The chairman of the Committee on the Judiciary made a speech which indicated that the wetback situation might involve a health risk. As we visualize this bill, all of the Mexicans coming in will be screened; they will be healthy; they are supposed to be honest upright farm workers. Is that true?

Mr. POAGE. That is right.

Mr. COOLEY. We are trying to improve the wetback situation?

Mr. POAGE. That is right. I tried to point out that we are proposing under this bill to send American health authorities to Hermosillo and other places down there. The Mexicans got in here before and there was no screening. If he had the most loathsome disease all we could do was to send him out if we could get him out. Now under this bill we will send American authorities down into Mexico, we will go over every one of these individuals, we will give them a physical examination, a health examination, a security examination, and we will do all of that in Mexico. If the worker does not meet our tests he will never get a chance to ride to the border.

Mr. COOLEY. The gentleman was in Mexico during the period of negotiation

between our Government and the Mexican Government?

Mr. POAGE. Yes; I was.

Mr. COOLEY. This contract was worked out at that level?

Mr. POAGE. That is right.

Mr. COOLEY. The gentleman is of the opinion this will bring about a situation greatly improving that which has heretofore existed?

Mr. POAGE. There is no question about that. If you do not pass this bill, if you leave us with no contract with Mexico, then you are going to make inevitable some of the things that Look magazine, Collier's, and the other articles have depicted and tried to play up as being the result of the legal importation of Mexicans but without one scintilla of evidence to support those charges, for in every case when you run those down they came back to the proposition of wetbacks in the United States who have entered this country illegally. If you do not provide a legal method of entrance, the Mexican workers will come in anyway.

Again, let me ask you to search your own conscience. Under this bill these Mexican workers have an opportunity to make a choice between entering the United States under a legal contract, where their rights are preserved, and, on the other hand, of coming in as a wetback, an illegal fugitive from the law. Which choice will they make? I am sure you would come to the conclusion that they will come in under the contract system. We give the Mexican worker that choice under this bill. We give him the opportunity to come in legally. If you defeat this bill and there is no opportunity for a Mexican to come in legally, they are going to be forced to resort to swimming the river. I think that the matter is perfectly clear. This bill greatly improves the condition of the Mexican worker, of the American worker, and of the American farmer who must rely upon some kind of orderly entrance of the Mexicans in order to have a proper distribution of farm labor in those parts of America where we need it and not simply where it is easiest for the Mexican to go.

Mr. COOLEY. Under the situation which has existed, the wetback could very easily be exploited; but under this contract arrangement he is protected in every respect?

Mr. POAGE. Exactly.

Mr. COOLEY. He cannot be exploited by a ruthless or heartless landlord here in this country?

Mr. POAGE. That is exactly the protection this bill provides. We have made provision whereby a Mexican can stand up and make a contract of employment with the assurance that he is dealing within the law and with the protection of the law. This bill attempts to give protection where protection is needed. This bill attempts to provide a workable piece of legislation that will allow us to harvest this year's crop.

This bill has been discussed with the Mexican officials. If it is passed, I am sure that we can extend the agreement with Mexico. If it is not passed or if it is materially amended I fear that we

will have no agreement with Mexico and that this year's crop will be lost.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I want to discuss first the bill itself, but prior to that I will say a word about the reasons before I discuss what is in the bill.

I might add in the beginning that I know something first hand about migrant labor. For more than 30 years I have lived in a beet sugar producing area. For several of those years I was teaching in the center of one of those communities where we used Mexican labor. I have had Mexican students under me while I was teaching. We like to call them Spanish-Americans or Americans of Spanish descent. They are very good students, always willing to cooperate with the school authorities, and their parents likewise. So, I do not come before this group this afternoon and speak without any personal experience.

Mr. Chairman, I know that we should understand exactly what we are trying to do. The thing that this House needs to do, that this Nation of ours should have done, is the thing that is contained in this bill. Why do we need any outside laborers at all? The answer is evident; the answer is obvious. The farmer is in a different position than any other type of employer. We need this special labor at a certain specific time in the harvesting of the crop. You may need it in the planting season. That may be the time of the shortest and sharpest need of outside or migrant labor. It may not be there. It may be in the bean-picking season. Again, it may not be in the middle of the summer; it may be in the fall during the harvest. Now, we must have this labor during a short period of time and during that particular time we cannot harvest our crop without that help. If it is the planting, we cannot plant the crop without the help.

I might say further that I believe in the last 10 or 15 years we have mechanized at the greatest speed possible that ever occurred in any nation in the history of the world, but you cannot mechanize everything. Some things must still be done by stoop labor. Some work on the farm must still be done by hand labor. Even in the finest dairies in this country they still use the hand to strip and take the last milk out of the cow's udder. I know some do not do it, but that is what they should do, and it is the same with other farm work. We must use hand labor.

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

Mr. HILL. I yield to the gentleman from California.

Mr. JOHNSON. To illustrate what the gentleman says, take cherries, apricots, and grapes. Thousands and thousands of tons have to be hand picked, and the harvesting season is very short in some of those crops; some only 10 to 15 days.

Mr. HILL. Exactly.

Mr. JOHNSON. And while the farmer and his wife and children can

do all the other work, when the time comes to harvest they require 25 times that amount of help.

Mr. HILL. And that very thing is not understood by a good many of the gentlemen that are going to oppose this bill. In the harvesting of potatoes 10 days may mean the entire loss of the potato crop, yet Members will stand on the floor and pretend you can harvest those potatoes over a period of 3 months.

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

Mr. HILL. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me whether the Mexicans are good cow milkers, or do they milk goats?

Mr. HILL. With the mechanization we have today, yes, anybody can milk a cow, even someone who never saw one before or someone who does not know which end produces the milk.

I cannot yield further.

I want to mention what the bill provides. First, it provides a way to recruit these Spanish-Americans in Mexico that you have never had before under any organized legislation. It provides the establishment of reception centers and gives a program to direct them in a way that you have not had before. It also provides more in the way of medical care and subsistence than the Spanish-American people have ever had.

There are several other provisions that are not as important as the one I mentioned, but the bill also provides that you may go to this reception center and secure your own employees. It gives the Spanish-American the right to turn down a particular job if he wishes.

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

The CHAIRMAN. The Chair will count. [After counting.] One hundred and five Members are present, a quorum.

Mr. HILL. Now I should like to discuss how you get these Spanish-American workers. First of all, you must enter into a contract with the Federal Government of the United States. You just do not go down to Mexico and get your help. You make an agreement with the United States Government that you will do certain things, and they are spelled out as plain as they can be in the bill.

Section 503 states that no workers recruited under this title shall be available for employment in any area unless the regional director, Bureau of Employment Security, United States Department of Labor for such area has determined and certified that there are not sufficient laborers in the area to do the work.

There is no use of anyone's getting up on this floor and crying about us in the fruit areas working children. That is out of the picture. I am surprised they have not already mentioned that. Now they have transferred the argument about child labor to wetbacks. So this afternoon you have had a demonstration of those ready to shed tears about bringing in wetbacks. I do not qualify my statement one particle. The evidence is there. I never saw a wetback, to my

knowledge. I will have a little bit more to say about that later. I would not know one if I met him in the beet field. I dare say that probably not a gentleman on this floor can identify one to save his neck from a noose.

So there is a very slim line between a wetback and whatever other words you would like to use. It is nothing in the world but window dressing and camouflage. Let me just digress a moment and tell you what happened in my own area less than a year ago.

These very men they were talking about went out all over the country to find out how badly we were treating these wetbacks. He did not know a thing about them. He came into my territory and called me up, and told me where he had been. What did he do? He brought a photographer with him to take a picture. He waited until we had a flood down there in that dry area where it only rains now and then, and then he said, "Where are those folks kept?" And he sent the picture all over the country, back here to the East, so that you could see all these poor Spanish-Americans wading around in the mud ankle deep. Why, bless their silly hearts, we were so glad when we got that rain. We were praying for it.

Now we have even gone one better than that. Do you know what we have done now? Do you know what we have now? We have rain-makers. He probably could have gotten his picture with less trouble if we had rain-makers last years.

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

Mr. HILL. I yield.

Mr. FISHER. What this bill does, as I understand it, is to create an orderly procedure whereby the Mexican nationals may be processed in old Mexico and thoroughly screened with respect to their health conditions and any possible subversive elements that might be amongst them.

Mr. HILL. That is right.

Mr. FISHER. That is done by the officials of the Department of Justice and the Public Health Service officials and the immigration service, and after all of that is done, then they can cross the Rio Grande into our own processing camps, and after they are so brought across, then they are permitted to work for any individual who might meet the conditions contained in this bill, and in the agreement that we have with the Mexican Government.

Mr. HILL. The Government has the set-up, and the employers can pick out the employees and the employees can pick out the people that they would like to work for.

Mr. FISHER. The passage of this bill would be a death blow to this wetback situation about which we have heard so much today; is that not correct?

Mr. HILL. Yes. There is another thing I want to say, and that is this is a temporary bill. This bill expires on December 31, 1953. What we are trying to do here is to take care of the situation during this war emergency.

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

Mr. HILL. I yield.

Mr. BAILEY. Would the gentleman be kind enough to explain to the Committee why the Committee or the Subcommittee on Agriculture proposed to set aside provisions of the Internal Revenue Code in that these workers will be exempted from the payment of income taxes, and why they propose to set aside provisions of the Social Security Act? I think there is some explanation due the Committee from somebody on this proposal.

Mr. HILL. Exactly. Remember what the question is, and I am glad to have the question, because everyone listening here this afternoon will see what is wrong with this discussion on this bill and with the opposition. How in the world could you put a man under that kind of a tax and under that kind of a plan who comes in to harvest a crop and then goes back to Mexico?

Mr. BAILEY. There is plenty of sense in the question.

Mr. HILL. I refuse to yield any more. I have no time to answer foolish questions.

Mr. BAILEY. Many of them never go back to Mexico.

Mr. HILL. That is no question at all, because it has nothing to do with that. A man comes here for 3 months or 2 months or 30 days and then the gentleman wants to put him under the Social Security Act. The workers recruited under this act are those who are not citizens of the United States, who shall be admitted to the United States under the present immigration laws.

Now, go back and change your immigration laws, if you want what the gentleman says.

There is another element that I want to mention. You are going to have someone propose an amendment that was placed in the bill in the other body. I want to call your attention to that amendment. I am going to jump the gun on that amendment and show you how foolish it is. I want to read it to you and then you do your own thinking. Far be it from me to even give you any advice. I quote:

Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding \$2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

Let me just whisper this to you. If a man hired 50 of them—I tell you, you cannot define them—and then if he puts them to work and some smart egg from the city of New York, who knows all about farming in the West—and I am not talking about any Member of Congress—comes along—

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

Mr. HILL. Not until I have finished. If he finds that he has employed 50 wetbacks to pick his bean crop he only would go to the jug for 50 years, that is all, and be fined \$2,000 each. You multiply that by 50, and you will see how foolish that is. You cannot even start to enforce such a law.

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

Mr. HILL. If the gentleman will give me some more time.

Mr. HOPE. Mr. Chairman, I will yield the gentleman two additional minutes.

Mr. CELLER. The gentleman had occasion to mention me. Will he yield?

Mr. HILL. I am going to read first from the Farm Bureau publication, and then I will yield if I have time.

The Farm Bureau paper of June 18, 1951, says in talking about this labor bill:

1. The constructive approach to the problem of illegal immigrants is to first provide an orderly, legal means of meeting the economic need on both sides of the border. Until this program has been developed, the punitive approach to the problem will only create confusion and unrest.

2. Farmers in the areas most affected have already expended effort, time, labor, and money to meet the increased production goals of the Department of Agriculture. To establish new "rules of the game" at this time of need for peak agricultural production would inevitably result in losses of production.

3. The bill would throw the major burden of enforcement of immigration law on farmers. It is difficult or impossible to distinguish between United States citizens of Mexican ancestry and Mexican nationals. Over 2,000,000 citizens claim Spanish as their mother tongue. These citizens would be required to carry evidence of citizenship. They would be handicapped in obtaining employment as compared with other citizens.

4. The amendment is not germane to an emergency farm-labor bill.

That is what the great American Farm Bureau, with hundreds and hundreds of thousands of farm members all over the United States, says about this Senate amendment.

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

Mr. HILL. I yield.

Mr. FISHER. The gentleman read from an amendment which has been adopted in the Senate which makes it a penitentiary offense for an American to employ a Mexican alien. Is there anything in that provision that would make it a penitentiary offense for someone in New York, for example, to employ a Pole, or a Russian, or an Italian, or some other illegal entrant in New York?

Mr. HILL. Of course there is not, and there will not be, I may say to the gentleman, for some time any such amendment as the gentleman speaks of.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I rise in support of the bill introduced by my distinguished colleague the gentleman from Texas [Mr. POAGE]. I earnestly urge the House to adopt this bill. It has the support of the American Farm Bureau Federation, also the National Grange.

I should like to point out just a few facts about California, particularly the district I represent, which is the Ninth Congressional District located in the San Joaquin Valley in California. There will be a record crop this year of cotton and canning vegetables according to a report which I received, dated June 22, from the California State Board of Agriculture. The production of cotton this year will be up 60 percent and the production of canning vegetables will be up 35 percent. Last year we had in cultivation in California about 600,000 acres in cotton. I have been informed that this year we will have about 1,250,000 acres of cotton. Other crops, including crops of tree fruits will be of above-average yields.

The demand for farm labor in California will be the greatest in history, but at the same time the supply of farm labor has greatly diminished. The reasons for this are two-fold: One, inductions into the military service; and two, more attractive fields of employment, such as in the defense industries.

The conclusion is obvious that unless we have a supplemental supply of labor from the outside there will be serious crop losses. The situation is very much the same as it was during World War II when at the peak of demand we employed in California, under Public Law No. 45, some 36,600 Mexican nationals. In addition to that we employed 14,500 prisoners of war.

The Mexican Government has announced cancellation effective June 30 of its present agreement with the United States under which Mexican nationals are employed in this country, and unless we have enabling legislation, Mexican agricultural workers will no longer be available for employment in the United States. So I cannot impress upon you too greatly the extremely critical situation with which California agriculture is faced.

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

Mr. HUNTER. I yield.

Mr. HAND. I would like to suggest to the gentleman who is making a very clear and interesting statement that all the way across the country, especially in the State of New Jersey we are faced with identically the same conditions, and while we may not have any direct interest in Mexican labor we do have a direct interest in Puerto Rican labor, and we feel that the South and the West may take this from us unless they have an ample supply of their own. We cannot harvest our own crops in New Jersey, which are important to us and important to the war effort, without an additional labor supply. I am perfectly willing, as I am sure the gentleman is, to listen to any proper amendment to safeguard the rights of the workers, but the workers we do need all over the country.

Mr. HUNTER. That is correct.

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

The CHAIRMAN. The gentleman will state it.

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

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

Mr. HUNTER. Mr. Chairman, this labor shortage is not the figment of the farmers' imagination. The situation is acknowledged both by the United States Department of Labor and also by the California Department of Employment.

In a letter written to me by Secretary of Labor Maurice J. Tobin, Secretary Tobin stated:

We anticipate that we will have shortages despite the use of older men and women and youth who are not normally a part of the agricultural labor force in California.

Mr. Tobin further stated:

We have approached the problem on the basis that we take steps to assure a supplementary supply of agricultural labor from Puerto Rico, Hawaii, Mexico, and Canada to be brought in if the need for a supplementary supply of such labor should develop. We wish to make available the labor which will insure production for the national interest.

Mr. O. W. Farney, who is the San Joaquin Valley supervisor for the farm-placement service of the California Department of Employment, advises that in the Ninth Congressional District, which I represent, the demand for farm labor will reach its peak in October, during which an estimated 127,075 agricultural laborers will be needed. This compares with a peak of 78,970 in October 1950. This figure represents total hired labor force in agriculture and excludes farmers and unpaid family workers.

It has been said by those who oppose this bill that this is nothing more than a scheme to get cheap labor for the big farmers. Such a contention is not in line with the facts. In my district, whether a man owns 40 acres of grapes or 1,000 acres of cotton, he is going to need help in getting his crops off. Farmers, big and small, need help in harvesting their crops.

Mr. SEELY-BRCWN. They have to be paid the prevailing wage?

Mr. HUNTER. Yes.

Domestic labor is protected under this bill. It is not the intent of the farmers in my district to use Mexican labor to beat down the wages of our own American citizens. The bill provides that no workers shall be recruited from Mexico unless the Department of Labor testifies that, first, sufficient domestic workers are not available; and, second, employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers.

The bill does not involve a raid on the Treasury. Farmers are required to arrange and pay for transportation for workers from the Mexican border to places of employment. In addition, farmers must reimburse the United States Government for charges incurred

by it for the transportation and subsistence of such workers from points in Mexico to reception centers on the border.

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

Mr. HUNTER. I yield to the gentleman from New York.

Mr. KEATING. It strikes me, in reading the bill, that there might be a difficult problem of administration, and I wondered whether the Secretary of Labor or any other witness gave your committee any estimate of the proposed cost of administering the bill over and above the reimbursement which might come to him from the farmers themselves.

Mr. HUNTER. I am not a member of the Committee on Agriculture.

Mr. KEATING. I beg the gentleman's pardon.

Mr. HUNTER. That testimony is not available to me. I would like to make this point though, since the gentleman brought the subject up. If this labor is not made available and serious crop losses result, the loss in income tax to the United States Government and also excise taxes will be far in excess of any cost of administering this program. Take my district, for example. It only comprises four counties. The value of crops in the district in 1950 was about \$550,000,000. It will probably be around \$750,000,000 this year. Say the applicable income-tax rate is 30 percent, and a loss of income of \$100,000,000 is suffered because of crop losses resulting from a lack of farm labor. Then the loss of income-tax revenues from those four counties would be \$30,000,000.

Mr. KEATING. I appreciate the force of the gentleman's argument, but it does seem to me that we ought to be very careful at this time in passing these bills giving wide authority to the head of an executive department to administer a law, because they so frequently come back to us and say, when it comes to appropriation bills, "Now, you in Congress authorized such and such an activity, and the expense of it is a large sum of money," and oftentimes there is very little we can say in reply to that. It seems to me, and I am very open to be convinced otherwise, that the obligations which are placed upon the Secretary of Labor under the provisions of this bill might entail a rather expensive administration.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I would like to say to my colleague from New York that the purpose of this legislation is to get labor to produce more food, and by producing more food for the people of the country we lower the price of food, and the end result will be a gain for the American people if there is a little loss in the expense of the administration of the act.

Mr. KEATING. Presumably, under a normal economy, what the gentleman says is true, that the more food you produce the cheaper it will be, but some of

the consumers in my area seem to doubt whether those laws are now operative.

Mr. HUNTER. As for the charges that these Mexican nationals are exploited, mistreated, and underpaid, allow me to point out these facts: In my district, these people are protected in their working conditions and wages by State and local regulations, which the farmers must meet. Not only must the farmers go to the added expense of paying the transportation of Mexican nationals from points within Mexico, but they are also obligated to pay the going rate for farm labor generally in the area. Today in my district the lowest rate being paid for farm labor is 80 cents an hour. The average rate for cotton picking last year was \$3.50 per hundred pounds. That rate, or an even higher one, will prevail this cotton-picking season. That means that the average cotton picker working no more than 8 hours a day will make a minimum of from \$12 to \$16 per day.

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

Mr. HUNTER. I yield to the gentleman from California.

Mr. JOHNSON. The reason those farmers and all organizational groups agreed to this bill is because they are in such desperate need of getting this labor during the harvesting period; is that not correct?

Mr. HUNTER. That is correct. Ed Hayes, Chief of the Farm Placement Service, said that we will probably have in California a farm-labor shortage of 75,000 this summer and fall. By using domestics from outside of California, by using housewives, by using school students, and by using soldiers during time off to earn extra money, we will still have a shortage of some 50,000, which, as you can see, can result in a very serious crop loss.

There is one more point I want to make in closing, because it has been brought up earlier today. It has been said that this bill will help the Communists and let Communists into the United States. I inquired of the Department of Justice very recently if there was any evidence of Communists infiltrating the farm-labor program from Mexico to the United States. On April 24 I received a letter from the Acting Commissioner of the Immigration and Naturalization Service, in which he said:

Actually, we know of no instance so far of a Communist agent having succeeded in infiltrating the farm-labor program.

Mr. HAND. Mr. Chairman, supplementing my brief remarks, I wish to read a letter from the New Jersey Farm Bureau:

NEW JERSEY FARM BUREAU,
Trenton, N. J., June 14, 1951.
Hon. T. MILLET HAND,
House Office Building,
Washington, D. C.

DEAR MILLET HAND: The labor situation on farms in our State, as well as in most other States, continues to be very critical. In view of the terrific demands for food at this time, it is imperative that appropriate action be taken by the Congress to insure labor requirements and no action be taken that will in any sense lessen the supply.

Many of our Central and Western States rely upon Mexican labor and this labor has

made possible food production which continues to meet the consuming demands of the people of our country.

In our State, the farm bureau has developed a labor project known as Garden State Service. This organization recruits in Puerto Rico, transports, and cares for workers in New Jersey, for the season from April till November. This is all accomplished through contracts with the department of labor in Puerto Rico, with the approval of the United States Employment Service. We are proud of this job and recently the President's Migrant Labor Commission has complimented the farmers in this area on the program.

Now, if the Mexican labor program is not cleared up there will be terrific demands on our sources of labor from Puerto Rico. Therefore, New Jersey does have a great interest in the Mexican issue.

We do not concur in the Douglas amendment because we cannot support the idea that farmers should become policemen to ascertain if the labor whom he happens to employ is a United States citizen of Latin American ancestry or a Mexican national.

It seems to us that the only constructive approach to the wetback problem is to work out an orderly and legal means for meeting the economic needs of both sides of the border. It is only after a workable approach to the problem has been demonstrated that any rational program can be undertaken.

I write to remind you of the interest of our farmers in this Mexican problem, trusting you will keep us in mind when the House of Representatives acts on this bill.

Sincerely,
HERBERT W. VOORHEES,
President.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. POLK].

Mr. POLK. Mr. Chairman, I assure you that I am just as much interested in helping the farmers of America secure sufficient labor as anyone here present. I am a farmer and have been engaged in agriculture practically my entire life. I live on a farm and I know the problems which we farmers face with reference to labor. However, this problem involves so many other very serious issues that I believe the bill as reported by the Committee on Agriculture is bad legislation.

The problem of migratory labor in the United States has become so serious that several months ago the President of the United States appointed a Commission on Migratory Labor. I hold in my hand a copy of that report. It contains about 188 pages of very enlightening information concerning this very, very serious problem. I regret very much that our Committee on Agriculture did not have before us during the hearings on this farm labor bill the information that is contained in the President's Migratory Labor Commission.

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

Mr. POLK. I yield to the gentleman from Arkansas.

Mr. GATHINGS. The President named that Commission on the 3d day of June 1950, before the outbreak in Korea. I do not believe the President of the United States would have named this Commission to go into this problem had he known that war would break out a few days later in Korea.

Mr. POLK. Nevertheless the problem exists. It is a serious problem. I wish all Members of the Committee might have the benefits of this very informative report, because it points out many, many problems and recommends numerous suggestions that should be enacted into law with reference to this entire problem.

I cannot agree with those who state there is no danger from communistic infiltration because of the situation which exists on our southern boundary. As I mentioned in the debate on the rule, Mr. Gladwyn Hill, of the New York Times, spent considerable time traveling about 5,000 miles throughout the Southwest, and came very definitely to the conclusion that there is communistic infiltration. It is true that only a few of these Communists have been caught. I believe the immigration service admits they have caught a few. But there is nothing to hinder them from coming in. Under the House bill it is wide open as far as legal entry is concerned. The Senate bill includes the words "legal entry" in at least two instances. Under the Senate bill these migratory workers would have to be in this country subject to legal entry. That is not true in the House bill. It is wide open as far as that particular provision is concerned.

There is another point that is very strongly stated in the President's report, the consequences of the wetback traffic as far as wages are concerned. I should like to read you a few statements.

The report says:

The wetback is a hungry human being. His need of food and clothing is immediate and pressing. He is a fugitive and it is as a fugitive that he lives. Under the constant threat of apprehension and deportation, he cannot protest or appeal no matter how unjustly he is treated. Law operates against him but not for him. Those who capitalize on the legal disability of the wetbacks are numerous and their devices are many and various.

Wage rates reflect graphically and dramatically the impact and consequences of the wetback traffic. In 1947, when daily wages for chopping cotton (thinning the rows of cotton plants) in the Lower Rio Grande Valley were \$2.25 (10 hours), wages were continuously higher at points northward from the border: in the Sandy Lands of Texas, \$3; in the Corpus Christi and Coast Prairie areas, \$4; in the Bolling Plains, \$5; in the High Plains, \$5.25.

When the Commission held hearings in Texas in August 1950, wage rates for picking short staple cotton in the Lower Rio Grande Valley were reported as low as 50 cents per hundredweight and as high as \$1.75 per hundredweight. From the evidence presented, we conclude that the bulk of the cotton in this area was picked in 1950 for approximately \$1.25 per hundredweight. Comparative wage rates for picking cotton elsewhere in Texas were not obtained in the hearings because no other area had yet commenced its cotton harvest. However, the State-wide average 1950 rate for Texas is now reported officially by the United States Department of Agriculture to have been \$2.45 per hundredweight. Thus, the Lower Rio Grande Valley cotton growers got their cotton picked for approximately one-half the wages paid by the average cotton grower of Texas.

Wages for common hand labor in the Lower Rio Grande Valley, according to the testimony, were as low as 15 to 25 cents per hour. To the north and west through El

Paso Valley, we found a marked tendency for wages for similar work to rise.

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

Mr. POLK. I yield.

Mr. JONES of Missouri. Do you not believe, though, that the reason those rates are so low is because the work is performed by the wetbacks and that that rate would be raised if they were brought into this country legally under an agreement, and that this agreement would be beneficial not only to this country, but even to those illegal entrants?

Mr. POLK. I would say to the gentleman that he has touched on what I believe is the crux of the whole matter. The recruitment of wetbacks is the main source of Mexican labor. Figures show that at one time in a study which was made in 1947, about 93 out of every 100 farm workers in the area close to the Rio Grande River were illegal wetbacks.

Mr. JONES of Missouri. But do you not think if we had this agreement you would do away with these wetbacks, and also with this agreement you would have a contract with the wetbacks who are here illegally, and you would gain control over them and thus eliminate the situation which you are complaining about, and that with this bill you could eliminate the very thing you are complaining about?

Mr. POLK. If we pass the bill as it passed the Senate, you are correct, because under the bill as it is reported from the House committee there is no reference to illegality or legality—just so they are in this country, they can be recruited.

Mr. JONES of Missouri. They can be recruited, but you will have a contract with them and they will have a contract to work.

Mr. POLK. On the other hand, in the Senate bill it is specifically stated that the men recruited must have come in legally.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I am going to address myself to only one point which will be in controversy and which constitutes the chief difference between the Senate bill and the House bill.

It is my understanding that when this bill is read under the 5-minute rule, an amendment will be offered to substitute the Senate bill for the House bill. The main distinguishing feature of the Senate bill from the House bill is that the Senate bill provides that any person who employs a Mexican alien not legally admitted to this country shall be guilty of a felony and shall be punished by a fine not exceeding \$2,000 or be imprisoned for a term not exceeding 1 year, or both.

I do not question the sincerity and good intentions of those who sponsor that amendment, and I do not minimize in the least the situation which confronts us, but I am taking the floor in the hopes that I may dissuade the proponents of that amendment from offering it in connection with this bill.

In the first place, the result of that amendment if it should become law would be to punish the innocent as well as the guilty. It would deny employment not only to the illegal Mexican alien or wetback but it would result in denying employment also to thousands of native Americans who like myself are of Mexican or Spanish descent, and who like myself have Mexican or Spanish names. It is mainly for this reason that I could never support such an amendment. The farmer would be running too great a risk in employing those native Americans, unless he happens to know them personally, and the result would be that preference, particularly in the rush of getting workers quickly, would be given to Negroes and Mexican aliens with an immigration card, to the exclusion of the native Americans with Spanish or Mexican names.

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

Mr. FERNANDEZ. I yield.

Mr. FISHER. Does the gentleman believe that if he were called upon today to prove that he was an American citizen that he could prove it?

Mr. FERNANDEZ. No; and I may say to the gentleman that if I were to go away from my home community and decide to seek employment I doubt if I could even get a birth certificate, and there are thousands of my fellow Americans in the same shape. That is one of the points I am coming to.

Mr. KEATING. Mr. Chairman, will the gentleman yield on that point of the Senate amendment?

Mr. FERNANDEZ. I yield.

Mr. KEATING. The gentleman has touched an important element in the Senate bill. In order to convict under the Senate bill is it necessary for the farmer or employer to have knowledge that the person is here illegally?

Mr. FERNANDEZ. The trouble is that he would always be subject to being accused and arrested, and then in self-defense he would have to show that he did not know all these things. Farmers have enough to do beside running to court to establish the fact that they are not felons. Consequently, to be safe, they would decline to employ Americans of Mexican or Spanish descent whom they did not know personally.

There are thousands of these in every community in New Mexico, and no doubt in Texas, Colorado, Arizona, and California. Those native Americans are well known in their communities where they and their forefathers have lived for generations, but when they leave their communities or their States to seek employment elsewhere it would be hard for the employer to distinguish them from Mexican aliens. Many of them, if not most of them, would like myself be unable to furnish a birth certificate. Like myself all they could furnish, if that, would be a church record of their baptism. The work season would be over before they could obtain such a record, if they could obtain it at all. It is a well-established American principle that it is better for nine guilty persons to go free than for one innocent person to be punished. Under this law you would be punishing many native

Americans by depriving them of employment merely because they could not promptly and adequately prove that they were American-born.

Furthermore, it would be unfair to the employer. Are the Immigration Service and our Government so inept and so impotent that it is necessary to make farmers act as immigration policemen or risk becoming felons?

The original amendment as offered in the Senate applied equally to the employment of all aliens illegally in this country. Senator BREWSTER, of Maine, immediately pointed out the difficulty they would have in distinguishing Canadian aliens from native American citizens, and so he wanted to know what was meant by the words "reasonable inquiry" in connection with the investigation of prospective laborers on the part of employers. I read from the RECORD:

Mr. BREWSTER. How is he to know that a certain employee is not a native? Would a birth certificate be required? I suppose conditions are different in the South, but up in Maine a great many of us speak the same language. What is the employer supposed to do?

Mr. DOUGLAS. The Immigration and Naturalization Service would be expected to issue cards to those who are legal entrants, and the employer could at least ask to see a man's card. If he did not ask to see the man's card, this would be one circumstance in which he would fail to make reasonable inquiry.

Mr. BREWSTER. If he is a native, of course, he will not have a card.

Mr. DOUGLAS. I understand that.

Mr. BREWSTER. When a native of Maine goes to Illinois, he has no card to show that he is a native of Maine.

Mr. DOUGLAS. There is supposed to be freedom of migration within the country—and fortunately there is.

This provision, of course, applies only to aliens. It is not intended to establish a registration system for persons who are citizens of the United States. However, those who are legal entrants are supposed to carry with them some document to indicate that they are legal entrants. It would be proper to ask a man whether or not he was an immigrant. If so, he could be asked to show his card.

Mr. BREWSTER. If he says that he is not an immigrant, what is the employer supposed to do? Is he supposed to investigate his birth certificate?

Mr. DOUGLAS. There is certainly no obligation to investigate his birth certificate or to ascertain whether he has paid a poll tax or property tax or whether he is upon any voting roll or not. There is certainly no such obligation. But if all the circumstances of appearance and language and lack of identification care and failure to furnish any evidence of residence give rise to a question as to legality of entry, the employer should make some further inquiry.

The amendment was modified and in its present form applies only to Mexican aliens.

The fact that it does apply only to Mexican aliens makes it all the more objectionable because it is discriminatory. Why punish the man who employs a Mexican alien and by implication permits the employment of a Cuban alien, a Chinese alien, or any other alien.

It may be that we are in such a terrible shape with respect to wetback and other illegal immigrants that some such drastic action as this may be necessary. I realize that the very fine Migratory La-

bor Commission appointed by the President recommended some such step. Before that step is taken, however, it should be given careful consideration by the committee which has jurisdiction over immigration matters, and provisions should be worked out whereby native Americans may be protected in their right to employment and not frozen out by such a left-handed approach. This provision has not received the consideration of either the Judiciary Committee or the Committee on Agriculture which handled this bill in the House and in the Senate.

Furthermore, it was not subjected to searching debate in the Senate. It so happens that pursuant to the recommendations of the Migratory Labor Commission, Senator ELLENDER, chairman of the Committee on Agriculture, had introduced a general bill dealing with such matters and which was then pending in the Judiciary Committee. Because he had sponsored such a provision in the other bill, he stated that he was not in position to object to its being offered in this bill except on the grounds of jurisdiction. No real debate on the merits of this provision was had in the Senate.

This provision is without precedent. If we are to depart from the well established procedures in the matter of immigration, I repeat that careful consideration by the appropriate committees should be given to the bill and provisions worked out to protect native Americans and employers alike from the hazards and injustices of such a policy.

Notwithstanding the recommendation of the Migratory Labor Commission, it is questionable that we should ever adopt such a drastic and devious policy. It seems to me to be immoral for a Christian nation to make a felon out of a person who, in Christian charity to say the least, gives a needy human being the opportunity to earn bread and shelter for his children. This country is too great to resort to the necessity of starving good people into submission to get rid of them.

I have in mind the case of a Mexican woman, Maria Paez, who came to a community in New Mexico some 25 or 30 years ago without immigration papers, as did many, many others for years, most of them ignorant of the fact that immigration papers were required. She remained in that community without being disturbed until 3 or 4 years ago when proceedings were undertaken to deport her to Mexico. The only relatives she has and the only people she knows are in that community. I intervened at the request of the pastor in the parish where she lives and at the request of the people who have cared for her when she is sick and given her employment as a domestic when she is well. A few days ago I was notified that proceedings to deport her would be dropped. The immigration officials realized that to uproot this old woman from the community in which she has lived for 30 years, and to dump her in Mexico where she has no friends or relatives would be a crime. This bill now makes it a crime to give her employment. This bill would require that she be starved to death or live on charity. And there are many such Marias in New

Mexico, and to them their neighbors and relatives will have to say, it is unlawful for you to earn your bread and butter.

For these reasons I plead with you not to go off the deep end by adopting this drastic measure in this bill. There are other provisions in the Senate bill which would seem adequate to accomplish the purpose, and to which I have no objection if they are added to the House bill, but it would be criminal in my opinion to adopt this particular provision.

This provision is objectionable on many grounds: First it forces the employer into becoming a "gestapo" for the Immigration Service or risk becoming a felon; second, it will result in denying opportunity for employment to thousands of native Americans of Mexican or Spanish descent; third, it is discriminatory in that it singles out the Mexican alien; fourth, it is immoral and unchristian to starve people into submission; five, it has not received adequate consideration by the two judiciary committees which have jurisdiction, and it was not presented to the Agriculture committees of either the House or Senate. It is unfair to require us to vote on this far-reaching provision.

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

Mr. FERNANDEZ. I yield.

Mr. FISHER. The gentleman has made a commendable, certainly an unanswerable argument against the so-called Douglas amendment which would be vicious and would work untold hardship. In the first place the gentleman has pointed out that thousands of worthy, loyal American citizens of Mexican descent would be deprived of employment because employers would not dare employ them without getting proof of their citizenship, which would be very difficult in most instances.

Mr. FERNANDEZ. There is no question about that. Even Senator HUMPHREY, when he was debating the amendment I have referred to, and by the way he supported it, but he pointed out in the Senate that this great Commission that the President appointed and which recommended that that be done, considered it pretty far reaching. Senator HUMPHREY said:

The President's Commission on Migratory Labor in American Agriculture, which spent a great deal of time investigating this problem—much more time, I may say, than any Member of the Senate has; and I think I am not unkind in making that statement—feels that my amendment is a rather modest, meek, mild proposal. On page 87 of the report of the President's Commission, the proposal in the amendment which has just been adopted—that of the Senator from Illinois [Mr. DOUGLAS], is referred to as one which goes so far that the Commission is not sure that it should be adopted.

That Commission has done a very fine job. There is no question about it. I think that the two great committees of Congress having to do with this matter, the Judiciary Committees of the Senate and of the House ought to take the work of that Commission and work out some system whereby if it is necessary to make it unlawful to employ wetbacks, as we call them, at least some other provisions ought to be put in along with that to

protect people who are not Mexican nationals but who have Spanish names but who cannot readily prove, as the gentleman so well said, that they are American-born.

Mr. FISHER. The gentleman has also pointed out another flaw which would make the Douglas amendment contrary to every concept of legislating that we have ever undertaken in this country in that it is so obviously discriminatory that it makes it a penitentiary offense for an American citizen to employ an illegal alien who happened to be a Mexican national, but it would be no offense for an employer in New York or Chicago to employ illegal aliens who happened to be Poles, Italians, Russians, and so forth.

Mr. FERNANDEZ. There is no excuse for this kind of action. It is unprecedented, and a radical departure from established principles. It certainly should not be adopted without careful consideration by the committee having jurisdiction of that subject.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. WERDEL].

Mr. WERDEL. Mr. Chairman, I concur in the very able statements made by the gentleman from California [Mr. HUNTER] and by the gentleman from New Mexico [Mr. FERNANDEZ], who have preceded me. I do not think I will take all of my time, but there are one or two points I desire to mention.

Originally I was opposed somewhat to this bill, even though I represent an agricultural area that does need assistance. I did not like to see permanent legislation of this kind put on the statute books and I did not like to see the possibility for all future time of an individual going to some agency of the Federal Government, getting a certificate of necessity and moving foreign labor into a community without at least consulting with the boards of supervisors and the cities, if necessary, to determine what they thought about this influx. It is they who would be spending taxes to support the community and to police the community. Those agencies should have an opportunity to protect local workers. However, that has been eliminated by the last paragraph of the bill we are now considering. It is temporary legislation. I think that should be borne in mind by all Members of the House who are in doubt about some of the provisions of this bill.

It is a necessary bill if we are going to harvest our crops. The gentleman from New Mexico has anticipated the offering of an amendment here which was put in the Senate bill. May I say that the area that the gentleman from New Mexico and some of the rest of us represent was at one time under Spanish rule. That rule was carried on by very honorable families. There is a carry-over of much Spanish blood. Some of these peoples and those families are still dwelling in rather closed communities of their own.

If the penalty amendment that was put in by the Senate is inserted in this bill it will have the effect of saying to the farmer that, under penalty of being a

felon, "You had better not employ any one that is Spanish if you can get someone else"; and all of the tens of thousands of families that are in our West, citizens of this country, would thus be discriminated against. It seems rather unusual to me to see a gentleman like the gentleman from New York, who apparently is in support of the Senate amendment, not rise in opposition to an amendment that says: "Any person who shall employ a Mexican—." I wonder what the gentleman would say if some of us would add language: "or Irish or Jew or French or English." What would he say?

I am also disturbed a little bit about the gentleman's concern over the subversives that come into our great West over the border. I have had a little concern about those subversives myself in connection with State investigations, and it has been my experience that they are coming out of what some people think is the capital of world communism—New York.

Certainly the gentleman voted against registration last August for subversives, voted against the conference report, voted against overruling the President's veto when we passed the law which now says if these Mexicans come in under this proposal in this bill they will be under the control of Government agencies who can say, "Mister, we want your registration."

The passage of this bill provides a means whereby honorable Mexican nationals can honorably enter this country and do an honorable job in a mutual effort in an emergency. Certainly it will not stop illegals from crossing the border, but the failure to pass this bill will not stop those illegals either. As it has been pointed out, it will encourage them.

Mr. Chairman, there are many provisions in this bill that merit discussion, but I think the gentleman from Texas [Mr. POAGE] is presenting the best bill that can be presented for temporary relief of a condition that is urgent for the harvesting of the crop this year. Time is so short that the defeat of this bill will make it impossible to provide the means whereby necessary Mexican labor can come in under proper supervision. We need an estimated three to four hundred thousand people to harvest the Nation's crop this fall.

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. McCARTHY].

Mr. McCARTHY. Mr. Chairman, I think there is some misunderstanding here in regard to the objective of the opposition. The gentleman from Ohio [Mr. POLK] and I, of the Committee on Agriculture, together filed a minority report on this legislation. What we proposed was not the defeat of the bill but the improvement of it so that all of the things which have been set out here as desirable objectives today, and many of the things which the President's Commission on Migratory Labor recommended, might be achieved.

I would like to clear up one or two other points before I go on to a presentation of our case. Reference has been made to the position of the liberals in

this particular instance as being somewhat contradictory. As I understood the principal argument, it was this—that the liberals are always for more food—so that if we take a position in opposition to this bill somehow we would be in contradiction. I think that is an oversimplification of the liberal position. You will find, on careful examination of my position—and I am willing to accept the title of "liberal"—that we were never in favor of any action which results in the exploitation of human beings, and what we do have in this situation is one of real exploitation of American citizens, of Mexican wetbacks, who crossed the border, and to a certain extent also, as the record will show, the exploitation of Mexicans brought in under these legal contracts. The motivation for this legislation, I understand, did not come principally from the growers of cotton, from the vegetable growers, and other producers of the far West and of the Southwest, but it arose principally because the Mexican Government was refusing or threatening to refuse to permit its people to come into this country and be exploited. There may be political considerations on the part of the Mexicans, but the point is that the principal motivation—although I am sure there was some consideration given to it—was not a humanitarian motivation from this side of the border seeking to improve the condition of the Mexicans coming into this country, of the wetbacks already in, or of the American migrants, but rather one of meeting the demands which the Mexican Government made.

The question was raised in committee as to whether the terms of this bill should be extended so as to include the people from the Bahama Islands and from Jamaica, who were as you will note, in the bill originally introduced. There are some other producing areas in this country which do use labor from other foreign countries. It was not to the advantage of the growers; and the governments of those countries from which these persons come did not demand the kind of protection that is being demanded by Mexico. So the people who come in from those countries are excluded from coverage under this bill.

I will discuss later in some detail the question of subsidy.

I should like to touch now upon the argument that has been made in regard to jurisdiction. It has been said that our committee is being asked to do something which was beyond its jurisdiction; that here is an immigration matter which should properly have been handled by the Committee on the Judiciary. I think that even a cursory examination of the bill will show that the Committee on Agriculture was not so careful to avoid infringing on the jurisdiction of other committees. The bill contains amendments to the Internal Revenue Code, it contains amendments to the Social Security Act, and also amendments to the immigration laws, as well as to the Wage-Hour Act. The important thing to keep in mind is what we are trying to do in this legislation. At least we who signed the minority report are trying to do some little bit toward

solving a really pressing social and economic problem in the Southwest and in the far West, one which affects every American and which reaches out and affects every State in this country.

We, too, are concerned with providing labor to harvest the crops, but we do not think we need to accept the provisions of this bill to accomplish that purpose.

I should like to make the point that this migratory labor problem is really a most serious problem. The number of migratory laborers in this country is something over 1,000,000. Approximately 500,000 of these are American citizens. Of the other 500,000, about 400,000 are Mexican wetbacks, and about 100,000 on the average are people who are admitted legally from Mexico and a few from other countries. So approximately 1,000,000 people are affected.

The President's Commission makes this report, that the average annual wage of these people, considering all of the housing that they get and all of the other special advantages, amounts to about \$550 a year. That is not all income from agriculture, that is their total income. Their agricultural wage is enhanced by what they can pick up in odd jobs and part-time employment in industry and in the cities, either between crops or during the winter season.

You have heard statements in regard to health conditions among these people. You have been given description of the kind of shelter which they are forced to use as housing.

There is one other important point I think we should not overlook, and that is the abuse of the child-labor law. One Congressman presented a statement before our committee which is, I think, indicative of the kind of thinking that is behind this bill. His general statement was to this effect, that the enforcement of the Wages and Hours Act in regard to child labor whereby certain growers were not permitted to use school children during school hours while school was in session, resulted in a great hardship to certain growers and certain farmers. I am sure it does. The fact that any factory owner has to pay a minimum wage and cannot use child labor at depressed wages is a hardship upon him, if our only consideration is that of the profit he may make. Understand, that in these States they could suspend school, let everybody get out of school to work in the fields, or let those that did not want to work take a vacation. The objective is to keep these schools going so that some children, those who come from families which have sufficient income, can continue to go to school, but the children of the poorer parents can be taken out of school while school is in session and during school hours and be put to work at the stoop labor that has been here described.

The purpose of the minority of the committee in offering the Senate bill as a substitute is threefold: First. In the first place, we feel that something should be done about stopping the movement of the wetbacks. Second. In the second place, we think that adequate protection should be given to Mexican laborers who come in under contract. Third. In the

third place, we hope through these two steps to give some kind of protection to American domestic agricultural workers.

Under the terms of the bill we could not touch them directly. Actually what you have in this bill as presented by the author and in the bill that was passed by the Senate, and in the bill which we are advocating here with certain amendments, is a procedure whereby the Mexican Government is establishing standards for the employment of American agricultural workers. The terms of this bill will give advantages to the Mexicans who come in under contract which are not presently given to the domestic agricultural workers. For example, the bill provides that the Government shall guarantee the wage and the transportation of the people who are brought in under contract from Mexico.

Of course, the argument has been made here that the Mexicans could not very well go into court. What of the Americans? Take any American migrant who is making \$550 a year, and he is not going to make a very strong case in any court in this country. So the Mexicans do have that guaranty.

In addition the bill provides \$150 for burial expenses for Mexican workers. It also provides that the medical expenses of these people shall be paid. Is any such guaranty given to American migrants? Of course not. What is proposed is the establishment of standards for Mexican migrant workers in this country which are far and above the standard for domestic workers. We do not have any standards for American farm workers. As I say, we of the minority would like to get at that problem directly but we cannot do it because this bill is restricted to foreign workers, so the only thing for us to do is establish decent standards for these people so that there may be an economic motivation for the American growers to give fair or at least somewhat equitable terms to the Americans who might apply for these same jobs.

That is the problem in its simplest terms. That is the thing which we of the minority are attempting to do, not by defeating the legislation, but by improving it. We do feel that the terms of the bill as they have been presented do not go far enough, and that this is the time to make some real progress, first, toward discouraging the flow of wetbacks into this country; second, toward establishing decent standards for the contract labor, and so indirectly make some slight progress in the way of providing decent wages and decent living and working conditions for American migratory farm laborers, also.

The CHAIRMAN. The time of the gentleman has expired.

Mr. POAGE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, I do not question the intent of my friend from Ohio who says he will offer the Senate felony amendment to the migratory-labor bill, but I do question his knowledge of the southern border of the United States and the effect this proposed amendment will have on its citizens.

There are many reasons why this amendment is completely impractical in its application, but since my time is so limited, I shall confine myself to a brief review of some of its gravest inequities.

First. First and foremost, it is completely discriminatory as it is aimed at a class of people. Many United States citizens of Latin ancestry will be denied employment if this amendment is accepted. Farmers will be afraid to hire them for fear they might be Mexican nationals posing as United States citizens. Faced with a possible year in jail, the farmers simply will not take a chance on hiring a man of Latin ancestry.

This amendment does not apply to those farmers along this country's northern border who hire Canadians or those on the east coast who hire Bahamians and Jamaicans. This amendment should not apply to those farmers any more than it should apply to the farmers on the southern border. When a supporter of this amendment in the other legislative body was asked why he did not apply it to Canadian aliens, he said: "You cannot tell them from United States citizens" which is clear proof he does not understand the southern United States border.

Over 50 percent of my district is made up of United States citizens of Latin ancestry. Over 2,000,000 United States citizens claim and speak Spanish as their native tongue. As a practical matter, it is virtually impossible for the ordinary United States citizen, without the assistance of the FBI to distinguish a Mexican citizen illegally in this country from a United States citizen of Latin ancestry.

While I was a county judge in south Texas, I had men appear before my court to obtain delayed birth certificates. They would testify that they were born in this country and would have two witnesses to corroborate this testimony. In addition, they would offer in evidence a baptismal certificate from the Catholic Church to show they were baptized north of the Rio Grande River. Being satisfied with the evidence, I would grant them their certificate. A month later the FBI would come in and state that the applicant and witness had perjured themselves before my court and that the baptismal certificate was a forgery. The farmer will find himself just as helpless if not more so in determining true citizens.

The Senator who offered a similar amendment stated there was no obligation to investigate the employee's birth certificate, nor to see that he had paid a poll tax or was on the voting rolls. Just what is intended by this dangerous amendment? Does it mean merely because a United States citizen happens to be of Latin ancestry that he has to wear a government dog tag or perhaps acquire a governmental tattoo before it is safe to hire him?

A man or woman of Latin ancestry who is a United States citizen would be one of the major victims of the discrimination contemplated by this dogtag amendment.

Second. This is a most serious and far-reaching amendment and yet it is offered here without previous study by the Agricultural Committee which has

proposed the bill. It is logically a matter which requires the careful consideration of the Judiciary Committee with its jurisdiction over proposals relating to crime and immigration.

Third. A new statutory offense must be defined in language understood by the common mind. The prohibited act must be described in explicit terms. This is required by the fifth and sixth amendments to the Constitution. But this dog-tag amendment, with its loose terms, is completely vague. It uses the words "reasonable grounds to suspect" but it does not state what constitutes such grounds for the farmer to determine that the employee is an alien who has illegally entered this country. What is the farmer to do? Does the farmer have to call the nearest Federal authority everytime he hires a laborer? If so, who does he call? How does he prove the call? Must he report or inquire by registered mail?

This ill-considered amendment is an outstanding example of what can be offered from the floor without careful consideration by a Congressional committee of all of the possible consequences of such severe and far-reaching legislation.

Fourth. This amendment attempts to shift the burden of enforcement from the Federal officers to the farmer. In all fairness, if it is enacted, we should put the farmers on the Government payroll as enforcement officers and turn our able immigration men out to grass.

Fifth. A further example of how little study and ill-considered is this amendment is the fact that it places a greater penalty on the farmer by making him guilty of a felony than it does on the smuggler who brought the alien in and is only guilty of a misdemeanor—United States Code, chapter 8, page 144.

As a Member who represents a district that would be most seriously affected by this amendment which has little or no bearing on the welfare of the district represented by the author of the amendment, I strongly urge its defeat.

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

Mr. BENTSEN. I yield.

Mr. PHILLIPS. I would just like to point out that a great many are employed by industry, such as the railroads, and are not included in this bill.

Mr. BENTSEN. That is quite correct.

Mr. POAGE. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, I subscribe to the able statement of my colleague from Texas who has just spoken, and I am supporting the measure offered by my colleague from Texas [Mr. POAGE].

Mr. Chairman, this bill seeks to correct several situations which seriously affect the farmers of this country. In the first place, if the seasons remain favorable during the year, the estimated cotton crop is between sixteen and seventeen million bales. This past year the farmers of my district in Texas had great difficulty in gathering their cotton. They had difficulty in making legal arrangements to secure Mexican cotton pickers and then after pickers were se-

cured, their children under 16 years of age were not permitted to work by reason of the so-called minimum-wage law.

Now, Mr. Chairman, I have never voted for a minimum wage provision and was opposed to the measure which contained this feature and which has worked such an injustice and hardship on the Texas farmers. Doubtless it has been most impractical to farmers in other parts of the country.

One of my colleagues from Texas, either Mr. ROGERS or Mr. MAHON, expects to introduce an amendment to this bill, which will make exception to the Fair Labor Standards Act and permit children under 16 years of age, when not legally required by State law to attend school, to engage in agricultural labor. I certainly expect to support the amendment and hope that no point of order is placed against it. If a point of order is made, I hope the Chair will overrule such an objection and find the amendment to be germane to the bill.

Mr. Chairman, there is such a thing as being practical, although it is not too much in evidence at times. For years Mexican labor has picked the cotton in Texas—to a very large extent. They live through the winter on what they are able to make in the crop-gathering season. Now if we want to prevent thousands of Mexicans from making a living, many of whom remain in this country the year around, by not correcting existing law is a good way to do it.

Mr. Chairman, farm labor is extremely short at this time. Cotton picking labor is always short at the time it is needed.

The Government is asking the farmer for greater production of most products, particularly food. Our boys are being drafted and reservists and National Guard men have been called to active duty, which further contributes to a serious situation. Now why should we not pass this bill with the amendment, allowing children under 16 years of age to assist in gathering crops in these critical times and making provision in an orderly way for the farmer to utilize the services of Mexican labor imported from Mexico for that purpose?

Certainly, Mr. Chairman, I am opposed to the Senate provision which places the burden on the farmer to determine that the alien laborer has entered this country legally. That is the business of the authorities whose duties are already prescribed by law for this purpose.

Mr. Chairman, I support the bill authored by my colleague from Texas [Mr. POAGE], and will support the amendment to which I have referred, as a practical, workable, and just arrangement for the American farmer in the harvesting of crops so vitally necessary for the country's welfare.

Mr. HOPE. Mr. Chairman, I yield myself 8 minutes.

The CHAIRMAN. The gentleman from Kansas is recognized.

Mr. HOPE. Mr. Chairman, I am interested in this bill from the standpoint of a consumer only. As far as I know there are no Mexican laborers in my district; there will be none if this bill becomes a law.

I hold in my hand a monthly bulletin issued by the Bureau of Agricultural Eco-

nomics entitled "Farm Labor," dated June 11, which reads as follows:

People working on the farms in May totaled a half million less than a year ago and about one and one-half million less than the postwar peak in 1946-47.

That tells the story of the problem that is facing the American farmer today at a time when he has been asked by the Secretary of Agriculture to produce more than he has ever produced.

This bill does not try to solve all the problems of migratory labor, it deals with only one segment of that problem; it does not try to solve our immigration problems except this particular one involving the temporary immigration of farm labor from Mexico. I realize that there is a serious migrant labor problem in this country. The President about a year ago appointed a commission to deal with this subject, a very able commission. It has made a voluminous report, and a number of recommendations. These recommendations should be considered by the Congress. We cannot, however, consider those far-reaching recommendations today or try to incorporate them in the framework of this very modest bill which attempts to deal with only one particular situation, that of Mexican labor.

I want to speak briefly about the provisions of the pending bill. As has already been stated, it was drafted primarily for the purpose of carrying out an agreement which has been made by the Government of the United States with the Government of Mexico. That agreement sets up certain standards which must be maintained here in the United States as far as Mexican labor is concerned and institutes a procedure by which that labor may be brought into this country. If that agreement is to be carried out, it is necessary to have this legislation.

Under the provisions of this bill we set up a procedure whereby the procurement of farm laborers in Mexico will be conducted by the United States Government. That is in contrast with what has been going on in the past few years where the farmers themselves who were to use the labor were compelled to go down into the interior of Mexico to procure these workers. The bill also provides for the establishment of reception centers in the United States to which these workers will be brought and from which they can be sent out to work on farms. It provides for the transportation of these workers from recruitment centers in Mexico to the reception centers on this side of the border and for the transportation of workers from those reception centers back to Mexico at the termination of their employment in this country.

It provides that the United States Government shall assist these workers in making contracts of employment and contains another provision whereby the United States Government guarantees that the employers will perform their contracts.

In order to save itself harmless, the Government of the United States must require from the employer a contract under this bill. Those contract provisions are set out in section 502 of the bill and provide a way by which the

United States Government may be indemnified for any loss which it may suffer because of its guaranty that employers will carry out their contracts with the workers.

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

Mr. HOPE. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, under the provisions of the bill the employer must agree to pay to the United States in any case in which the worker is not returned to a reception center an amount which is determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning these workers. He is compelled to reimburse the United States for the expenses incurred in transportation and subsistence of workers from the recruitment centers in Mexico to the reception centers in this country in an amount not to exceed \$10 per worker; in other words the farmer pays substantially all of the expense of bringing these workers from Mexico to his farm and then back to the place of recruitment when the worker returns to Mexico.

The Committee on Agriculture held extensive hearings on this bill. We gave it a great deal of consideration in executive session. We heard a large number of witnesses. We heard all the different viewpoints, and as a result of this very exhaustive consideration we bring you this bill which I feel does what it sets out to do. It is a temporary measure but one which will meet the present situation, it will help alleviate the shortage of certain types of farm workers and will enable our farmers to help meet the obligation which has been put upon them by the Secretary of Agriculture to produce the greatest amount of food and fiber that has ever been produced by the farmers of this country.

Mr. POAGE. Mr. Chairman, I yield 8 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, why is this legislation before this body at this time? On the 30th day of June the contract with the Mexican Government will expire, so it is necessary that we bring in legislation prior to June 30 so that we can have the labor available when needed on the farms of America. In the mid-South area the workers have left our particular section and gone to the larger cities; they have gone into Memphis, to Detroit, to Chicago, and Los Angeles. They have gone where they can get employment in defense industries. Further, many of them have been called into the armed services. So now we do not have enough labor not only to harvest our crops down in the mid-South area, but we do not have enough labor to chop the cotton. At this particular time there are 5,000 Mexican nationals in the State of Arkansas chopping cotton. They are badly needed since our cotton acreage has increased greatly in the current year—the production of cotton requires quite a lot of labor—I have here from the Department of Agriculture a report which says that the people who worked on the farms in May 1951, totaled half a million less than a year ago. So, you can see when we are asked to produce

more food, when we are asked to produce more cotton, 60 percent more cotton in 1951 than in 1950—and we had an awfully hard time to get enough labor to harvest our crop in 1950—that it will be extremely important and necessary that we do have legislation to negotiate with Mexico so that we can recruit the necessary labor to be used in the harvesting of cotton and various food crops that are so highly essential in this emergency.

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

Mr. GATHINGS. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Even with your small crop last year you had to call upon Mexican help to harvest that crop, did you not?

Mr. GATHINGS. Oh, yes. Last year in the gentleman's State of Missouri several thousand workers were imported. We had 21,000 in the State of Arkansas during the harvest season last year.

Mr. JONES of Missouri. And you are going to have a bigger crop this year with less local labor.

Mr. GATHINGS. Yes. We increased the acreage in that section this year.

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

Mr. GATHINGS. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman speaks of this as being a bill to help the farmers of the United States. There is not an ounce of help in this bill for the mid-west farmer.

Mr. GATHINGS. Whoever comes and applies for this labor and follows the provisions set out in this bill can go to Mexico and obtain that labor.

The gentleman from New York [Mr. CELLER] is the chairman of one of the most important committees of this House, the Committee on the Judiciary. He came before this body today bitterly complaining about this legislation. He urged that something ought to be done to curb the illegal entry into this country of Mexican farm workers. As chairman of the important Committee on the Judiciary, the gentleman has full and complete authority to present legislation to curb the illegal entry into this country of Mexicans. It is the gentleman's job to do that.

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

Mr. GATHINGS. I yield to the gentleman, inasmuch as I have called his name.

Mr. CELLER. Does not the gentleman believe this bill should have been referred to the Committee on the Judiciary, since it is primarily an immigration statute? Further, does not the gentleman believe that members of the Committee on the Judiciary should have an opportunity to pass on the provisions of this bill?

Mr. GATHINGS. I do not think so, because of the fact that it amends the Agricultural Act of 1949. It applies to agricultural labor. We are not coming in here trying to regulate the flow across the border of Canada or Mexico. We are not asking for immigration legislation in the least. We are asking this House to pass this legislation so that we can produce the food and fiber necessary for the support of our economy.

Mr. CELLER. I want to see that the crops are harvested; I agree with the gentleman.

Mr. GATHINGS. That is very fine.

The cost is extremely high in order to get this labor to the farms of America. It costs a lot of money to do that.

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

Mr. GATHINGS. I yield to the gentleman from California.

Mr. JOHNSON. Is it not a fact that over 10 years ago the Tolan committee made a very exhaustive and constructive study of the migratory problem and it has been resting in the Committee on the Judiciary ever since, with not a thing being done about it?

Mr. GATHINGS. I recall the Tolan investigation. They could have something done about illegal entry of Mexicans or others if they desired to do so.

Mr. JOHNSON. They have taken 10 years to do something, based on a very thorough study.

Mr. GATHINGS. It has been said by the opposition to this bill that there is enough domestic labor available for use on the farms of America. That has been brought out repeatedly.

Mr. McCARTHY. Does the gentleman remember who made that statement on the floor?

Mr. GATHINGS. The opposition has hinged on utilizing available domestic labor.

Mr. McCARTHY. I did not say it, and the gentleman from Ohio [Mr. POLK] did not.

Mr. GATHINGS. It was said in the committee by the farm-labor groups. They came in and said, "Let us utilize the labor that is available in America first."

The gentleman filed a minority report. If I remember rightly, in that minority report he brought out the point that he wants to utilize the labor in this country. Does not the gentleman think that if there were a laborer available on his farm or close by where he could bring him to his farm he would not send all the way to the Mexican border, a distance of 1,200 miles from my district, to recruit labor? They go to the expense of sending a man down to the border on a truck and go to all the extra expense of paying the worker's transportation by train or bus up to the border from Monterrey, Hermosillo, or Chihuahua. Hotel expenses and food are provided by the farmer, too.

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

Mr. GATHINGS. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman should point out that none of these laborers can be employed until the Department of Labor has certified that there is no other labor available.

Mr. GATHINGS. The gentleman is correct. Until the Secretary of Labor makes such a determination, he could not obtain Mexican national labor. What farmer in America would go to all that expense to bring this labor back and pay the transportation and subsistence expense if he did not need that labor on his farm?

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

Mr. GATHINGS. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman made the statement that the opposition had contended that American labor was available in sufficient numbers. Then he was challenged on that and asked to say who had made that contention. I am just wondering if those opposing this bill are frank enough to admit that we do not have sufficient labor. Is that the contention of the opposition, or the admission of the opposition?

Mr. McCARTHY. I think I would concur in that statement. I do not wish to stop the bill or stop the bringing in of contract labor. What I am trying to do is stop the bringing in of wetback workers.

Mr. COOLEY. That is an entirely different proposition than the gentleman just mentioned. That is a matter for the Immigration Committee. We are not trying to enforce the immigration laws and we are not amending them. We have no way on earth to make it easier to bring in wetbacks.

Mr. GATHINGS. That is right. The various departments charged with responsibility of this problem of recruitment of foreign labor came before our committee and every one of them recognized the need on the farms of America for this additional labor.

Mr. COOLEY. If there were any way to pass a law now to keep out all wetbacks, I am sure the House would do it, but that is not the proposition before us.

Mr. GATHINGS. We are faced with the proposition whether we are going to have anything to eat on our tables or anything on our backs to wear. I hope the House bill will be approved by this body.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc. That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding \$150 burial

expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in such amounts, not to exceed \$10 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5), an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Regional Director, Bureau of Employment Security, United States Department of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"(c) Workers recruited under the provisions of this title shall not be subject to the

head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 508. For the purposes of this title—

"(1) The term 'agricultural employment' includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended, horticultural employment, cotton ginning, compressing and storing, crushing of oil seeds, and the packing, canning, freezing, drying, or other processing of perishable or seasonable agricultural products.

"(2) The term 'employer' includes associations or other groups of employers.

"SEC. 509. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 508, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 510. No workers shall be made available under this title for employment after December 31, 1953."

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with.

Mr. McCARTHY. Mr. Chairman, reserving the right to object, is my understanding correct that if the unanimous-consent request is granted, the bill will be open to amendment at any point?

The CHAIRMAN. That is correct.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Mr. Chairman, I intend to offer a preferential motion. Will the granting of the unanimous-consent request have any effect on my preferential motion?

The CHAIRMAN. The Chair does not so understand.

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

There was no objection.

Mr. CELLER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CELLER moves to strike out all after the enacting clause.

The CHAIRMAN. The gentleman does not submit a preferential motion.

Mr. POLK. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. POLK in the nature of a substitute for H. R. 3283: "That the Agriculture Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

"SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States under legal entry);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding \$150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in amounts not to exceed \$20 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5) and is apprehended within the United States, an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be employed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (3) reasonable

efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, by virtue of legal entry and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment: *Provided*, That no workers shall be made available under this title to, nor shall any workers made available under this title be permitted to remain in the employ of, any employer who has in his employ any Mexican alien when such employer knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such Mexican alien is not lawfully within the United States.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended."

"(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132.)

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 507. For the purposes of this title—

"(1) The term "agricultural employment" includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended.

"(2) The term "employer" shall include an association, or other group, of employers, but only if (A) those of its members for whom workers are being obtained are bound, in the event of its default, to carry out the obligations undertaken by it pursuant to section 502, or (B) the Secretary determines that such individual liability is not necessary to assure performance of such obligations.

"SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural

employment as defined in section 507, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 509. Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding \$2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

"SEC. 510. No workers will be made available under this title for employment after December 31, 1952."

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

The CHAIRMAN. The gentleman will state it.

Mr. ELLSWORTH. Mr. Chairman, I make a point of order against the amendment on the ground that it contains matter not germane to the House bill, and I should like to be heard on the point of order.

The CHAIRMAN. The Chair will be glad to hear the gentleman and requests that the gentleman point out the specific language to which objection is made.

Mr. ELLSWORTH. It is made to section 509 of the substitute which has just been read, appearing on page 7 of the bill S. 984, and reading as follows:

SEC. 509. Any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act or any other law relating to the immigration or expulsion of aliens, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such employment indicating that such alien is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding \$2,000, or by imprisonment for a term not exceeding 1 year, or both, for each alien in respect to whom any violation of this section occurs.

Mr. Chairman, this section 509 is a general provision, strictly general, entirely general; whereas the House bill,

which is the bill we are considering at this time, is a specific bill having a specific purpose. The purpose is stated in the opening section of the bill, as follows:

For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary—

And so forth. Section 509 of the proposed substitute does not deal in any way with the subject of the pending House bill. Section 509 of the proposed substitute deals only with the matter of finding information as to the illegal entry of alien Mexicans into the United States, and imposes a penalty for failure to supply information concerning such illegal entry. That is the sole purpose and the sole effect of this section 509. It does not refer to the employment of farm labor, and it does not go to the purpose of the bill.

I think it is a fact that one of the principals applying to germaneness is that an amendment must be in accordance with the fundamental purposes of the bill to which the amendment is proposed.

I make a second point of order against the substitute on the ground that it is not germane but is a general provision. Read the language of the bill, Mr. Chairman—section 509. Section 509 of the substitute speaks of any person who employs a Mexican alien not certified by the Secretary of Labor, any person, whether that person be the provider of a restaurant or the operator of a steamship company, railroad, bus line, and so forth, any person who shall employ any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States.

A restaurant operator in the city of New York would be subject to a \$2,000 fine and 1 year in prison or both if he employed a Mexican alien without taking the trouble to go to the FBI or some other source and find out if that Mexican was in the country with proper credentials.

I submit, Mr. Chairman, that that is strictly a general proposition and is offered to this bill which has specific reference to a program of orderly recruitment and dispersal of farm labor—farm labor only; whereas the amendment, Mr. Chairman, applies to any person who shall employ any Mexican alien wherever he may be and whatever he may be doing.

I submit, therefore, on those two counts, first, it is an amendment, a general provision, a general amendment, applied to a specific bill, which, according to the way I read the rules of the House, is not allowable as germane; and, secondly, that the amendment itself does not have anything to do in fact with the purpose and the fundamental intent of the bill.

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

Mr. ELLSWORTH. I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to call the gentleman's attention to the fact that the bill before us now amends the Agricultural Act of 1949. I agree with

the gentleman's observations on the point of order. The section he referred to, 509, is general in its application and in effect rewrites the immigration laws of this country insofar as they affect Mexico.

Mr. ELLSWORTH. I may say to the gentleman along that same line that there is now pending before this House a very large omnibus immigration bill to which this particular section 509 should be added if it is the will of the House, but it has no place as a penalty provision in an amendment to the Agricultural Act.

Mr. PHILLIPS. Mr. Chairman, may I be heard briefly?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. PHILLIPS. Mr. Chairman, the gentleman from North Carolina has just said that the bill did not intend to amend the immigration laws and the RECORD will disclose that in the preceding debate he said the same thing. If the Chair will refer to page 7 of the bill I hold, which is the Senate edition, lines 15 and 16, he will observe the words "or any other law relating to the immigration or expulsion of aliens"—not necessarily Mexican aliens.

This is a broad provision saying that everyone in the United States must know all the immigration laws if he is to operate under this amendment, therefore placing upon the shoulders of all citizens of the United States the responsibility we assigned by legislative action to the immigration service. It is manifestly legislation out of place in this bill.

Mr. COOLEY. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. COOLEY. Mr. Chairman, I would like to call attention to the fact that if section 509 had been introduced as a separate bill, it would not even have been referred to the Committee on Agriculture. It would have gone to the Immigration Committee.

Now we are faced with a situation of having to pass upon a question which our committee had no right under the rules of the House to even consider and because it happens to be a provision in a Senate bill certainly does not make it germane to the bill now before us.

We are attempting to amend an agricultural bill. If the pending amendment is approved, it will greatly enlarge the scope of the subject with which we are dealing. It should not be held to be germane because there is no provision in this bill which came from the House Committee on Agriculture dealing with the problem of immigration generally. It deals only with agricultural aid. The pending amendment seeks to make it apply to even domestics or to people in all other vocations and avocations of life in this country.

I submit the point of order should be sustained.

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

Mr. COOLEY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to ask the distinguished chairman of the Committee on Agriculture this question:

Should this substitute prevail, in his opinion, would it not completely kill this whole proposition?

Mr. COOLEY. There is no question about that. I think it would be the end of the legislation if the amendment prevails. I do not think we would have a bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. POLK. Yes.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. POLK. Mr. Chairman, I call attention to the fact that this bill amends the Social Security Act, and I am speaking now on the bill before the House, H. R. 3283. It also amends the Immigration Act of 1917, and I refer to lines 7, 8, 9, and 10, on page 5. It amends the Internal Revenue Code, and I refer to lines 2, 3 and 4, at the top of page 5. In other words, in several instances the bill which is before the House amends other Federal statutes.

I therefore respectfully submit, Mr. Chairman, that the point of order against 509 of this bill should not be sustained.

The CHAIRMAN. The Chair is ready to rule.

The bill before the Committee is a bill to amend the Agricultural Act of 1949. The gentleman from Ohio offers an amendment in the nature of a substitute to which a point of order of germaneness is made by the gentleman from Oregon, the particular objection being directed to the last section of the amendment offered by the gentleman from Ohio.

The Chair feels that it is necessary to be fair and explicit in this matter to spell out in some detail the rule of germaneness and its application to this particular amendment. As the Chair understands the rule of germaneness, its purpose is to provide for and protect the orderly procedure in the Committee of the Whole and in the House. It is to protect the legislative processes, to protect the membership from hasty, ill-considered, and extraneous subject matter being offered to the proposition under consideration. An amendment, to be germane to a bill under consideration, must be akin to and relative to the subject matter of the bill. The Chair does not feel that the provision of a penalty or the provision for civil relief from a law seeking to be enacted would be a matter unakin or unrelated to the bill. However, there is specific matter in the amendment, to wit, "or any other law relating to the immigration or expulsion of aliens" which is to be found in section 509 to which specific objection was made. The Chair has examined the bill before the Committee and is unable to find reference to any other law relating to the immigration or expulsion of aliens.

Therefore, because of the references just cited, the Chair sustains the point of order.

Mr. POLK. Mr. Chairman, I offer an amendment in the nature of a substitute. May I state that this is the same amendment that has just been ruled out on a point of order with section 509

stricken out, and I ask unanimous consent that it be printed in the RECORD at this point and considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The amendment is as follows:

Be it enacted, etc., That the Agricultural Act of 1949 is amended by adding at the end thereof a new title to read as follows:

"TITLE V—AGRICULTURAL WORKERS

"SEC. 501. For the purpose of assisting in such production of agricultural commodities and products as the Secretary of Agriculture deems necessary, by supplying agricultural workers from the Republic of Mexico (pursuant to arrangements between the United States and the Republic of Mexico), the Secretary of Labor is authorized—

"(1) to recruit such workers (including any such workers temporarily in the United States under legal entry);

"(2) to establish and operate reception centers at or near the places of actual entry of such workers into the continental United States for the purpose of receiving and housing such workers while arrangements are being made for their employment in, or departure from, the continental United States;

"(3) to provide transportation for such workers from recruitment centers outside the continental United States to such reception centers and transportation from such reception centers to such recruitment centers after termination of employment;

"(4) to provide such workers with such subsistence, emergency medical care, and burial expenses (not exceeding \$150 burial expenses in any one case) as may be or become necessary during transportation authorized by paragraph (3) and while such workers are at reception centers;

"(5) to assist such workers and employers in negotiating contracts for agricultural employment (such workers being free to accept or decline agricultural employment with any eligible employer and to choose the type of agricultural employment they desire, and eligible employers being free to offer agricultural employment to any workers of their choice not under contract to other employers);

"(6) to guarantee the performance by employers of provisions of such contracts relating to the payment of wages or the furnishing of transportation.

"SEC. 502. No workers shall be made available under this title to any employer unless such employer enters into an agreement with the United States—

"(1) to indemnify the United States against loss by reason of its guaranty of such employer's contracts;

"(2) to reimburse the United States for essential expenses, not including salaries or expenses of regular department or agency personnel, incurred by it for the transportation and subsistence of workers under this title in amounts not to exceed \$20 per worker; and

"(3) to pay to the United States, in any case in which a worker is not returned to the reception center in accordance with the contract entered into under section 501 (5) and is apprehended within the United States, an amount determined by the Secretary of Labor to be equivalent to the normal cost to the employer of returning other workers from the place of employment to such reception center, less any portion thereof required to be paid by other employers.

"SEC. 503. No workers recruited under this title shall be available for employment in any area unless the Secretary of Labor for such area has determined and certified that (1) sufficient domestic workers who are able, willing, and qualified are not available at the time and place needed to perform the work for which such workers are to be em-

ployed, and (2) the employment of such workers will not adversely affect the wages and working conditions of domestic agricultural workers similarly employed, and (3) reasonable efforts have been made to attract domestic workers for such employment at wages and standard hours of work comparable to those offered to foreign workers.

"SEC. 504. Workers recruited under this title who are not citizens of the United States shall be admitted to the United States subject to the immigration laws (or if already in, by virtue of legal entry and otherwise eligible for admission to, the United States may, pursuant to arrangements between the United States and the Republic of Mexico, be permitted to remain therein) for such time and under such conditions as may be specified by the Attorney General but, notwithstanding any other provision of law or regulation, no penalty bond shall be required which imposes liability upon any person for the failure of any such worker to depart from the United States upon termination of employment: *Provided*, That no workers shall be made available under this title to, nor shall any workers made available under this title be permitted to remain in the employ of, any employer who has in his employ any Mexican alien when such employer knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such Mexican alien is not lawfully within the United States.

"SEC. 505. (a) Section 210 (a) (1) of the Social Security Act, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.

"(b) Section 1426 (b) (1) of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new subparagraph as follows:

"(C) Service performed by foreign agricultural workers under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended.

"(c) Workers recruited under the provisions of this title shall not be subject to the head tax levied under section 2 of the Immigration Act of 1917 (8 U. S. C., sec. 132).

"SEC. 506. For the purposes of this title, the Secretary of Labor is authorized—

"(1) to enter into agreements with Federal and State agencies; to utilize (pursuant to such agreements) the facilities and services of such agencies; and to allocate or transfer funds or otherwise to pay or reimburse such agencies for expenses in connection therewith;

"(2) to accept and utilize voluntary and uncompensated services; and

"(3) when necessary to supplement the domestic agricultural labor force, to cooperate with the Secretary of State in negotiating and carrying out agreements or arrangements relating to the employment in the United States, subject to the immigration laws, of agricultural workers from the Republic of Mexico.

"SEC. 507. For the purposes of this title—

"(1) The term 'agricultural employment' includes services or activities included within the provisions of section 3 (f) of the Fair Labor Standards Act of 1938, as amended, or section 1426 (h) of the Internal Revenue Code, as amended.

"(2) The term 'employer' shall include an association, or other group, of employers, but only if (A) those of its members for whom workers are being obtained are bound, in the event of its default, to carry out the obligations undertaken by it pursuant to section 502, or (B) the Secretary determines that such individual liability is not necessary to assure performance of such obligations.

"SEC. 508. Nothing in this act shall be construed as limiting the authority of the Attorney General, pursuant to the general immigration laws, to permit the importation of aliens of any nationality for agricultural employment as defined in section 507, or to permit any such alien who entered the United States legally to remain for the purpose of engaging in such agricultural employment under such conditions and for such time as he, the Attorney General, shall specify.

"SEC. 510. No workers will be made available under this title for employment after December 31, 1953."

Mr. ELLSWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ELLSWORTH. Did I understand the gentleman to say that the amendment now offered is identical with the one previously offered, with the exception that section 509 is stricken out?

The CHAIRMAN. The Chair so understood the gentleman.

Mr. POLK. Mr. Chairman, the Ellender and Poage bills are somewhat similar in substance.

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

Mr. POLK. I yield to the gentleman from Kansas.

Mr. HOPE. Will the gentleman state whether or not his substitute now offered is exactly the Senate bill with section 509 stricken out?

Mr. POLK. That is correct.

Mr. Chairman, the Poage bill, however, contains several very undesirable provisions and fails in several important respects to meet the test of adequate legislation in this field, namely to assure that Mexican workers, when needed, are obtained in an orderly manner and under a Government supervised program and to prevent and penalize effectively the illegal traffic in Mexican wetback labor. The Ellender bill, Mr. Chairman, more adequately meets this test.

First, H. R. 3283 would provide for contracting of Mexican workers upon certification for a limited area made by a subordinate official of the Department of Labor instead of the Nation-wide certification of reasonable availability to be made by the Secretary of Labor under S. 984, the Ellender bill. This provision of the Poage bill not only ignores sound principles of Government by giving responsibilities by statute to subordinate departmental officials, such as the regional director of the Bureau of Employment Security, but also indicates a policy of ignoring American farm workers who may be reasonably available for work even though they are outside the immediate area of regional certification.

Second, while the bill authorizes the United States Government to guarantee to Mexican workers amounts due them for wages and transportation under the employment contacts, provisions relating to indemnification by employers' associations are not adequate to protect the Government's interests. A number of employers' associations are not incorporated and have little or no assets. Nevertheless they contract for Mexican workers on behalf of their members. The legislation should provide that workers may be made available to these associations only where the individual

members are liable upon the agreement of the association or where other satisfactory assurances of liability or solvency exist. The Ellender bill corrects this defect of H. R. 3283.

Third, the authority under the Poage bill for obtaining contract Mexican labor extends broadly to many processes which are industrial and not agricultural in nature whereas the Ellender bill is carefully limited to agricultural activities, as such, which, I understand, is the only area of potential need toward which present legislation can be reasonably directed and justified. Here, again, the drawbacks of H. R. 3283 would be corrected by the substitution of the Ellender bill.

Fourth, and this is the most important consideration, Mr. Chairman, the Ellender bill would effectively shut the door to the use of Mexican labor which is illegally in the United States and would provide measures for curbing the influx of wetbacks. Sections 501 and 504 of the Poage bill, on the other hand, provide that Mexican workers already in this country, even if they are here illegally, may be recruited and permitted to remain here if the Mexican Government so agrees. Under the Ellender bill these sections would be corrected so that recruitment would be authorized only in the case of these Mexican workers who have legally entered the United States.

The approval of the Ellender bill as a substitute for H. R. 3283 will provide sound stand-by legislation for obtaining Mexican contract labor to the extent necessary during the present national emergency. It will correct the defects in the machinery provided by H. R. 3283 and, above all, it will create for the first time effective remedies for the gradual control and eventual abolition of the wetback system. Moreover, in achieving substantial agreement with the Senate bill by accepting its bill as a substitute we will expedite the process of conference and adjustment and will insure the prompt enactment of a necessary measure. I cannot underestimate the importance or significance of the provisions of the Ellender bill which are designed to control the wetback situation.

In recent years the United States literally has been invaded by hundreds of thousands of Mexican agricultural workers—known as wetbacks—illegally entering this country in search of employment. No one knows exactly how great this invasion is today. We do know for a fact, however, that it has grown to fantastic proportions. For example, only 7,000 illegal Mexican wetbacks were picked up by the Immigration and Naturalization Service in 1940, whereas 565,000 of these wetbacks were apprehended in the year 1950. There are some reliable estimates that more than 1,000,000 illegal farm laborers from Mexico entered this country in 1950 and I have not any doubt that, while I am standing here today, Mexican braceros—or stoop laborers—are pouring across our southern border displacing American workers, reducing labor standards and spreading communicable diseases.

The record and effects of this illegal invasion have been dramatized so re-

cently in the newspapers and magazines of the Nation that all of you must be somewhat familiar with the story. The report of the President's Commission on Migratory Labor has conservatively stated the facts. The Commission points out:

The wetback is a hungry human being. His need of food and clothing is immediate and pressing. He is a fugitive and it is as a fugitive that he lives. Under the constant threat of apprehension and deportation, he cannot protest or appeal no matter how unjustly he is treated. Law operates against him but not for him. Those who capitalize on the legal disability of the wetbacks are numerous and their devices are many and various.

* * * * *

That the wetback traffic has severely depressed farm wages is unquestionable—the wetback wage tends to become the prevailing wage.

These illegal Mexican workers not only create viciously unfair competition, destroying American labor standards and displacing American workers, but also bring with them problems of death and disease, of housing and sanitation. These workers live in shacks and sheds which no one would wish to put a horse in. They bathe and drink from the irrigation ditches upon the banks of which they live.

There is another very important aspect to this wetback situation. In these precarious times when our country is extending every effort to balk communistic infiltration, the wetback invasion offers a serious threat to our internal security. It is no secret that one of the easiest ways for a Communist spy or saboteur or foreign organizer to enter the United States is across our southern border in the disguise of a Mexican bracero. Wherever we encourage or invite or fail to control this invasion we are jeopardizing our very existence as a nation. It is our clear duty to support the Immigration and Naturalization Service in the already huge task of holding back the hordes of illegal entrants which daily elude our border patrols. Rather than relax our immigration laws, we must tighten them. Above all things we must impose adequate penalties upon those who entice Mexican workers across our border or employ them without concern as to their legal status in this country.

With all of these factors firmly in mind, it is paramount that we act with deliberate speed and unity of purpose. Unity in these times is vital to a successful defense of the Nation. The need for speedy action to provide stand-by legislation is required not only by the prospect of farm-labor shortages which confront us but also by the most recent position taken by the Mexican Government with respect to obtaining Mexican farm workers in an orderly manner under Government supervision. It is my understanding that, because certain employers in the past have failed to meet their obligations under contracts signed with Mexican workers, Mexico has stated that no workers will be furnished after the end of June unless the United States guarantees the fulfillment of the employment contracts with these workers. It is therefore the path of wisdom to

choose a legislative course which provides the speediest method of agreement on effective legislation accomplishing this purpose.

To provide adequate legislation to assure that Mexican workers are, when needed, obtained in an orderly manner and under a Government supervised program the Senate recently passed a bill, S. 984, introduced by the distinguished Senator from Louisiana, Mr. ELLENDER. There is now pending before this House another bill, H. R. 3283, the Poage bill, somewhat similar in substance, containing several very undesirable provisions and failing in several substantive respects to meet the test of adequate legislation in this field.

In my opinion, Mr. Chairman, the Senate bill is far sounder legislation than is H. R. 3283. Time is now of the essence. If we are to have an orderly program for obtaining Mexican workers for the coming harvest, we must proceed with dispatch. We must provide adequate time for the Government agencies to renegotiate an agreement with Mexico. We must provide adequate time for working out the myriad administrative and legal problems incident to undertaking this type of program. We must provide adequate time for the Mexican Government to open recruitment centers in Mexico and for the United States Government to establish reception centers in this country.

Because H. R. 3283 does not meet the test, I propose at the appropriate time to move the substitution of the Senate bill, S. 984, the Ellender bill, for that bill. The Ellender bill is a sound measure providing an orderly basis for obtaining legal contract labor from Mexico to the extent that American workers are not reasonably available. In addition, it will correct the glaring failure of H. R. 3283 to prevent and penalize effectively the illegal traffic in Mexican wetback labor. Let me review, for a moment, the differences between the Senate bill and H. R. 3283.

First, H. R. 3283 would provide for contracting of Mexican workers upon certification for a limited area made by a subordinate official of the Department of Labor instead of the Nation-wide certification of reasonable availability to be made by the Secretary of Labor under S. 984, the Ellender bill. This provision of the Poage bill not only ignores sound principles of government by giving responsibilities by statute to subordinate departmental officials, such as the regional director of the Bureau of Employment Security, but also indicates a policy of ignoring American farm workers who may be reasonably available for work even though they are outside the immediate area of regional certification.

Second, while the bill authorizes the United States Government to guarantee to Mexican workers amounts due them for wages and transportation under the employment contracts, provisions relating to indemnification by employers' associations are not adequate to protect the Government's interests. A number of employers' associations are not incorporated and have little or no assets. Nevertheless they contract for Mexican workers on behalf of their members. The

legislation should provide that workers may be made available to these associations only where the individual members are liable upon the agreement of the association or where other satisfactory assurances of liability or solvency exist. The Ellender bill corrects this defect of H. R. 3283.

Third. The authority under the Poage bill for obtaining contract Mexican labor extends broadly to many processes which are industrial and not agricultural in nature whereas the Ellender bill is carefully limited to agricultural activities, as such, which, I understand, is the only area of potential need toward which present legislation can be reasonably directed and justified. Here, again, the drawbacks of H. R. 3283 would be corrected by the substitution of the Ellender bill.

All of these defects in H. R. 3283, which I have mentioned as being corrected by S. 984, are very important, but of infinite importance is the basic failure of the bill to provide some reasonable control over the entry and employment of wetbacks. Here is what H. R. 3283 provides on this subject. Sections 501 and 504 provide for the recruitment of any Mexican workers and for permission to any such workers to remain in the country if they are already here and Mexico agrees that they may remain here. In other words, Mr. Chairman, this bill not only opens the door to recruitment of wetback labor but also is completely silent on any means for controlling the present wetback situation. By providing for the legalization of wetbacks and giving publicity to this type of provision we would encourage and invite the invasion of this country by a million or more wetbacks seeking employment. Even if we gave employment to one-fourth of them, which is unlikely, the Immigration and Naturalization Service would be required to spend millions of dollars in rounding up and deporting those not employed.

My fears in this direction, Mr. Chairman, are not the result of any illusion. Before World War II, the record shows quite clearly that we neither imported Mexican contract labor nor were faced with any large-scale wetback problem. However, in 1949, we made a colossal blunder when we entered into an international agreement with Mexico which permitted the contracting of wetbacks in this country. The number of apprehensions jumped from less than 30,000 in 1944 to more than 300,000 in 1949. Then in 1950 this figure grew to nearly 600,000. Representatives of both Governments have expressed the opinion that it is obvious that the tremendous increase in illegal entries is the result of the word being spread throughout Mexico that wetbacks are being given legal status in the United States through contract employment. Therefore, it is apparent to me, Mr. Chairman, that if we contract for Mexican labor without dealing directly with the wetback problem, we encourage the entry of wetbacks in ever increasing numbers. On the basis of the figures which I have cited from the Report of the President's Commission on Migratory Labor, I believe that I can predict with certainty that the passage

of H. R. 3283 in its present form will attract even greater numbers of wetbacks seeking employment on our farms and in our factories.

As I have said, the annual invasion is beginning right now. I am informed that while the United States Employment Service has been requested by States some distance from the Mexican border—without ready access to wetback labor—to make certification for the entry of thousands of Mexican contract workers, nevertheless, farmers from the State of Texas, the southern border of which lies upon the Rio Grande River, has placed with the United States Employment Service requests for comparatively few contract Mexicans. The answer is obvious. Farmers from the State of Texas are receiving and using right now so great a number of illegal Mexican wetback laborers that there is little present need in that State for seeking legal contract workers through the orderly process of legal entry after certification by the Government.

Now, Mr. Chairman, let me turn to the Ellender bill. This bill would effectively shut the door to the use of Mexican labor which is illegally in the United States. Sections 501 and 504 of H. R. 3283 would be corrected by the Ellender proposal so that the Secretary of Labor would be authorized to recruit only those Mexican workers legally entering the United States. In this way S. 984 would discourage rather than encourage an invasion of illegal migrants in violation of our immigration laws in the expectation of obtaining employment in this country. Second, the Ellender bill would discourage the use of illegal entrants by preventing employers from obtaining legal contract labor where they also use wetback labor in situations charging them with knowledge that they are employing wetbacks. Third, the Ellender bill would impose effective criminal penalties upon any person employing any Mexican alien illegally in this country where the employer knows or has reasonable grounds to believe, or suspect, or by reasonable inquiry could have ascertained that the alien is not lawfully in the United States. Similar penalties would be imposed for a failure of the employer to report promptly to an immigration officer information obtained during the course of employment indicating that the alien is not legally in the United States.

The enactment of the Ellender bill as a substitute for H. R. 3283 will provide sound stand-by legislation for obtaining Mexican contract labor to the extent necessary during the present national emergency. It will improve the minor defects now present in the machinery provided by H. R. 3283 and, above all, it will create for the first time effective remedies for the gradual control and eventual abolition of the wetback system. Moreover, in achieving substantial agreement with the Senate bill by accepting its bill as a substitute we will expedite the process of conference and adjustment and will insure the prompt enactment of a necessary measure. I cannot underestimate the importance or significance of the provisions of the Ellender bill which are designed to control the wetback situation.

There is one final thought that I wish to express. I anticipate that our failure effectively to control wetbacks as provided by the Ellender bill would, in view of the report of the President's Commission on Migratory Labor, only serve to invite a veto by the President and consequent disruption of our efforts to provide sufficient labor on our farms and in our fields at this time of national emergency.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentleman from Ohio has removed the most serious objection to the Senate bill, the one that makes it absolutely unworkable, but there are certain other features about the Senate bill which seem to me to be less desirable than the provisions of the House bill.

There has been a question of how much the expenses would be in bringing a Mexican from Mexico to the United States border. The House bill limits that expense to \$10. The Senate bill allows the Government to assess \$20 against the employer.

Remember what that \$20 is for. That \$20 is simply to pay the expenses of bringing that worker from either Monterrey, Chihuahua or Hermosillo to the United States border, providing the cost of meals, and taking care of him on the American side of the border until he is removed by the employer who is going to take him to the place of employment.

I presented to the House a few moments ago a number of affidavits that show that the actual cost as paid by the farmers is running less than \$5, so the House bill provides that the farmer will pay twice as much as the actual cost if the Government spends that much. The Senate bill allows the Government four times that cost. We just think it is a useless waste and an unnecessary burden on the American economy to allow the Government to spend that much.

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

Mr. POAGE. No, I cannot yield.

Mr. BAILEY. The gentleman does not know the facts.

Mr. POAGE. I know what each bill provides. I know what it actually costs to bring these workers in. I know that the Government notoriously spends more than is necessary. I also know the Government will spend all we allow. I know the House bill will save money. We feel it is not a sound policy to deliberately waste the money of anybody, and we feel that \$10 is a liberal fee. That is one of the matters in issue.

The other important matter in issue is the question of how much employment can be given to these Mexican nationals. The House bill provides that they may be employed not only on farms but in agricultural processing plants, such as gins, packing sheds, and compresses, in the area where the production is taking place. We feel those activities are so closely related to the immediate agricultural work that to deny the use of Mexican nationals in these operations would in many instances seriously hamper the agricultural activities of the community and

result in the loss of food and fiber throughout the country.

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

Mr. POAGE. I yield.

Mr. HOPE. The gentleman from Texas is pointing out some of the differences between the two bills. They are not, as he says, of such great importance as the issue that was raised by section 509. But I do want to make this suggestion for whatever it is worth: This bill would have to go to conference in any event, even if we vote down the amendment of the gentleman from Ohio. The bill would go to conference, and at that time these questions can be settled.

On the other hand, if we adopt the gentleman's amendment with the meager debate which it is possible to have here in Committee of the Whole, I am afraid that a great many people would not know exactly what they are adopting. Does not the gentleman think it would be the wise thing to vote down the gentleman's amendment and then settle these differences in conference?

Mr. POAGE. I think the gentleman from Kansas has expressed it excellently. Let us vote down this amendment. Let us send the bill to conference, and let us decide these questions there, rather than preclude the discussion of these questions in the conference.

Mr. McCARTHY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the two speeches already made on this amendment really define the basic question.

Mr. Chairman, the House is, I believe, qualified to pass on this legislation. The principal differences remaining now between the Senate bill and the House bill are four: The House bill in its present form permits the legalization of wetbacks, that is, of Mexicans who are already in this country. The effect of that, of course, is to encourage them to cross the border because once they are here, it is much easier to have them approved.

The Mexican Government itself is opposed to that provision.

Mr. POAGE. Mr. Chairman, if the gentleman will yield, I do not think the gentleman is correct in stating what the House bill contains.

Mr. McCARTHY. The language in the Senate bill is very clear.

Mr. POAGE. If the gentleman will read the language of the House bill, it says that this can only be done with agreement with the Mexican Government.

Mr. McCARTHY. Mr. Chairman, I do not yield to the gentleman.

Mr. Chairman, under the House bill wetbacks can be legalized. The point is that the Senate bill is very clear to the effect that any Mexicans who are illegally in this country cannot be legally contracted. So we can pass on from that particular point. The second point relates to the argument which has been made that this bill affects only agricultural laborers. We have a rather clear definition of agricultural workers in the Wages and Hours Act. The Poage bill, the House bill, attempts to extend that definition so as to permit employment of these people in processing plants.

So it takes them out of the field and beyond agriculture. The Senate bill clearly defines the limitation so that these contract workers cannot be used in food packing or processing plants as is allowed by H. R. 3283. The third important difference is that in the Senate bill the definition of an employer is strengthened so as to preclude exemptions which are possible in the House bill and the avoidance of the individual responsibility which is possible under the House bill.

Under the Senate bill employer associations are also defined as being employers. No employer can escape individual responsibility by saying that the association has done this thing. I think that is an important provision.

Finally, the Senate bill provides the certification of need shall be done by the Secretary of Labor rather than by a regional labor officer. This problem of farm labor is not confined to one region of the country only; the decision on supply of labor should not be made in a region, it should be made by the Secretary who has jurisdiction over all the regions. This is only a matter of good procedure. I am sure that the Hoover Commission would sustain me.

The Senate bill also provides that anyone who has an employment contract for Mexicans who is also found to be employing wetbacks shall forfeit his right to contract additional legal Mexicans. This gives statutory recognition to a provision already recognized in the international agreement. Those are the four principal points of difference. I think the House should pass upon them and that the Senate should not be allowed to go to conference to speak for us. We should write our own bill. Otherwise what is the use of passing on the legislation at all? Why not just appoint conferees and give them a blank check and let them bring back what they can get out of the conference?

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, on the bill and all amendments thereto close in 10 minutes.

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

Mr. SHELLEY. I object.

Mr. CELLER rose.

The CHAIRMAN. For what purpose does the gentleman from New York rise?

Mr. COOLEY. Mr. Chairman, I move—

Mr. CELLER. Mr. Chairman, was I not recognized?

The CHAIRMAN. The Chair inquired for what purpose the gentleman rose; that does not entail recognition.

Mr. COOLEY. Mr. Chairman, I move that all debate close in 10 minutes on the amendment and on the bill.

The CHAIRMAN. Will the gentleman restate his motion?

Mr. COOLEY. Mr. Chairman, I move that all debate on the pending amendment and the bill close in 10 minutes.

The CHAIRMAN. And all amendments?

Mr. COOLEY. And all amendments thereto.

Mr. McCORMACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCORMACK. Is the motion on the pending amendment and all amendments thereto or to the bill?

The CHAIRMAN. The Chair understood the gentleman to move that all debate on the pending amendment, on the bill and all amendments thereto close in 10 minutes.

Mr. McCORMACK. Has the bill been read?

The CHAIRMAN. The bill has been read.

The question is on the motion of the gentleman from North Carolina.

The question was taken; and the Chair being in doubt, the Committee divided and there were—ayes 99, noes 87.

Mr. CELLER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. POAGE and Mr. McCARTHY.

The Committee again divided; and the tellers reported that there were—ayes 71, noes 97.

So the motion was rejected.

Mr. CELLER. Mr. Chairman, I offer an amendment to the Polk amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER to the amendment offered by Mr. POLK: Add a new section as follows:

"Sec. —. Any person who shall employ as a farm laborer any Mexican alien not duly admitted by an immigration officer or not lawfully entitled to enter or to reside within the United States under the terms of this act, when such person knows or has reasonable grounds to believe or suspect or by reasonable inquiry could have ascertained that such alien farm laborer is not lawfully within the United States, or any person who, having employed such an alien without knowing or having reasonable grounds to believe or suspect that such alien farm laborer is unlawfully within the United States and who could not have obtained such information by reasonable inquiry at the time of giving such employment, shall obtain information during the course of such farm labor employment indicating that such alien farm laborer is not lawfully within the United States and shall fail to report such information promptly to an immigration officer, shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding \$1,000, or by imprisonment for a term not exceeding 1 year, or both, for each farm laborer in respect to whom any violation of this section occurs."

Mr. COOLEY. Mr. Chairman, I make a point of order against the amendment.

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

Mr. COOLEY. Mr. Chairman, I call the Chair's attention to the fact that the amendment is almost identical with the amendment appearing in the Senate bill, the substantial difference being only in the matter of degree. It changes the penalty provision, but otherwise it is almost identical with section 509 which was held to be not germane.

I make the point of order that the amendment now before the Committee is not germane to the bill under consideration.

The CHAIRMAN. Does the gentleman from New York desire to be heard?

Mr. CELLER. Mr. Chairman, I have stricken out of the Senate bill and section 509, which was embodied in the Polk amendment, the words "or any other law relating to the immigration or expulsion of aliens." I make my amendment applicable only to alien farm labor. This bill concerns alien farm labor—alien Mexican farm labor—and within the four squares of what is meant by Mexican alien farm labor the words of my amendment to the substitute relate. This is a bill concerning the operations of alien labor, what they shall do and what they shall not do, under the terms and conditions that they may or may not come over the border, and my amendment certainly is consistent with the purposes and aims of the bill in general. A penalty for violation of the terms laid down is germane.

The CHAIRMAN. The Chair is ready to rule.

The Committee has before it a bill to which the gentleman from Ohio has offered an amendment, to which, in turn, the gentleman from New York has offered an amendment providing specific penalties for violation of the provisions of the bill when written into law. The rule of germaneness has been interpreted rather narrowly, but the Chair does not feel that it can declare or hold that the provision of a penalty for the violation of the provisions of the bill is new subject matter or unrelated subject matter.

Therefore, the point of order is overruled.

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

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3283) to amend the Agricultural Act of 1949, had come to no resolution thereon.

SPECIAL ORDER GRANTED

Mr. JACKSON of Washington asked and was given permission to address the House for 15 minutes today, following any special orders heretofore entered.

HOUR OF MEETING TOMORROW

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

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

There was no objection.

SPECIAL ORDERS GRANTED

Mr. EBERHARTER asked and was given permission to address the House today for 5 minutes, following any special orders heretofore entered.

Mr. LANE asked and was given permission to address the House tomorrow for 15 minutes, following any special orders heretofore entered.

T. L. MORROW

Mr. BYRNE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 1424) for the relief of T. L. Morrow, and ask unanimous con-

sent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 583)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment.

That the House recede from its disagreement to the amendment of the Senate, and agree to the following:

"Restore the matter stricken out by the Senate amendment with the figures in line 6, page 1, namely, \$5,000."

And the Senate agree to the same.

PETER W. RODINO, JR.,
THADDEUS M. MACHROWICZ,
EDGAR A. JONAS,

Managers on the Part of the House.

H. M. KILGORE,
ALEXANDER WILEY,
WARREN G. MAGNUSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The bill as passed by the House appropriated the sum of \$5,000 to T. L. Morrow of Hattiesburg, Miss., in full settlement of all claims against the United States for personal injuries sustained by him in a collision with a United States Army vehicle at the intersection of Route 90 and White Road, Biloxi, Miss., on March 3, 1942.

The Senate reduced the amount to \$2,500 and at the conference the sum of \$5,000 was agreed upon.

PETER W. RODINO, JR.,
THADDEUS M. MACHROWICZ,
EDGAR A. JONAS,

Managers on the Part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

CHESTER A. MACOMBER

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1692) for the relief of Chester A. Macomber, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That Chester A. Macomber, of Everett, Mass., is relieved of liability for repayment to the United States of the sum of \$130.63, representing salary paid to him for services rendered as a temporary employee of the Post Office Department for the period from December 13, 1943, to January 5, 1944, during which time he was on terminal leave as a civilian employee of the Department of the Navy."

"SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Chester A. Macomber the sum of \$130.63, such amount having been withheld from the annuity payable to him under the Civil Service Retirement Act of May 29, 1930, as amended, on account of the dual employment referred to in the first section of this act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

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

Mr. KEATING. Reserving the right to object, Mr. Speaker, may I ask the gentleman from New York whether the change in the Senate bill is simply of a technical nature?

Mr. BYRNE of New York. The amendment of the Senate does not change the purpose of the bill. It is merely a safeguard.

Mr. KEATING. I withdraw my reservation of objection, Mr. Speaker.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. ALBERT W. LACK

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3229) for the relief of Mrs. Albert W. Lack, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 9 to 12, inclusive, and insert "such award, pursuant to said act of September 7, 1916, to Mrs. Albert W. Lack, widow of Albert W. Lack, as on the basis of such findings shall appear equitable."

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

Mr. KEATING. Reserving the right to object, Mr. Speaker, do I understand correctly that this is simply changing the name of the beneficiary in this bill?

Mr. BYRNE of New York. No; the Senate amendment was merely to clarify the intent of the bill. It does not change the purpose of the bill as passed by the House.

Mr. KEATING. In what respect does it change the bill? My understanding was that it changed the name of the beneficiary under the bill.

Mr. BYRNE of New York. I do not believe this is the bill the gentleman has in mind.

Mr. KEATING. I should like to know in what respect it does change it.

Mr. BYRNE of New York. The bill itself does not indicate.

Mr. KEATING. I suggest the gentleman withdraw his request until tomorrow.

Mr. BYRNE of New York. Surely.

Mr. Speaker, I withdraw my request.

MRS. WALTER J. BICKFORD

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 512) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 14, after "amended.", insert "Enactment of this act shall not be construed as an implication of liability on the part of the United States."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LUCY KONG LEE

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1800) for the relief of Lucy Kong Lee, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, strike out "Lucy Kong Lee, widow" and insert "the estate."

Amend the title so as to read: "An act for the relief of the estate of Chin Hien Lee."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SGT. BENJAMIN H. MARTIN

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1789) for the relief of Sgt. Benjamin H. Martin, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "\$15,000" and insert "\$10,500."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. ARMSTRONG asked and was given permission to address the House

for 45 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. BENNETT] is recognized for 30 minutes.

(Mr. BENNETT of Florida asked and was given permission to revise and extend his remarks and include extraneous matter.)

GENERAL LEAVE TO EXTEND

Mr. BENNETT of Florida. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the subject upon which I will address the House at this time.

The SPEAKER pro tempore (Mr. HERLONG). Is there objection to the request of the gentleman from Florida?

There was no objection.

CODE OF ETHICS FOR GOVERNMENT SERVICE

Mr. BENNETT of Florida. Mr. Speaker, today, a concurrent resolution setting forth a proposed code of ethics for Government service has been introduced.

No one Congressman drew this code. It was done by an informal, bipartisan committee, which has been at work on this for several months. At the request of this committee, I have taken the initiative in the introduction of the resolution.

A number of Members of Congress join as sponsors of this legislation. They include: CLIFFORD R. HOPE, JAMES J. MURPHY, HALE BOGGS, BILL LANTAFF, ROBERT J. CORBETT, JAMES T. PATTERSON, LAWRIE BATTLE, FRANK BOYKIN, WILLIAM JENNINGS BRYAN DORN, KATHARINE ST. GEORGE, GERALD FORD, MARGUERITE STITT CHURCH, JOHN PHILLIPS, FRED E. BUSBEY, WESLEY A. D'EWART, HARLEY O. STAGGERS, ROBERT HALE, THADDEUS M. MACHROWICZ, ROBERT T. SECREST, CLEVELAND M. BAILEY, PAUL CUNNINGHAM, CHARLES B. DEANE, EDWARD T. MILLER, HOMER D. ANGELL, WILLIAM L. SPRINGER, FRAZIER REAMS, CLEMENT J. ZABLOCKI, JAMES P. S. DEVEREUX, HENDERSON LAMHAM, ERNEST GREENWOOD, and A. S. HERLONG.

When the committee which studied this matter first undertook the task, it drew up a preliminary statement concerning the foundations of any possible code of ethics that could be formulated. This statement was as follows:

PRELIMINARY STATEMENT

Government exists for men and not men for government. In a democratic republic such as ours, government is of, for, and by men. He who participates in government—whether as voter, elected office holder, or civil servant—is under a solemn obligation to recognize its great purpose, and to conduct himself accordingly.

The Christian, Jewish, and other religious faiths which share a belief in the sacredness and dignity of man will base their civic conduct on certain fundamental principles, including the following:

1. Individual rights arise from the brotherhood of man under the fatherhood of God. The great freedoms of speech, of the press, or religion are imperatives to be fostered and not disregarded.

2. Individuals are unequal in ability, but equal in their right to be regarded as individuals. Equality of opportunity, the American dream, is a major expression of this truth.

3. The office holder is the servant of the people and not their master. "He that is greatest among you, let him be the servant of all."

4. Public office is a public trust. It carries with it the obligation of personal integrity. Honor and truth in the spoken and written word are basic to responsibility in government.

These are governmental principles that derive from the spiritual faith of our ancestors. They precede any code of concrete conduct. Those who sincerely hold them may be trusted.

No code of conduct can hope to cover specifically the multitude of concrete situations which the complex and vast sphere of contemporary government contains within itself. Yet we believe there is value in identifying certain concrete principles which should guide public officials—in whatever branch or level of government.

In approaching this question of a code of ethics for all Government employees, including elective officials, we did not wish to become theoretical, complicated, or falsely pious in treatment of the subject; for it was our belief that a practical, brief, and understandable code could be worked out that would be of real assistance in the daily workings of government.

We read that many had thought about the idea in the past but never presented a code for enactment. In the May 1922 issue of *The Annals of the American Academy of Political and Social Science*, Prof. R. M. MacIver, of the University of Toronto, wrote:

The false old notion that there was, for that most ancient, and still most imperfectly defined, profession of statesmanship, a peculiar code which liberated it from ordinary ethical standards, has died very hard. In truth there could be no conflicts of ethics and politics, for politics could justify itself only by applying to its own peculiar situations and needs the principles which belong equally to every sphere of life.

We feel that there is a need for a code of ethics in the field of government at this time. And in saying this we do not wish to indulge in confessing the sins of others or even in bemoaning the low state of public morals. There are plenty of people putting in full time in those activities without there being any need for volunteers to fill their ranks at this time.

It would be well for us to remember that on the walls of this Chamber there are the pictures of many legislators of ancient times who found it necessary to mention standards of moral conduct in connection with governmental procedures. Up there is Hammurabi who, in 2250 B. C., considered it fitting to announce that "If a man offer as a bribe grain or money to witnesses, he himself shall bear the sentence of the court in that case"; and in the laws of Moses we read: "And thou shalt take no gift; for a gift blindeth them that have sight, and perverteth the word of the righteous."

In the early days of our own Republic, we find our ancestors establishing strong laws against those who might be found to be corrupt in public office. Bribery is one of the two specific grounds listed

in our Constitution as sufficient foundation for impeachment. In fact, we have on our statute books today many laws regulating the conduct of officials. We have an Administrative Procedures Act, which needs amendments to provide against recently discovered abuses in governmental functions. I have introduced H. R. 4389 for this purpose; and others have introduced other bills to perfect our governmental procedures in an effort to eliminate such abuses.

Yet, with all of our criminal laws and procedural acts and amendments which may be added, there still remains and will remain a need for a simple statement of ethical principles which can be used as a guide in governmental conduct. That is what we hope this proposed code will be. It might be well to mention what we feel that it is not. It is neither literature, religious dogma, criminal law nor political philosophy.

It would seem that even a simple code of ethics, such as we have submitted, might play its part in strengthening the forces of right and in increasing the internal security by adding to the sum of public confidence. In the book *First Book on Jurisprudence* by Sir Frederick Pollock the author says the following words which seem as appropriate today as they did when written:

The need for internal order is as constant as the need for external defense. No society can be stable in which either of these requirements substantially fails to be provided for; and internal order means a great deal more than the protection of individuals against willful revolt or wanton lawlessness.

There are some who have written me concerning this matter expressing extreme pessimism about the value of any code of ethics. One United States Senator wrote me: "I learned years ago that no code of ethics has any effect on those who are not already ethical." Nevertheless, I personally think that the code can have considerable practical value.

I practiced law for a number of years and I can certainly testify that the lawyers' code helped me to turn down requests for improper actions which were occasionally made by persons seeking to employ me as an attorney. Reference to a code of ethics has helped thousands of attorneys to convince clients of the impropriety of contemplated actions. I do not think that there can be any doubt that the lawyers' code has helped to maintain a higher standard in the bar than would otherwise prevail.

Behind almost every politician who has exerted improper influence there is a constituent who has demanded such action. Most politicians resist improper requests, and very few indeed do wrong for financial advantage to themselves. But some do comply, silently cursing their unreasonable constituent and their own weakness and their fear of financial ruin and mostly their fear of political defeat. A code of ethics to show the constituent might provide the slender life line that could keep this brother afloat.

Most politicians are honest; just as most constituents are honest. A code of ethics might help to underline obscure ethical points which both parties

would be happy to comply with, once having had the matter pointed out.

A code of ethics could help the voters to measure candidates at elections. This is true because it sets up standards of ethical behavior in a technical field in which some constituents might otherwise, through lack of experience, fail to appreciate important distinctions.

Moreover, the code of ethics can help governmental employers in evaluating the quality of the service of employees. Federal employees, for instance, may be fired for unsatisfactory work. It would seem that violations of a code of ethics could be the basis of finding an employee unsatisfactory. So it would appear that the code could have a bearing on the continued tenure of not only elected officials but also of civil-service employees.

In an article on codes of ethics, at page 57 of the October 1924 issue of the *International Journal of Ethics*, the author, W. Brooke Graves, says of a code of ethics:

If it does nothing else than direct the thought of men toward ethical matters, the effort is not lost, for when the normal man thinks about matters of this sort he is more likely to try to do better. And the group can only reach a higher ethical standard as its individual members strive for the realization of such a standard.

If it would appear that the above practical applications of such a code are not sufficient to accomplish concrete results, it could be implemented by penalties and procedures; but I do not think that such are essential. I do believe, however, that any code of ethics will need revision from time to time; and I am rather certain that the Committee on Post Office and Civil Service will make changes in the present resolution before it is brought to the floor for a vote. I am sure that this code can be improved upon; but it is the best product that I could bring before you with the help of the others who worked with me and who have asked to remain anonymous.

The fact that the proposed code of ethics can be improved upon should not deter us from attempting to improve upon it, and then adopting it. The fact that there will still be transgressions after such a code is approved should not discourage us. If it helps in any case it is justified. A defeatist attitude should not be allowed. Criminal laws have frightened many men away from evil. Religions have inspired many men away from evil. Codes of ethics have done a little of both. I hope that we can all join together in attempting to perfect and establish a code of ethics for Government service that will be worth while.

The resolution to which I have referred reads as follows:

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the following code of ethics should be adhered to by all Government employees, including officeholders:

CODE OF ETHICS FOR GOVERNMENT SERVICE

Government employment, whether as an elected officer or not, requires both conscientious vocational labor and righteous personal conduct. It should be characterized by devotion to God and country.

As a desire and purpose to forward the best interests of the United States are an essential part of the loyalty of citizenship, no person who fails to have such desire and purpose should hold Government employment.

A Government employee should:

1. Put loyalty to God and country above loyalty to persons, party, or Government department.

2. Uphold the Constitution, laws, and legal regulations of the United States and of all governments therein and never be a party to their evasion.

3. Give a full day's labor for a full day's pay.

4. Seek to find and employ more efficient and economical ways of getting tasks accomplished.

5. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept favors or benefits from persons doing business with the Government.

6. Make no private promises of any kind binding upon the duties of office. (A Government employee has no private word which can be binding on public duty.)

7. Engage in no business with the Government either directly or indirectly.

8. Never use any information coming to him in public functions as a means for making private profit.

9. Expose corruption wherever discovered.

10. Never seek to influence another to violate these principles.

MR. PHILLIPS. Mr. Speaker, will the gentleman yield?

MR. BENNETT of Florida. I yield.

MR. PHILLIPS. I congratulate the gentleman for what he has done. I have seen him working on this and struggling with it for many months. It was his idea. He was the first to bring it informally to the attention of individual Members of the House. I do not think at any time the gentleman felt—and I think he would say so today—that he would bring in for the first time a perfect Code of Ethics; any more than the code of ethics for the Bar Association for the attorneys, or a code of ethics for doctors, or a code of ethics for any other profession such as engineers, or what have you, was perfect at the first time. Such codes were placed on paper and brought to the light of day.

I believe he has done a great service. I believe out of this will come eventually a code of ethics that we will look upon with pride as something as to which we can say, as public servants: This is what we stand for; this is our guide.

I am glad, indeed, and I thank the gentleman for permitting me to associate myself with him as one of the sponsors of this initial introduction of what will be a code of ethics for people in public life.

MR. BENNETT of Florida. I certainly wish to thank the gentleman from California and to say he has given me great assistance in working this thing out and has given me much encouragement and worked in every possible way to assist me. I entirely agree with him that this code, in its present form, cannot be considered as being perfect. It has been a real inspiration to me to serve with the gentleman from California in trying to work out this code of ethics to the best of our ability.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

MR. BENNETT of Florida. I yield.

Mrs. ROGERS of Massachusetts. This shows real courage. The gentleman has courage in every way and in every other respect. We do honor to him.

Mr. BENNETT of Florida. I thank my good friend. She certainly has been a true friend to me in everything that I have attempted to do here. Your great career in Congress has been a challenge to me in what I have tried to do.

Mrs. ST. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. BENNETT of Florida. I yield.

Mrs. ST. GEORGE. I want to add my comment to those which have been made concerning the gentleman from Florida for this very splendid work that he has done. I know he has given a great deal of time and a great deal of thought to it. I also like this code of ethics because it is simple. It is straightforward. It is something we can all understand, and we can all adapt it to our own needs. It is not pompous, it is not preachy, it is not holding up anything or anybody as being better than anything or anyone else. It is simply a straightforward statement of facts. In this modern world it seems to me that such a statement is needed. The gentleman from Florida deserves the greatest credit for having put this into simple form and for having brought it to the attention of the Members of the House of Representatives, and finally for having brought it to the floor. I thank the gentleman for having allowed me to associate myself in some small way with this work. I hope it will go forward. I hope it will prosper and I hope it will improve because I am sure it is something that is necessary and something that can do a great deal of good, not only so far as we are concerned, but also for our Government employees and as a reassurance to all the people of the country, that they may know that their public servants have God-righteousness and God-fearingness in their hearts and minds.

Mr. BENNETT of Florida. I certainly am deeply indebted to the gentlewoman for her remarks and her help in this project. Her splendid work in this House sets an example of public service at its best.

Mr. RHODES. Mr. Speaker, I commend the gentleman from Florida for his noble objective in seeking to improve moral and ethical standards in Government.

Although we cannot legislate high morals and good ethics I believe that the adoption of a code of ethics as proposed by my colleague, would be helpful in bringing light on some of the evils which need to be challenged and eliminated so far as it is humanly possible.

But we must not attempt to disassociate immoral and unethical acts in Government from the lack of ethics and morals in our community and economic life.

Government, whatever it is, generally reflects the understanding, the intelligence, the morality, or the apathy and confusion of the public.

Deceptive propaganda of fronts and lobbies adds to confusion and immorality. For a high standard of morality

and ethics in our communities, in the Government, or in the Congress the Nation's press must adopt higher moral and ethical standards.

Nothing can be more effective in promoting high moral and ethical standards than a press which is not only free but honest and clean.

If the stream of public information is polluted, it will not only affect morality in Government, but the unity of our people, the strength of our Nation, and the welfare of our people.

Mr. Speaker, I hope to discuss this question in greater detail at some future time.

MRS. ALBERT W. LACK

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3229) for the relief of Mrs. Albert W. Lack, with Senate amendment thereto, and concur in the Senate amendment.

Since I made my previous request I have taken this up with the gentleman from New York and satisfied him on the point on which he desired information.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out lines 9 to 12, inclusive, and insert "such award, pursuant to said act of September 7, 1916, to Mrs. Albert W. Lack, widow of Albert W. Lack, as on the basis of such findings shall appear equitable."

Mr. KEATING. Mr. Speaker, reserving the right to object, since the matter came up before I had examined the text of this change and find it is simply of a technical nature. It does not in judgment change the meaning of the bill.

I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from California [Mr. JACKSON] is recognized for 30 minutes.

THE COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. JACKSON of California. Mr. Speaker, I dislike to impose upon the House at this late hour, but unfortunately my remarks are in the form of notes and not a manuscript which I could insert in the RECORD else I would gladly do so.

I should like in a few minutes to briefly to discuss the work of the House Committee on Un-American Activities as it shapes up at this time some 6 months after the convening of the first session of the present Congress. We all know that since the creation of the House Committee on Un-American Activities it has been one of the most controversial committees of the Congress; at least one President of the United States has berated it as a "red herring" and as "the un-American committee." The Communist press and the fellow traveler press of the Nation have frothed at its

activities and at an alleged disregard of the rights of witnesses appearing before the committee. At other times the more conservative elements of the American press have taken issue with the conduct of the committee and have, in a manner of speaking, shaken a saddened editorial head at some of those activities. But, Mr. Speaker, through all of the vicissitudes of the existence of the House Committee on Un-American Activities that committee has had one great and priceless asset; it has enjoyed to the fullest extent the confidence of the vast majority of the people of this country. That approval has rendered it possible for this committee to do a very important task, a task which cannot be underestimated in the light of present world conditions.

Much of the credit for the continuing success of the Committee on Un-American Activities must be given its able and conscientious chairman, the distinguished gentleman from Georgia [Mr. WOOD], who in the conduct of his important assignment has been eminently fair, straightforward, and desirous of protecting all of the legitimate rights of the witnesses who have been subpoenaed before the committee. In this task he has been assisted by an able and conscientious staff of investigators and by the chief committee counsel, Mr. Frank Tavenner.

The Communist press to the contrary notwithstanding, it is safe to say that today there is no badgering of witnesses before the committee, and there is no "baiting" of those who appear to give their testimony. All witnesses may be represented by legal counsel in their appearances before the committee and may seek advice on points having to do with possible self-incrimination. Postponements have been granted from time to time to those witnesses whose immediate appearance might cause injury to their health. I quote these instances only to indicate that every reasonable consideration is given to the witness and to his reasonable and legal requests.

In short, the House Committee on Un-American Activities has been making every effort to justify itself in the eyes of the Congress and of the Nation as an important investigative arm of the House of Representatives and of the Congress of the United States. During the present session of the Congress there has been little criticism in public print or from other sources with respect to the conduct of the committee. This statement, of course, excludes the Daily Worker, the Daily People's World, and other publications of a left-wing or Communist character.

Much of the universal acceptance of the present work of the Un-American Activities Committee can, of course, be traced to changed world conditions and to a changed public opinion, both in the United States and abroad, and to a new recognition and a fuller realization of the threat posed to freemen and to free institutions by the international Communist conspiracy. What was once considered by some well meaning but misdirected people as a "witch hunt" or as "Red baiting" is now generally recognized throughout this country as a proper

activity in the defense of the American people and of our way of life against an organized and secret conspiracy which has sought and presently seeks the overthrow of every constitutional form of government in the world that does not parallel that practiced in the Soviet Union. No thinking man today, Mr. Speaker, underrates the threat of the Communist conspiracy. Frustrated in its efforts to achieve its goal by subversion and treason, we have seen that conspiracy engage in the utilization of the armed force as an implement of foreign policy in Korea. Political developments in Poland, Estonia, Latvia, Lithuania, Bulgaria, Rumania, Albania, China, North Korea, Tibet, and other lands have shown the power of organized minorities working undercover and through subversive channels to disrupt and destroy human liberty and human freedom.

Two of the finest words in the English language have been combined and corrupted to form the ironic phrase "people's republic." Neither "republic" nor "people's" are words to describe organized misery and the concentration camp methods practiced within the Communist system.

Propaganda is one of the most lethal weapons in the hands of Communist leaders. It is a weapon which is wielded skillfully by those leaders. Communism, we know, uses the minds and the talents of individuals to influence the thinking and the mass actions of others. Perhaps no fields of human endeavor have offered quite the fertile field for Communist propaganda as have those activities associated with the arts, sciences and professions. Those fields were particularly subject to attack by communism during the period of the late war and in the years immediately succeeding that conflict. The stage, the screen, the radio, and every other medium of public entertainment and public information came under a premeditated and determined attack during the period. Recruits were found and Communist cells flourished wherever artists for one reason or another lent themselves to this conspiracy.

There is, of course, no greater medium of information in the world today than the medium of moving pictures. From the small beginnings in Hollywood of Vitagraph and Pathé Pictures, and of many of the other early studios, there has grown a great and prosperous industry, an industry in which there has been made financial investments totaling hundreds of millions of dollars; an industry which has furnished employment to thousands and thousands of American citizens of unquestioned integrity and unquestioned loyalty. From Kankakee to Tanganyika there is no hamlet, no matter how small, that has not come under the influence of motion pictures. There is scarcely a community of any size in the world today which does not number among the groups and associations in that community a fan club of one sort or another who take as their idol one of the great artists of the moving picture industry. Mabel Normand, Pearl White, Nita Naldi, Charlie Chaplin, William and Dustin Farnum, William S.

Hart and a score of other great stars in the early days of the moving picture industry were forerunners of those who were later to amass fortunes and become known throughout the civilized world through the medium of moving pictures. In short, it can be said that within the space of a very few years the motion picture became a great medium for good or for evil. The Communists were not slow to recognize this fact. As adept as they are in propaganda efforts, they early recognized the medium of the motion pictures as a channel through which there might be disseminated that information which they considered essential to the creation of a political climate in which communism could and would flourish. We, who have the privilege of living in the so-called democratic nations of the earth, are sometimes slow to use the weapons at our hands for the dissemination of information which tends to paint an accurate picture of life here in America. The Communists, on the other hand, are never asleep at the switch and are always ready to seize upon any opportunity given them to spread their doctrines and their philosophies.

Hollywood, obviously then, offered to the Communist movement four great things. If they could capture and could control the moving-picture industry there were open to them four channels of inestimable value. In the first place, the Communist movement, if successful in Hollywood, would gain the prestige of great names, names known throughout the world as leading artists, directors, writers, and others in the industry. They would obtain, secondly, financial support from the world capital of the moving-picture industry in which fabulous salaries were being paid to the artists. They saw also the opportunity of gaining control of the craft unions and the guild unions in Hollywood, which control would, in turn, place them in a position to dictate their own terms to the industry leaders and lead, in turn, to the fourth great propaganda medium which they hoped to achieve, and that was the planting of Communist propaganda in motion pictures by the insertion of material favorable to the Communist system.

Under the direction of V. J. Jerome, the Communist Party cultural director, the attack was launched. John Howard Lawson, one of the Hollywood 10 who was imprisoned for contempt of the Congress, became the bellwether of the Hollywood flock. It was to John Howard Lawson that confused and bewildered members of the party took their problems. It was John Howard Lawson who explained how the United States could be allied with one force on any given day and then move 180 degrees around the circle and be with the other side on the following day. Evidently Mr. Lawson did a splendid job of rationalization in this respect, because he did convince a number of people that these changes of course were logical and justified. Recruits were sought in Hollywood and were obtained in every section of the moving-picture industry. Stars, directors, writers, grips, electricians—all of the guilds and crafts—were finally rep-

resented in the Communist Party in Hollywood when it reached the height of its strength during the war years.

If there is any question, Mr. Speaker, that is asked more frequently than any other, it is, How is a high-paid moving picture actor or actress induced to join the Communist Party, a political group which holds as anathema anything and everything connected with the capitalistic system? Several reasons have been advanced by those witnesses who appeared before our committee as the reason why they, as individuals, became members of the Communist Party and took part in its activities. In the first place, there was the thrill of the unique and unconventional which might be compared to the feeling of self-achievement experienced by one who sits on a flagpole for a hundred days. Secondly, there was the individual who had a sincere and deep sense of social obligation, and it appeared to him that he could best find an outlet for this expression in the ranks of the Marxists. Third, there were the careful characters, those who thought, that while the democratic way of life might continue to exist and prosper, there was always the chance that a Communist system might overcome the democratic form of life in the final struggle. These people said, "Just to be safe I am going to keep a foot in each camp."

There was another large group who suffered from a weird assortment of neuroses and who took those neuroses with them into communism and tried to solve their problems within the framework of the Marxist philosophy.

Finally, there were those for whom no brief can be held at all except to say that they were stupid.

It has been estimated that during the height of the Communist activity in Hollywood from 200 to 250 name personalities were recruited into the party. This would have been during the period of the late 1930's and the 1940's. Many of those individuals have since that time unquestionably left the Communist Party, but by the same token many are members to this day.

Mr. PHILLIPS. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield to the gentleman from California.

Mr. PHILLIPS. The gentleman is making a very good contribution to what might be called a library of information that is accumulating, especially out of his committee, on not merely the effort but the technique of imposing thoughts upon this country. I wonder if he could answer this: Has the gentleman any idea of what was taken out of the movie colony in money during those days?

Mr. JACKSON of California. I hope to come to that if time permits.

Was the Communist Party in its Hollywood activity successful in achieving any of the objectives which I have set forth? The prestige of great names was achieved and used successfully especially within the ranks of the party itself, to attract others to membership. The names played a material part in recruitment.

In the field of financing, I question very much whether it will ever be known how much money was contributed by

party members to the Communist Party in Hollywood. We do know that several witnesses have testified that they drew salaries in amounts varying from \$2,000 to \$4,000 and \$5,000 during the period when they were members of the party and that regular pledges were paid to the party over a period of many months.

As to the control of unions, there was a marked success during one particular period when the Conference of Studio Unions, under the leadership of Herbert K. Sorrell, struck and succeeded in tying up the entire moving-picture industry over a period of many months. However, it must be said in all justice and all fairness that the Communists were never successful except in very isolated cases in obtaining control of any of the craft or guild unions.

Propaganda in picture content was successful to some extent, particularly during and immediately after the war years, when the Soviet Union was our ally. The so-called documentary film offered an excellent medium for Communist propaganda.

During the last 5 months the House Committee on Un-American Activities has been investigating the extent of Communist infiltration and activity in the motion-picture industry. I should like to point out, Mr. Speaker, that "industry" in this sense means not only the men who control the destinies of the studios but comprises as well thousands and thousands of American citizens who, after their work is finished, go to their homes and their families in much the same manner and with much the same spirit as do millions of other Americans.

One of the first witnesses this year before the House Committee on Un-American Activities was Larry Parks, the star of the Jolson Story. The case of Larry Parks is unusual because he was the first to appear before the committee and admit prior membership in the Communist Party. Since then the committee has heard two score or more witnesses from Hollywood, and they have been, according to their own determination, cooperative, uncooperative, arrogant, or contemptuous. Each has been an individual case and has had to have consideration upon its individual merits.

The majority of the witnesses have been represented by counsel. An attorney, Mr. Ben Margolis, of Los Angeles, who has represented a number of non-cooperative witnesses, has been identified on the witness stand as being himself a member of the Communist Party.

Great progress, I believe, has been made in the current hearings, and there is reason to believe that a majority of the more prominent members of the party in Hollywood have at this time been identified. I believe it is the intention of the committee to carry on further investigations on the west coast, and unquestionably a number of additional subpoenas will be issued at the proper time.

The right of a witness to answer questions or not to answer questions put to him by committee counsel or by committee members has been scrupulously observed in the present hearings.

In general, I can say that witnesses who have appeared before the committee

during the past 6 months can be classified in three categories. We have first of all the witness who has been a member of the Communist Party and whose membership in the Communist Party is documented. That category of witnesses breaks down still further to first, those who talk, and second, those who do not talk. Naturally, the first category is very helpful to us in gathering the information necessary to propose intelligent legislation to the Congress.

In the first category of those who talked to the committee were Parks, Collins, Hayden, Rosenberg, Dmytryk, and Lawrence, among others. In the category of those who refused to cooperate with the committee were Gough, Da Silva, Polansky, and of course, in 1947, the original Hollywood ten. Obviously the committee obtains its best information from those former Communists who are willing to cooperate and who are willing to tell the committee what they know about the operations of the party and tell about those who held membership during the same period of time.

The Committee on Un-American Activities has a tremendous job to do. It has the job of spotlighting those whose activities are subversive in nature and those whose activities and whose public statements have made them suspect. Not only in entertainment, but in education, labor unions, and in industry Communists have succeeded in infiltrating. Even at this moment there are seminars and institutes being held throughout the country at which some of those who have become suspect are participating.

Mr. HILLINGS. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of California. I yield.

Mr. HILLINGS. I wish to commend the gentleman for the excellent presentation he is making this afternoon on the very important subject of subversive activities. I might say that I can remember when not very many months ago the conservative and liberal elements throughout the country, in addition to Communists and the Communist Party itself were roundly condemning the Committee on Un-American Activities of this body for the work it had been doing. I prefer to recall the splendid work of the committee in sending Mr. Alger Hiss to the Federal penitentiary.

Again I wish to commend the committee for the excellent job it has done in exposing these subversive activities.

I wish to ask the gentleman if he is aware of the fact that an organization known as the Institute of International Relations currently is holding a meeting on the west coast at Whittier, Calif., in which a number of the individuals who are carrying the torch for some of this Communist propaganda are scheduled to be in attendance. Is the gentleman familiar with that?

Mr. JACKSON of California. I would say to the gentleman from California that my understanding is that such an institute is being held and that several of the individuals who have become suspect over the years are connected with that institute. If the gentleman likes, I will read a couple of paragraphs here

which might cast some light on that subject.

Mr. HILLINGS. I would appreciate it if the gentleman would do that.

Mr. JACKSON of California. One of the participants in the institute in question is Mr. Henry J. Cadbury, a professor at Harvard University. Dr. Cadbury was one of the sponsors of the American Rescue Ship Mission arranged under the auspices of the United American Spanish Aid Committee. That committee was cited by Attorney General Tom Clark and he said in the citation:

The Communist Party threw itself wholeheartedly into the campaign for the support of the Spanish Loyalist cause, recruiting men in organized, multifarious, so-called relief organization.

There are several other citations with respect to Dr. Cadbury.

Mr. HILLINGS. Would the gentleman find it possible to place that material in the RECORD?

Mr. JACKSON of California. I should be very happy to place all of the material in the RECORD.

Another educator connected with the same institute is Dr. Maynard C. Kreuger, professor of economics at the University of Chicago. The citations are too long to read in the time allotted to me, but I will ask permission to extend them in the RECORD.

Mr. HILLINGS. I wish again to thank the gentleman and urge that this material be brought to the attention of some of the people who are concerned about the particular meeting which I have mentioned.

Mr. JACKSON of California. I thank the gentleman.

Mr. Speaker, in conclusion, I feel that the Committee on Un-American Activities is doing a constructive, well thought out, and conscientious job in bringing to light these facts. This is not a question of thought control. It is not a question of suppressing opinions. It is simply a question of certain individuals holding opinions which those under their control or those who are subject to their instruction should know.

It is one thing to teach the facts about any political party, including the Communist Party, but it is another thing to propagandize under the guise of education. This is a matter of grave concern to everyone who is concerned with education. It is to be hoped that if any injustice has been worked upon any of the individuals I have mentioned, that they will come forward to repudiate the associations or to make a statement relevant to the matter. I might say, and I am sure that Judge Wood has said this same thing many times, that anyone who feels the House Committee on Un-American Activities has been unfair, or has been instrumental in damaging his character is welcome to come before the committee and make a full explanation. This does not mean, of course, that we are particularly anxious to have a long procession of people through the committee who decline to answer the questions of the committee. We are seeking information, and we are not trying to be a whistle stop on the way to jail; but the

only way we can get this information is from individuals who appear as witnesses and cooperate with the committee.

In conclusion, Mr. Speaker, I should like to call attention of the membership of the House to the recently published document Guide to Subversive Organizations and Publications which was prepared and released by the House Committee on Un-American Activities. It should be in the office not only of every Member of Congress, but of every educator, of every union official, of every captain of industry. This is the listing of organizations whose conduct across the years has been such as to indicate that they have been consistently following the Communist Party line. I recommend it to the attention of the membership of the House and of the American public at large.

Mr. Speaker, I ask unanimous consent that I may insert at this point in my remarks the information I referred to earlier in my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

(The matter referred to follows:)

The public records, files, and publications of the Committee on Un-American Activities contain the following references to persons named in the subject above:

Henry J. Cadbury (Hollis professor of New Testament, Harvard University, and chairman of the American Friends Service Committee):

Dr. Henry J. Cadbury was one of the sponsors of the American Rescue Ship Mission, arranged under the auspices of the United American Spanish Aid Committee, as was shown on a letterhead of that committee dated February 13, 1941. In 1937 and 1938, "the Communist Party threw itself wholeheartedly into the campaign for the support of the Spanish Loyalist cause, recruiting men and organizing multifarious so-called relief organizations," among which was the United American Spanish Aid Committee (Rept. 1311 of the Special Committee on Un-American Activities, released March 29, 1944, pp. 82 and 138). Attorney General Tom Clark cited the United Spanish Aid Committee as Communist on lists furnished the Loyalty Review Board (press releases of April 25, 1949, and July 25, 1949); he further cited the American Rescue Ship Mission as Communist and "a project of the United American Spanish Aid Committee" on his list which was released to the press July 25, 1949.

The Daily Worker of September 24, 1940 (p. 1), reported that "33 prominent church men, educators, and other leaders in public life joined yesterday in an open letter to Attorney General Robert H. Jackson urging him to take action under Federal statutes on unlawful attempts to prevent minority parties from being placed on the ballot. The letter was made public by Dashiell Hammett, chairman of the Committee on Election Rights, 1940, of the National Federation for Constitutional Liberties." Among the list of persons who signed the open letter was the name of Dr. Henry J. Cadbury, Harvard University, a leader in the Society of Friends.

The Special Committee on Un-American Activities cited the Committee on Election Rights as a Communist-front organization "whose function was to agitate for placing the Communist Party on the ballot throughout the United States" (Rept. 1311 of March 29, 1944, pp. 47 and 48). The same report contained the following citation of the National Federation for Constitutional

Liberties: "There can be no reasonable doubt about the fact that the National Federation for Constitutional Liberties—regardless of its high-sounding name—is one of the viciously subversive organizations of the Communist Party" (also cited in the Special Committee's reports of June 25, 1942, and January 2, 1943). The congressional Committee on Un-American Activities cited the National Federation as "one of the organizations spawned for the alleged purpose of defending civil liberties in general but actually intended to protect Communist subversion from any penalties under the law" (Rept. No. 1115, released September 2, 1947, p. 3). Attorney General Tom Clark cited the National Federation as subversive and Communist (letters to the Loyalty Review Board, released to the press December 4, 1947, and September 21, 1948); Attorney General Biddle cited the National Federation as "part of what Lenin called the solar system of organizations, ostensibly having no connection with the Communist Party, by which Communists attempt to create sympathizers and supporters of their program." (CONGRESSIONAL RECORD, volume 88, part 6, page 7446.)

Maynard C. Krueger (professor of economics, University of Chicago; frequent participant University of Chicago Radio Roundtable):

A press release which was issued by the American Youth Congress named Maynard Krueger, vice president, American Federation of Teachers, as one of the prominent individuals who endorsed the American Youth Act. Attorney General Tom Clark cited the American Youth Congress as subversive and Communist (letters to the Loyalty Review Board, released December 4, 1947, and September 21, 1948); "it originated in 1934 and * * * has been controlled by Communists and manipulated by them to influence the thought of American youth." (Attorney General Francis Biddle, CONGRESSIONAL RECORD, volume 88, part 6, page 7446; also cited in re Harry Bridges, May 28, 1942, p. 10.) The Special Committee on Un-American Activities cited the American Youth Congress as "one of the principal fronts of the Communist Party" and "prominently identified with the White House picket line * * * under the immediate auspices of the American Peace Mobilization." (Report of June 25, 1942, p. 16; also cited in reports of January 3, 1939, p. 82; January 3, 1941, p. 21; June 25, 1942, p. 16, and March 29, 1944, p. 102.)

On August 17, 1938, Mr. Walter S. Steele appeared before the Special Committee on Un-American Activities and testified as follows:

"Just as the Communist Party has its defense movement, the International Labor Defense, so also has the Socialist Party, the Workers' Defense League. The latter organization was formed in May 1936 by leading members of the Socialist Party. * * * The National Committee of the Workers' Defense League is composed of the following Socialist and extreme left wingers: * * * Maynard Krueger." (Public hearings, vol. I, pp. 678-679.)

Milton Mayer: Milton Mayer, identified as a professor at the University of Chicago, was reported to have addressed a meeting of One Worlders in Syracuse, N. Y., as follows: "We must haul down the American flag. And if I wanted to be vulgar and shocking, I would go even further and say haul it down, stamp on it, and spit on it." (from the CONGRESSIONAL RECORD, volume 93, part 2, pages 1720-21, Representative Gearhart of California, in introducing H. R. 234 for punishment of those who desecrate the flag; his quotation was from newspaper clipping from Syracuse Post-Standard of February 16, 1947.)

The Daily People's World for July 5, 1950 (p. 4), reported that Milton Mayer, who described himself as "a rabid anti-Communist," addressed the Quaker Institute of International Relations and told them that the United States policy in Korea "seems dangerously like the totalitarianism we are supposed to be fighting."

Mordecai Johnson (president of Howard University, Washington, D. C.):

According to the Daily Worker of March 16, 1932 (p. 1), Mordecai Johnson praised the Communist Party; he praised the Communists and defended the Soviet Union (Daily Worker, May 21, 1948, p. 7).

The Summary of Proceedings of the Win-the-Peace Conference of the National Committee To Win the Peace, Washington, D. C., April 5-7, 1946, carried the name of Dr. Mordecai Johnson as chairman of the Saturday Evening Session. The National Committee To Win the Peace was cited as subversive and Communist by former Attorney General Tom Clark in letters furnished the Loyalty Review Board and released to the press by the United States Civil Service Commission December 4, 1947, and September 21, 1948.

An advertisement of the National Federation for Constitutional Liberties carried in the New York Times of April 1, 1946 (p. 16), listed Mordecai W. Johnson, educational administrator, Howard University, as one of the signers of a statement opposing the use of injunctions in labor disputes. The Daily Worker for March 18, 1945 (p. 2), shows that Dr. Mordecai W. Johnson was one of the endorsers of a statement sponsored by the National Federation for Constitutional Liberties, hailing the War Department's order on commissions for Communists. (See pp. 1 and 2 of this memorandum for citation of the National Federation.)

Mordecai W. Johnson spoke at the Southern Negro Youth Conference, as shown by the Daily Worker for January 23, 1937 (p. 3). The Southern Negro Youth Congress was cited as subversive and among the affiliates and committees of the Communist Party, USA, by Attorney General Tom Clark in a letter furnished the Loyalty Review Board, released to the press December 4, 1947. The Special Committee on Un-American Activities (in its report of January 3, 1940, p. 9), cited the Southern Negro Youth Congress as a Communist-front organization.

Dr. Johnson spoke at the second conference of the Southern Conference for Human Welfare, Chattanooga, Tenn., April 14-16, 1940, as shown by the Call to the Conference. The Southern Conference was cited as a Communist-front organization by the special committee in its report dated March 29, 1944 (p. 147). The congressional Committee on Un-American Activities, in its Report No. 592, released June 12, 1947, cited the Southern Conference as an organization "which seeks to attract southern liberals on the basis of its seeming interest in the problems of the South" although its "professed interest in southern welfare is simply an expedient for larger aims serving the Soviet Union and its subservient Communist Party in the United States."

Dr. Mordecai W. Johnson was quoted with approval by the Daily Worker (November 24, 1950, p. 3); a speech delivered by Dr. Johnson was reprinted in the December 17, 1950, issue of that newspaper (p. 2) and he was also quoted with approval in the December 24, 1950 issue (sec. 2, p. 5). The Daily Worker was cited as "the chief journalistic mouthpiece of the Communist Party * * * founded in response to direct instructions from the Communist International in Moscow" by the Special Committee on Un-American Activities in its report dated March 29, 1944 (pp. 59 and 60). It was cited as the "official Communist Party, U. S. A., organ" by the Congressional Committee on Un-American Activities. (Rept. No. 1920 of May 11, 1948, p. 44.)

James A. Cobb, attorney, testified before the Special Committee on Un-American Activities on November 5, 1938, in public hearings, "that Dr. Mordecai Johnson, president

of Howard University, has publicly advocated the doctrines of communism." He read portions of speeches delivered by Dr. Johnson to substantiate his statement. (Vol. 3, public hearings before the Special Committee on Un-American Activities, pp. 2143-2161.)

NAM ATTACK ON ERIC JOHNSTON

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that I may extend my remarks at this point in the RECORD and to include immediately following my personal remarks the contents of two letters with respect to the National Association of Manufacturers controversy with Mr. Eric Johnston.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, the National Association of Manufacturers, which was the big winner here in 1946 when the Congress crippled price control—and which was promising the people that prices would not go up out of line if price control was killed—is now trying once again to persuade the Congress of the United States to rip off the only protection the people now have against higher and higher cost-of-living prices. The NAM says get rid of price controls and use taxes and credit restraints instead. But the same NAM that says do not use price control to curb inflation because taxes can do the job, also was in here last week trying to kill off the tax bill. That kind of logic might appear to the NAM to be good enough to fool Congress with, on the theory that it does not take much to fool the Congress, but the NAM is wrong on that theory just as it is on most of the theories it tries to lobby into law.

I was very disturbed, Mr. Speaker, to see that this organization, which is not above turning itself into a lobby for organized greed, has launched an attack on an outstanding American businessman who has had the patriotism to take over a difficult and thankless job of trying to stabilize this economy in the face of the dangerous inflationary threat ahead. I am referring to Mr. Eric Johnston, the Administrator of the Economic Stabilization Agency, a man who has had the courage to stand up for the consumers and the people against this selfish drive for business-as-usual in time of national crisis.

The NAM says Eric Johnston now has a "new economic religion" from the one he followed when he was president of the Chamber of Commerce of the United States and an active businessman. It says he has "not been engaged directly in business for some time," meaning, therefore, that he just cannot know what he is talking about when he calls upon business to do its part in this emergency by holding down prices—and requiring that prices be held down.

I was therefore very pleased to learn that when a businessman sent Mr. Johnston a copy of a NAM attack on him, and chided Mr. Johnston for allegedly changing his economic views, that Mr. Johnston not only replied forcefully but made public the exchange of correspondence.

I believe, Mr. Speaker, that the Members of Congress would be interested

in reading that exchange of letters for a real insight on how an outstanding businessman can go ahead in a difficult job in the public interest despite smears from an outfit from the NAM.

The exchange of correspondence follows:

OTT-HEISKELL CO.

Wheeling, W. Va., June 8, 1951.

Mr. ERIC JOHNSTON,

Washington, D. C.

GOOD MORNING, MR. JOHNSTON: There is an editorial in the June 9 issue of NAM News captioned "Eric Johnston's new economic religion." I think your position, as quoted in press interviews, gives ample grounds for this editorial.

Of course, it's all right for an individual to change his mind. That is often done, but for one with your background—one with your past experience—it seems to me you would be a bit loath to give up all that you once believed in simply because of a changed position now. For one, I am still old-fashioned enough to believe that America should remain a land of freedom and opportunity. A system you once advocated and defended. It is still a pretty good plan to follow. What has become of the rugged individual you once were?

Yours truly,

W. F. KENNEDY.

ECONOMIC STABILIZATION AGENCY.

Mr. W. F. KENNEDY,

President, Ott-Heiskell Co.,

Wheeling, W. Va.

DEAR MR. JOHNSTON: As you were thoughtful enough to take a few minutes from your busy day to write to me about the editorial in the NAM News of June 9, I am taking a few minutes to reply.

Although my views on the need for temporary direct controls apparently differ from the stated position of the National Association of Manufacturers, I have no quarrel with that organization, or any organization that takes the NAM position. The writer of the editorial you sent is entitled to his point of view and his right to express it. I only regret his many inaccuracies which give a distorted picture.

Among those is the statement: "It is fair to point out, however, that Mr. Johnston has not been engaged directly in business for some time. His cast of thought and motivation are no longer governed by the requirements of running a business successfully to safeguard the jobs of employees and the rights of stockholders."

Now, what are the facts? I have been the operating head continuously, until I took the position as Economic Stabilizer in January, of four businesses in the Northwest, three of which I founded. These businesses are all successful financially. They give employment to a number of people. The businesses are expanding and are creating more jobs. The stockholders appear to be satisfied with the operation and with the dividends they are receiving.

But the factual inaccuracies are not the only unfortunate aspect of the NAM editorial. Isn't the writer saying, in effect, that the United States has citizens of the first class, in those who are engaged in business, and second-class citizens in those who are not in business? Is that the kind of country we want America to be? It certainly is not my idea of America.

And I'm wondering if you'd really subscribe to the editorial writer's indicated philosophy of public service. He lays down a rule that Government officials should be guided by the requirements of running a business successfully with the first regard to employees and stockholders. Wouldn't you agree with me that a man who accepts a position of responsibility with the Federal Government in time of national emergency

has a greater loyalty that comes first? I mean a loyalty above all to the public interest. I believe the public interest embraces business, labor, the farmer, the consumer and transcends the interest of any one group, no matter how vocal or politically powerful that group may be.

In discharging the responsibilities of my office I believe that I can be most effective in safeguarding the rights of stockholders and the jobs of employees by safeguarding the security of the United States to the best of my ability. And right now that means bending all my efforts to speeding the national-defense program as effectively as possible.

Would the NAM editorial writer set up the requirement that one must be a businessman to serve in Korea? Would he reserve the Purple Hearts for those who are stockholders in corporations? Would he save the headstones for those who have met a pay-roll?

There never has been any secret about my views on the American economy and the place of controls in that economy. I have said repeatedly, and I say now, that I am inherently opposed to controls. But during this period of emergency, controls are a safeguard to our democratic capitalism, and uncontrolled inflation is the major threat to our system. It's because I want to see our capitalism continue that I support controls as a temporary necessity.

Why do we need controls? Because the American people are determined to preserve their freedoms. They realize that when we are dealing with an aggressor who respects only force, we must rearm as rapidly as possible. And that is what we are doing, rearming for national security and survival. The decision to take this course was not a Washington decision. It was made by 150,000,000 Americans. I am sure you are among them, and that other members of the NAM are among them.

In building up our national defense we are going to spend vast sums for things that cannot be consumed. The national income is rising while the supply of consumer goods is being restricted. By this time next year we will be spending for national defense at the rate of about \$60,000,000,000 annually. More people will be employed than ever before, more hours will be worked, more overtime will be paid. At the same time there will be fewer civilian goods and services to purchase.

This is the making of a highly inflationary spiral. We must attempt to prevent this inflationary spiral by both direct and indirect controls until we can increase production sufficiently to provide both the implements of war and the requirements of the civilian economy. I believe that barring all-out war, we can increase production sufficiently to achieve this objective within 2 years.

Why is it necessary to stabilize? First, because we could lose all through inflation. Already we have paid a heavy price to it. Already inflation has cost the Defense Department \$1 out of every \$5 voted by the Congress last year for the rearmament program. That means guns and planes and tanks lost just as surely as if they were destroyed by enemy action. The revenue from the two tax bills voted by the Congress last year was wiped out by inflation. If inflation were uncontrolled, do you think Congress could pass tax bills fast enough to keep up with the requirements of national defense?

Now look what inflation has done to consumers. Every 1 percent increase in the cost of living adds \$2,000,000,000 to the consumers' bill for goods and services. This means that already inflation has cost the American people some \$21,000,000,000 since January a year ago. And let's not forget that there are no margins for the consumer—no pass-through provisions in the family budget.

That \$21,000,000,000 is an appalling sum, especially when we consider that the consumer got no benefits. Instead he got it in the neck. It's more than all farm families received in income in the peak year of 1947. It's more than all of us spent for housing, or clothing last year. It's almost as much as all profits after taxes from all businesses in 1950.

Do you think we could continue to pay a price like that to inflation without economic catastrophe? I don't. Do you think we could achieve our rearmament goals? I don't.

Do you think we could long maintain our system of business, private property, free institutions, and representative government if we allowed uncontrolled inflation to take hold? I don't.

Such a course could lead only to disaster for all of us and I don't propose to see us follow that course if I can help it.

Next time you're in Washington why don't you come in to see me? I'd be pleased to discuss this whole question of economic stabilization with you further. I think it's most important for all of us to discuss it, to understand it, and to do something about it.

Sincerely yours,

ERIC JOHNSTON,
Administrator.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Washington [Mr. JACKSON] is recognized for 15 minutes.

GEN. GEORGE C. MARSHALL

Mr. JACKSON of Washington. Mr. Speaker, I would like to discuss briefly recent attacks against the Secretary of Defense, George C. Marshall, which, to my mind, have made little contribution to our national unity, nor to the solution of our grave and pressing problems in this critical and uncertain period in our history.

I am less interested in defending the Secretary of Defense than I am in analyzing the meaning and effect of the attacks against him, in themselves. General Marshall needs no defense from me or anyone else. You cannot serve your country and your people for half a century, as he has, without making some mistakes. No one can. But, on the other hand, no man in America can go from one high office to another for generations unless there is great justification for the public confidence implied in the proferring of those posts of high responsibility. The rules of politics in a democracy require that a President appoint to important office men whom the public trusts, whose character is above reproach, and whose ability is not open to question. A man appointed to office of national—in these days, international—prominence, will not and cannot long survive the scrutiny of a questioning public and an alert, often hyper-critical press unless he measures up to those qualifications.

George Marshall, as you all know, has held not one but three such posts in the last 10 years. As Chief of Staff during World War II, he more than earned the tribute paid him by his Chief, Secretary Stimson, on the day of Germany's unconditional surrender, when he said, and I quote:

I have seen a great many soldiers in my day, and you, sir, are the finest soldier I have ever known.

Churchill saw him, not only as "a magnificent organizer and builder of armies," but as a "statesman with a penetrating and commanding view of the whole scene." Admiral Leahy said that "his drive, courage, and imagination transformed America's great citizen Army into the most magnificent fighting force ever assembled." These are but a fragment of the tributes paid Marshall for his work as Chief of Staff, but they suffice to show the measure of his contribution in that post during the greatest war in history.

As if his wartime service were not service enough, George Marshall became Secretary of State in January 1947, at a time when Soviet aggression was on the march and many of the problems we face today were in their early stages. Here, again, the record speaks for itself. The Marshall plan is best known to us as the major achievement of his term in office, but there was achievement, and, of course, frustration in other fields. You may recall the beginning of military aid to Greece and Turkey, forerunner of our present vital program of military assistance. You may recall that it was Marshall who asked the UN to establish its Little Assembly to meet the continuing problems of the international situation. It was Marshall who asked the United Nations to eliminate the much-misused veto in the Security Council. It was Marshall who, on September 17, 1947, placed the problem of Korean independence before the General Assembly because he was determined that Soviet obstructionism should not delay the urgent and rightful claim of the Korean people to independence.

The New York Times' James Reston wrote of Marshall as Secretary of State, and I quote:

Here is a forbidding, honorable, dispassionate, moral man who can speak for America * * * he has the clarity that is necessary to form a sharp vision of the basic purpose of our foreign policy, and he has the integrity to try to relate each day's action to that purpose.

Of Marshall's record as Secretary of Defense little need be said. He is faced now with doing in the military sphere what he did in the diplomatic, namely, building up this country and the world to the point of strength where the Communists will think more than twice before threatening the security of the free nations of the world. As a long-time exponent of the unification of the Armed Forces, and a level of military strength sufficient to meet our global, diplomatic commitments, he is superbly qualified to hold this post.

Against this background, we have a barrage of attacks against George Marshall which, if their peddlers' sincerity were not open to question, would more than justify a resolution of impeachment. I must confess I do not understand these charges.

Is their purpose to solve the problems raised by the Korean war? Obviously not. I find no constructive suggestions in these attacks that would help the United States and the United Nations in their fight against flagrant and unwarranted aggression.

Is their purpose to study the history of the past 10 years with an eye to better

judging our present position by it? I think not. The study of the past is certainly a valuable guide to our conduct in the present and the future. But no historian of note ever reached his conclusion first and then found the facts to support his point of view. And when the facts are untenable, the conclusion preposterous, the resulting distortion is laughable.

Is the purpose of these attacks to malign a public servant for political purposes? Here, perhaps, is a possible motive. But those who attempt to do so underestimate, in my opinion, the public esteem for their target. The public may listen to such charges, but it will not be fooled.

Parenthetically, Mr. Speaker, I might point out that whatever the purpose of these attacks, they will not induce capable men to enter the Government service. Admitting a continuing need for the talents of the ablest men we can find, I do not understand how we can ask them to submit themselves to constant libel and vilification. And who may be immune from such falsification if a man who has been called the "greatest public servant of our times" is subject to it?

If there is any purpose, Mr. Speaker, in these attacks, it is to create dissension and disunity in this country when we need, as we have never needed so much before, to present a unity of purpose and design to the world. I suspect that those who expound these charges are less than happy with our relatively new role of international responsibility. They would, I suggest, retreat into the foxhole of isolationism that offers, at best, only temporary protection from the realities of global life. Today, far more than in 1920, such a position invites disaster.

When I speak of unity, I do not mean that we must stifle constructive debate on foreign and domestic issues. We cannot expect to formulate sound policies without intelligent discussion both in Congress and elsewhere. But I do say that there is no place in the United States today for the contemptible attacks to which I have referred. It is enough that we must deal with the false and irrational charges of the Russians, without having to face equally senseless propaganda on the domestic scene. In the case of the Soviet Union there is, I suppose, a method in their madness. As regards the attacks on George Marshall, there is no method involved of which we can be proud.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from Montana.

Mr. MANSFIELD. I want to compliment the gentleman on his very able remarks and to agree with him that as far as General Marshall is concerned he needs no apology. I think General Marshall is one of the greatest Americans of all time. He is a man who has earned his retirement, but a man who on two occasions came back out of that retirement to serve his country in an extremely difficult situation.

The gentleman mentioned the fact that Secretary Stimson, in my opinion one of the greatest Secretaries of War; Mr. Churchill, and others had kind words to

say about General Marshall. I would like to add to that list Mr. Bernard Baruch who at the ceremonies at VMI honoring Marshall had equally fine words to say about him. I hope that the gentleman's words will be taken and that we will give to General Marshall the respect, the admiration, and the affection which is his due.

Mr. JACKSON of Washington. I appreciate the very fine observations made by the gentleman from Montana. I know that his long service on the House Committee on Foreign Affairs, before which Secretary Marshall has appeared from time to time as Secretary of State and as Secretary of Defense, has given him the opportunity of seeing General Marshall's fine qualities at first hand.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. JACKSON of Washington. I yield to the gentleman from California.

Mr. SHELLEY. Mr. Speaker, I take this opportunity to express my agreement with the gentleman in his commendation of General Marshall who I, too, think is a great American. I also want to commend the very able gentleman from Washington, [Mr. JACKSON], for so pointedly highlighting a very sad and sorry situation which some people seem to be more and more engaging in these days and times in personal assassination of those with whom they have disagreements on issues and on policies. I think it is a sad commentary in the history of our country that some people, elevated to public office and holding positions of public trust and importance, either in public or in private life, are so devoid of the finer sense of values and of responsibility that they cannot keep the disagreement to the issue without engaging in character vilification. I certainly wish to commend the gentleman for highlighting that particular point in his address and in commanding General Marshall, who is certainly an outstanding American.

Mr. JACKSON of Washington. I thank my good friend from California for his very fine contribution.

EXTENSION OF REMARKS

Mr. DEMPSEY asked and was given permission to extend his remarks and include an address delivered by the Ambassador of Spain.

Mr. YATES asked and was given permission to extend his remarks and include an address by Hon. Hugo L. Black, Associate Justice of the United States Supreme Court, on June 7 in the city of Chicago.

Mr. JACKSON of Washington asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include a newspaper article.

Mr. FISHER asked and was given permission to extend his remarks.

Mr. MARTIN of Massachusetts asked and was given permission to extend his remarks and include an article by Father Gillis in the Boston Pilot.

Mr. SHEEHAN asked and was given permission to extend his remarks.

Mr. AYRES asked and was given permission to extend his remarks and include a statement.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks and include appropriate data.

Mr. DAGUE asked and was given permission to extend his remarks.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks.

Mr. DOLLIVER asked and was given permission to extend his own remarks in two instances and include extraneous material.

Mr. CRAWFORD asked and was given permission to extend his remarks and include a letter.

Mr. PATTERSON asked and was given permission to extend his remarks in two instances and include articles.

Mr. WERDEL asked and was given permission to extend his remarks and include a news item.

Mr. HAND asked and was given permission to revise and extend the remarks he made in Committee of the Whole, following the address of Mr. HUNTER, and include a letter.

Mr. HARRIS asked and was given permission to extend his remarks and include an address by Mr. A. P. Frame, entitled "Observations of a WOC," notwithstanding the fact that it will exceed two pages of the Record and is estimated by the Public Printer to cost \$191.34.

Mr. BROOKS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. McCARTHY asked and was given permission to extend his remarks and include two editorials.

Mr. HELLER asked and was given permission to extend his remarks in six instances and include extraneous matter.

Mr. ZABLOCKI asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MANSFIELD asked and was given permission to extend his remarks in three instances and in two include extraneous material.

ADJOURNMENT

Mr. SHELLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 44 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Wednesday, June 27, 1951, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

560. A letter from the Attorney General, transmitting copies of the orders of the Commissioner of Immigration and Naturalization granting the application for permanent residence filed by the subjects of such orders, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

561. A letter from the Attorney General, transmitting a letter relative to the cases of Basil Nicholas Krallis, file No. XXXXXXXX CR 30405, and Marina Massip y Villar Schoonmaker, file No. XXXX CR 29978, requesting that they be withdrawn from those now before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

562. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled, "a bill to extend the provisions of the Federal Credit Union Act, as amended, to the Virgin Islands"; to the Committee on Banking and Currency.

563. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to repeal the provision of the act of July 1, 1902 (32 Stat. 662), as amended, relating to pay of civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska"; to the Committee on Armed Services.

564. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "a bill to exempt certain civilian employees of the Department of Defense from the laws governing the employment, removal, classification, pay, retirement, leave and disability and death compensations of Federal officers and employees"; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. MITCHELL: Committee on Rules. House Resolution 265. Resolution providing for the consideration of H. R. 1181, a bill to amend section 207 of the Legislative Reorganization Act of 1946 so as to authorize payment of claims arising from the correction of military or naval records; without amendment (Rept. No. 647). Referred to the House Calendar.

Mr. COX: Committee on Rules. House Resolution 286. Resolution providing for the consideration of H. R. 3463, a bill to authorize the transfer of certain naval vessels; without amendment (Rept. No. 648). Referred to the House Calendar.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 277. Joint resolution making temporary appropriations for the fiscal year 1952, and for other purposes; without amendment (Rept. No. 655). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

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

Mr. WALTER: Committee on the Judiciary. S. 380. An act for the relief of Stefan Lenartowicz and his wife, Irene; with amendment (Rept. No. 644). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 417. An act for the relief of Sui Ken Fong and Sui Tung Fong; without amendment (Rept. No. 645). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 915. An act for the relief of Betty Minoru Kawachi; without amendment (Rept. No. 646). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 536. An act for the relief of the estate of Sidney Lomax, deceased; without amendment (Rept. No. 649). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 1109. An act for the relief of Grady Franklin Welch; without amendment

(Rept. No. 650). Referred to the Committee of the Whole House.

Mr. MACHROWICZ: Committee on the Judiciary. S. 1113. An act for the relief of Philip J. Hincks; without amendment (Rept. No. 651). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 796. A bill for the relief of Roy F. Wilson; with amendment (Rept. No. 652). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. H. R. 3026. A bill for the relief of Joseph A. Ferrari; with amendment (Rept. No. 653). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4456. A bill for the relief of Vincent F. Leslie; without amendment (Rept. No. 654). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. McCORMACK:

H. R. 4601. A bill to provide that the admissions tax shall not apply in respect of admissions free of charge of uniformed members of the Armed Forces of the United States; to the Committee on Ways and Means.

By Mr. SIMPSON of Pennsylvania:

H. R. 4602. A bill to amend the Excess Profits Tax Act of 1950 by adding thereto a new subsection 432 (f); to the Committee on Ways and Means.

By Mr. TEAGUE:

H. R. 4603. A bill to provide additional compensation for members of the Army, Navy, and Air Force during periods of combat duty; to the Committee on Armed Services.

By Mr. BEALL:

H. R. 4604. A bill providing for an investigation and study by the Interstate Commerce Commission of the adequacy and convenience of passenger carrier facilities and services and the reasonableness of fares in the metropolitan area of the District of Columbia, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H. R. 4605. A bill for the establishment of a temporary National Advisory Committee for the Blind; to the Committee on Education and Labor.

By Mr. MARTIN of Iowa:

H. R. 4606. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

H. R. 4607. A bill to amend the Defense Production Act of 1950, and for other purposes; to the Committee on Banking and Currency.

By AUGUST H. ANDRESEN:

H. R. 4608. A bill to control imports of fats and oils, oil-bearing materials, peanuts, butter, cheese and other dairy products, and rice and rice products; to the Committee on Banking and Currency.

By Mr. FORD:

H. R. 4609. A bill to amend part VIII of Veterans Regulation No. 1 (a), so as to increase the outside compensation which a veteran may earn while receiving subsistence allowance thereunder; to the Committee on Veterans' Affairs.

By Mr. BUDGE:

H. R. 4610. A bill to provide for the grant of certain lands to the American Falls school district No. 381, American Falls, Idaho; to the Committee on Interior and Insular Affairs.

CONGRESSIONAL RECORD—SENATE

SENATE

WEDNESDAY, JUNE 27, 1951

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

God of our fathers, above all the commotion and confusion of the busy present, with its demands that drain our souls, we would turn for this hallowed moment to seek the quietness of Thy presence at the beginning of the day's deliberations. In the secret of Thy pavilion we take refuge from the strife of tongues. By tasks too difficult for us we are driven unto Thee for strength to endure and wisdom to interpret rightly the signs of these trying times. In these hallowed halls may Thy servants, trusted by the people with high responsibility, serve with fidelity the cause of our country and our common humanity, and so help to build the city of God on the ruined wastes of this disturbed and disordered world. We ask it through riches of grace in Christ Jesus our Lord. Amen.

THE JOURNAL

On request of Mr. MFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 26, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 51) providing for United States participation in the celebration at Philadelphia, Pa., of the one hundred and seventy-fifth anniversary of the signing of the Declaration of Independence.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1103) for the relief of Sidney Young Hughes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WALTER, Mr. FEIGHAN, and Mr. GRAHAM were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1424) for the relief of T. L. Morrow.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 512. An act conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claim of Mrs. Walter J. Bickford;

By Mr. HAVENNER:

H. R. 4611. A bill to amend the Trading with the Enemy Act to extend the time for filing claims in the case of certain Italians; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN of Michigan:

H. R. 4612. A bill to amend section 402 (a) (3) of the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON:

H. J. Res. 277. Joint resolution making temporary appropriations for the fiscal year 1952, and for other purposes; to the Committee on Appropriations.

By Mr. BENNETT of Florida:

H. Con. Res. 128. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. HALE:

H. Con. Res. 129. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. LANHAM:

H. Con. Res. 130. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. BATTLE:

H. Con. Res. 131. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mrs. ST. GEORGE:

H. Con. Res. 132. Concurrent resolution providing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. SHEEHAN:

H. Res. 282. Resolution creating a select committee to conduct an investigation and study of the massacre of Polish Army officers in the Katyn Forest, Union of Soviet Socialist Republics, and the disappearance of other Polish Army officers who fled for protection to the Union of Soviet Socialist Republics in 1939 and 1940; to the Committee on Rules.

By Mr. DEMPSEY:

H. Res. 283. Resolution favoring the negotiation of a treaty for the defense of the Mediterranean area against Communist aggression; to the Committee on Foreign Affairs.

By Mr. ELLIOTT:

H. Res. 284. Resolution to provide for a Select Committee on Problems of the Aging; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BLATNIK:

H. R. 4613. A bill for the relief of Karlo Mattiazz and Kostanza Mattiazz; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 4614. A bill to record the lawful admission for permanent residence of certain aliens; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 4615. A bill for the relief of Gattas A. Maloof; to the Committee on Foreign Affairs.

By Mr. GORDON:

H. R. 4616. A bill for the relief of Stanislaw Stein; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4617. A bill for the relief of Luiz Lourenco Diniz; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 4618. A bill for the relief of Victoria Lardizabal Valencia; to the Committee on the Judiciary.