DIPLOMATIC AND FOREIGN SERVICE OF THE UNITED STATES OF AMERICA

George P. Shaw, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

ROUTINE APPOINTMENTS

To be consul general

Willard Galbraith

To be consuls

Henry L. Coster
Joseph F. McFarland
Robert S. Hoard
Robert J. Jantzen
Arthur S. Alberts
Bryan R. Frisbie
Stephen N. Sestanovich

To be vice consuls

Miss Ellen Gavrisheff
William D. Killea
Eugene D. Sawyer

To be secretaries in the diplomatic service

Teg C. Grondahl
John A. Loftus
Norman P. Seagrave
Roy L. Wade
Lester Ziffren

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 8, 1952

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who hast entrusted us with the high vocation of public service, grant that we may know how to discern and interpret rightly Thy wise and gracious purpose for all minkind.

May we bear calm and courageous testimony to a steadfast and unwavering confidence in that divine wisdom which never errs and that divine strength which will never fail.

We pray that we may seek to be used by Thee and our beloved country in lifting the shadow of fear from human hearts everywhere and in leading them into the joy and liberty of the Son of God.

At the close of each day may we receive the benediction of peace which Thou dost bestow upon all who live by faith, labor faithfully, and walk humbly with the Lord.

Hear us in Christ's name. 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 had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 147. Joint resolution designating April 9, 1952, as Bataan Day.

RIGHT OF THE FEDERAL GOVERNMENT TO BRING SUIT AGAINST STATES

Mr. RAMSAY. 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 West Virginia?

There was no objection.

Mr. RAMSAY. Mr. Speaker, on Friday, April 4, during the consideration of H. R. 7289, a bill making appropriations for the Departments of State, Commerce, and Justice, and the judiciary, the House, to the surprise and disgust of at least some of the Members, amended the bill to take from the Government of the United States the right to bring suit in its own courts against any State of the Union. The amendment adopted reads, in part, as follows:

On page 29, after line 4, insert the following:

"SEC. 207. None of the funds appropriated by this title may be used in the preparation or prosecution of any suit or proceeding in any court by or on behalf of the United States (1) against a State of the Union."

It must not have occurred to the good Congressman that such powers are guaranteed to the Federal courts by the Constitution of the United States and that it was an effort to limit and destroy not only the constitutional authority and jurisdiction of the courts of the United States as well as a limitation and destruction of the sovereign and necessary powers of our Government.

The admitted purpose and intent of this amendment is to prevent the Federal Government from ever suing a State of the Union.

I feel certain that if my good friends had realized the danger and futility of such legislation, they would not have lent their aid to such an absurd move.

We must remember the powers of the legislative branch of the Government are not granted to Congress, but they are vested in Congress by the Constitution. This is also true of the executive powers, and the judicial powers of the Supreme Court as well as all courts created by Congress. Congress has no inherent sovereign process in the realm of domestic legislation—*Kansas* v. *Col.* (206 U. S. 46).

In 1818 it was argued, as it was last Friday in the House, that the United States be denied the right to sue a State without an act of Congress, but the Court said there was no doubt about the jurisdiction of the Federal courts to do so—*Dugan* v. *U. S.* (3 Wheat. 172).

The Supreme Court has jurisdiction of a suit in equity by the United States against a State to determine boundaries.

In *Marbury* v. *Madison* (174 2 L. Ed. 60) the Court held:

If Congress remains at liberty to give the Supreme Court appellate jurisdiction where the Constitution has declared their jurisdiction shall be original, where the Constitution has declared it shall be appellate, the distribution of jurisdiction made in the Constitution is form without substance.

The Constitution itself, in article III, section 2, provides the judicial powers of the United States extend to all cases in law and equity arising under the Constitution and laws of the United States and to controversies to which the United States shall be a party, whether that party be a State or an individual.

SPECIAL ORDER GRANTED

Mr. RODINO asked and was given permission to address the House for 10 minutes today, after the conclusion of any special orders heretofore entered.

BATAAN DAY

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I rise today to ask the Members of the House to join with me in recalling Bataan, when tomorrow we commemorate the tenth anniversary of the fight which we waged against the forces that would overwhelm democracy and freedom. In that fight we had the valiant support of our Filipino friends and allies.

We cannot, we should not, forget Bataan. In that besieged peninsula, the United States showed to the world what a benevolent and friendly attitude toward another people can do to win that people's loyalty and allegiance. The Filipinos fought to the death side by side with our American boys because they knew they were fighting for a cause that was also theirs, because during our association with them we made them feel that liberty is their heritage as well as it is ours.

I take pride in saying that many of those who fought and fell on Bataan hailed from the great Commonwealth of Massachusetts. In their memory, and in the memory of the other American boys who fought for us in America's darkest hour in the Pacific; in grateful appreciation of the loyalty of the Filipino people who risked their everything when to do so meant for them unspeakable agony, torture, and death, I have the honor to propose the following joint resolution (S. J. Res. 147) designating April 9, 1952, as Bataan Day, and ask unanimous consent for its present consideration.

The Clerk read the resolution, as follows:

Whereas April 9 of this year marks the tenth anniversary of the end of the epic struggle of American and Filipino forces on Bataan; and

Whereas this common sacrifice more solidly forged the traditional friendship of the United States and the Philippines and between the peoples of the two countries; and

Whereas Bataan symbolizes the spirit which moves men of different races and different creeds to fight shoulder to shoulder for their freedom; and

Whereas the rallying of the people of the Philippines to the side of the United States and the other United Nations in the current struggle in Korea is a further expression of American-Filipino unity; and

Whereas the people of the Philippines have demonstrated to all other nations in the Asian sphere the fact that mutual friendship and mutual security are common goals and the role of the United States in Asia is that of a friend of peoples; regardless of race; and

Whereas President Elpidio Quirino has designated April 9 as Bataan Day in the Philippines: Therefore be it

Resolved, etc., That April 9, the tenth anniversary of the fall of Bataan, should be observed as Bataan Day and that the Congress recommends that on that day the flags of the United States and the Republic of the Philippines be flown, and that encouragement be given to the holding of appropriate services in schools and churches and in other gatherings.

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. AUGUST H. ANDRESEN. Mr. Speaker, reserving the right to object, does this provide for an additional holiday for public employees?

Mr. McCORMACK. No. It is not a holiday.

Mr. MARTIN of Massachusetts. And it costs no money?

Mr. McCORMACK. It costs no money.

Mr. MARTIN of Massachusetts. Furthermore, it must be passed today, if it is going to be passed, as the anniversary is tomorrow?

Mr. McCORMACK. Exactly.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Mississippi.

Mr. RANKIN. Is it just a temporary proposition?

Mr. McCORMACK. It is a proclamation in relation to tomorrow, the tenth anniversary.

Mr. RANKIN. But it does not set it up as a permanent proposition?

Mr. McCORMACK. Oh, no.

The SPEAKER. Is there objection?

There was no objection.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

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

The SPEAKER. Evidently there is no quorum present.

Mr. McCORMACK. 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. 54]

Anfuso	Halleck	Philbin
Armstrong	Hand	Pickett
Barrett	Hart	Poulson
Battle	Hedrick	Powell
Beall	Heffernan	Price
Belcher	Heller	Rains
Blackney	Hinshaw	Reed, Ill.
Bolling	Hoffman, Ill.	Rhodes
Boykin	Holifield	Robeson
Buckley	Hope	Sabath
Burnside	Hull	St. George
Bush	Jackson, Wash.	Sasscer
Butler	James	Scott, Hardie
Canfield	Johnson	Shafer
Carlyle	Jonas	Sheehan
Carrigg	Kennedy	Shelley
Case	Kersten, Wisc.	Simpson, Pa.
Celler	King, Pa.	Smith, Kans.
Chiperfield	Klein	Springer
Chudoff	Kluczynski	Stockman
Combs	Larcade	Taylor
Corbett	Lyle	Thompson, Tex.
Davis, Tenn.	McDonough	Vail
Dawson	McGrath	Velde
Deane	McKinnon	Welch
Dingell	McVey	Wharton
Dollinger	Mack, Ill.	Wheeler
Donovan	Mason	Widnall
Doyle	Miller, Calif.	Wood, Ga.
Eaton	Morano	Yates
Fine	Morgan	
Flood	Murdock	
Golden	Murphy	
Gordon	Murray, Wis.	
Hall, Edwin Arthur	O'Brien, Ill.	
	O'Konski	

The SPEAKER. On this roll call, 330 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. MAHON].

THE LATE HONORABLE DAVID DELANO GLOVER

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. NORRELL. I know that you, Mr. Speaker, as well as I was, will be grieved to learn of the passing of Hon. David Delano Glover who formerly represented the Sixth District, of Arkansas which I now have the honor to represent in the United States House of Representatives. He passed away last Saturday afternoon, April 5 after a brief illness, concluding a long and useful life. He had been State legislator, prosecuting attorney, and Congressman. He was also a very able lawyer. He was a Mason and a Baptist. For the past 30 years he had served as a member of the board of trustees of the Ouochita College. He is survived by his widow, Mrs. Roberta Glover. They were married on December 24, 1891, and, therefore, recently they celebrated their sixtieth wedding anniversary.

He leaves behind him his widow, six sons and three daughters, a number of close relatives and a host of friends who mourn his passing.

Mr. Speaker, I had known Mr. D. D. Glover for about 25 years. He was 84 years of age at the time of his passing. He had spent these years in being a good, useful, patriotic and Christian gentleman. He has been a great and kind and a loving husband and father. He was an able public official. He was highly respected by all who knew him. Certainly he had used his 84 years in living a useful and honorable life. America is greater today because Mr. Glover has lived. He will be missed not only by his bereaved widow and children but by his relatives, and friends. Malvern, his home town, will miss him. Arkansas will miss him.

I extend my very kindest sympathy to his family and friends.

Mr. President, I ask unanimous consent that all Members may have the right to extend their remarks in the RECORD regarding the passing of our late colleague, Mr. Glover.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1953

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7391) making appropriations for the Department of Defense and related independent agencies for the fiscal year ending June 30, 1953, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7391, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the agreement of yesterday, the gentleman from Texas [Mr. MAHON] will be recognized for 30 minutes, and the gentleman from New York [Mr. TABER] will be recognized for 30 minutes.

The gentleman from New York.

Mr. TABER. Mr. Chairman, I yield to the gentleman from Illinois [Mr. VURSELL] for a unanimous-consent request.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Chairman, the $51,000,000,000 defense bill we are considering here today has been reduced by the committee to about $47,000,000,000 for defense. Let me point out there is nothing in this bill to finance the Korean war for this fiscal year, which has been costing about $5,000,000,000 annually; it does not include $3,500,000,000 in military public works to be requested later by the President; it does not provide for a billion dollars in pay raises, and it does not cover allowances for increased cost of defense. These added to the $47,000,000,000 in the bill before us should raise the cost $7,000,000,000 to a total of $54,000,000,000 for the coming fiscal year. This does not include a few billions more we will be called upon to appropriate for the Atlantic Pact nations.

We have a carry-over in appropriations for the fiscal year closing July 1, 1952, of $58,000,000,000, most of it contracted but none of it spent. This $58,000,000,000 carry-over plus the $54,000,000,000 we are appropriating for the fiscal year commencing July 1, 1952, and ending July 1, 1953, will give the military and the administration which they can spend in the next 14 months, $112,000,000,000.

Mr. Chairman, if we provide all the appropriations for the fiscal year contained in this bill before us and the two subsequent bills to which I have referred, we will make available, up to July 1, 1953, $113,000,000,000 to be expended for national defense. They know they cannot spend that much because the administration and the military says we will have a carry-over on July 1, 1953, of $56,000,000,000 for defense for 1954.

Mr. Chairman, I have advocated for months that we should cut this military bill by $10,000,000,000. I will vote for any amendments offered during the debate that will help to reduce this bill to that amount, and when I vote for such reductions I will not be voting against the national defense of our country but I will be voting to make the national defense of our country stronger.

BALANCE THE BUDGET

If we reduce this bill by $10,000,000,000 with the other cuts we are making on appropriation bills, it would bring the total cuts in the $85,000,000,000 budget

up to $15,000,000,000 which will balance the budget.

Mr. Chairman, if we have the courage and wisdom to take such action, we will strengthen the financial solvency of our Government which is our first line of defense. We will contribute to the defense of our country by making such reductions.

Would it not be the part of wisdom to follow such a course which is endorsed by the national chamber of commerce and which is generally endorsed by the best economists of the Nation. If we will strike out boldly for economy, not only in this bill but in all appropriation bills we will cut back the cost of Government to about $71,000,000,000 which it is estimated will be the amount of revenue the Government takes in this year. That is what we mean by balancing the budget.

A vote to cut back the cost of Government in times of peace to equal or less than the receipts of Government is a vote to stop inflation, stop the decline of the purchasing power of the dollar which is now down to about 50 cents. It will be a vote to start the purchasing power of the dollar up, raise the purchasing power of the bonds the people are holding by loaning their money to the Government, it will be a vote to reduce the high cost of living, and a vote that will strengthen the economic and industrial power of our Nation.

If we strengthen the financial solvency of our Nation and the industrial and economic power of our Nation by reducing the expenditures of Government as I have suggested, we are voting not against national defense but are voting for national defense, voting to strengthen our country for any eventualities that may threaten it either from without or from within.

WASTE OF MANPOWER

Every investigation that has been made points up the fact that the heads of the military and this administration are wasting manpower in every department of the military and the Government. The military continues to draft hundreds of thousands of men who are badly needed on the farms, in business, and in many walks of life, many of whom are crowding the camps of the Nation with nothing to do but wait at the expense of the Government and contribute to the military's constant waste of manpower. The military will waste in manpower alone over $5,000,000,000 which is about the amount of the cut that the committee made before it brought this bill to the floor of the House.

Mr. Chairman, then again every committee that has been investigating production and procurement in the military has uncovered waste running into the many millions of dollars. Sworn testimony in the building of one air base in northern Africa tends to show a waste of between fifty to one hundred million dollars caused by connivance and criminality in some instances. This is only one isolated spot. Whenever large expenditures are being made there is unnecessary waste on the part of those who have the responsibility in the military.

Mr. Chairman, I pointed out many months ago in speaking on the floor of the House that the Appropriations Committees are understaffed, and advocated that it was the responsibility and the duty of the Congress to authorize the spending of a few million dollars to hire a staff of investigators and certified public accountants who would work the year around under the direction of the Appropriations Committees of the Congress to determine just how much money is needed in military appropriations and to constantly investigate how the money was being spent after it was appropriated.

I also suggested that businessmen in civilian life who had had much experience in merchandising should be employed to work with the military officers in procurement or purchasing necessary in spending the $40,000,000,000 that would likely be appropriated this year for national defense.

I pointed out that the Congress should have these committees working directly under its supervision so that the Congress could legislate in the light instead of legislating in the dark as we too often are compelled to do because our committees do not have sufficient staffs to determine the funds necessary, and a sufficient staff of investigators to constantly watch and check on the spending of this money to prevent waste.

I said at that time, as I say again today, that efficiency has too long been neglected on the part of the Congress and for too many years we have been locking the barn after the horse has been stolen. Anyone should know that men who have been educated in the military and who have been taught to pay little attention to the spending of money but to accomplish their military mission, are generally not qualified to go into the public market and purchase billions of dollars of merchandise whether it is clothing for the troops or steel or heavy material of any kind. For that reason I urged a year ago, as I urge the Congress again today that we ought to have more civilian control in the purchasing and procurement while spending these vast billions of dollars, and that we should take from industry and business, men who would be glad to serve as a patriotic duty to their country and under whose supervision we could save billions of dollars.

Mr. Chairman, if we would reduce the amount carried in this bill by $10,000,000,000, and the Congress would set up such a business organization as I have suggested, there is little doubt that such an organization could save over $10,000,000,000 and we would be on the road to greater efficiency and the application of better business policies in government for the future.

Mr. Chairman, I understand that later an amendment will be introduced which, in my judgment, is of great importance to the Congress and to the general welfare of the people.

That amendment is an effort to give the Congress a closer grip on the purse strings of governmental expense. The amendment will impose a ceiling on total military spending for the coming fiscal year. It follows the principle of House Joint Resolution 371, which would prevent the Government from spending more than it takes in in governmental receipts.

I hope a majority of the House will support this amendment when it is offered.

Mr. Chairman, when this Government was set up under our Constitution in 1787 its purpose was to give the people control of their Government. Big Government today, and those in charge of big Government, seem to have lost sight of the fact that it belongs to the people and not to the President, the Cabinet, the heads of the bureaus, or to the Members of Congress.

The Constitution provided that the people should control this Government through their elected representatives. I think that was a wise provision, and it has worked well in building the greatest Nation in the world up to the last few years.

I am old-fashioned enough to believe we should try to carry out the wishes of our people. They are demanding we reduce spending, in the hope some time by so doing, they, the people, can look for a decrease in their present almost unbearable taxes. They want us to cut spending and preserve the financial solvency of our Nation. This bill offers an opportunity to do it, and I hope we can make further substantial reductions in this bill.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, it seems more than passing strange that we have only a matter of 30 minutes to discuss a $14,000,000,000 request for Army spending. Perhaps the demands of time require it.

We are here today to discuss, as far as I am concerned, the 1953 request for the Army of the United States. During the hearings I pointed out to one of the witnesses that one of the most difficult things for a human being to do was to admit that he had made a mistake. All of us make mistakes, and all of us hate to admit it. Perhaps the Subcommittee on Army Appropriations has made some mistakes. It probably has. Perhaps in some places we have reduced the request too much; in other places perhaps we are permitting the Army to have more than they actually need.

I will say, in all frankness, that if there is any Member of the House who can point out any place where a further reduction should be made, I will be glad to help them make that reduction. But to cut a military budget in the unsteady and unstable situation the world faces today is indeed a ticklish business.

It is an old trite saying, but we are between the devil and the deep blue sea; if we cut too much and a greater war than we are now in should break out, we have hurt the national defense; on the other hand, if some of the dire predictions that have been made do not come to pass there will be some money spent that will never be needed. National defense is just like insurance; in the first place, it is expen-

sive; and, in the second place, if you do not have it when you need it, it is too late to get it.

Now, going through the Army requests, the subcommittee of which I am a member and of which the chairman is the gentleman from Florida [Mr. SIKES], with two other members sitting alternately, the gentleman from Pennsylvania [Mr. FLOOD], and the gentleman from South Carolina [Mr. RILEY], have been working on this for 3 months. When at last we reached our final figures we found that we had reduced the Army's request by 11.8 percent. We reduced their request from $14,800,000,000 down to a little over $12,500,000,000.

One of the reductions which was made was in the request for reserve components, the National Guard and the Organized Reserve. This was not a blind cut at all. If you will turn to your hearings beginning at p. 543 you will see that we went fully into that matter. We found that when they presented the 1952 request for funds they had set their goal at a greater number of personnel. They failed to reach it by far. This year they have set another goal. We studied the present law, what they had achieved and what they hoped to have and we determined in our own minds that they could not possibly by any stretch of the imagination have as many men in either the National Guard or the Organized Reserve as they said they needed to have. We provide for 300,000 in the National Guard and 273,000 for the Reserves. The larger cut was made in both the Reserves and the National Guard is what we normally have called the "dual year" financing; in other words, in the last 2 years it has been impossible for the military to get the budget up to us and for us to get the bill passed by the first of July. Both the Reserves and the National Guard have summer encampments stretching over the entire summer, some beginning in June, going into July, and some as late as September. There have been funds provided for the summer camps being held in the following fiscal year. For instance, last year fiscal 1952 we provided funds for summer camps which will be held in this summer after the first of July, fiscal year 1953.

We face this situation where we now have this bill for fiscal 1953 in shape. It will be through the Senate and become law long before July 1. We therefore determined that there was no need for carrying over funds for the summer camps in this calendar year 1954. For that reason we took off approximately $33,000,000 from these two appropriations. It will not interfere in any way with any of the National Guard or Reserve summer training camps or field activities. The supplemental explanatory notes fully explain this situation on page 5.

You have all heard why it is necessary to make huge sums available today. There has been a great deal of question as to why it is necessary to authorize this $50,000,000,000 now when there are many billions unobligated and much unspent.

What we are now doing is just what you would do if you were going to build a building. First, you determine what kind of building you are going to have; then you talk to your engineers, to your bankers, and finally decide that you are going to have an 11-story building and it is going to take 2 or 3 years to complete. You enter into your agreement, you make your promissory note, which is substantially what these appropriations authorize. It is to enable the Army to make a promissory note to some builder to build tanks, guns, ammunition, trucks, and other weapons of war. So the promissory note is for the entire cost of building. The spending comes in when it is necessary to pay him as the program progresses. We pay the manufacturers when they deliver the tanks, guns, ships, and planes to us. And of course some of these items for which we appropriate money will not be delivered until Christmas 1954. Then is when the money comes out of the Treasury.

You could, as some have suggested, have contract authority, but that would be false economy. As a matter of fact, in this very bill you are providing millions of dollars to pay for contract authorizations that were issued during World War II and subsequent years. In my opinion, as cumbersome as this is in the bookkeeping of the Army and in keeping records, authorization and obligation is the simplest and most effective business way of doing it. Mr. Chairman, there is no question but what the Appropriations Committee does not have an adequate staff of experts.

If you could sit in our little committee rooms and see the heads of these technical services come in with their staffs, each one of them with 8, 9, 10, 11, 12, 15, all supporting him in his presentation, you see what we are up against. The gentleman from Florida [Mr. SIKES], the gentleman from Pennsylvania [Mr. FLOOD] and I sat in these hearings, assisted only by Mr. Orescan and Mr. Pfleger, both of whom did a magnificent job. Certainly we have to have more help. We had it in the Eightieth Congress and we were able to save billions of dollars. If you would give it to us again we would save some more money.

The attitude of our subcommittee was that we were not the defendant on trial. We took the position more or less of a court listening to a plaintiff trying to prove his case. The entire burden of proving the need for these dollars is upon the military, and there they did not prove their case, where they could not prove their need for what they asked, we did not give it to them. If they came up short because of failure on their part, that is their fault, not ours. Certainly they had enough help.

There has been some question raised as to how much is going to be spent. Now, Mr. Chairman, if you will hark back, you will find that is not the province of Congress; that is a matter for the administration; and if we could write laws which put some common sense and economy into the heads of those who administer this program, we would gladly do so. That is impossible. They are either economical-minded or they are not. Of course, there has been some criticism of waste, and there has been waste, but that is a matter of administration from the President, the Commander in Chief, the Joint Chiefs of Staff, and all the rest of them. The gentleman from California [Mr. JOHNSON] pointed out a situation which took place in Camp Stoneman. That is not the responsibility of Congress; that is the responsibility of the man there on the ground spending the money. If he does not know how to spend it properly, he should not be there.

We have some magnificent military leaders. As field soldiers and in leading troops in the field, they are without peer, but they have never been trained to be businessmen or to administer a big business like this. What do we have? You have a lot of young men coming into the service from schools which have had ROTC training. There will be 7,000 of them called into service this coming fiscal year. They have had education in business administration. They have gone to schools throughout the country. When they come into the service, do you suppose they will be put in any place where they will be administering these funds or doing a job for which they were trained? Oh, no. Most of them will be second lieutenants and I will guarantee you that 95 percent of them will be assigned to combat units, artillery, infantry, tanks, and others. That is one of the faults of the military which it should correct itself. It should put businessmen in spots that call for business judgment. I know a lot of these men and you know them; you know their war records; they are down at the Pentagon trying to do a good job. They know they are not capable of doing it. They know their background and their experience does not fit them for it, and they are probably more unhappy about their assignment than either you or I. Here, again, we come down to the question of do they need it? Do they need 1,550,000 men in the Army? Somebody said, "Well, we will have men sitting around camps that are not doing anything; they have been trained; they are combat soldiers, but they are not fighting. They are not doing anything." Well, I can point out to you that in every community in the country we have a lot of firemen sitting around fire stations, in uniform, and not doing anything either, but as soon as the bell rings they are there ready to go. That is what we are doing here—have a fighting force ready to go if the flames of war break out.

Perhaps we might be able to cut the Army below the requested and suggested 1,550,000. Then, again, perhaps, we could not. Seven hundred thousand of the 1,562,000 in the Army today are going out of the service in 1953. That means almost half of them. You have got to replace them and retrain them to take the places left by those discharged. That training takes time; that takes money; that takes manpower.

Now the question was asked me day before yesterday: How do you arrive at the cuts you made? You have heard

justifications mentioned. Here is a book of justifications. It contains 200 or more pages and on the committee table is a pile of 12 others. These are mimeographed sheets which give all of the detailed information. For instance, I open the book here. Now these are secret, and I will not give you the figures at all. But, for instance, we learn about types of artillery and guns that we are going to buy; we are told about the type of mortars they need; here is reference to the recoilless rifles we are going to procure. These justification sheets inform us about many of these things, howitzers, guided missiles, trucks and tanks. Here we are told about exactly how many the Army figures they must have during the current year. We are told exactly how much they anticipate each one will cost, and then that is multiplied and you get a request. Included in the secret sheets are the numbers of rounds of ammunition of all kinds that the Army is going to have to have. We are going to have 105-millimeter shells and 155-millimeter shells. We are going to have antiaircraft shells; we are going to have .30-caliber cartridges; we are going to have 60-millimeter mortar shells. We must have all of those things, and they have set out in here the number that they anticipate. The same thing was done for the number of sheets and shirts and shorts and socks and shoes and everything else.

Now we were not quite satisfied just to take their statement as fact. In years past we have always asked the military, How did you reach this conclusion? They would come up and say, "We know how many troops we will have, how many pieces of equipment, travel, and so forth, will be required, and that is it." That did not satisfy us. So, we required more. This year they came up with a form 519–B. On this form they name the item, whether it is ammunition, whether it is trucks, whether it is tanks, whatever it will be. They tell us how many they have on hand. Then they tell us what they anticipate—the consumption, either combat or peacetime training during the fiscal year, will be. They tell us how many will be required in the pipeline, the lead time to go from the factory up to the line or out to the troops. They tell us how many will be needed in training, how many will be needed for the National Guard and the Reserves. They tell us how much they will want for a mobilization reserve. They then get down to the total, the gross figure. They deduct the inventory, and then they tell us how many of the total requirement they want to procure with 1953 funds. Some of the assumption they operate on is not quite precise. Next year they will have some changes made in this form which will give us a more factual picture. If the assumptions they used are wrong, of course, their conclusion is wrong.

As to ammunition, they had one item of ammunition upon which they set out on the Form 519–B. In looking over that form I found that they had anticipated eight times as much consumption in 1953 as there was in 1952. Well, now, that did not stand to reason. I looked at some more and found that others called for three times and four times as much as they consumed in 1952. Then we found that some of the estimates had been made up in July and August when the heavy shooting was still going on in Korea, without any regard to peace talks. The 1952 consumption could not be nearly as great as it was anticipated, and, therefore, carrying on the same tempo 1953 could not be as great either. The result was that we required the military to go back and get a sharper pencil and do some refiguring. They admitted that a mistake had been made in the items that I had pointed out. We asked them to recompute 32 major items of procurement in ammunition. They came back with a recomputation, and $156,000,000 less was asked for, and is reflected in reduced appropriations. We just do not have the time, and we do not have the staff, and do not have the help necessary to go through that process on every item. But, we did review thousands of major items. This subcommittee, I believe, can justify every cut that we made in the Army's budget totaling, as I said, 11.8 percent, $1,680,000,000.

There has been some reference to research and development. Research and development is this study of new things yet to come. General Collins said that the Army always hates to give up the old stuff, but is always looking for something new. In research and development we are looking for something new. We are getting something new. All of the guided missiles, better radios, better tanks, better trucks, and other things have come out of the expenditure of money for research and development. The Army requested this year $30,000,000 more than they had asked for last year. Perhaps $1,000,000 spent in research and development can save us hundreds of millions of dollars, and save some lives later on, if they can just get their finger on some of the things that we need to have. We could have possibly cut the figure back to last year's figure, and held them where they were, but I suppose the Tass representative is up in the Press Gallery as they usually are when this bill is being presented so that we cannot talk as frankly as we would like to talk. Maybe there is too much printed in the hearings and in the reports. The requested increase was for classified or secret research and development activities. We did not feel it would be proper to deny them those funds. We tried to earmark certain funds. We do not succeed very well. There again it comes to the thing which was condemned on the floor of the House all day yesterday—poor administration, poor business, poor economy. They come up to us each year and they said, in effect, "Well, now, Mr. SIKES, Mr. SCRIVNER, Mr. FLOOD, we want so many millions of dollars to buy so many hundreds of this, that, or the other thing." We cross-examine quite thoroughly, and we are finally convinced that perhaps they need a thousand or two thousand items that they ask for. We multiply it out by the anticipated cost, and then provide $200,000,000 for that program. But next year, when they come back for money for the fiscal year 1954, we will say, "Last year you asked us for money for this item. We gave you $200,000,000 for 2,000 of them. How many did you buy?" And they reply, "Well, we only got 500." We will ask, "What happened to the other $150,000,000 which you did not spend for that item?" They answer, "Well, we transferred that to another program. We decided that something else was more important." But, Mr. Chairman, we do not learn about the changed program until after it is all done. That is not right. We do not have the control that we should have.

Perhaps the performance budget about which those of us on the Committee on Appropriations have heard so much is not the success that we were told it would be. As a matter of fact, I think it is a failure. I think that the House of Representatives and the Committee on Appropriations loses almost entire control of earmarking funds for the military.

We had one item which we thought last year was absolutely earmarked. It involved a matter of $1,100,000,000 for expediting production. That means getting their plants in order and getting lines all set up and getting machine tools installed, and all those things. We noticed that there were $400,000,000 of that which had not been allocated, and we thought maybe we were going to be able to report a rescission of $400,000,000 on that item. But lo and behold we found that when they got through telling us the story of production and procurement, that they were transferring $400,000,000 of expediting production money over to the actual purchasing of end items. So our earmarking did not work. Oh, it looks good on paper. They come in with a reduced request for procurement, but they are going to transfer $400,000,000 over to this other activity.

As a matter of fact, Mr. Chairman, we are probably shadow-boxing here today. Perhaps these cuts that we have made are fooling nobody but ourselves. It stands to reason, as has been stated several times in the last 4 or 5 days, that if the steel strike goes on, and if wages are raised, and if the price of steel is raised proportionately, all of the savings that we have made in our months of work will be completely wiped out by the increased costs of everything the military requires. Either that or we will have to appropriate more money to get the same number of items that we have provided here for what the Army needs, or we are going to find that the money we have appropriated for 10 tanks will only buy 9 tanks. That goes clear on across the board because the Army today is the biggest buyer in the world. That increase started in steel will go clear across the board because once it starts there, the cycle of inflation goes on and everything else is going to be increased, too.

Somebody said, "Why did that happen?"

One reason is because this administration and no one in high places of leadership has faced up to the actual reality that we are in war. They call it everything else under the sun—a constabulary action, a police action, a conflict, aggression in Korea, everything under the sun except war. Yet we have had almost 107,000 battle casualties and 400,000 non-

battle casualties. If you do not think that is war talk to the mothers of these men who are now serving in Korea. Talk to the men who have returned or are still in Korea. Certainly it is war. Congress did not declare it, but this country has been in it for almost 2 years, and the cost will run into billions and billions of dollars. Today the Korean war is eating up some of the materials we wanted to set aside so we could have some things on hand if a greater war broke out. If the leaders, including the President, would say to the entire country, including not just labor but the producers and public as well, that we are at war, you would find an entirely different response to the request for them to keep on working, to keep on producing, even greater and greater amounts at lower and lower costs. But, until that fact is brought home, we can expect more of this strife.

Secretary Kimball finally admitted in response to one of my questions that it was a hell of a war, and that was an understatement. A recent report by the Secretary of Defense went on for many pages, and never once referred to war in Korea. Mr. Chairman, that war in Korea calls for accolade and commendation from Congress to the Reserve forces that are fighting there—and those that have done so well. Oh, I know when it started out in June 1950, it was pretty much the Regular Army that felt the brunt because most of the forces in the Far East were Regular Army. But see what the figures are now. As was pointed out in the hearings—page 199 and the following—62,000 of the first 83,000 casualties were Regular Army casualties. They were over there. They had to be thrown in to war in Korea without any notice that they were expected to go into a war in the Far East. The Korean war came overnight. MacArthur did not have the troops, he did not have the supplies, he did not have the landing craft, he did not have the ships, or the tanks, the artillery and all the things necessary or the time to plan an invasion. It had to be done now. The 83,000 casualties resulted, on a large part, because of lack of time to prepare for an invasion of Korea. When the Korean war started out the greater number of them in the Far East were Regular Army, both enlisted and officers. Take the date November 30, 1951. At that time one-third of the enlisted strength in Korea was Regular Army and two-thirds was other than Regular; in other words, 2 out of 3 were draftees and members of the National Guard and Reserves. When you come to officers, November 30, 1951, there were four times as many non-Regular officers, Reserve officers, as there were Regular Army officers.

A few months later—and probably now—10 out of each 11 officers on duty in Korea are Reserves.

As a matter of fact, the latest report showed that only 1,500 of the more than 23,000 Regular officers were on duty in Korea. Fighting wars is the Regulars' profession—but figures show that it is being done by Reserves—many of them in combat again after glorious services in World War II, where they carried the load.

Mr. Chairman, too much credit cannot be given our civilian soldiers, enlisted men and officers.

Mr. Chairman, in conclusion as I said earlier, if any mistakes this subcommittee has made are clearly pointed out, we help correct them. We feel we have done a businesslike, reasonable job of reducing these requests. We hope the House agrees.

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

Mr. KEARNEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. KEARNEY. Mr. Chairman, in expressing my deep appreciation for the very fine and conscientious job performed by the members of the Subcommittee on Armed Forces in the Department of Defense appropriation bill for 1953, H. R. 7391, I am somewhat disappointed, as are many others throughout the country, in the elimination of the funds requested for the promotion of rifle practice, namely, $130,000. As the committee in its wisdom stated, this action is based on (a) that the program neither accomplishes nor is required to interest our youth in the handling of small arms, (b) that it does not add to the effectiveness of our defenses, and (c) that if it is to be continued, considerably larger sums would be required to supply ammunition with no real benefit to the Nation as a whole.

Let me give to the House my own feelings on this matter. It was the 1903 Congress, on recommendation of President Theodore Roosevelt and Secretary of War Elihu Root, that established the National Board for Promotion of Rifle Practice. Since that year, nearly a half-century ago, it has been the traditional and consistent policy of Congress to encourage rifle marksmanship training for American boys and for all able-bodied male citizens capable of bearing arms in time of war or national emergency.

In the National Defense Act of 1916, Congress not only reiterated this policy but set up authorities and procedures for the building and maintenance of ranges, issuing of arms, and the provision of competent instructors.

In 1924, Congress implemented its previous policy by detailed legislation authorizing (a) sale to patriotic citizens at cost of arms, ammunition, targets, and range equipment; (b) the free issue to approved rifle clubs of ammunition and targets; (c) the loan of arms and range equipment to approved rifle clubs and secondary.

Since the first money appropriation in 1904, Congress has never failed to appropriate some money each year for the promotion of civilian marksmanship. The average annual appropriation since World War I has been in the vicinity of $300,000.

In fiscal year 1950 the appropriation was $272,500.

In fiscal year 1951 the appropriation was $160,000.

In fiscal year 1952 the appropriation was $130,000.

For fiscal year 1953 the appropriation of $130,000 was approved and recommended by the Bureau of the Budget but has now been eliminated entirely by the Committee on Appropriations.

The appropriation item of $130,000 recommended by the Defense Department and approved by the Bureau of the Budget does not give away one penny's worth of ammunition. This figure does not supply any ammunition, arms, or equipment gratis. But this money does provide for the funds required to account for the $2,000,000 worth of arms, target frames, and range equipment now on loan to civilian rifle clubs and secondary schools and for the handling of the sale of spare parts, target materials, and similar items, amounting to almost a million dollars annually, to such clubs and patriotic individuals who believe that rifle marksmanship is a necessary adjunct of national defense.

In the limited time allotted to me I do not propose to argue the merits of Government encouragement of rifle marksmanship. I will only remind this House that congressional encouragement of civilian rifle practice was initiated upon the wise counsel and recommendation of such national leaders as Theodore Roosevelt and Elihu Root. It has been supported by such military leaders as Gen. John J. Pershing, Gen. George C. Marshall and Gen. Omar Bradley. It has been the policy of the Congress for nearly half a century.

If Congress has been wrong all these years, or if new weapons and new methods of warfare have outmoded the rifleman and the Infantry, then we should reverse our policy. If, for any reason, the civilian training of our youth in rifle marksmanship is unnecessary, or wasteful, then we should amend the National Defense Act of 1916 and the Cognate Acts of 1924, and we should do away with the Director of Civilian Marksmanship and the National Board for Promotion of Rifle Practice.

Such action, however, should not be taken hurriedly or without due consideration of its effects. It is a matter which should be investigated by the Committee on Armed Services with a view toward recommending such remedial and amendatory legislation to this House as their investigation may find necessary. We should not, without careful consideration, destroy the whole system of our traditional civilian marksmanship program by mere failure to appropriate.

Although we have in the interests of economy reduced the appropriation for the National Board for Promotion of Rifle Practice which such reduction seemed necessary, we have never yet destroyed the National Board or eliminated the Director of Civilian Marksmanship by a total failure of appropriation. Further, if we refuse any appropriation whatsoever, there will be no machinery by which any rifle club, any patriotic male citizen of the United States, any of the small cadet corps and

secondary schools, can purchase ammunition or target materials from the Government for rifle practice. We would also be unable to loan any arms or equipment to such individuals or organizations. The cost of recalling the equipment already in their hands is estimated to be at least a half-million dollars, an amount several times in excess of the $130,000 recommended by the Bureau of the Budget. The failure to appropriate this sum will affect thousands of individuals living in every State of the Union.

It is my well-considered judgment that we leave this small item of $130,000 in the $51,000,000,000 budget until the Armed Services Committee of this House can examine the whole proposition. We should not lightly destroy a Federal organization and reverse a policy which has had the support of the Congress for nearly half a century.

The failure of the Congress to provide any funds for the promotion of rifle practice, for the year 1953, will have the effect of the discontinuance of the issuance of rifles, ammunition, targets, and other accessories for markmanship practice to 3,200 civilian rifle clubs and 34 schools, with a total membership of over 150,000. It also means the discontinuance of marksmanship practice by the majority of the above clubs and individuals. It means the return of all ordnance equipment issued by the Government to clubs on loan, and secured by bonds executed by the clubs. It means the lack of any funds for the personnel in the Office of the Director of Civilian Marksmanship necessary to administer the return and accounting for Government property by clubs, and probable loss to the Government thereby. It means the financial loss to many clubs due to expenditures previously made by them in the securing of bonds, the leasing or rental of range sites, the construction of ranges and other facilities, and the expense of returning ordnance equipment to arsenals, and other expenses in connection with the operation of their clubs. It means the discontinuance of the sale of ammunition, targets, and other supplies for marksmanship practice to civilians from ordnance arsenals as an aid to marksmanship practice. And, finally, its effect on morale of civilian clubs and the unfavorable civilian reaction to the discontinuance of a program authorized in the National Defense Act and subsequent acts of Congress, as a contribution to national defense, and supported by appropriations for many years.

In conclusion, I wish to offer the following summary of statistics:

Original request of Defense Department, fiscal year 1953

For issue of .30-caliber ammunition	$600,000
For issue of .22-caliber ammunition	69,000
Total original ammunition request	669,000

The above $669,000 item was eliminated by the Bureau of the Budget.

Fiscal year 1951, there were 2,056 senior rifle clubs totaling 98,817 members. There were 1,200 junior rifle clubs totaling 51,114 members.

In 1951, 44 percent of firing members were in age group 12 to 17; 26 percent of firing members were in age group 17 to 35; 70 percent firing members in present or future military-age groups.

Mr. MAHON. Mr. Chairman, before yielding to the next speaker on the Democratic side, I should like to make a few remarks and then insert certain information in the RECORD.

On yesterday I undertook to make some general references to the Air Force part of the pending bill. The gentleman from California [Mr. SHEPPARD], the vice chairman of the Subcommittee on Appropriations for the Department of the Navy, discussed the Navy portion of the bill. The gentleman from California [Mr. SHEPPARD] has long been an authority in the field of military appropriations. He has courageously supported the cause of national preparedness throughout his career in Congress and, in my judgment, he has done a good job for the Nation in his service here.

I regret very much that there seems to be no way whereby Members who work such long hours on a month-in-and-month-out basis on military appropriations to receive the thanks which, in my judgment, they deserve. I am not speaking just of the Democrats on this committee. I am also speaking of the Republican side, headed by our beloved friend, the gentleman from New York [Mr. TABER]. We have worked on the military budget in a nonpartisan way, and I want to pay tribute to each and every one of the members of the subcommittee for their devoted attention to this important task. Every member of the committee is economy-minded. He wants to do everything in his power to help preserve the economic stability of this country, but he does not want to do anything that would jeopardize the security of the Nation. In other words, each member has had foremost in his mind the matter of national defense and the public welfare. I hope we have done a good job. We certainly undertook to do our best.

Now, I should like to ask unanimous consent to revise and extend my remarks at this point, and to insert certain details in regard to the pending $46,000,000,000 Department of Defense appropriation bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATION BILL FOR FISCAL YEAR 1953

Mr. MAHON. Mr. Chairman, the Department of Defense appropriation bill for 1953, H. R. 7391, carries the regular annual appropriations for all activities under the control of the National Security Council; National Security Resources Board; National Security Training Commission; Office of the Secretary of Defense, the Armed Forces Policy Council; the Joint Chiefs of Staff and the Joint Staff, the Munitions Board, and the Research and Development Board; the Department of the Army; the Department of the Navy; and the Department of the Air Force. The various items in the bill have been separated into five titles for convenience of consideration.

The following table is a summary statement, by departments and agencies, of appropriations and estimates compared with comparable appropriations for 1952:

Department or agency	Appropriations, 1952 [1]	Estimates, 1953	Recommended in bill for 1953	Bill compared with—	
				1952 appropriations	1953 estimates
National Security Council	$160,000	$168,000	$150,000	−$10,000	−$36,000
National Security Resources Board	1,630,000	1,780,000	1,500,000	−130,000	−280,000
National Security Training Commission	185,000	111,000	75,000	−110,000	−36,000
Office of the Secretary of Defense	529,100,000	466,265,000	414,562,500	−114,537,500	−51,702,500
Department of the Army	19,839,668,330	14,200,000,000	12,520,000,000	−7,319,668,330	−1,680,000,000
Department of the Navy	15,845,330,392	13,822,302,000	12,815,918,000	−3,029,412,392	−1,006,384,000
Department of the Air Force	20,540,485,000	22,430,378,770	20,928,178,770	+387,693,770	−1,502,200,000
Total	56,756,558,722	50,921,022,770	46,680,384,270	−10,076,174,452	−4,240,638,500

[1] Includes funds for pay act increases in the Third Supplemental Appropriation Act, 1952.

The category breakdown of the estimates indicates that military personnel costs will approximate $10,933,000,000, or 22 percent of the total request; maintenance and operation, $12,223,000,000, or 25 percent of the total request; major procurement of such items as aircraft, ships, tanks, guided missiles, ammunition, etc., $21,807,000,000, or 45 percent of the total request; civilian components, $852,000,000, or 2 percent of the total request; research and development, $1,711,000,000, or 4 percent of the total request; industrial mobilization, $81,000,000; and establishment-wide activities, $959,000,000, or 2 percent of the total request. No request is contained in the bill for new acquisition or construction of real property, but there is a request for $45,334,770 for liquidation of obligations incurred pursuant to authority heretofore granted to the Air Force. The President's budget indicates that $3,500,000,000 will be requested of the Congress at a later date for acquisition and construction of real property.

FUNDS AVAILABLE, EXPENDITURES, CARRY-OVERS

The following tabulation sets forth the most accurate information obtainable of funds available for expenditure during the periods indicated, expenditures for the same periods, and the carry-over of funds into the succeeding period:

OBLIGATIONS

A review of the funds provided for obligations by the three services indicates that for fiscal year 1951 there was available for obligation $48,355,000,000. Of this amount $44,448,000,000 was obligated and $203,000,000 lapsed, leaving $3,704,000,000 of unobligated funds for carry-over into the fiscal year 1952.

For fiscal year 1952, funds in the amount of $58,422,000,000 were made available for obligation. This amount, together with the carry-over, gave the three services a total of $62,126,000,000 available for obligation. It is estimated that as of June 30, 1952, the end of the current fiscal year, there will have been obligated from these funds $59,980,000,000; that $83,000,000 will lapse, and that $2,063,000,000 will be carried over into fiscal year 1953. The availability of these carry-over funds has been taken into consideration in evaluating present requirements.

The following will show in tabular form the breakdown of funds for obligation between the three services:

Summary of funds available, expenditures, and carry-overs, fiscal years 1951, 1952, and 1953

		Billion
Funds available in 1951		$57.9
Expenditures in 1951		19.7
Unexpended funds carried over into fiscal year 1952		38.2
Additional funds for 1952:		
Appropriated	$60.8	
Proposed supplemental	1.5	
		62.3
Total funds available for 1952		100.5
Total expenditures for 1952	41.4	
Estimated lapses	.7	
		42.1
Unexpended funds carried over into fiscal year 1953		58.4
Additional funds for 1953:		
Funds in 1953 bill	46.6	
Proposed supplemental	3.5	
		50.1
Total funds for 1953 (estimated)		108.5
Expenditures (estimated) in 1953		52.5
Unexpended funds carried over into fiscal year 1954		56.0

Obligations, fiscal years 1951, 1952, and 1953

[Billions of dollars]

	Army	Navy	Air	Total
Funds available for obligation, 1951	19.461	12.738	16.156	48.355
Deduct:				
Obligations	17.259	12.136	15.053	44.448
Lapses	.052	.106	.045	.203
Balance unobligated and carried over into 1952	2.150	.496	1.058	3.704
New funds made available for obligation, 1952	20.839	15.580	22.003	58.422
Total funds available for obligation, 1952	[1] 22.989	[1] 16.076	[1] 23.061	[1] 62.126
Deduct:				
Obligations (estimated) during 1952	22.538	15.801	.21 641	59.980
Lapses (estimated) on June 30, 1952	0	.017	.066	.083
Balance unobligated and carried over into 1953	.451	.258	1.354	2.063

[1] Proposed supplemental of $1.5 billion, which has not yet been submitted to the Congress, not included in funds available for 1952.

MAINTENANCE AND OPERATIONS

The request for funds for maintenance and operations continues to be one of the major requirements representing approximately 25 percent of the budget request or $12,223,000,000, divided between the services as follows: Army $4,690,000,000, Navy $3,008,000,000, and Air Force $4,525,000,000.

So long as there is a continuing expansion of the military forces, requests under this appropriation will increase as it is from this appropriation that day-to-day operating or recurrent expenses, as distinguished from capital purchases, are made. The present request represents an increase of $172,000,000 over the appropriation for the current fiscal year. Major reductions were recommended by the committee in maintenance and operation requests for funds which are explained elsewhere.

MAJOR PROCUREMENT

The purpose of the appropriation requested for major procurement and production is to provide for the procurement of such items as aircraft, ships, and harbor craft, tanks, guided missiles, industrial mobilization, modifications to modernize the equipment of the forces, replacement of worn-out or obsolete equipment, ammunition for training, and to accumulate a sufficient reserve of military equipment to support the forces. Some of the funds will be used to recoup equipment and ammunition consumed in Korea during the current fiscal year and to cover normal peacetime attrition of matériel.

The over-all request for major procurement totals $21,807,000,000, or 45 percent of the budget request and is divided between the services as follows: Army $3,665,000,000; Navy $6,106,000,000; and Air Force $12,036,000,000. Approximately $14,059,000,000 of the above requested amount will be used for aircraft and related procurement to increase the Air Force from its present strength toward a goal of 143 wings, and to enable the Navy to increase its present operating aircraft from some 8,700 to approximately 10,200. It is anticipated that the requested funds will provide the Navy and Air Force with approximately 10,300 new aircraft.

There is a large decrease in the request of the Department of the Army in the procurement area as compared to the $8,400,000,000 apropriated for the same purposes for fiscal year 1951 and the $3,700,000,000 appropriated for fiscal year 1952. The reduced request reflects the carry-over from the two preceding fiscal years which does not lapse but will continue to be available. It does not indicate a decrease in the receipt of end items.

There is a lesser decrease in the request on the part of the Navy and Air Force below the amounts appropriated for fiscal year 1952, but a sizable increase in each instance over the amounts appropriated for fiscal year 1951.

Additional obligational authority in the amount of $1,150,000,000 is requested by the Navy for shipbuilding. The construction of ships requires many months, depending upon the size and complexity of the particular ship under construction, and funds for this purpose are provided each year and made available until expended. The committee was advised that funds in the amount of some $2,714,000,000 are still unexpended from prior year appropriations which, added to and used in conjunction with the funds herein requested will permit a material increase in the effort devoted to shipbuilding and conversion during fiscal year 1953.

Other requirements for major procurement such as electronic equipment required to complete the modernization of the active fleet, supporting communications and electronics installations ashore, some electronic equipment to modernize the reserve fleet, as well as initial equipment and supply levels for additional forces to be built up during the year, peacetime consumption of the expanded force, and some war reserves including considerable emphasis on ammunition, will be funded from appropriations requested herein and discussed in more detail later herein.

Major procurement accounts for 45 percent of the military budget request but if the procurement costs of subsistence, clothing, fuel for operations and other materials and supplies used in Maintenance and Operations the figure would be far above the 45 percent.

CIVILIAN EMPLOYEES

Under the provisions of Public Law 179, Eighty-first Congress, a civilian personnel ceiling of not to exceed 500,000 full-time graded civilian employees was established. The over-all ceiling for graded and ungraded employees was fixed at 1,369,552. As of January 31, 1952, there was employed in Department of Defense activities approximately 1,290,000 of which 1,230,000 are paid from funds for regular military functions. Approximately 490,000 of these employees are graded. It is anticipated that the June 30, 1952, employment will equal the established ceilings. For fiscal year 1953

request is made for an increase over the presently established ceiling for graded employees of 64,640, making the request for the graded employees ceiling 564,640, and an ungraded ceiling of 905,800.

Compensation for the employees requested for fiscal year 1953, and the similar obligations for the numbers estimated for fiscal year 1952 are as follows:

	1952	1953
Army	$1,859,672,452	$1,922,628,628
Navy	1,848,861,754	1,935,988,153
Air Force	988,414,357	1,169,426,384
Office, Secretary of Defense	11,664,000	11,736,100
	4,708,612,563	5,039,779,265

The committee recommends the retention in the bill of the section limiting full-time graded civilian employees to not to exceed 500,000. The $4,200,000,000 reduction in the over-all budget request will result in a marked reduction in civilian personnel below the numbers estimated in the fiscal year 1953 budget.

MILITARY PERSONNEL

The request submitted for military personnel for fiscal year 1953 contemplates a total end strength of approximately 3,690,000 as of June 30, 1953, divided as follows:

Army	1,550,000
Navy	835,873
Marines	243,730
Air Force	1,061,000
Total	3,690,603

If the strength is obtained it will be some 220,000 in excess of the strength at the time of the hearings and approximately 100,000 more than the contemplated strength at the end of this fiscal year, June 30, 1952.

To provide such a military strength with pay, allowances, subsistence, clothing, travel, and welfare, and a small amount of clothing and combat rations for mobilization reserves the sum of $10,933,000,000 is requested, which is about 22 percent of the budget.

CIVILIAN COMPONENTS

Appropriations in the amount of $852,000,000 is requested for the civilian components of the military forces. The fundamental principle behind the civilian-components program is the availability and effectiveness of the trained forces in time of need to furnish forces or units capable of taking the field within a minimum period of time and blend promptly and effectively into the forces in being. There is a continuing requirement for trained individuals and units to bring existing forces up to war strength and to provide qualified replacements to maintain the effective strength of the forces in being. To meet the requirements the Reserve programs provide for combat training, support training, replacement training, specialist training, mobilization-assignment programs, and individual-trainee programs. Under some of the programs 48 drill periods and 15 days' active-duty training per annum are provided, and other programs provide for 24 drill periods and 15 days' active-duty training per annum.

The over-all request for appropriations as presented to the committee calls for $852,000,000 divided as follows: Army $418,000,000; Navy $244,000,000; and the Air Force $190,000,000. The committee has recommended reductions in these amounts based upon the belief that the goals set by the services are unattainable.

RESEARCH AND DEVELOPMENT

The purpose of research and development is to provide the best and most advanced weapons to the military forces. It is realized that technical superiority in weapons can mean the difference between victory and defeat. The research and development program is essential to insure that the productive and material resources of the Nation go into weapons and equipment superior in quality and performance to those of any potential enemy or aggressor nation.

Funds requested for research and development total $1,711,000,000, of which $1,515,000,000 is for direct costs and $196,000,000 is for indirect costs.

KOREAN COSTS

Appropriations for the Department of Defense for fiscal year 1952 carried no specific funds for Korean costs. It is anticipated that a fiscal year 1952 supplemental request for funds will be presented to the Congress before long requesting that portion of the Korean costs that could not be absorbed from fiscal year 1952 funds. It is estimated that the amount will approximate $1,500,000,000. The actual estimated cost of the Korean war for the current fiscal year approximates $5,000,000,000.

The budget requests for fiscal year 1953 contain no specific funds to support hostilities in Korea beyond June 30, 1952, or for the additional costs generated as a result of the pay-as-you-go policy in Japan. Such additional costs when and if required will be the subject of supplemental consideration.

WASTE

During recent months numerous charges of waste and extravagance in the military departments have been given wide publicity. Various committees of the House and Senate, including the House Appropriations Committee, have been at work seeking to ferret out waste and mismanagement and discover areas of saving. These efforts have not been without success.

The committee has been much concerned about critical allegations and revelations, and in the consideration of budgetary requests for the national defense has devoted considerable attention to ascertaining what corrective steps could be taken, either through reductions in appropriations, through recommended legislation, or through changed procedures.

If economy, efficiency, and good management could be achieved by the simple process of reducing appropriations for the Department of Defense, the task of Congress would be relatively simple. The trouble is that a mere reduction in funds in an appropriation bill may in no way increase efficiency in the operation of the Military Establishment. A reduction in funds in some instances might very easily have the opposite effect of compounding error and mismanagement. It is possible to mismanage a small business on the same basis that a large business may be mismanaged.

Nevertheless, a considerable portion of the $4,200,000,000 reduction in the current bill has been made with the specific purpose in mind of enforcing a better job of military management and expenditure. Some way must be found to shock the people in the Department of Defense from top to bottom into the full realization that Congress and the American people will not tolerate flagrant waste in money and manpower. What we seek is to get across this idea to all the services from the secretarial level to the very bottom. Budget officers and top officials who appear before the committee could not escape being aware of the congressional demand for economy and efficiency, but vast numbers of military personnel who never come in contact with congressional committees and who do not have to answer personally the criticisms by the press and otherwise, need somehow to be made to realize that this country cannot afford the luxury of vast waste in military operations. The committee applauds efforts being made by the services to bring about cost consciousness.

A reading of the hearings will clearly demonstrate that some progress is being made toward getting value received for the tax dollars by all branches of the service—admitted the job is a difficult one in view of the extensive operations of the Military Establishment.

The Department of Defense is incomparably larger and more far-flung in scope than the combination of a score of our largest corporations. Since the outbreak of the Korean war the Army itself has awarded over 2,500,000 separate contracts, totaling some $20,000,000,000. Statistics for the Air Force and Navy would be equally impressive. Perfection cannot, of course, be expected in so large an operation. Indeed, there is waste in the operation of private business—little business and big business—running into many millions of dollars annually.

Some of the criticisms which have been leveled at the Department have been greatly exaggerated, but there is no glossing over the fact that there have been considerable areas of waste and mismanagement in our military program. Members who are interested in pursuing discussions of the pros and cons of military waste are referred to the hearings where the problem of waste was a subject of daily discussion.

Mr. Chairman, I yield the remainder of the time to the gentleman who was chairman of the Army subcommittee and who worked with the gentleman from Kansas [Mr. SCRIVNER] and the gentleman from Pennsylvania [Mr. FLOOD] in the preparation of this portion of the bill. The gentleman from Florida [Mr. SIKES] is an experienced legislator, who has established himself as a man who knows and loves the cause of national defense and is doing the best he can to serve the public interest. Mr. SIKES.

Mr. SIKES. Mr. Chairman, I want to express my earnest and sincere thanks and commendation to the men who served with me in the preparation of this bill: The gentleman from Pennsylvania [Mr. FLOOD], the gentleman from South Carolina [Mr. RILEY], the gentleman from Kansas [Mr. SCRIVNER]. The clerks, Mr. Oreskin and Mr. Phleger. All of them made splendid contributions; they worked long hours, and they worked tirelessly. I have never served with men who tried harder to do a good job and to do the right thing.

I want to take a moment to give you the Army picture as it now exists. On March 1, the money available for the Army was $22,300,000,000; obligations at that time were $16,300,000,000. It is estimated that at the end of this fiscal year, on June 30, there will be in the Army funds $17,700,000,000, of which there will be an unobligated balance of only $451,000,000. In other words, the Army will have placed orders for the equipment it needs, and will be prepared to pay for that equipment when it is delivered.

The number of civilians on the Army payrolls as of June 30, is estimated to be 503,500. The Army requested the right to hire some additional civilians for a total during fiscal year 1953 of 516,500. That will not be possible under the cuts made in the bill.

Military personnel at the end of the fiscal year, it is estimated, will number 1,563,000, or a few more than the number proposed for fiscal 1953. The number proposed for fiscal 1953 is 1,550,000. As the gentleman from Kansas [Mr. SCRIVNER] pointed out, 700,000 men are getting out of the Army because their enlistment expires during fiscal 1953, and the Army faces the great task of building its forces up again.

Mr. Chairman, let me emphasize, we are talking about the Army at this time; we are talking about the force which held in Korea, the force which held in Korea despite every obstacle and everything that could be thrown against them. This is the force which held, Mr. Chairman, by sheer guts—and a lot of the time in the early days that was about all they had. Korea has shown very clearly that in the type of warfare we have used thus far, only ground forces can stop ground forces. For a long time, we had all the air power; we still have all the sea power, but it was the Army which held on in Korea. Neither air power nor sea power could stop the Reds. I do not in any sense, Mr. Chairman, minimize the importance of the Air Force or of the Navy; they are part of our defense forces and we must have them all to do the defense job; but do not forget, it is on the Army that we shall have to depend to hold a chunk of Europe for the free world if the big war comes.

Since Korea began the Army has doubled the number of its divisions, doubled the number of its regimental combat teams, more than doubled the number of antiaircraft units which are defending this country against possible air attacks, released to production more new items from research and development in 1 year than in the previous 4 years, strengthened the Army, and this required the training of a million new men; strengthened our forces overseas in all corners of the world, and shipped to our partners under the mutual security program more than 1,000,000 tons of military supplies. At the same time the Army has carried on a conflict 5,000 miles from home and done very well at it. The Eighth Army is the finest Army in the world today.

The Army has done some other things that I think the people back home are interested in, Mr. Chairman. The Army has in the past 12 months conducted a quarter of a million chapel services which were attended by 15,000,000 servicemen and their dependents and others. The Army during the struggle in Korea has reduced, by improvements in medical services, the number of men who die from wounds to a figure less than half the number, percentagewise, who died in World War II from wounds.

During World War II we had the best record in the Armed Forces for care of personnel of any medical service in the world; now it is even better.

In addition to that, the Army is the service that has put on a determined stop-waste campaign. For the first time it is grading men in their efficiency reports on the kind of savings that they make.

Mr. Chairman, I want to say something about the things that the Army requested for this year and what the committee proposes to allow. The Army asked for $14,200,000,000, of which 26 percent was for production and procurement, 35 percent for maintenance operation and 30 percent for military personnel. We cut that 11.8 percent, and, Mr. Chairman, that, I believe, is the biggest cut inflicted on any military service since Pearl Harbor. By contrast the Air Force and Navy were cut approximately 7 percent.

I want to discuss those cuts briefly. We tried to make proper cuts, we tried to make safe cuts. For instance, we found in our studies on furniture that the services only allow 9 years for the life of a steel desk and 8 years for the life of a wooden desk. That is utterly ridiculous. I have been using one in my office now for 12 years and it will outlast me. So we cut out money for new office furniture.

We cut money for subsistence and clothing. Obviously you and I are not going to be a party to cutting the food and the uniforms that these men actually need. But they estimated their requirements on the basis of last year's prices. This year's prices are a little lower at this time. If they continue to drop we can pick up some more money there. We are gambling that prices are not going to be as high as they were last year. If they are, we will have to put some of this money back. But we believe also that economies in food handling and in uniforms can be made.

We cut out half the money requested for college training of men already in the service.

Obviously there are some activities, such as in electronics and engineering, where men in uniform need to be sent to college for post-graduate work in order to keep abreast of the rapid development in these fields. But there is a lot of money in here to train lawyers. It seems utterly ridiculous, when there are thousands of men graduating from ROTC schools who have taken a law course and who would like to be in the services to train people in the Army in this field. We cut out half of that money and we have asked the services to apply that cut in the light of the committee's statements.

Then we cut tuition that is paid for men who go to school on their own time at branch universities or at regular universities which are near the Army posts. The Government has been paying half of the tuition for officers and three-quarters of the tuition for enlisted men. We cut that. We cut out all of the tuition for officers and we cut the tuition for enlisted men back to 50 percent. We feel that if these men want to carry on their college training on their own time they should be encouraged to do it, but they ought to want to advance themselves enough to do so without the Government having to pay for it.

Then we cut recruiting. It was pointed out on yesterday that there have been abuses in this respect.

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

Mr. SIKES. I yield to the gentleman from Louisiana.

Mr. BROOKS. I have an inquiry about that cut from one of the great schools of the country. This school is very fearful that that cut may result in an unfavorable siutation. I think they said they had 12 members of their staff serving out in the Caribbean. They are very fearful that the staff will leave the service and return to the school because they can use them back in the school.

I have a very high regard for the gentleman's judgment, and may I ask him, what is his observation in reference to that? Does he think that is going to disrupt the schools for officers who are trying to improve their abilities?

Mr. SIKES. The gentleman is speaking of the men who go to school on their own time?

Mr. BROOKS. Yes. For instance, the University of Maryland has a large contingent, they tell me, in Europe, I believe, and another school has a large contingent in Asia. I am wondering how that cut is going to affect those schools.

Mr. SIKES. It is entirely possible that some of those services will be cut out. In most of those cases there will be extension courses that these men can take. I take the position that if one wants an education badly enough, he should not be unwilling to suffer some sacrifice.

Mr. BROOKS. I am trying to get the gentleman's attitude.

Mr. SIKES. I know the gentleman is sympathetic toward service problems.

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

Mr. SIKES. I yield to the gentleman from Kansas.

Mr. SCRIVNER. I am quite sure that the teachers' staff that the gentleman

from Louisiana is talking about is being used in connection with the information and education service, which are correspondence courses.

Mr. BROOKS. I think that is true.

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

Mr. SIKES. I yield to the gentleman from Tennessee.

Mr. SUTTON. I am glad to hear the gentleman from Florida say that he does not believe in sending these officers to law schools, and so forth. I have talked with the gentleman about it and I know how he feels about the situation. I am glad that he brought this up. At the proper time I shall offer an amendment to take away completely all the money for the education of lawyers, and so forth, from this appropriation.

Mr. SIKES. If I may talk about recruiting now, we feel that some money is being wasted in that program. As was pointed out yesterday, in some cities—not all—there are separate recruiting stations for each service. That is unnecessary. One recruiting station could take care of the whole job. We found that in Wyoming, for instance, it is costing $1,050 a man to get recruits for the service. We think this is an unrealistic situation that the services can do something about. I do not care to cripple the recruiting service, because that is beamed at getting men who are career men, and not 2-year draftees, most of whom want to get out as soon as their time is up, but career men who will be useful to the Government by reason of their training after a long period of time. A modern Army cannot be built around 2-year men.

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

Mr. SIKES. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Is it not a fact that all of these men can volunteer through the Selective Service System?

Mr. SIKES. That is true.

Mr. ALBERT. And is it not a fact that once they reach the first station they are asked whether they want to go into the Regular Army or not?

Mr. SIKES. That is right.

Mr. ALBERT. So are we not duplicating a lot here?

Mr. SIKES. I have stated a more realistic job and a less costly job can be done. We have cut them some, and possibly we could have cut more. But I do not believe recruiting should be eliminated.

Now I want to talk about publicity, because we inflicted a healthy cut there. The publicity cut for Washington was from $1,250,000 to $312,500 or 75 percent; over-all from $11,700,000 to $5,585,000 or 50 percent. It appears there has been unnecessary grandstanding by some of the services, but I feel the Army is the least guilty of such actions.

Now these cuts are reasonably safe, There are other cuts that may not be as safe. Take the stock fund. The stock fund was cut from $400,000,000 to $140,000,000. The stock fund is the money which allows the service to pay for the accumulation of stocks of uniforms, equipment and equipage, a fancy word meaning odds and ends. If we had to mobilize in a hurry, and build up our forces above the present levels, a serious shortage of uniforms and uniform equipment could develop.

We took a pretty heavy slash at the administrative functions. The Army is relatively the same size it was a year ago and therefore it should be able to carry on its administrative functions for less money. It should be able to increase its economy of operation, but instead of that we find a number of cases where they were trying to build up administrative payrolls. Now for their side let me say that they have more equipment to look after, longer supply lines, and they say these operations require more people. We took the opposite view that they could stand cuts. Now you can cut too much on administration. You can have a headless organization and actually induce inefficiency by cutting too deeply, but we took chances on that.

The gentleman from Kansas [Mr. SCRIVNER] has discussed the cuts in the National Guard and the Reserve. We have been constantly appropriating more money for the Reserves than they have been able to use. The Guard has heretofore been able to make good use of the money which we appropriated. Under the new draft act, men coming out of the service go into the Reserves for 2 years, but they do not have to go into an active Reserve. Therefore we feel that the Army objectives for both the National Guard and the Reserves are too high to be realistic. We took a medium point, half way between their present strength and the point that they hope to reach, and that is where we pegged the money figures for them. I, for one, do not want to cut the fund for the Guard and the Reserves below what they need, and if they need more later, I am going to ask somewhere along the line that it be provided.

Here is an item that disturbed us very much, and that is travel money. The services have not, in my opinion, been completely realistic about travel. They seem to send people from one end of the country to the other, and as soon as they get there, it seems they are turned around and sent back. Dependents' travel and furniture shipments are costing a lot of money. The committee has complained and complained about that, and still the services have not stopped abuses. There is in this bill this year total travel for military personnel $266,000,000, and transportation of things $467,000,000. We have cut those items 42.8 million, and I do not know whether that is low enough or not, but we have to watch this. We cannot cut so low that we are to stop such things as rotation of troops from Korea. We have to be very careful about that possibility. There is a level below which we cannot safely go in these items. There is a big turn-over of men this year whose enlistments expire, and that is going to create new travel expenses.

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

Mr. SIKES. I yield to the gentleman from Mississippi.

Mr. COLMER. On the over-all picture of economies that are attempted in this bill, I wonder if the distinguished and very able and studious gentleman addressing the House, a member of this committee, agrees that in order to really effect any economy in here, there has got to be a limitation placed on the expenditures.

Mr. SIKES. I think I will follow the gentleman on that. That is what we tried to do in the bill.

Mr. COLMER. I understand, but with the enormous carry-over that we had from the previous year, unless there is some limitation upon expenditures, the cuts will not amount to a great deal. I think the gentleman agrees with that line of reasoning; does he not?

Mr. SIKES. I cannot follow the gentleman's reasoning with respect to carry-over of funds that are obligated funds. The gentleman realizes that money which is carried over is not available for such things as pay and subsistence, but is money to pay for equipment which is on order.

Mr. COLMER. If the gentleman will permit me, and of course I do not want to usurp his time, we had a carry-over of approximately $72,000,000,000 from last year. Now forget the obligations for a moment. If we appropriate another $46,000,000,000 or $50,000,000,000 here, and that would bring it up somewhere in the neighborhood of $111,000,000,000—maybe my figures are not exactly correct, I am giving them from memory—there would be a total of approximately $111,000,000,000 to be expended in those 2 years. We all realize that you cannot or nobody can spend that much money and spend it intelligently, and therefore, unless there is some curb on the expenditures, your cuts will not amount to anything.

Mr. SIKES. Let me say to my friend I have very little time remaining for the many items that I want to discuss. But I will take some time when the bill is being considered under the 5-minute rule, and discuss the obligations picture in detail, if the gentleman will be good enough to permit me to go ahead now.

Mr. COLMER. Will the gentleman agree with me generally?

Mr. SIKES. No; I do not agree.

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

Mr. SIKES. I yield.

Mr. COUDERT. First, let me call the attention of the Members of the House to an article which I inserted in the RECORD, in the Appendix at page A2172, by a New York Times reporter who discusses very effectively this question of expenditures versus appropriations.

Now, Mr. Chairman, I would like to ask the gentleman two questions. I was somewhat surprised to find in the 80-page report in support of the bill that it is apparently predicated upon the assumption that there is to be an increase of 220,000 military personnel over the current year; is that correct?

Mr. SIKES. There is to be some build-up—not in the Army. There will be no build-up in the Army. I do not have the Air Force and Navy figures. I refer your question to the chairman of those subcommittees.

Mr. MAHON. I am not sure of the exact figure but there is no question the number will go to about 3,700,000 at the end of the next fiscal year.

Mr. SIKES. The build-up would not be in the Army. There is no increase in the Army strength figures. What is the gentleman's other question?

Mr. COUDERT. My other question is: Will the gentleman advise the House, just what is the amount of the cost to the United States of maintaining the military personnel in Europe?

Mr. SIKES. I can only give you the Army's figures. The Air Force has stated to me they do not at this time have a breakdown of their figures. The Navy, of course, has no additional cost. The Army is maintaining six divisions in Europe, plus supporting troops, and they tell me that it is costing $167,000,000 more by virtue of transportation and station allowances. They may make some savings on the civilian personnel by hiring indigenous personnel overseas that cost only one-third as much as people hired in this country.

Mr. COUDERT. What is the over-all cost of the actual maintenance of troops—the total cost regardless?

Mr. SIKES. One billion three hundred million dollars.

Mr. COUDERT. And you say the Air Force was unable or unwilling to provide those figures?

Mr. SIKES. They stated to me they did not have them available at this time. They will be available later.

Mr. COUDERT. And the Air Force has very substantial bases, and is growing?

Mr. SIKES. I know of no reason why the Air Force should not provide such figures, and I am confident they will.

Mr. COUDERT. May I say through you to the chairman of the committee, the gentleman from Texas, that I hope before the bill is completed, he will be able to get from the Air Force the cost of maintaining our Air Force and their installations in Europe. I think the House of Representatives and the country are entitled to know what all this is costing.

Mr. SIKES. Mr. Chairman, if I may proceed now, we come to the cuts which actually may be dangerous cuts. We cut $300,000,000 out of maintenance and operations. When you defer maintenance; resurfacing of roads, and repair of buildings, and reroofing of buildings, care and rebuilding of machinery and equipment, these things sometimes become much more costly than if proper repair and maintenance had been exercised currently. This item also includes training of troops. You cannot cut that too deeply and have a realistic training program.

We took $918,000,000 out of production and procurement. That is a 25-percent-plus cut. Mr. Chairman, we have tried to limit funds on the long lead-time items on tanks, trucks, electronics, ammunition, and mobilization reserve items; on things where the orders have been built up sufficiently that we hoped the production lines would not stop before the 1954 money can be made available. Some of these are absolutely essential items. Ammunition is a good example and we hope we did not cut them too much. The production lines must continue until 1954 funds become available or we have dangerous shortages and greater costs. There is serious question in my mind whether we have not cut too deep in some instances. We may have to put some of this money back. In scarce items like tanks we cannot afford to fall too far behind in production.

We must bear in mind that throughout the budget estimates no provision has been made for possible future price increases. Instead the latest contract price experience has been used in setting up anticipated costs. In some instances we counted on dropping prices in the coming months because of a present trend in prices of some items. A steel strike may easily upset those calculations. If there are other factors which cause prices to rise, it obviously will be necessary to reduce or defer the programs contained in this bill or to request more funds to do the same job.

You will have noticed that we did not cut research. We simply cannot compete with Red manpower. They outnumber us many times. We must take advantage of every possible industrial development which will give us greater fire power or more efficient use of our forces if we can do so without getting our people enmeshed in too many gadgets and too much equipment. It is possible to carry mechanization to the point that too many people will be required for the operation and maintenance of equipment and that too few are left for combat units. That is not a present danger. By far the greater danger is that the Reds will get ahead of us in guided missiles, in new special weapons, in radiological warfare and in other highly significant fields of warfare.

Research has contributed a great deal. Before 1952 the medium tank had five different engines; now a single engine goes into five different types of vehicles. This reduces maintenance costs and spare parts inventories. Research developed a new tank turret. It was placed into manufacture without field testing. We took a deliberate gamble in order to save a year in getting a more effective tank into combat. As might have been anticipated it was found that the turret had bugs but those bugs are being eliminated without too much difficulty and we have saved the time and a lot of money by gambling on research.

Finally, I would like to discuss some odds and ends, some of which should be corrected by legislation.

For instance, fluctuating draft calls produce fluctuating requirements for training facilities, barracks space, food and clothing. We could carry on our training program with greater economy if uniform draft calls were issued each month.

Then there is the matter of physical examinations. If these were obtained by draftees at their home towns, it is obvious a considerable saving would result. The present practice is to send them to military induction installations for examination. This is a costly practice.

The greatest source of waste in the present method of operating selective service, however, appears to lie in the failure of the local boards to determine dependency. At present the draft boards make no attempt to decide dependency matters and send men into military service without regard to family hardship. Once inducted these men are entitled to file for a hardship discharge. Several thousand of them are discharged each year before their basic training is completed. The Government investment in these men is a total loss. Moreover it has wasted time by partially training a man who must now be replaced by another draftee. If the local boards eliminated at least the more obvious cases, this situation could be avoided.

There has been much talk about waste and the necessity for cutting out waste. It is easy to generalize but generalizations on waste are of little help in eliminating it. Across-the-board cuts or straight percentage cuts do not get rid of the fat or the waste and they may cripple essential programs. Nonetheless, we must eliminate waste wherever we best can.

We have a tough problem on our hands. Russia is counting on us to defeat ourselves by blunders or excessive spending fully as much—I think more—than she expects to be able to defeat us by force of arms. Faced with a colossal national debt and enormous defense expenditures which some distinguished authorities have said may last for 20 to 30 years, we must stop waste and reckless squandering wherever it exists or we shall end up in national bankruptcy.

A battlefield is not the only place where we could lose a war. I don't think that has occurred to most of us but it has occurred to Joe Stalin. No matter how strong we may be militarily the American system of democratic government could not survive the destruction of the American free-enterprise system. It can be destroyed by overspending and overtaxing.

The committee recognizes the fact that we cannot afford full mobilization for an indefinite period of time. We have tried to strike a balance. This bill is the result of that attempt for fiscal year 1953.

Many have wondered why American military production apparently is poor in comparison with Communist military production when Congress has provided almost all the funds and all the authority requested by the administration and the Department of Defense.

Let us disregard such factors as slave labor, rigid and complete Government controls of all production and consider only our own side of the case. It takes a long time to set up production lines for the manufacture of complicated modern military equipment. For most of it there is no parallel industry in peacetime which can readily be shifted to military production. We must build the tools that go into the production lines.

But in addition we are at this time bound to the theory that the American people must have their comforts and conveniences until the big war actually strikes. We are not depriving them of any of the things they would enjoy in peacetime. That means factories must be built and workers trained to handle

military production in order not to interfere with civilian production. This policy of guns and butter is very definitely a material contributing factor to lagging American military production. Some day we may rue the risk we take.

In this bill we have done about as well as we could under the very hurried procedure we followed. We in Congress should face the fact that there is need for more clerical help, for a full-time and complete investigating staff. Unfortunately it seems that only Congress can be depended upon to expose and to complain of waste in government. We need more equipment to do the job well. Congressmen at best are only part-time experts on budget operations. We cannot possibly match wits with professionals who spend all of their time and even all their lives in budget operations and who are flanked with staffs of many experts when they come to the Capitol. Congressmen cannot buck budget problems and do all of the other things now expected of them.

In writing this bill we have fought waste. But the fact remains that all war is waste and much of the preparation for war is waste. Haste makes waste and we are building defense in a hurry.

Despite all that we can do in this bill or in later bills the greatest savings will come through a genuine consciousness of the importance of savings by the members of the Armed Forces. A more realistic training program within the services toward that end is essential.

War may come next fall or next year, or we may be faced with a long pull in which war never comes. Whatever happens we cannot disregard the capabilities of the enemy—militarily or diplomatically. We have already been guilty of that. Too long have we underestimated what the Russians can do. We in politics should know that it is never safe to underestimate an opponent. We do not know when or where Joe Stalin will pull the trigger. We are trying to be as near ready as we can under the rules set out for us by the people who make the policies. In voting on a bill like this each of us must sleep with his own conscience on his contribution to the Nation's defense.

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

The Clerk read as follows:

TITLE I

NATIONAL SECURITY COUNCIL

Salaries and expenses: For expenses necessary for the National Security Council, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not in excess of $50 per diem for individuals; acceptance and utilization of voluntary and uncompensated services; and expenses of attendance at meetings concerned with work related to the activity of the Council; $150,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know of no spending legislation that has come before this House of Representatives in the last 3 years amid more confusion or attended with less justification than the pending measure calling for the spending of nearly $50,000,000,000.

At the outset I want to put in the RECORD again part of the statement to be found on page 15 of the committee print. Listen to this:

In a number of instances witnesses were not sufficiently familiar with their programs to explain clearly what had been done with funds granted in prior years, or what was to be done with the 1953 request * * * in many instances such information became available too late to have a bearing on the issues involved.

Again, on page 7 of the committee print we find this statement:

Some way must be found to shock the people in the Department of Defense from top to bottom into the full realization that Congress and the American people will not tolerate flagrant waste in money and manpower * * * vast numbers of military personnel who never come in contact with congressional committees * * * need somehow to be made to realize that this country cannot afford the luxury of vast waste in military operations.

Mr. Chairman, I submit that until there are courts martial and imprisonment of military personnel and civil prosecution and imprisonment of civilian personnel guilty of maladministration, waste, inefficiency and plain dishonesty there will be no end to the situation about which the committee and others have complained so bitterly.

Yesterday, the chairman of the House Armed Services Committee [Mr. VINSON] appeared in the well of the House and insisted that the cut of $4,000,000,000 in this bill represented a cut to the very bone. The gentleman from Georgia was followed a little later into the well of the House by the chairman of the Appropriations Committee [Mr. CANNON], who told how the chairman of the Armed Services Committee had buttonholed him in the cloak room and waylaid him in the corridors insisting that this bill be cut $6,000,000,000.

Then, when the bill was ready for House consideration, carrying a $4,200,000,000 cut, the gentleman from Missouri [Mr. CANNON] said he was astonished when the chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], came to him and, despite previous insistence that a six billion cut was in order, protested that a cut of slightly more than four billion was too much.

Just how much confusion can be heaped on a piece of legislation such as this with the expectation that the Members of this House will swallow it—hook, line, and sinker?

It is unfortunate that all Members of the House were not present yesterday afternoon to hear the gentleman from North Carolina [Mr. BONNER], call attention to the dismal failure of the so-called unification of the Armed Forces.

He charged that his committee found no semblance of a unified command in Alaska; the Air Force and the Army fighting over control of the supply system in Japan, and paralleling supply systems being constructed in France and Germany.

Is there any question that General Eisenhower supported the unification act? Yet, under his very nose, in France and Germany, the spirit if not the letter of this law is being violated with millions upon millions of dollars of waste to the taxpayers of America. The gentleman from North Carolina asserted there is no secret about this duplicating supply system. The warehouses, depots, and everything else, he says, are there for anyone to see. The intimation here is that anyone and everyone but Eisenhower can see them.

All this points up the appalling failure of the office of Secretary of Defense to fulfill the statutory responsibility of unification and which is out under the terms of this bill to grab nearly another half billion dollars.

But the failure of the unification act should be no surprise to anyone. For all effective purposes, it was scuttled in the fall of 1949 with the purging of Admiral Denfeld. In complete violation of that provision of the unification act, which provides that a member of the Joint Chiefs of Staff may testify before a congressional committee on his own volition and be protected in his right to do so, Admiral Denfeld was crucified by President Truman and the arrogant military hierarchy created under the framework of the so-called unification act.

Is it any wonder that Members of Congress and committees of this House find it most difficult if not impossible to obtain the information necessary to justify many of the spending items in this bill or compel a following of the plain mandates of Congress? After the brutal treatment accorded Admiral Denfeld is it to be expected that men will testify freely and frankly, knowing the fate that awaits them?

Without fear of successful contradiction, I say that more than the groundwork has been laid for the establishment of a military dictatorship in this country.

This bill ought to be recommitted and brought back to the House after the Easter recess, and after justifications have been made for all expenditures. Moreover, it would be most healthy if Members talked with their constituents during the Easter recess.

In justice to all the people of this Nation, Congress must no longer carry on its work in a vacuum of ignorance, contradiction, and confusion.

The Clerk read as follows:

NATIONAL SECURITY RESOURCES BOARD

Salaries and expenses: For expenses necessary for the National Security Resources Board; including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem and contracts with temporary or part-time employees may be renewed annually; expenses of attendance at meetings of organizations concerned with the work of the National Security Resources Board; hire of passenger motor vehicles; reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed $8,000 for newspapers and periodicals; and not to exceed $5,000 for emergency and extraordinary expenses, to be expended under the direction of the Chairman for such purposes as he deems proper, and his determination thereon shall be final and conclusive; $1,500,000.

Mr. BONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Page 2, line 25, strike out "$1,500,000" and insert "$500,000."

Mr. BONNER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

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

There was no objection.

The CHAIRMAN. The gentleman from North Carolina is recognized for 10 minutes.

Mr. BONNER. Mr. Chairman, I approach amendments to this bill with care and thought, for I realize as I said yesterday that we are dealing here with serious legislation, dealing here with legislation that affects the safety of this whole Nation. Not only the Members of this House and those in the gallery, but those in the country at large are vitally interested.

I find an almost complete overlapping and duplication between the functions of the Office of Defense Mobilization and the National Security Resources Board. I will read you the functions of these two civilian agencies and the functions of the Munitions Board in the Department of Defense. You will see that all three of them are working in exactly the same fields:

Office of Defense Mobilization directs, controls, and coordinates all mobilization activities of the Executive Branch of the Government.

National Security Resources Board advises the President on coordination of military, industrial, and civilian mobilization.

Munitions Board has the responsibility for coordination within the Department of Defense and with the civilian agencies.

Now, Mr. Chairman, the function of all three of the boards is production and procurement.

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

Mr. BONNER. I yield to the gentleman from California.

Mr. JOHNSON. And also on those boards there is a group of Cabinet officers who are members of all the boards?

Mr. BONNER. I will get to that. Mr. Chairman, there are other functions that duplicate throughout the three boards.

It has been represented to the Congress that, whereas the Office of Defense Mobilization is busy in all these fields I have named, the National Security Resources Board is busy in the same fields from a long-range point of view.

Therefore, Mr. Chairman, by my amendment I am not crippling the National Security Resources Board for I am leaving it with $500,000 to keep its personnel together and to keep up their necessary operations. It must be borne in mind that they have been superceded by two emergency agencies. As the gentleman from California points out, this board with the exception of the chairman is composed of the Secretaries of State, Treasury, Interior, Agriculture, Commerce, and Labor. All of these individuals are on the Defense Mobilization Board and are, of course, in the President's Cabinet. They can take care of resources planning without the need of a separate NSRB.

The legislative duties of the NSRB coincide so closely with those of the Munitions Board and the Defense Mobilization Board that there has been much jealousy and friction between the agencies. Their duties are similar to agencies in other Government departments of similar character, namely, Agriculture, Interior, Commerce, and so forth.

Mr. Chairman, this has been one of the most useless of all Federal agencies. It has never operated as intended by the Congress. It has been run by an Acting Chairman much of the time since it was created in 1947.

National Security Board Chairmen: Arthur M. Hill, September 26, 1947, to December 15, 1948.

Acting Chairman John R. Steelman, December 15, 1948, to April 26, 1950.

W. Stuart Symington, April 26, 1950, to May 4, 1951.

Jack Gorrie, Acting Chairman, May 4, 1951, to October 28, 1951.

Chairman, October 29, 1951, to date.

It has been represented to the Congress that, whereas the Office of Defense Mobilization is busy in all these fields I have named, the National Security Resources Board is busy in the same fields from a longer-range point of view. They are taking a long look into the future and supplying the long-range balance and perspective, and they say that they are working through all of the other agencies that we have in the Government. They say they have men of wide experience in all the different fields, men that can talk the language of industry and the other departments and agencies.

Therefore, I am leaving a sufficient amount, and in my opinion, an oversufficiency, to take care of the men they seem to think they should retain.

Mr. Chairman, I can hardly see how the splendid membership of this committee, who I believe are conscientiously seeking a way to cut down the expenses of this great and necessary octopus we are dealing with today, can do other than accept this amendment, for I assure you this amendment will not cripple in any way, shape, or form the functions that are set forth under their directive or the directive of the two other boards. Therefore, Mr. Chairman, I hope that the committee will see fit to accept this amendment. As I said in the beginning, I considered at first to cut the full amount, but I did not want to be too drastic, for I realized that this function is created under an act of Congress, and it was the intent of Congress that they do certain things. But, it has gone so far that other agencies have been created who have moved into their functions, so this is merely a means of advising them to cut down the expenses and saving this little drop in the bucket, of this first you see it and then you do not see it and then disappearing in money, because it is going to disappear very rapidly when the bill becomes a law.

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

Mr. BONNER. I yield to the gentleman from Indiana.

Mr. BROWNSON. I want to congratulate the chairman of the subcommittee, a committee on which I have the honor to serve, for the splendid statement he made and also to congratulate him for the hours he has spent trying to unravel this duplication which our subcommittee has been confronted with. I certainly hope that his amendment will be accepted.

Mr. BONNER. I appreciate very much the gentleman's contribution and his personal reference, and I want to say that the gentleman from Indiana [Mr. BROWNSON] has been one of the most able and diligent workers on the Expenditures Committee subcommittee which has looked into this matter. You cannot put your finger on these things; they are hidden, and it takes a great deal of time to try to find out where you can save a few dollars in this tremendous bill.

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

Mr. BONNER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I want to say to the gentleman that I think we all appreciate the fine work that he and his subcommittee have done. I want to say further that what we need is more of the same. I do not know of any abler group in the House than the group handling the present bill, but I will say with all due deference to them, in all the months they have put in this bill, they could well use somebody to check the huge amount of money that is involved in this bill to a greater extent than it is humanly possible for them to do. I want to say again that we all appreciate the work that the gentleman from North Carolina has done in a very able manner and the support that he has brought to the subcommittee. I think we would all do well to follow him.

Mr. BONNER. I appreciate the gentleman's contribution. I want it fully understood that in the work of this committee there is no personal feeling on the part of any member of the committee against the personnel of the Air Force. Our targets have been aimed at the Air Force, but I admire them, and the great feats that they have performed in World War II have thrilled me as much as they have thrilled school children.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, perhaps as good a summation of the activities of this outfit as could be given was made by the chairman of the subcommittee in one of his first statements on page 31 of the hearing:

It always occurs to me there is so much duplication in this business.

Now, that is just it, and yet with all that duplication of last year, with the enormous staff that the National Production Authority had of economists,

with the Leon Keyserling set-up, with 8 or 10 other set-ups, the allotment of steel was refused on all sorts of school construction and on all sorts of private business.

The people were deprived of employment in the automobile industry, and it got to the point that we had such a surplus of steel floating around that they had to withdraw some of these restrictions. The whole thing was not planned at all. They had so many planners working at cross purposes that they did not get anywhere.

Now, you have another illustration of that. They went into the market and boosted the price of raw rubber way up out of sight. It was very largely because those people were advising the Munitions Board and those who were stockpiling the articles thought the shortage was such that they needed to go out and buy all that rubber. They have warehouse after warehouse filled up with rubber in such a way that it is almost absolutely impossible for them to make the turn-over of the rubber often enough to keep the rubber good.

This outfit is not doing the job. It is being done by the other agencies, and by the Department of Defense itself. Really, the gentleman from North Carolina could have moved to abolish the set-up and wiped the whole appropriation out and never hurt the national defense effort a bit, but rather put it on a sounder basis so that the folks and the agencies who would be left would have something to do, and they might really do something. After they had boosted the price of rubber way up, the bottom dropped out of the market.

They cut the same caper on wool, and after they boosted the price of wool way up out of sight, the bottom dropped out of the wool market.

Mr. Chairman, that is economic planning. Frankly, I do not want any more of that kind of economic planning. I want this business to be run on a real business basis. If you cut these fellows down, the $500,000 that the gentleman from North Carolina has left there gives them plenty to operate on, and maybe they will go to work and do something. The information I get is that this whole outfit is not doing a blooming thing, and I do not think we should be bashful in the least about adopting this amendment.

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

Mr. TABER. I yield.

Mr. WIGGLESWORTH. I call attention to page 50 of the committee hearings on the Department of Defense and related independent agencies, from which I quote:

> Mr. WIGGLESWORTH. I note on page 3 you have a breakdown of your divisions (and I refer to each and every one of them specifically). It is a fact—is it not—that one or more other Government agencies are actively engaged in each one of those fields of work?
>
> Mr. DICKINSON. That is true.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COUDERT. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from New York.

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

There was no objection.

Mr. WIGGLESWORTH. To continue reading from the hearings:

> Mr. WIGGLESWORTH. To the extent information is available in any one of those agencies, your function is to correlate and supplement insofar as is necessary the information from other sources; is that it?
>
> Mr. DICKINSON. That is correct.

Mr. TABER. If we had a little better planning, and if we did business on a more businesslike basis, and did not have so many of these fellows kicking around so that they are in each other's way, we would be getting along better. The more supernumeraries you have around, the less business you will get done. A man told me last Saturday about going into a factory in Texas where they were not getting their production out. This man was there as an expert, and was sent down there to try to make the production of airplanes get up to schedule. What did he do? He went to the manager of that factory, and told him the way to get production up, and to get some kind of business into the set-up, was to get rid of 10,000 employees. The manager said, "That will get rid of half of my employees. I cannot do it." The expert said, "Well, you have got to do it." They got rid of half of them and production went up instead of down to the point that the Government had set for airplanes. That is the kind of situation you have got with these economists. They are doing a half-baked job because we have got so many agencies operating it. If we do not stop it, it is just too bad.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Texas is recognized.

Mr. MAHON. Mr. Chairman, a reduction of more than two-thirds of the budget estimate on a small item nevertheless involves about $1,000,000. Some might think that perhaps we should not talk too much about $1,000,000 on a $46,000,000,000 bill. But this happens to be a tremendously important thing. The National Security Resources Board is an arm of the President. The Eightieth Congress, in its wisdom, set up the National Security Resources Board for the purpose of advising the President on long-range planning for the security of this country. It established the functions of the Board to advise the President concerning the coordination of the military, industrial, and civilian mobilization, including such things as policies for establishing adequate reserves of strategic and critical material, and for the conservation of those reserves.

On this Board are the members of the President's Cabinet, with the exception of the Attorney General and the Postmaster General. It is a very important Board. It is their job to concern themselves with the day-to-day operations of the Government, but more especially insofar as the Board is concerned, with long-range planning.

We would not think of a big business in America that would spend so little in this field as we propose to spend here.

Do you recall that the assets of the Department of Defense are $140,000,000,000—more than half the national debt? That includes their assets, real estate, and what not. And here is the National Security Resources Board to work with the President in trying to work out long-range plans.

The gentleman from North Carolina [Mr. BONNER] knows we need planning in the Military Establishment, and we need planning in the over-all picture, and the gentleman knows that if there ever was a time it was needed it is now. Shall we go up on our military planning or shall we go down? After all, how many resources do we have?

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

Mr. MAHON. Not at this time.

Since we have at this time this very critical problem of what to do about this situation, here is a Board which is to cost us $1,500,000 to run. We had already cut it by $280,000. I certainly do not want to touch that nerve center. I think plans and decisions may be made there in advising the President and the new President, whoever he may be, that may mean multiplied millions and perhaps billions of dollars to the taxpayers of this country.

Mr. BONNER. Will the gentleman yield for a brief question?

Mr. MAHON. If the gentleman will make it brief. The opposition has had 14 minutes and I have only 6.

Mr. BONNER. The gentleman mentioned my name.

Mr. MAHON. I yield.

Mr. BONNER. I wish you would explain to the House the duplication of the boards, and tell the House how many times this Board has met recently.

Mr. MAHON. I will be glad to tell the gentleman that the Office of Defense Mobilization works with the day-to-day problems of industry, while these people work with the over-all picture of planning. This is not duplication. These people advise the President of the United States, and we will have a new one, who will probably be somewhat inexperienced, and this million and a half is for the purpose of assisting the President and the Nation. When the Eightieth Congress controlled the Appropriations Committee, under the chairmanship of the gentleman from New York, it established this board in the first place, and then in the first session of the Eightieth Congress it provided about $1,000,000 for this board; and in the second session of the Eightieth Congress, the gentleman from New York brought in an appropriation bill that carried an item for about $3,000,000 for this board which we are now trying to strike out. So it seems to me there is some faulty thinking here in connection with this National Security Resources Board. Of course, if we just want to cut blindly here is a chance to cut, but if we want to cut effectively we should have more time in which to think and plan.

I do not believe the committee should accept the amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired; all time on this amendment has expired.

The question is on the amendment offered by the gentleman from North Carolina [Mr. BONNER].

The amendment was agreed to.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I apologize to the Committee for taking up this time after you had just adopted this amendment, but in order that you may know some things about the operation of some of the agencies included here as well as the departmental action, I do; and I regret that I could not get sufficient time to present this information before the vote was taken.

We are all in sympathy with what is desired by the gentleman from Texas [Mr. MAHON], but I want to give you a little experience I had with the National Security Resources Board. After we had spent millions on the guayule rubber program during the war years without any substantial results, and after it had been eliminated except for research, the National Security Resources Board allocated around $500,000 to start all over again on a guayule rubber program to cost millions and millions of dollars. This program had been tried and found wanting. There was a record. We had been into it and the figures did not stand up at all. After the half a million had been allocated the continuance of the expenditures came before my committee. I invited the official of the National Security Resources Board who had signed the allotment to come over and tell us why they had allocated this money in view of the record. We invited him; he did not come, and then we invited him again. Then he called me and said: "I do not remember signing that thing for half a million dollars." I talked to him over the telephone. He said he was not going to come unless we summoned him. He said: "I do not know anything about it, apparently you do. I relied upon representations made to me and since I have no personal knowledge I do not know of anything I can contribute."

We got the man over here who handled it. I asked him why he had requested it—and he was one of the top officials of the Munitions Board. He said: "I was not aware of the prior experience or failures of this program. Someone told me this guayule rubber could be used to make truck tires that would not run hot." I said: "Get me that statement." He was unable to come up with such evidence though he was perfectly honest and was simply grabbing nearly anything to carry out his specific assignment.

The point I make is that you talk to these gentlemen, you bring them in, and they are all fine gentlemen, but many times they do not know their subject; they are looking for this, for that, or the other thing, and they waste many millions of dollars unintentionally because of lack of coordination and check-up of the records.

If there is one place in the world where we can cut waste in expenditures of government without damage, it is well informed cuts in this bill. I will not burden you again as I did last year with the details of the Elk Hills contract of the Navy, entered into without an opinion from the Department of Justice as to its legality and which we got set aside, or the details of the use or lack of use of vacated facilities by the services, all of which appears in last year's record on this subject. But those cases prove that this is a ripe field for checking up on representations and budgets. In saying that, I want you to know that in my opinion, there is not a finer group of men in Congress than the group handling this bill, from the gentleman from Texas [Mr. MAHON], chairman of the subcommittee, throughout the membership. But when you are handling $46,000,000,000 it is just humanly impossible to have all the information that you need.

For 3 years I have been trying to get an official check-up of the figures that are in this national defense bill without success, and all I can do is to cite the few isolated instances that I do know about as being representative of what happens in many places here. I was invited by several of my colleagues to head a move to try to cut this bill by another billion and a half dollars. I cannot do it; I do not know the facts. You cannot cut national defense substantially unless you do know the facts and can support your action with proof, and the only way to know is to have a sufficient number of investigators to check on these figures before the bill gets here.

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

Mr. WHITTEN. I yield.

Mr. CANNON. I am very much astonished to hear the gentleman say that he ever needed information that he did not get. If he needed information of any character the only reason he did not get it is because he did not ask for it.

The Committee on Appropriations has the finest force of operators, an unlimited corps of the best trained investigators in the world. And I make that statement advisedly because they are trained by FBI. Any subcommittee may ask for any information at any time—and will get it promptly. It has never failed. It has been in operation something like 8 years and no subcommittee has ever found its reports inadequate or unreliable. Sometimes the subcommittee has sent back for further details, but the data furnished has always been complete and dependable. We have investigators out in the field continuously. Their work during vacation of Congress is particularly valuable. If the gentleman has not received any information he wanted, it is because he has not asked for the information.

Mr. WHITTEN. I want to say I made this same point last year and the year before and the gentleman made the same answer. I do wish to say each year I have asked for such investigations of the Department of Agriculture which is handled by the committee I have the honor to head and I may say for the information of the gentleman that every time that I have dug into such matters I have come up with real meat and I do believe the Agriculture Department is the best run of the several departments I have dealt with. But, frankly, I am not a member of this subcommittee handling this bill. If you do not think I have asked for such investigations read the record before the House of Representatives of last year, and the year before, and the year before that. I cannot speak for the members of this subcommittee.

Mr. CANNON. But the gentleman has never filed a request. If he had he would have the information.

Mr. WHITTEN. I am like the candidate for office in my district who was told by one of the electorate that he, the candidate, had never asked him to vote for him. The fellow running for office replied, "If you don't think I have asked you before, I am asking you now." So that the gentleman may have no further misunderstanding as to what I have asked for for years, I am asking for it now.

Mr. CANNON. Very well; write out requisition for it and you will get it. It is to be regretted the gentleman has slept on his rights all this time. Some of the most successful investigation our force has made were made under requisition of the subcommittee of which the gentleman is chairman. They resulted in the correction of gross irregularities and have saved substantial sums of money. I hope the gentleman will not grow weary of well doing.

The Clerk read as follows:

NATIONAL SECURITY TRAINING COMMISSION

Salaries and expenses

For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem; reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; expenses of attendance at meetings concerned with the purposes of this appropriation; rental of office space in the District of Columbia; and purchase and installation of air-conditioning equipment without regard to the provisions of the act of October 26, 1942, as amended (40 U. S. C. 317); $75,000.

Mr. SHEPPARD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHEPPARD: Page 3, lines 1 through 13, strike out the following:

NATIONAL SECURITY TRAINING COMMISSION

Salaries and expenses

For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of $50 per diem; reimbursement of the General Services Administration for security guard services; hire of passenger motor vehicles; expenses of attendance at meetings concerned with the purposes of this appropriation; rental of office space in the District of Columbia; and purchase and installation of air-conditioning equipment without regard to the provisions of the act of October 26, 1942, as amended (40 U. S. C. 317); $75,000.

Mr. SHEPPARD. Mr. Chairman, originally this particular request was for $111,000. It was reduced by $36,000, which leaves the present figure of $75,000.

As will be noted since the hearings originated in the committee the so-called universal military training bill has been

quietly laid to rest; therefore, there is no reason why the $75,000 should be appropriated at this time. If you are desirous of saving money, let us save it where it wil not hurt.

Mr. VINSON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California [Mr. SHEPPARD].

Mr. Chairman, the House referred the UMT bill back to the committee with instructions to further study it. Let us be fair. Let us not try to whittle away at UMT in this way. Let us follow the instructions of the House.

Now, what has happened? There have been submitted by Mr. Wadsworth's Commission proposed amendments, and the Commission has reported back their views. We have been trying to work out other things. We are going to comply with the mandate of the House to study this matter and I am hoping that it can be brought back to the House at the very earliest possible opportunity for further consideration.

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

Mr. VINSON. I yield to the gentleman from Iowa.

Mr. JENSEN. Did I understand the gentleman to say that this amendment, if adopted, would kill UMT?

Mr. VINSON. No; it would not kill UMT. But let us face the problem in a different way; let us not take away the funds for the Commission until the matter has been settled one way or the other.

Mr. JENSEN. May I say that if the effect of this amendment would do that, I would be for it 100 percent.

Mr. VINSON. But the effect of the amendment is not as the gentleman suggests.

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

Mr. VINSON. I yield to the gentleman from Michigan.

Mr. DONDERO. Is the House to understand, and is the country to understand, that we are to have UMT back on this floor for decision?

Mr. VINSON. Whenever the House sends a bill back to committee, it is the duty of that committee to carry out the mandate of the House to study further the proposition that has been referred back to it. That is exactly what the Committee on Armed Services is proposing to do and what it is doing right today.

Mr. DONDERO. Will that be in this session?

Mr. VINSON. Let us talk about appropriating the money. Mr. Wadsworth is in charge of the Commission. I want to show you what kind of administration Mr. Wadsworth has had in effect over there. Last year his Commission received $185,000, he spent $160,000 and turned back into the Treasury $25,000. This year he asked for $111,000 and you reduced that amount to $75,000.

They have only 11 employees. We all recognize the fact that today Mr. Wadsworth is a very sick man. But he is the head of this Commission that is charged with this responsibility. Now, to come in here after less than 1 year and say that we are going to abolish it for all practical purposes when less than a month ago you sent this bill back to the Armed Services Committee, is not the proper thing to do. Now let me answer the question asked by the gentleman from Michigan. I think at the proper time after all these studies have been made by the Committee on Armed Services the House will have an opportunity to pass directly on the measure. Every man can express his opinion then. I say it would be almost a reflection upon the House today, a little less than 6 months after you passed the law, to come back in here now and eliminate the funds for the Commission that it set up.

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

Mr. VINSON. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

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

There was no objection.

Mr. VINSON. So now, let us not get the issue of UMT in this bill. If you want to try to say you killed UMT that way, you will be badly disappointed, because the Committee on Armed Services will continue the study. It has the authority under the law to bring it back irrespective of the Commission.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Kansas.

Mr. REES of Kansas. For what purpose would you use this $75,000?

Mr. VINSON. Well, I would use the $75,000 to carry on the studies by the little group that Mr. Wadsworth is making the study with; that is all it is doing. Now, if the $75,000 is too much, make it $25,000, but do not eliminate completely the funds for the Commission. The amendment offered by the gentleman from California does not merely cut out the amount, but it also abolishes the Commission, for all practical purposes.

Mr. SIKES. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I shall not take 5 minutes. I would like simply to point out to the House that this Commission was set up to do a job, to make a report to the House, and to submit a proposed bill for UMT. Had a UMT program been put into effect, it logically would follow that the Commission would supervise it. Since the House, at least for the time being, has rejected the UMT program, this committee amendment—and it is a committee amendment—would simply suspend the operation of the committee until such time as it would have something to do. In the opinion of the committee the amendment does not enter into the merits of UMT; it certainly does not reflect on the personnel of the Commission; it merely suspends it until the Congress decides there is to be a UMT program to administer, and to supervise. The Commission has done the job which it was set up to do and there appears to be no need for it until such time as there is a UMT program.

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I guess I should apologize for trying to cut $75,000 off of a $46,000,000,000 bill, but I thought maybe in this way we would help the gentleman from Georgia realize his proposed $6,000,000,000 cut if we keep nibbling at it. Now I do not understand any of this funny work to kill bills, because I have seen gentlemen operate in this House a long time and I have never seen anybody go to jail yet for using parliamentary rules to handle a bill. If they are against it, why they come in right handy sometimes, and if they are for it, sometimes they are right convenient. May I add that I have not heard the gentleman from Georgia move to abolish any of the rules that govern this House. The committee has offered this amendment, and it is perfectly justified. On page 378 of the hearings you will find a very frank statement by Mr. Wadsworth as to what they had done. They prepared their report in detail; they went before the committees of the House and the Senate. They presented their data, and on the top of page 379, after relating all of those things the Commission had done, he says:

> That job has been finished. We are now back to what might be termed normal.

So, they eliminated most of their typists and stenographic staff and other people. Those statements were made when they were expecting to have a job to do. This appropriation was justified when they were expecting to have a big job to do. They do not have one thing on earth to do now; not one job on earth do they have to do. No one would venture a statement to the contrary. So here are $75,000 that we are going to throw up in the air with no earthly objective to accomplish. I think the gentleman from California [Mr. SHEPPARD], is to be congratulated, and the committee is to be congratulated for offering the amendment to strike it out. It is absolutely justifiable, and I hope the House will take appropriate action.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, this amendment eliminates the $75,000 appropriation for the so-called National Security Training Commission, which is actually the Universal Military Conscription Commission.

There is no valid reason for continuing this Commission to the tune of $75,000 or any other amount, much less to provide that Commission, as the bill does, with air conditioning, guard service, limousines, expenses, and job patronage paying as much as $50 per day per job.

This free-spending Commission was created about a year ago for the alleged purpose of preparing recommendations on universal military conscription—recommendations which were then to be considered by Congress. The report was written and presented to Congress in October of 1951, and, as the Appropriations Committee print says on page 11, "consideration has been had and the bill recommitted."

The Commission Chairman, James W. Wadsworth, said it even clearer on page

379 of the hearings. He said, "That job has been finished."

As every Member of this House knows, the American people made it plain that they do not want universal military conscription. The House recognized this fact by recommitting the conscription bill. The people do not want this Conscription Commission, either, so let us, today, logically follow through by providing the last rites. Adopt this amendment and the Commission will have no alternative but to liquidate, and it has at its disposal $25,000 to complete that job by the end of next June.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. SHEPPARD].

The amendment was agreed to.

The Clerk read as follows:

Claims

For payment of claims by the Office of the Secretary of Defense, the Army (except as provided in appropriations for civil functions administered by the Department of the Army), Navy, Marine Corps, and Air Force, as authorized by law (5 U. S. C. 946; 28 U. S. C. 2672; 31 U. S. C. 222c, 222e, 223b, 223d, 224d; 35 U. S. C. 91; 39 U. S. C. 135; 46 U. S. C. 797; act of November 15, 1945, 59 Stat. 582; act of October 20, 1951, 65 Stat. 572); claims (not to exceed $1,000 in any one case) for damages to or loss of private property incident to the operation of Army and Air National Guard camps of instruction, either during the stay of units of said organizations at such camps or while en route thereto or therefrom; claims, as authorized by law, for damage to property of railroads under training contracts; and repayment of amounts determined by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or officers designated by them, to have been erroneously collected from military and civilian personnel of the Departments of the Army, Navy, and Air Force or from States, Territories, or the District of Columbia, or members of National Guard units thereof; $5,000,000.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is no question but that our country is stronger now than it was in January of 1951, and that we made great progress during 1951.

However, our country must make greater progress for defense during 1952.

The testimony of General Vandenberg, Chief of our Air Force, shows that the Soviet Union has an air advantage over us, that its aerial strength is well ahead of ours at the moment.

We had better remove that Soviet advantage as soon as possible.

There is no reason why the Soviet Union should outproduce us in any of the plane categories.

We have the potential capacity. It should be developed into actual production.

Anyone who predicts that the Soviet Union will not strike, if at all, for 3 years is taking chances. Assuming they honestly feel that way, those in responsibility are not justified in acting that way. Those in command of our forces at Pearl Harbor did not think the Japs would attack. They could feel that way, but they should yet have prepared for such attack.

The next surprise attack will probably be right in continental United States.

I cannot subscribe to the reasoning of some persons that the Soviet Union, if it feels it is stronger now or in the immediate future, is going to wait until we and our allies arrive at our maximum strength before striking. I do not have to be a military man to form, with confidence, that opinion.

As I view the situation, this very year, and particularly between July 1 and the end of the year, is the crucial period.

We had better be constantly on our guard; not relax our vigilance for one moment, and this particularly applies to our Army and Navy commanders. They should not for one moment forget Pearl Harbor. No matter what their personal views may be, as leaders of our forces, they should expect and always be on their guard against another sneak attack.

This observation of mine should not be necessary to any Army or Navy commander for him and his officers and men to be constantly on their guard, but the pain of Pearl Harbor and the trying years of World War II has subsided in the minds of many persons.

Anyone in command cannot afford to take a chance for even one moment.

The remainder of this year will be a most crucial period in this era of the world's history.

And what I have said also applies to the intelligence forces of our country.

When Stalin talks softly that is the time to be ever watchful and on our guard. It is also the time to increase our strength as rapidly as we can.

For, as I have said frequently, there is only one thing the Communist world respects, and that is what it fears—power greater than it possesses.

We must go forward as rapidly as possible in our present defense build-up, and this also applies to other peoples and other nations who want to be free of Communist domination.

In a report made by Charles E. Wilson on April 1, he said, in part:

While nobody can be sure of the military production rates in the Soviet Union, I personally believe that we are reducing the margin that exists between their quantity of production and ours.

Mark that language. He says:

I personally believe that we are reducing the margin which exists between their quantity of production and ours.

That statement is vague and uncertain. It is not one that instills confidence in us.

It would seem to me that through our intelligence and other means we should be able to find out with some fair degree of accuracy the approximate strength of the Soviet Union.

Furthermore, we are supposed to have a production capacity of 3 to 1, and with our allies, 4½ to 1 over the Soviet Union and its satellites.

Those responsible should unify their efforts and get the desired results as quickly as possible, and with special emphasis during the remainder of this year.

For if we are going to receive another sneak attack, it would seem to me, it will come when our potential enemy thinks, in comparison with them, our actual strength is the weakest. I cannot believe that if they intend to attack they are going to wait until we whittle down sharply whatever advantage they think they may have over us.

It may be all right to talk about a theoretical date of greatest danger ahead for which preparations must be made, but it will be safer for our country if our actual production and over-all preparations are made long before that theoretical date is set.

While we must do all we can to assist other countries to resist Communist aggression, imperialism, and enslavement, we must also be sure that our defenses in continental United States are strong.

In conclusion, I thoroughly agree with the remarks made by the gentleman from Georgia [Mr. VINSON] yesterday when he said that the best journey, the best road to peace, is for America to be strong—in the world of today the best insurance for safety, the best insurance for protection, and the best insurance for preservation.

While I like to read what some people say, that there be no war for 3 years—and I hope and pray that will be so—we have got to be prepared for any eventuality, and prepared now and prepared in the future. If we are short in the air, if we are short in military equipment, if we are short in the increase of our production, that increase should be made just as rapidly as possible, because each and every one of us loves our country, each and every one of us is determined to do everything that we can possibly do to preserve our country. By appropriation bills in the past and by this very appropriation bill we are giving to our Armed Forces and to those in the executive branches of the Government the power to produce. We expect them to do so.

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

Mr. COUDERT. Mr. Chairman, I rise in opposition to the pro forma amendment, and I ask unanimous consent to revise and extend my remarks.

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

There was no objection.

Mr. COUDERT. Mr. Chairman, I do not quite know why the distinguished gentleman from Massachusetts [Mr. McCORMACK] chose this particular moment to take the floor unless he thought that the House was beginning to exercise some measure of reason and was beginning to throw off the old mantle of fear with which the Truman administration and the majority leadership so often approaches these problems. Perhaps he thinks if he can throw a war scare and fear into us some more, we will abdicate our duties here, and we will cease to view this bill and this enormous appropriation with open eyes. Perhaps we will continue to blindly follow the self-interested judgment of the professional soldiers, who are obviously interested in large forces. The larger the forces the better off they are. The more soldiers in the Army, the more sailors in the Navy, the more generals, and the more admirals, the more stars and the more brass hats there will be.

Now, as a matter of fact, for a long time, whenever we have had these appropriation bills involving the military, from the White House down to the very leadership on this floor, we have been treated to warmongering, terror, fear. If we do not pass this bill intact, with every dime in it, we are going to get a crack on the head from a foreign foe. Well, I think the time has come to toss aside that kindergarten stuff and get down to business. Rhetoric, however effective, however flowing, however appealing to the heart, has never been a very successful substitute for reason. If we do not approach our problems, the problems of our beloved United States in a troubled world, we shall lose the cold war and everything else.

I have just been handed a clipping by a very distinguished gentleman, Walter Lippmann, for whose judgment I have a great deal of respect, almost as much as that for my beloved friend from Massachusetts [Mr. McCORMACK], who says that the Truman administration has been announcing the dawn of a new day too often, and catch this—

Threatening the end of the world whenever it needs more money.

Of course, that is what I am talking about. You have a choice here, Mr. Chairman, between the view of the gentleman from Massachusetts and another very distinguished American who has held high public office and who has certainly enjoyed the respect of this House, as to how we should deal with this particular bill and with our fiscal affairs this year. I am referring to former Ambassador Lewis W. Douglas, one-time Director of the Budget, Ambassador to Great Britain at the time the Marshall plan was first brought before this Congress and who certainly played an enormously influential part in bringing us to the support of the Marshall plan, who was Ambassador to Great Britain during the development of NATO, who played a very decisive part in the development, growth, and organization of NATO. Surely there is no man who is more sincerely interested in collective security, which means military strength in the United States as well as foreign aid. The same Lewis Douglas publicly approved a resolution of mine back in January that would have limited public spending to the income that we are expected to receive from tax revenues and that would have allowed not in excess of $50,000,000,000 for military expenditures and all foreign aid in 1953. So it is perfectly obvious that that gentleman who is one of our leading figures in foreign affairs was not so concerned at that time about——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COUDERT. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

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

There was no objection.

Mr. COUDERT. Certainly that gentleman indicated very clearly that he had finally come to recognize, as have many others with him, that the threat to the economy of the United States is quite as great a menace to our security as any threat from foreign aggressors. Listen to him in his letter to me which was published at that time:

We should weigh carefully in the scales of prudence the dangers that face us from without and the dangers that inordinately heavy taxes, huge expenditures, controls, and restrictions on our relatively free economic society present to the American scheme of life. We are the last great free community on earth. If it should be unwittingly weakened from within, then it would be the more difficult to defend from attacks from without.

And then he goes on to speak of my resolution with approval.

Mr. Chairman, in this very bill we are contemplating an increase in military personnel of 220,000 men at a time when the NATO targets are being reduced, at a time when the Korean war has been in a state of at least quiescence. Nothwithstanding that, we are asked to increase our uniform forces by 200,000 men with all that that costs.

Mr. Chairman, let us not yield to the psychology of fear, let us not close our eyes; let us keep our minds open and working and not let the generals and the admirals have any more money than we think they need, not only in the light of outside dangers, but in the light of American capacity to keep its free economy alive and the American Republic safe at home.

Mr. BROOKS. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to proceed for five additional minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object—and I do so only to ascertain what the program for today is—is it the intention to finish this bill today?

Mr. MAHON. I would say it is the will of the Committee that we have full and free debate on this $46,000,000,000 bill. We want to finish it when the House is ready to finish it, and we want the House to be satisfied at the earliest possible moment. We want them to work their own will, so we cannot foresee the end, but I suspect that we will not finish today.

Mr. HOFFMAN of Michigan. It is the gentleman's best opinion and judgment that we will not finish it today.

Mr. MAHON. My best judgment is that we will not finish today.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. The gentleman from Louisiana is recognized for 10 minutes.

Mr. BROOKS. Mr. Chairman, yesterday afternoon there was a serious attack made on the Air Force supply system. I do not think the attack was justified, but it was suggested at that time that there might be an amendment offered here on the floor of the House to do away with the Air Force supply system.

Mr. Chairman, the amendment which has been suggested is bad.

It gives no recognition to a supply system which in the Air Force has operated successfully and efficiently for 35 years. Aside from the disruption it would cause in the present systems, it does not prove how any money would be saved for the taxpayer. Many people think that the Air Force established its own supply system when it became a separate military service under the National Security Act of 1947. On the contrary, the Air Force has had a most efficient system since 1917, when the first Air Supply Depot was established at Middletown, Pa. As what was then the Army Air Corps enlarged and expanded its operations, the Air Corps supply system became more complex. It began as a system for distributing the technical air supplies, such as airplane spares, spare parts, and other technical equipment, until now approximately 80 percent of all the items, common and technical, used by the Air Force are distributed through the Air Force supply system. Any system, in order to be most efficient, should be a 100-percent operation, rather than an 80-percent effort.

It has proved both wise and economical for the Air Force to operate its own distributive channels, rather than to attempt to supply itself from one of the other services. This system now includes 16 general or major depots within the United States, plus many other specialized depots and the vast complex of installations overseas. More than a million items are stocked and distributed through the system.

The development of this system over the years has not proceeded in opposition to the authorities of the Army and later the Secretary of Defense. We are led to believe by some that the system which the Air Force has operated over this long period of time has been achieved through some sort of connivance on the part of the Air Force and acquiescence by the other services. On the contrary, all of the supply activities have been in complete accord with national defense policies, including those laid down by the National Security Act.

The fact has never been accepted by some that the National Security Act did create a separate Air Force and, assuming that was the intent of Congress, it makes little sense to have a separate military service if it does not have its own logistical support. One of the basic requirements for any military organization is that those charged with supply and logistical support be subject to the service commanders. We should beware of a fourth service of supply and all its evils, under which the supply officials are, in fact, responsible to no one except higher public authorities. The task of one military service providing for its own supply needs is an extremely complex job of management. To establish a single supply organization similar to the British Ministry of Supply would be to more than triple the red tape and management problems of our present military organizations.

Despite its 35-year history, there is a widespread impression that the Air Force cannot efficiently supply itself. It has done a good job and, as time permits, will become more efficient. Presently the Air Force is handling more

than 80 percent of all the supplies it uses.

The extensive overseas operations of the Air Force system should be noted. In England, North Africa, Greenland, the Philippine Islands, and the Middle East, where Air Force activities are much larger than that of the other services, the Air Force performs all of the distribution functions for the other services. In Panama and Hawaii, the Air Force relies on the Army or the Navy. In Europe, it has been thought that the most efficient plan would be for the services to provide their own distribution support, and plans have been made accordingly.

We should remember that distribution by one service for another does not automatically provide any solution to the problems of management, and efficiency. The distributive arrangement for the various theaters and commands must be determined on the varying conditions existent in each of the localities.

In a very real sense, therefore, the Air Force is doing no more as a separate organization than it was doing as a corps of the Army. We see that even within the Army, it was more efficient for the Air Corps to have its own distribution channels, in view of the inherently different nature of Air Corps supply requirements. Even during the war, at many bases overseas, the so-called common items used by the soldier—shoes, shirts, and underwear—were distributed at the Air Corps bases. At the Air Corps depots there were Army Quartermaster Corps officers and others who would be on detached service from the various Army corps. These officers would supervise the distribution of supplies into Air Corps channels. In substance, it made little difference whether they were Army Quartermaster Corps or Air Corps supply officers.

Until it has been proven that a new proposal is better and more efficient than this long-established system, we should be wary of heeding pat solutions to our military supply problems.

I would now like to refer briefly to Air Force procurement practices. The Air Force has carried on procurementwise in substantially the same manner as existed prior to its establishment as a single service. By and large, the Air Force procures direct from manufacturers only those items which are peculiar to the Air Force basic mission responsibilities, such as complete airplanes, spares, and spare parts. Most of the other items are the subject of either single department procurement assignments, or just procurement. As examples of single service procurement, the Army Ordnance Corps procures all commercial-type technical and combat vehicles. The Navy procures solid fuels, such as coal and coke, for all three services, and the procurement of photographic equipment and supplies is assigned to the Air Force. There are literally hundreds of items which are the subject of single service procurement. The Army, for instance, actually clothes, feeds, and houses Air Force personnel. Under single-service procurement, individual clothing items and most types of food items are procured by the Army Quartermaster Corps, and the Corps of Engineers acts as the real estate and construction agent for the Department of the Air Force.

I say, therefore, that, just as we can have a more efficient procurement system through the greatest degree of interdepartmental cooperation, so can we have a more efficient distribution system by each service performing its own supply functions. We should not attempt to disrupt in the name of economy a supply system which has been proven in both war and peace and substitute in its place a hasty proposal.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am somewhat bewildered. I sat here yesterday and I understood the gentleman from North Carolina [Mr. BONNER] to talk for 5 minutes, at least, condemning—and the gentleman from Michigan [Mr. MEADER] as well—the failure of the forces abroad to comply with what the Congress intended when it wrote the unification bill. That is that there should be one purchasing agent for common items. Now I will ask my colleague from Michigan—I do not see the gentleman from North Carolina [Mr. BONNER] here—was I mistaken about that?

Mr. MEADER. The gentleman is exactly correct.

Mr. HOFFMAN of Michigan. Thank you. The gentleman was on the trip with the gentleman from North Carolina [Mr. BONNER]. Then I understood the gentleman over here today [Mr. BROOKS] to be suggesting that each one of these services, the Air Corps, should have its own supply system. Was I right? Is that what you were telling us?

Mr. BROOKS. The gentleman will recall——

Mr. HOFFMAN of Michigan. Is that correct?

Mr. BROOKS. If the gentleman will give me a chance to answer, I will.

Mr. HOFFMAN of Michigan. If you cannot or do not care to answer it, by a yes or no, I will withdraw the question.

Mr. BROOKS. I will answer if the gentleman will listen.

Mr. HOFFMAN of Michigan. Just forget it. I will read it tomorrow.

Mr. BROOKS. The gentleman does not want an answer, then?

Mr. HOFFMAN of Michigan. No; if it is going to take you so long I do not want an answer. I decline to yield.

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

Mr. HOFFMAN of Michigan. If the gentleman can answer that; yes, sir.

Mr. CURTIS of Missouri. I would like to comment on that question.

Mr. HOFFMAN of Michigan. I do not yield.

Mr. CURTIS of Missouri. The answer is this, if the gentleman will listen.

Mr. HOFFMAN of Michigan. Yes, sir.

Mr. CURTIS of Missouri. The Department of Defense has a directive out saying they are not supposed to set up a separate supply system, so it is contrary to their own orders.

Mr. HOFFMAN of Michigan. That is what I got from my colleague, the gentleman from Michigan [Mr. MEADER].

Mr. BONNER. Mr. Chairman, if the gentleman will yield, I just want the gentleman to know that I am on the floor.

Mr. HOFFMAN of Michigan. The gentleman is here now. Did I understand the gentleman yesterday, or was I correct in understanding, that the gentleman was maybe not complaining, maybe not criticizing, but just mentioning the fact that the armed services abroad were not unifying their purchasing system?

Mr. BONNER. Well, I saw the directive permitting the Air Force to set up their own supply system.

Mr. HOFFMAN of Michigan. I know there is a directive, but what of it? Are they unifying their purchasing system?

Mr. BONNER. Well, I do not think so.

Mr. HOFFMAN of Michigan. The gentleman does not think so?

Mr. BONNER. No. The record does not show it.

Mr. HOFFMAN of Michigan. I thank the gentleman.

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

Mr. HOFFMAN of Michigan. Everybody seems to have had a couple of minutes extra, so I would like to have a couple, so perhaps I will not have to use this preferential motion and ask for a vote to send the bill back to committee.

The CHAIRMAN. Without objection, the gentleman may proceed for two additional minutes.

There was no objection.

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

Mr. HOFFMAN of Michigan. I yield.

Mr. LANTAFF. In June of 1951, the Air Force in the European theater was directed to proceed to turn over all supplies and technical services in all of the technical service fields, such as ordnance, engineering and chemical warfare service, quartermaster and other related services to the Army Air Force so that the turnover would be completed by July 1 of 1954.

Mr. HOFFMAN of Michigan. 1954?

Mr. LANTAFF. That is correct. When the Secretary of Defense found out that his orders had not been completely followed, in fact, that they had been specifically ignored, he did in March of this year, issue an order suspending any further turnover.

Mr. HOFFMAN of Michigan. Well, Mr. Chairman, sufficient has been said, I think, by my colleagues to convey the idea that it does not make very much difference what Congress writes in the way of legislation—that the armed services and undoubtedly some of the other departments of Government go ahead in their own sweet way, and as long as there is money available, they spend it. That brings me to the conclusion that the only way to stop the spending of billions of dollars—the waste and unnecessary spending, is to vote against some of these appropriation bills and send them back to committee. I have tried on occasion to follow that course, but I seem to be rather lonesome because they always get millions and billions of dollars more than they can spend. They have gone ahead year after year to my personal knowledge for at least 15 years, and it has not made any difference at all, speaking generally, what we cut

here in the House. They have always had more money and I think the record will verify this statement—they have always had more money, never less, I repeat—billions more than they could spend—always. So what is the use of making cuts—reductions—which still leave the Armed Forces with more than they can spend? Why not cut it off by refraining to approve an appropriation bill until it reflects what is needed?

But, Mr. Chairman, what I really wanted to speak about was what the gentleman from Massachusetts [Mr. McCORMACK] was telling us. He spoke about Pearl Harbor. Apparently every time the administration scents a little danger of being defeated at a coming election, we have Pearl Harbor thrown at us. Just as though the Congress rather than the then administration was responsible for that disaster. Time and again I have heard the gentleman from Massachusetts ask how some of us here who voted against the draft—you remember there was a majority of only one or two votes in favor of it—how our consciences let us sleep at night. Mine never bothered me—not for one moment—not on that score—my votes all through that period were cast in an effort to keep us out of war.

If I have ever been worried about anything, it is about the apparent determination on the part of those in authority, as history now shows the administration was determined to get us into war—to keep us in war all the time, so that it would have an excuse to come to Congress to get a law prying more dollars out of the taxpayers' pockets, and at the same time sending men, a million or more, abroad to carry out a policy, the objective of which they have never told us to this day. Always it has been that way. The steady doctrine they have always preached was one of fear. Fear of Hitler, fear of Japan, now fear of Stalin.

Now there is another election coming on. Our real danger is from the wasters of dollars and men, the latter America's irreplaceable safeguard.

The gentleman from Massachusetts [Mr. McCORMACK] did say one thing which I think is sound. He said we must fight communism abroad, but while fighting communism abroad, we must not ruin ourselves here at home. That was sound common sense advice. Our present foreign policy is the cause of this and similar bills.

But for more than 10 years here in Washington I have noticed this and the preceding administration giving encouragement and protection to well known Communists and followers of the Communists' line. Even today, even today, the left-wing writers and radio commentators who are trying to name the candidates of both parties are telling us that all those, or those at least who are doing the most effective work, who are trying to expose Communists are nothing but liars. They are still standing by Lattimore who recently lied five or six times before the Senate McCarran committee. They are still standing by him. When former Communists testified against Hiss and Lattimore it was the practice of certain columnists and radio announcers to brand them as liars; that was easy. But what shall be said of this same group who today still, day after day, write and speak in an effort to support Lattimore, to excuse him, when Americans whose loyalty cannot be questioned tell us that as early as April of 1936 Lattimore was urging recognition of the Communist-controlled Mongolian Republic. What of this testimony of William C. Bullitt? If this administration would just, as has been so often suggested, prosecute some of these fellows who have lied and who have perjured themselves, and send them to jail, bills like this, calling for fifty billion would not be necessary.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, have I consumed the additional 2 minutes, which I received?

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

Mr. HOFFMAN of Michigan. Mr. Chairman, on the advice of the House whip the gentleman from Illinois [Mr. ARENDS] I ask unanimous consent for two more minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. I was somewhat disposed not to ask for these 2 minutes because I thought you might have assumed that because I was given the other 2 minutes that I was not going to make such a request, but you still are 1 minute to the good.

The majority leader, Mr. McCORMACK, further said we must have production. Yes—and our dollars are limited, so we must have production at the least possible cost, must we not? And yet this administration goes into—I would not dare say corrupt, would I—goes into a deal with Phil Murray to boost wages in the steel industry, which must have a wage increase, or they will not work, and that means an increase for organized workers all over the country. That is what it means. The steelworkers first, and then everyone else. If the Republicans did that, made that kind of a political deal, that, in the opinion of the New Deal and its tail of left wingers, would be a vicious, corrupt, political conspiracy to betray the country. But as long as the administration does it it is just a progressive, liberal movement to better the condition of the workers of the country. In reality it is a decree of Phil Murray that the conscripted men abroad—some of whom die each week, shall have weapons to fight if members of his union from whom he collects dues, get what he—not they—say should be paid. First the increase applies only to members of the CIO and the steelworkers. It gives them that special privilege at the expense of all others, that betterment at the expense of all taxpayers whose way of living is made more difficult because of it.

Then gradually the higher wage will sweep all over the country to everyone who works in organized industry, but giving nothing except hardship and higher taxes to all other people, the old people, the self-employed, the farmer, the clerks, and those who are on annuities or pensions. They will pay the price. Of course, the hope on the part of the administration is that these gentlemen to whom it has surrendered and for whom it gets special benefits will vote the New Deal ticket next November—a corrupt purchase of political support. And in the end those who get this increase in wages will find it purchases them no more than if it were not given them. It will be but fools' gold.

Mr. HERTER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I have asked for this time to discuss the bill that is now before us from a somewhat different point of view than that which has heretofore been discussed.

I am a member of the Committee on the Economic Report, which has studied the recommendations of the Board of Economic Advisers, and has recently filed a unanimous report with respect to the financing of the Federal Government. That unanimous report contains a recommendation that the Congress this year balance its expenditures with its income, in order to avoid the danger of an inflationary gap; that is, the spending of more money than we take in.

Furthermore, that report recognizes that there is no chance of additional taxation this year, and that this balancing must be done within the framework of the existing tax system.

Mr. Chairman, the unfortunate but true fact is that Congress has lost control over the expenditures in our Government. Let me explain what I mean by that.

I have before me the Daily Treasury Statement issued every day by the Treasury, showing the various types of balances. The one before me is dated March 27, 1952. On the front page of that statement there is a little footnote. That footnote—which appears every single day in this statement—reads as follows:

> The amounts to the credit of the disbursing officers and certain agencies today is $97,027,028,364.02.

In other words, as of March 27, with only 3 months left in the present fiscal year, the agencies of the Government have $97,000,000,000 still to disburse.

Now, you have been given certain notes with respect to the bill before you. I do not trust the figures in those notes, in the light of the figure I have quoted. We are spending at this moment at the rate of approximately $5,000,000,000 a month. If you deduct $15,000,000,000 from this Treasury figure, it will leave you $82,000,000,000 of unexpended funds with which we will go into the next fiscal year. Eighty-two billion dollars, more than a full year's budget, of unexpended funds. Who has control of the greater part of those funds? It is the Military Establishment. We have made those appropriations, there is no denying that, but military determines the rate at which expenditures from those appropriations are going to be made.

We have completely lost control of the rate of expenditure, and it is the rate of expenditure, not the total which we are going to put into this bill or the next bill, which determines the inflationary impact of Federal spending on our entire economy. In other words, it is the military which is controlling our whole economy, because that rate of expenditure determines not only the amount that we expend but the amount of raw materials that we use up; it is that rate of expenditure that determines whether or not we need controls, the allocation of raw materials, and so on. And Congress has lost complete control of that by giving this tremendous spending power to the military without having in any way circumscribed it.

Let me just point out roughly what the figures are that the administration has given to us from the point of view of the over-all picture. The administration said that it expected to spend $85,000,000,000 in the fiscal year 1953. That can be broken down here simply into four groups of spending. No. 1, service on the debt, $6,000,000,000, roughly; I am just giving rough figures.

Veterans' expenditures, $4,400,000,000, rough figures.

All expenditures, civilian departments of the Government put together, plus civil functions, $9,900,000,000, making roughly $20,000,000,000 in those categories that are outside the military category.

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

Mr. MARTIN of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may proceed for five additional minutes.

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

There was no objection.

Mr. HERTER. That makes roughly $20,000,000,000 out of this $85,000,000,000 and leaves $65,000,000,000 for military expenditures, atomic energy expenditures, and foreign aid, including the military expenditures for foreign aid.

That $85,000,000,000 runs roughly $14,000,000,000 more than we can expect to receive in taxes. The present estimates run about $71,000,000,000—I think I am correct in that statement. More recent figures with the March 15 returns coming in indicate that that might possibly go to $73,000,000,000. Just the same, there is a gap in the picture of roughly $12,000,000,000 to $15,000,000,000. However, there is another item of receipts in our trust funds, unemployment compensation, social security, and so on. It is expected that we will take in about $4,000,000,000 more than we will pay out because of the stability of employment today; in other words, the inflationary gap as proposed by the administration is roughly somewhere between ten and fourteen or fifteen billions.

In other words, if we here in Congress are to recapture what we always thought we had but what has completely escaped us, namely, control over the fiscal affairs of the United States, we have got to recapture the rate of expenditure by some method or other.

I am advised that tomorrow an amendment will be offered, an amendment based largely on the resolution that was introduced by my distinguished colleague from New York [Mr. COUDERT], but I am told that this amendment will be offered from the other side, and that it will, in effect, make it possible for us to recapture the rate of expenditure and stop this inflationary gap. I hope every Member of this body will vote for that. It has nothing to do with cutting down appropriations. Let us make this crystal clear, we are not talking about any appropriations; we are talking about how much shall be spent in any given fiscal year in order that we have a smooth flow within our economy and not have a sudden great expenditure controlled by the military, which can lead to very serious inflationary effects.

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

Mr. HERTER. I yield.

Mr. GAVIN. It should be pointed out that this accumulated stockpile will carry over into 1953 approximately $82,000,000,000, I think the gentleman stated.

Mr. HERTER. That is about the amount I anticipate will be carried over.

Mr. GAVIN. At any rate, an accumulated stockpile.

Mr. HERTER. Correct.

Mr. GAVIN. Now, if you will cut the budget $5,000,000,000 this year and bring it down to $80,000,000,000 for the sake of argument, that would give us $162,000,000,000 that is available for spending through this coming year. In fact, it could not be spent because the economy of the country is not geared to take that terrific load. So you would be carrying 75 or 80 billion dollars over into 1954, and still we go on.

Mr. HERTER. Except for this one thing: When you talk about a budget for a year it is not a budget at all. Only the administration can control that rate of expenditure. We have nothing to say about it the way things stand at the present time. There is not a single piece of legislation on the books that would prevent the entire $97,000,000,000 that there is available now being spent tomorrow or in 1 day.

Mr. GAVIN. There will be available for 1953 $162,000,000,000 to be spent?

Mr. HERTER. About $10,000,000,000 less.

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

Mr. HERTER. I yield to the gentleman from California.

Mr. JOHNSON. The very best example of what this kind of policy leads to is found today in the fact that the pay raise which we granted to the members of the armed services some years ago has been entirely nullified. Their present pay schedule, which was way above the other one, buys less than the other one did due to the inflationary spiral.

Mr. HERTER. I think every Member of this House will agree that we must gage our spending to what is possible in maintaining our economy. If we are going to indulge in inflation we make our defense infinitely more expensive. Not only that, but we are destroying our values. It is only in the last 2 years that the people have begun to worry about the inflationary trend in this country, and they have a great deal to worry about.

I hope when the amendment offered by the gentleman from Virginia [Mr. SMITH] is brought before the Committee tomorrow that we can really show we have the capacity to recapture our own rate of spending.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I learned yesterday of the proposed amendment which would limit military spending during the next fiscal year. The proposed amendment is a very dangerous and unsound amendment, in my own judgment, yet on the surface I admit it appears quite attractive.

When we enter the next fiscal year on July 1 the Department of Defense will have $57,000,000,000 of unexpended balances for the procurement of guided missiles, aircraft, ships, and things of that kind that have to be ordered frequently as much as 3 years in advance of delivery. There is no other way to do it. You cannot buy things like that over the counter, unfortunately. If you could buy them over the counter you might say: Here is ten, fifteen, or fifty billion dollars, go out and buy that much this year, but do not buy any more, wait until next year to buy more.

But you cannot do that in this sort of situation. In other words, we have been jumping up and down and pleading with industry to get us more airplanes, so that we will not be inferior in number to the MIG over the Korean battlefield. We want those planes, we pray for them, we have appropriated $5,000,000,000 to assist industry in expediting production to get, faster than we are getting, those planes as well as other military equipment.

What we are trying to do is to get ready as soon as we can to strike a reasonably safe defense posture, shall I say? The effect of the proposed amendment is, in my opinion, utterly absurd, and I do not see how people could support it if they understand it. Suppose we do get fast production next year, more airplanes, more Sabre jets that will challenge the MIG in the skies over Korea, suppose we do get these guided missiles, ships and all of these things, I repeat, suppose we get those things, the Department would not be able to spend the money which we appropriated to pay for them if the expenditure went beyond a certain figure.

It is utterly ridiculous to cry for speed in the defense build-up and say, "No; do not pay for the stuff; do not get the stuff you are trying to get." That seems to be the objective. That is an unsound approach. It is utterly fantastic, if I may say so.

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

Mr. MAHON. I yield to the gentleman from New York.

Mr. COUDERT. I am very much interested in the gentleman's observation. The military will have $103,000,000,000 on the 1st of July, if all goes as the gentleman would like it to go. Would he be entirely satisfied and happy if the entire

$103,000,000,000 was spent for planes and everything else?

Mr. MAHON. The gentleman means if we bought all the planes and all the other equipment?

Mr. COUDERT. Yes.

Mr. MAHON. Well, if we acquired such preponderant military strength we could certainly write our ticket in the councils of the nations, because we would really be strong. But, it is utterly impossible to move that rapidly. Let us move as rapidly in getting those Sabre jets to match the Russian jets over there as we can. Let us speed up the program within the bounds of reason.

Mr. COUDERT. Does the gentleman completely ignore the fact that there are two sides to this question: The spending side, and then the economy of the United States? Is the gentleman prepared to let the military completely dominate American life?

Mr. MAHON. Well, I do not know of any part of American life that the military people are dictating. It seems to me that the security of this Nation is the thing that is of the greatest concern. The military people do not speak for me. I am concerned about getting this Nation in a position to defend itself against a greater war than we now have. This is not the program of the military; it is my program, it is your program; it is the program of the American people to become strong, and to get strong as rapidly as we can. You may call that the military or not, but I am speaking about the American people. We do have to think, of course, about the economic side as well as the military side.

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

Mr. COUDERT. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

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

There was no objection.

Mr. MAHON. There are two sides to this picture. One theory is that we are going too fast and the other theory is that we are going too slow. But by all means we must maintain our economic stability, and that is the reason we brought in a bill for $46,000,000,000 rather than a larger sum.

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

Mr. MAHON. Please let me finish. The estimate is that during the fiscal year, which begins on July 1, we will spend for defense $52,000,000,000.

Mr. COUDERT. The gentleman passes points that are so important and so controversial and so hurriedly that we cannot even discuss them. I think it would be appropriate if we could.

Mr. MAHON. If the gentleman will permit me, we will spend during the fiscal year, which begins on July 1, $52,000,000,000. What for? For these airplanes, tanks, guided missiles, and what not. But the gentleman from New York wants us to spend $46,000,000,000 rather than $52,000,000,000. He would say to industry, "You have that bomber already and you have to store it here; you cannot deliver it and secure pay for it until the beginning of next year." The gentleman would say the same thing on other things. I say let us get these essential defense items as rapidly as we can.

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

Mr. MAHON. I yield to the gentleman from New York.

Mr. TABER. Does the gentleman feel that the reductions that the committee has made so far and the reductions that will be made in this bill will have no effect upon the spending program? Frankly, I could not agree with the gentleman on that.

Mr. MAHON. It will have some effect on the spending program. All the money we are providing for airplanes in this bill will, generally speaking, not be spent in the next fiscal year. The money we appropriated last year and the year before for those airplanes will be spent in the next fiscal year.

Let me now yield again to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. I want to make sure we understand each other.

Mr. MAHON. I think we do.

Mr. COUDERT. The gentleman says there is a program for spending which the military has submitted. Does the gentleman deny that the military is entirely free to spend the entire $100,000,000 if it wants to? Is there any legal limitation of any kind or character on its spending?

Mr. MAHON. There is no legal limitation. Congress has not written in any legal limitation. Congress has been appealing to the military, saying, "Why don't you get some planes over there in Korea? Why don't you build them faster? Why all this delay?" That is the attitude the Congress has been taking. We could rescind those funds but I think we want defense. The difference between the gentleman from New York and me is that I want to get the planes faster and he wants to slow down the program. I do not know who is right, because we do not know what the future holds.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I want to distinguish between appropriations and expenditures. How much money does the gentleman feel the Department of Defense will spend in the fiscal year 1953, actually spend?

Mr. MAHON. Officials say about $52,000,000,000 of funds appropriated this year and during the last 2 or 3 years, mostly for long-lead-time items, will be spent in fiscal 1953.

Mr. SEELY-BROWN. In other words, there is a total, in the gentleman's opinion, of approximately $53,000,000,000 in expenditures for fiscal 1953?

Mr. MAHON. That is right, as compared to total expenditure during the current fiscal year of about forty, and as compared to an expenditure in the fiscal year before this one of about $20,000,000,000.

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

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. LANHAM. I wonder if we are not all confused when we use the word "spending"? What does the gentleman mean by it? Does he mean what you actually pay for during the year or what you are obligated for?

Mr. MAHON. We mean what we pay for when we talk about spending. When we talk about obligating ourselves we mean what we contract for. We contract for many items 2 or 3 years before we get them, because you cannot buy these things over the counter.

Mr. LANHAM. It seems to me the gentlemen on the other side have been confusing obligating with spending. Can the gentleman tell us how much money is actually to be paid out during the coming fiscal year?

Mr. MAHON. I have just said about $52,000,000,000; this year $40,000,000,000; and last year $20,000,000,000. That is spending.

Mr. LANHAM. That is actually to be paid out?

Mr. MAHON. That is spending.

When the amendment is voted on, those who want to expedite the defense program and get ready for trouble will vote against it. Those who want to slow it down will vote for it.

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

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

Mr. VORYS. The gentleman a few minutes ago said in answer to a question that if there were $102,000,000,000 in appropriations available for military expenditures next year, even though it was contemplated that not more than say $71,000,000,000 would be collected in taxes, leaving a $31,000,000,000 deficit, the gentleman would be entirely willing in the interest of national defense to have the appropriations all spent. As I understand it, the only control Congress now has on the total of such spending is the debt limitation of $275,000,000,000 which would prevent a further deficit of $31,000,000,000. Would the gentleman be willing to waive that debt limitation in order that that expenditure could be made?

Mr. MAHON. I do not think I would. I think it will not be necessary to do so. It was said last year we would be in the red, but we were in the black by $3,000,000,000. I do not concede at all that we will be in the red in the next fiscal year to the extent predicted.

We are all interested in a stable economy, but this approach of slowing down the defense program and making industry hold on hand and keep in the warehouse that material we order and want and need in our effort to modernize our services, just not allow them to deliver it because we cannot spend more than so much each year, is unsound. I hope the Members will not vote for any such unrealistic proposition.

Mr. VORYS. Is it not true that the only estimate we have about the rate of spending for next year is the estimate of expenditures, which does not constitute a promise or commitment or anything

except an estimate the gentleman's subcommittee has presented to us here?

Mr. MAHON. These estimates are generally about right as to the amount being spent. It was about right last year, it is about right this year, and I think it will be about right next year. However, we are impatient because we are not moving along as rapidly as we wanted to in acquiring these war goods, which we need to strengthen the Voice of America at this time of great world peril.

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

Mr. MAHON. I yield.

Mr. WIGGLESWORTH. Just for the sake of accuracy, I think we are about 27.6 percent behind on deliveries this year, and that is why the deficit is not greater than it is.

Mr. MAHON. There is a stretching out of our production and deliveries, which will be good if war does not come soon, and which will be bad if war comes early.

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

Mr. MAHON. I yield.

Mr. SHEPPARD. Is this not a material factor in the discussion, which the gentleman brought out that as long as industry can produce requirements upon the momentum of which they wish to appropriate funds and expend them, they will be there and available for that purpose.

Mr. MAHON. That is right.

Mr. SHEPPARD. They have every assurance that they will get an increase of that production to the extent of some 22 percent in the coming year.

Mr. MAHON. Yes; and if you make industry hold on to those war goods, and do not let them get their money, and do not let them deliver the goods to our fighting forces, you are going to pay many hundreds of thousands of dollars and perhaps hundreds of millions of dollars more for the defense program, which is costing us enough as it is.

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

Mr. MAHON. I yield.

Mr. LANTAFF. Just to straighten this matter out in my own mind; do I understand the gentleman correctly as having stated that the military estimated that they would be able to spend in the fiscal year 1953, $52,000,000,000?

Mr. MAHON. The estimate of the Bureau of the Budget and fiscal officials is that the sum expended in 1953 for the Department of Defense will be the sum stated.

Mr. LANTAFF. Is it not true that that estimate was made in contemplation that the committee would cut $4,000,000,000?

Mr. MAHON. I doubt that.

Mr. LANTAFF. But, in order to translate the cut made by the committee into actual dollars and cents, you would have to reduce by $4,000,000,000 the $52,000,000,000 estimated.

Mr. MAHON. No, the gentleman is quite decidedly in error because most of the funds appropriated for long leadtime items in this bill will not be spent next year anyway.

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

Mr. MAHON. I yield.

Mr. RILEY. Is it not true that the rate of expenditure is measured by the ability of American industry to deliver goods which have been on order by the defense forces?

Mr. MAHON. That is right.

Mr. RILEY. And those goods had to be ordered several years in advance, and the whole thing, as far as expenditures are concerned, is resolved in the ability of American industry to fulfill their contracts?

Mr. MAHON. That is right, the people are jumping up and down saying, "We want more defense production, not less." Now, when we are about to get it, some people are jumping up and down because they do not seem to want what they have been saying they wanted.

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

Mr. MAHON. I yield.

Mr. BROOKS. As far as jet airplanes are concerned, I understand that the situation is it takes 2 years to tool up in order to produce the first airplane, and therefore orders put in 2 years ago with a certain company, would just be beginning to come out of the line at the present time.

The CHAIRMAN. The time of the gentleman from Texas [Mr. MAHON] has expired.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have before me a memorandum submitted by the Department of Defense, and it appears that of the funds that are supplied in this bill, something like $24,000,000,000 or better than half would be for current procurement and operations. Now does anyone think or have any idea that the cuts that have been made in these items will not have to be reflected in the expenditures of the Armed Services? Let me project another thought, and it is something that I have been trying to do all throughout the debate yesterday and today to get across, and that is, that what deficiencies we have in our production and in the supply of military items to the Armed Services are not due to a lack of money to spend, but due to a lack of decision on the part of the Armed Services themselves, and these experimenters they have as well as the lack of efficiency in construction. Let them put a little more business into the operations. Let them put a little more decision into them. Let them cease to double up on things that ought not to be doubled up on, and we will get production and we would not have to spend such a tremendous sum of money to get results. I do not know how the Congress is ever going to get this financial situation on its feet, get it where we can force the armed services and the Administration to adopt sincere, effective, foreceful business administration, unless we speak out and speak out boldly. Frankly, there is not any recourse left us to get results except such an amendment as has been proposed.

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

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman said correctly that one of the main reasons for delay is lack of decision on the part of the military. Nothing can be done until they give orders to put into production a given model. But what the gentleman from South Carolina said is not so in most cases. He said that the rate of production is limited by the capacity of American industry. The fact is that hundreds of factories over our country were ordered to cease production of civilian goods and be ready to convert to the production of military items, but they have not been given the green light to start producing. Workers in such idle factories have been unemployed in the Detroit area for more than six months. Stockpiles of unused materials have built up until OPS is releasing them for civilian use. Orders have not come from the Pentagon to the factory to build a certain tank or plane or other item that is needed, that American industry should produce and could produce at an enormously increased rate if the Pentagon would just decide what it wants them to produce and sign a contract to start producing it.

Mr. TABER. But if you have contracts out and do not have the design of your plane ready to fit the design of the engine, and do not make decisions on such things, you have a great block of employees on the payroll doing nothing, and you get nowhere and the cost piles up and piles up beyond all endurance. That is the kind of thing that I want to see stopped, and I think every right-thinking Member of the House wants to see it stopped.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FURCOLO. Mr. Chairman, I move to strike out the last word.

Mr. FURCOLO. Mr. Chairman, of course, I agree with those who have talked about the great waste and the deficiencies that theer are in the procurement and other practices. There is not any question but that a great deal of money can be saved if more efficiency is forced upon the armed services.

But by and large I think there is somethink much more important than that. It is this: The great waste, in my opinion, in the military is not so much in the procurement, wasteful as that is, but it is the waste of manpower that is characteristic of the services. I do not think there is anyone in the entire world, in government, business life, or any place else that is as guilty of the great waste of manpower as our armed services.

You can go to the Navy or the Army or the Air Force, or anywhere else, and you will find that same waste. We can talk all we want to about the great necessity of cutting down here and there and everywhere else, but, basically, every single expenditure that the military makes stems from the military personnel in the Armed Forces.

If this Congress wants to save some money on this budget, or any other budget, it is important that we begin examining into whether or not the military

has need of all the personnel it claims to need.

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

Mr. FURCOLO. I yield.

Mr. COUDERT. I am delighted to hear what the gentleman has just said, because I happen to be wholly in accord with him. Would he be disposed to support an amendment to this bill that would limit the size of the Military Establishment?

Mr. FURCOLO. That is the point I was coming to next. I discussed with the committee whether or not it might be advisable to offer an amendment directing the armed services to cut down on their personnel. It is a grave and a serious responsibility.

I believe very firmly that the military can get by with a great many fewer men than they have now, but I am also frank to say that I do not have the responsibility of running the military and guaranteeing the security of this Nation. It is the military that has that responsibility. That responsibility is upon the military. It is a grave one and if it is not handled properly it is fraught with great danger. I think the military should be forced to look into the possibility of making changes but I do not know whether, on the basis of evidence available to us at this moment we should force the military to cut personnel. If the military does not want to cut personnel, they may make the personnel reductions in the wrong places. Cutting personnel requires the willing cooperation of the military.

Back several weeks ago when the UMT bill was up I said on the floor of this House that the military could not ship overseas more than a million men in 6 months' time with every single means of transportation available to them. I said the military would verify my statement if anyone questioned its accuracy. I pointed out that General Collins has said that you could take a raw, untrained recruit and have him ready for combat in 6 months' time.

I do not say that is necessarily your or my viewpoint, but I do say that the military people said those are the basic facts.

We do know, however, that the military has more men than it can ship overseas. We also know that in World War II the military always had several times the number of men available for duty that it could use or, in fact, even transport. There was and is a waste of manpower.

At times we seek information that the military says is secret or is supposed to be security and be classified. Often, but not always, it is a joke. We all know that much information is not classified, and there is no security about it. However, for that reason I cannot quote too many figures even though I don't think it would do any harm if I did. What I do quote has been cleared.

Back during World War II, to take just one type of craft, a vessel known as an assault transport, the Navy maintained after the war was over that to run that ship they needed so many men. I think it was something like 350 men and 35 officers. They were certain that they needed those men, not for training, not to be used for combat, not to build up a Navy, but simply because they had to have them just to run the ship. They seriously believed that they could not run such a ship unless they had 350 men and 35 or 40 officers, or roughly that number.

Do you know that that same type of ship or one very similar, at the present time is being run by the merchant marine or the Maritime Commission, and being run efficiently with something like 16 officers and 50 men? If the Navy were running that ship for the very same duty they would have probably 35 officers and 350 men. They would really believe that they could not do it with less than that number.

There might be some excuse for a large crew in time of war either for training, or to build up the Navy, or in case of casualties, and so on. Excess manpower then may be justified, even if actually the Navy could do just as efficient a job with less than that number. But when there is not a world war and when the spending of the military may bankrupt us, then we should look into this question of the utilization of manpower.

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

Mr. SUTTON. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

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

Mr. FURCOLO. I yield.

Mr. SUTTON. I would like to say to my good friend from Massachusetts and to the membership present that the gentleman addressing you from Massachusetts knows what he is speaking about. I know of the investigations that he has made and that he speaks as a result of study of the subject. I congratulate him for the good work he has done.

Mr. FURCOLO. I thank the gentleman and appreciate his kind words very much. I wish I deserved them.

I know very little about the Navy, but there is no question about this type of vessel I speak of, the assault transport. I served on one; that is one of the few vessels that I do know about. I have also talked with dozens and dozens of other officers who were in the same type of ship. Anyone who is in that service has had the same kind of experience.

I am willing to grant that during wartime they probably had to carry an excess of complement because of casualties. But I am talking about the complement they felt they had to have to run the ship. Yet we have this very same type of vessel efficiently operated with a far lesser number of men.

I know from my own experience that that ship can be run efficiently with a smaller number of men for the task to be done. In fact, the merchant marine proves it by doing it. They prove it, for the job is being done; and the Navy could do it with probably 15 or 20 officers and a hundred men at the most. There are missions the Navy could accomplish with a ship manned by 15 officers and 75 men, but even there the Navy will use double that number. I am not talking now of tasks where a greater number is actually needed. I am not talking of cases where a ship is overmanned for training, for a build-up of the Navy, or for casualties, and so on. I am talking of a case where those reasons do not exist.

Let me illustrate. If any of you here have ever been on a trip to Panama on either the *Ancon*, the *Cristobal*, or the *Panama*, you can find out how many men they need to run that ship and whether or not it is run efficiently and does the job. They can run a ship like that and do it very well with probably 15 or 16 officers and about 107 men. And of the 107 men, about 70 of them are engaged in taking care of the passengers, such as deck stewards and people like that.

Do you know that if the Navy had one of those three ships transporting troops at the present time they would not have 15 officers and 40 men running the ship? They would have about 35 officers and 300 to 350 men. There is not any question about that.

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

Mr. FURCOLO. I yield to the gentleman from California.

Mr. JOHNSON. In our committee we have been discussing that matter. Does the gentleman think the tables of organization of the services are fallacious or that they could be modified, that you could get a more realistic return with the number of people you have?

Mr. FURCOLO. May I say this, and it is not a new suggestion; I made the suggestion some time ago, probably 3 years ago: The ordinary practice of any congressional committee seeking to get information on the Army, the Navy, or anyone else, is to bring in the generals, the admirals, and high-ranking officers.

There is only one man who can give you a good idea about that, and it is the enlisted man and not the high-ranking officer.

We talk about the empire builders and the fact a man wants to have a good many men under him so he will have a good job and he can hold four stripes instead of two and a half. That is not any enlisted man. He does not want any empire. All he wants is to get out. If you can get the enlisted man's confidence and guarantee his security is going to be protected, the everyday enlisted man will tell you where the waste of manpower is. High-ranking officers can tell us things the enlisted man cannot. They can help us places where the enlisted man cannot. But not on the question of waste of manpower.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The gentleman has helped us wonderfully, but can he tell us how we can protect that man who would give us the information?

Mr. FURCOLO. I will tell you what I would do if I had the opportunity. I would love to be on a committee that

had the power to investigate the number of men needed on ships in the Navy. I would do exactly what I did in my own ship in the Navy when I was in it. I went through it, found out what each department needed, and why. I talked to some of the men. Later I had with me a man who was a passenger being returned to the States. He was a merchant marine captain. I said to him, "I have been through this ship. I have made a study. I have talked to the men and the officers. We have 350 men running the ship, including 35 officers."

My own opinion was that we could run the ship with 18 officers and probably 75 enlisted men. In order to protect myself, and to be absolutely sure and to allow myself a leeway, I determined that we could run the ship with a maximum of probably 20 officers and 125 men.

The merchant marine captain, who incidentally had been a graduate of Annapolis at one time, went through it with me. He did not know what my figures were. He came to the conclusion that the ship could be run efficiently if operated by the merchant marine with something like 12 officers and 50 men.

I will tell you of a ship at the present time, and if you have ever been down to Panama on it, and many of you have, the *Ancon*, you will find this is accurate. You can check on this.

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

Mr. PATTERSON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

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

Mr. FURCOLO. I yield to the gentleman from Connecticut.

Mr. PATTERSON. I would like to ask the gentleman a question. Has he allowed for a difference between a merchant marine ship and a combat ship? A combat transport, in my estimation, needs net officers and various small boat officers, right on down the line, whereas a merchant marine ship would only need officers to handle a commercial cargo. How does the gentleman account for the difference?

Mr. FURCOLO. That is true. That is why I prefaced it by saying this: After World War II the Navy had a good many of these assault transports that were amphibious craft. During the war they had to have their crews and their men running the ships. They also had to have amphibious boat crews.

Mr. PATTERSON. The gentleman is talking strictly about peacetimes.

Mr. FURCOLO. No. I will tell you what I mean. In addition to that they had to have an excess of complement because of the possibility of casualties. After the war was over the official policy of the Navy at that time was to use only the number of men that they had to have in order to run that ship efficiently, on what they called magic-carpet duty, transporting soldiers back home.

I looked into it to find out if they were intentionally keeping men for purposes other than just the duty of manning the ships. For example, to keep some of those men in readiness for training purposes, and what not.

I satisfied myself that they really and honestly were trying to run the ship on as few men as possible. In order to run it with as few men as possible the Navy felt that they had to have, my recollection is, 350 men and 35 officers.

That was not to man the ship for war; that was not to train them or have them in combat readiness, or anything of that kind. Whether we agree with them or not, that was called the official policy of running the ship with as few men as possible. I do not know whether that answers the gentleman's question or not.

Mr. PATTERSON. I just have in mind the gunnery officers or gun crew, the fellows who handle the small boats, ship-to-shore movement, the fellows who handle the winches aboard ship. They have to be supervised by either a petty officer or a commissioned officer.

Mr. FURCOLO. That is right. On the ship I happened to be on during the war, then they had an excess of complement, theoretically because of the possibility of casualties——

Mr. PATTERSON. Now the gentleman is agreeing with me.

Mr. FURCOLO. When the war was over the official policy was to get those people off, and only to keep as many men as they needed to transport them. But even then they had the ship manned by three times the number needed. That is what I am talking about.

Mr. PATTERSON. That is strictly peacetime operation after the war is over. I am talking about right now, about combat ships going to Korea.

Mr. FURCOLO. That is what I am talking about. The Navy felt and honestly believed that in peacetime, in order to run a ship and to carry soldiers back and forth, that they needed 35 or 40 officers and a crew of 350 men. They believed they could not run the ship without them, when the fact of the matter is, and it has been proven, because the merchant marine and the Maritime Commission have done it since, all they really needed was approximately 15 or 16 or 20 officers and maybe 75 or 125 men.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FURCOLO. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. The soundness of the gentleman's argument is demonstrated here every day. There may be a war in Korea, but there is not any here in Washington. But it still takes two Waves and two Wacs to drive an admiral's or a general's car.

Mr. FURCOLO. In reply to the gentleman from Connecticut [Mr. PATTERSON], there is this point, too, that is in line with what I was saying: The Navy, as I understand it at the present time, has two assault transports that in wartime would take maybe 35 officers and 350 men. At the present time they have two of those that are not manned for combat duty; they are not manned for amphibious duty. They have 23 officers and 273 men manning each ship for the duty that those 2 ships are on. If those 2 ships were being run by the merchant marine or the Maritime Commission they would actually have about 15 officers and 125 men; there is no question about that. It can be verified. And they would do as good a job and get it done. The Navy could do it, too.

Mr. PATTERSON. I know from experience that during peacetime battleships even cut down their complement.

Mr. FURCOLO. Oh, they cut down on the complement during peacetime; in fact, right now the complement of the APA's in the Atlantic are undoubtedly less than the APA's in the Pacific area, but that is not the point.

Mr. BUSBEY. Mr. Chairman, I move to strike out the last two words.

Mr. SIKES. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that all debate on this section close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BUSBEY. Mr. Chairman, I have listened with a great deal of interest to the debate on the bill before us this afternoon, and I think everyone who has spoken has made a very valuable contribution to the subject under discussion.

The gentleman from Texas [Mr. MAHON], the chairman of the subcommittee, stated that the Congress had been screaming to the military for production. There is an old saying—put the oil where the squeak is. I hope that in my humble way I may be able to apply a little oil to that squeak, especially as to why we are not getting production.

We are all agreed that we are not getting production, but I doubt if there has been any serious attempt to get into the facts as to why we are not getting it. In my opinion, there are two fundamental reasons for this.

The first is programing. Let me illustrate in this way: In the district I have the honor to represent in Chicago we have the big Ford Motor Co. Aircraft Division. They spent millions and millions of dollars of the taxpayers' money. They took 18 months to tool up to build the gas engines for the B–36 planes. Then, after all that preparation and expenditure of money, and just as they had completed the tests on the first two engines and were ready to start mass production, the Air Force came along with a 75-percent cut-back of the program. That situation is going on every day in every department of the military.

The second reason we are not getting production is the constant changes that are being made in designs. I have no knowledge that it is deliberate sabotage, but will say I do not know of a more clever way of sabotaging our production program than to keep changing the designs on the various planes and tanks and other war matériel. I think the fact is pretty well borne out that, after we have spent months tooling up and getting the production line ready to where we will really get tanks and planes in mass

production, somebody sends down word to hold up while additional changes are being made. If you do not freeze production sometime, we will never get planes and tanks in sufficient quantity.

At this point I ask the distinguished and very able chairman of the subcommittee [Mr. MAHON] to what extent the subcommittee went to determine the lack of production from the planning and programing standpoint and also from the standpoint of the constant changing of design?

Mr. MAHON. The subcommittee gave considerable time to the discussion of the slow-down of our military production. Of course, we are going to take them off the hook if we adopt an amendment which would not permit them to spend enough money to buy what is produced. But actually I think we would all rather they would not produce in quantity an item such as aircraft that will not work in combat. It is true that the best aircraft, the ones that come off the assembly line now, have to be modified before they go into action. We have spent millions on research and development. They are learning new things. When to stop and freeze production is a pretty difficult thing to determine. It is true that they could build airplanes much faster, but they would be defective aircraft in many instances. There are a lot of things involved in electronics and other such things involved in the situation, as the gentleman well knows.

Mr. BUSBEY. With the experience we have had in airplane production, I do not see how there could be so many defective planes. We are supposed to spend $52,000,000,000 for defense in fiscal 1953. It will make no difference if $252,000,000,000 is appropriated, you will never get production unless something is done to correct the situation to obtain better programing and stop constant design changes.

The CHAIRMAN. The time of the gentleman has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

Contingencies

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes, $25,000,000: *Provided*, That a report of disbursements under this item of appropriation shall be made quarterly to the Appropriations Committees of the Congress.

Mr. MANSFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the chairman of the subcommittee, or any member of the subcommittee a few questions on some matters which have been disturbing me lately. I have been reading in the press about the tremendous waste, not in production, but in construction on Army bases in Greenland and on Army bases in North Africa. I would like to know what this committee has done to eliminate this tremendous waste which has been occurring, and I would like to know also just what the answer to the story is. I yield to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. I would like to undertake in some way to answer that. Of course, this is not a military public-works bill. The public-works bill will come later. But, various committees of the Congress have conducted investigations of the waste in the North African bases of the Air Force and elsewhere. We have had hearings, and testimony appears in this RECORD about this waste. There has been waste—unpardonable waste—waste running into several millions of dollars. I believe a lieutenant colonel and a colonel have been transferred from the jobs which they held in North Africa. I say for the RECORD that it may be necessary for the Military Establishment to cut off heads much higher if we are to get efficiency in our military construction program. I say that the Chief of Engineers cannot escape some responsibility for these wasteful practices in North Africa and elsewhere. Of course, in construction where you are doing a rush job, trying to get ready because you think war is just around the corner, perhaps some waste is inevitable, and there is great extra cost because of overtime. Also civilian workers must be recruited and transported across the seas. But there is too much waste. We are doing everything we can. I think we are going to have to shock some people on a higher level than a colonel and a lieutenant colonel perhaps to get the efficiency we want.

Mr. MANSFIELD. I thank the gentleman from Texas, the distinguished chairman of this subcommittee. But, my question is still not answered. This is not a civil works program. These jobs that the Army engineers are doing in Greenland and North Africa are part of the military security program of this country.

Mr. MAHON. That is right.

Mr. MANSFIELD. May I say to the gentleman from Texas that I think your committee has the duty to inquire into this, and I do not think it is just a matter of losing a few million dollars. I think it goes far beyond that, if what I read in the press is in any way near the truth.

Mr. MAHON. The gentleman is correct. We are not talking about civil public works, we are talking about military public works, and military public works is not included in this bill. It will be included in a bill which will come later in the year. Then, we can explore these matters more fully in the House of Representatives. Certainly, we have tried to go into these matters—our committee as well as other committees of the Congress, and it is not a good picture. There has been much exaggeration, but nevertheless there has been a great deal of waste.

Mr. MANSFIELD. Will the chairman answer this question? Is it true that a certain lieutenant colonel's wife in North Africa went out of her way to have the distance between her house and her next neighbor's house extended to 65 feet at a cost of $1,000,000?

Mr. MAHON. I do not know whether that is true or not. We have asked for all the facts, but if I were the Chief of Engineers I would find out, and I would do something about the matter. There has been unpardonably bad management and the United States engineers and the civilian contractors cannot escape responsibility.

Mr. MANSFIELD. Will the gentleman agree with me that the best way to handle these officers who have made mistakes, if they did make mistakes, is to remove them from their commands?

Mr. MAHON. It is a matter of better efficiency, the same thing we have been talking about all the time, and better management. We have a $140,000,000,000 asset in the entire Department of Defense. We do not have adequate management for such a large enterprise. It is very difficult for the people in the defense establishment to get the people they need. I say for the record that men who are not doing a creditable job should be replaced by people who will.

Mr. MANSFIELD. Why should there be any difficulty in getting the people they need when they have so many people working now? We hear so much talk about the civil service. Where do we find them concentrated—not in the old line organs and agencies of Government, but in the Defense Establishment, and I think it should be looked into. I would like to make this suggestion—I hope the Committee on Appropriations will see to it that a constant watchdog committee check is maintained on these installations that are going up all over the world so that we can be sure that the dollar being spent is being spent well, in the right way and for the right purpose.

Mr. MAHON. The gentleman is making a valuable contribution. It is necessary that we be alert to this danger of waste. While you cannot avoid some waste, it must be reduced to the minimum, and people have to have reason for their confidence in the Military Establishment. Better management will give them that respect.

Mr. MANSFIELD. I thank the gentleman.

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

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last two words.

NAVAL AVIATION AND MILITARY BALANCE

Mr. Chairman, several times since the end of World War II, I have emphasized to the Members of Congress the necessity for powerful naval air forces. The security of our country depends just as much on naval aviation as it does on any other branch of the armed services. If you will go back and read the testimony of generals and admirals during the hearings on the unification of the armed services, you will observe their emphasis on the necessity for a balance of our armed strength if we were to achieve the maximum of national security. General Eisenhower, and the Air Force generals in particular, time after time stated that a balanced team was absolutely necessary.

Now let us take a quick look at this all-important balance and see just what has happened to it. I direct your attention to aviation—naval aviation and Air Force aviation. According to public information—it is not secret—the Air Force expects to have 143 air bases overseas and over 100 air bases in the United States by June 1953. This is a total of 243 air bases. These bases have been constructed at a cost of billions. To use these bases we have appropriated billions for airplanes and the Air Force has tripled in size. Now do not misunderstand me. I have not said, and will not say, this vast expansion of the Air Force was not necessary. I believe in air power. It is because of my confidence and belief in air power, both land-based and sea-based, that I now want to focus your attention on the sea-based air power of the United States. Sometimes we refer to it as carrier-based air power, and in the Navy it goes by the dignified title of naval aviation.

How many carriers have we constructed since World War II? None. How many billions have we spent on carriers since the war? None. How many carriers have we authorized? Just two. Remember the great carrier—*The United States?* Its keel was laid when the great economic financiers of the Government decided to sink it. Based on costs today, this blundering decision cost this country the price of a new completed carrier. At present there is one carrier under construction. If we are to maintain this balance the generals were telling us was so essential to American security, then instead of one carrier under construction we should be building at least 50. Even then the Air Force would overwhelmingly weigh down its end of the scales. Carriers need replacement just as much as air bases, but certainly not as often. Improvements in aviation affect carriers just as they do air bases. Carriers must be able to meet the necessities of the hour just as much as air bases.

FALSE ECONOMY

Now, is it not possible to be realistic? I think it is time we faced the facts and refrained from shouting economy in regard to our security when it is perfectly obvious there is no such thing as economy in insecurity or the lack of security. I want economy too. I think this Government has wasted billions of our national wealth. I want it stopped and it must be stopped and it will be stopped. In deep seriousness, however, I am compelled to say it is penny wise and pound foolish to carve off the flesh of our national security. If you must have a pound of flesh turn your attention to the billions and billions this country gives away annually to other nations and not to the bone and sinew of our military armament upon which the men who carry the fury and burden of battle must depend.

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

Mrs. ROGERS of Massachusetts. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. We must keep our determination directed and focused on our objective of invincible security and peace and not on ever-changing vistas of Joe Stalin. I remind the House that Joe Stalin does not scrap his national defense; Joe Stalin is increasing his national defense. In my opinion that is why Joe Stalin today is suggesting peace; he is thoroughly armed and he is thoroughly ready, and nothing would please him more than to have us weaken our national defense. You have authorized billions of dollars for the building of airways in foreign countries. I remind the House—and I know those of the Armed Services Committee agree with me—that it is vital for one reason of many to have the mobile carriers to take the place in case of attack, if the air bases in foreign countries are bombed. I cannot understand why the Armed Services Committee cut out the measly—I call it measly when it applies to our national security—the measly $209,000,000 for another aircraft carrier. I hope an amendment will be offered to replace the carrier. If no one of the Armed Services Committee does, I shall.

Regardless of Stalin's gestures we know that a weak America means war and that a mighty America means peace.

In view of this determination of ours to make the fortress of freedom perfectly secure we must examine closely and factually the significance of the provisions in the bill under consideration in regard to the construction of another carrier. At the same time we must keep in mind this balance of the Armed Forces our generals insist is so important.

THE CARRIER "FORRESTAL" IS AUTHORIZED

One of the most important items for which the pending bill would appropriate the necessary funds is a second large carrier of not more than 60,000 tons displacement. The carrier contemplated would be similar to the carrier authorized last year by Public Law 3 of this Congress. When the late Admiral Sherman testified last year before committees of the Congress in support of that large carrier, he stated that the Navy wished to start one such ship with a view to requesting others when plans for the first had crystallized and the Navy was convinced that it had a workable and satisfactory ship. These plans have now crystallized and the ship is now known to be what is wanted and needed. The keel of this ship, which is to be named the *Forrestal,* is planned to be laid on July 14, 1952.

The record of carrier task force operations in World War II plus the current Korean conflict attests their indispensability in the discharge of basic naval missions. Never in the history of warfare has naval power attained such undisputed offensive capabilities as by the exploitation of naval air power. This has been achieved by an aggressive, orderly development of the best possible ships, weapons, and aircraft. Modernization of ships has long been a Navy policy and since the year 1946 the Navy has kept pace with the advancement of aircraft of higher speeds, greater weights, and longer ranges by means of conversions. In other words, accomplishments to date have been by the most expeditious and most economical means possible. There is a limit, however, to modernization and today the Navy is faced with a situation whereby it can no longer improve its World War II aircraft carriers to the extent necessary for them to fully meet the needs of future operations. Stated otherwise, the Navy cannot use efficiently and properly a 1938 model carrier when the planes are of the 1955 or 1960 vintage, regardless of how much improvement is made in the carrier. There is at present one large carrier being built under the 1952 appropriation. Funds are now being sought for a second one with the assurance that this type of vessel must become our principal class of aircraft carrier in order that naval aviation may in the future carry out its necessary functions. The reasons why the Navy needs carriers of this size to accomplish its mission are important.

THE INCREASED WEIGHT OF AIRCRAFT

The weights of aircraft have been steadily progressing in an upward direction since the *Essex*-type carriers were laid down. The upward trend became even sharper with the introduction of jet aircraft which burn aviation fuel at a rate of over three times the normal reciprocating-engine rates. In order to get any range at all, it has been necessary to put more gasoline in each airplane. In order to carry this additional gasoline, the plane has become larger, thus increasing in weight. A look at airplane weights will show that, if the Navy is to continue the development of aircraft of higher performance at longer range in order to carry out its missions, the carriers must have stronger decks. This can be done in the *Forrestal* class, but otherwise the Navy will be forced to use inferior aircraft since the decks of existing carriers can no longer be improved, particularly the modern-type flight decks of the relatively numerous *Essex* type.

THE NEED FOR INCREASED FUEL CAPACITY DUE TO JET PROPULSION

The matter of aviation fuel is important since the introduction of jets has caused these fuel requirements to more than triple. The problem thus produced has been partially solved in conversion by means of fuel blending. This process of fuel blending involves mixing a high-octane gasoline with a low-flash-point type of kerosene which can be carried outside protected stowage. This resulting mixture of aviation fuel can be burned in jet engines. But for this solution of the problem it was necessary to utilize some black-oil stowage which determines the cruising radius of a ship and convert this stowage for carriage of the kerosene. This increased the amount of aviation fuel available but at the expense of cruising radius. Once again, however, the point has been reached where

this improvement is no longer efficient. The cruising radius of carriers has been reduced as low as possible, but by so doing only sufficient aviation fuel has been provided to account for aviation development during the next 2 or 3 years. After this, as jet-fuel consumption further increases, there will be nowhere further to go. The limit with the old ships will have been reached. There will be only one way of getting sufficient fuel and that will be through use of a new type of ship.

The new type of large carrier will have a greatly increased cruising radius. This should allow for future growth in aircraft and it cannot be accomplished by conversions.

THE NEED FOR MORE CATAPULTS FOR LAUNCHING MODERN FIGHTERS

All of the Navy's present carriers were designed for an era in which most planes were deck-launched. This permitted shorter intervals between planes than in catapult launchings. Also, up to very recently, air defense has been provided primarily by fighters aloft on 3-hour combat air patrol. In other words, there was a constant covey of defensive fighters always in the air. These fighters were supplemented by launching a smaller number of fighters, which had equal endurance, as enemy raids approached.

By 1954, however, because of the switch to jets, which require longer and longer decks for conventional take-offs, it is planned that catapults will be used for the launching of all fighter-type aircraft. These fighter-type aircraft will be jets which have less endurance. As it will be impossible to launch and recover continuously to maintain a constant air patrol, it will be necessary to rely primarily on the rapid launching of a large number of fast-climbing interceptors as enemy raids develop.

The *Forrestal*-type carrier will excel for operations of this type because of its four catapults. These four catapults would permit the launching of a greatly increased number of interceptors, which might mean the difference between victory or defeat in stopping a raid. In this connection, it is important to realize the impossibility of installing additional catapults on a ship designed for only two. This is true since there is not enough moment or weight compensation and far too little deck area in present carriers, though the installation is entirely feasible in carriers of the *Forrestal* type.

THE NEED FOR MORE AVIATION ORDNANCE STOWAGE SPACE

The requirements for aviation ordnance stowage space constitute an additional factor requiring a completely new carrier design. Existing carriers were designed for planes which would carry not over a ton of bombs or rockets. The present single attack-type plane can carry 4½ tons and is regularly carrying 3 tons in Korea today. As a result, present carriers, even when converted, have just barely enough space for the aircraft ordnance needed in 1952. While no further increase in tonnage per plane is anticipated, new weapons are being developed which will require more stowage space per ton. These items include atomic weapons, guided missiles, and a new series of conventional bombs with long streamlined shapes which do not stack as efficiently as the blunt end cylindrical types. All the ordnance and all the gasoline compete for space in the armored box of a modern carrier and in existing carriers this box is only so big. It cannot be increased. As a consequence, space is a controlling factor and a larger carrier is a necessity if the situation is to be improved. In the fully converted carriers now at sea, it is barely possible to make enough room for a minimum stock of air-to-air missiles, while in the new large carrier there will be ample room for three times this quantity. Also in the Navy's converted carriers there exists only the minimum amount of 20-millimeter ammunition or rockets over the projected 1954 needs.

In using the converted carriers it is necessary to displace bombs if aerial mines are to be used to mine submarine transit areas, whereas in the new carrier it will be possible because of the additional stowage space provided to carry sizable stocks of mines without displacing needed bombs.

THE INCREASED SIZE OF AIRCRAFT

Navy carriers normally operate approximately 100 aircraft each, depending of course on types and sizes. Approximately one-half of these aircraft are stowed in the hangar deck. As the hangar deck is not of sufficient size or the elevators which carry the planes from the flight deck to the hangar deck are not of sufficient capacity and size to accommodate these aircraft, roughly 50 percent of the aircraft complement will be lost. In other words, if the elevators cannot take the airplanes below and the hangar deck does not have sufficient height to accommodate the airplanes, naval aviation will be severely penalized. Up to the present time this has been avoided by means of folding tails, folding wings, kneeling airplanes, and so forth. All of these methods of making sure that the airplane will fit in the hangar deck have an effect upon the design of an aircraft. The major deficiency is hangar height. Since the *Essex* class, all Navy carriers have been built around a 17-foot 6-inch hangar deck. However, as supersonic operation approaches, it has been essential to increase the height of the vertical fin. To do this requires putting a fold in this fin also, thus adding weight to the airplane and again adversely affecting the design. In the new carrier the hangar deck height has been increased to 25 feet, which should permit avoiding most of the expedients which have prevented advancements in design. Another reason why the new type carrier is needed is the increase in aircraft landing speeds.

It appears fairly certain that if fighter performance is to increase, landing speeds must also increase. This becomes quite evident when it is realized that airports are becoming longer and longer to accommodate newer aircraft. While on carriers arresting gear is used, the space in which the aircraft must land will of necessity increase due to the higher landing speed. The new carrier provides for this growth through increased length and width of the landing area. Furthermore, through the reduction of landing hazards, achieved by the removal of the island and topside obstructions, the pilot's problem has been eased tremendously. The Navy has made exhaustive studies to determine whether it would be possible to remove the islands on existing carriers and has found that the cost of this change would be prohibitive.

THE NEED FOR BETTER PROTECTION AGAINST TORPEDOES, BOMBS, AND OTHER WEAPONS

In the Navy's existing carriers, particularly those of the *Essex* type, there is a wooden flight deck which is most susceptible to topside damage. On the other hand, the *Midway* class of carriers has a steel flight deck which is considered by the Navy to provide ample protection from topside damage. This type of flight deck will be installed on the new carriers of the *Forrestal* class. To install a steel flight deck on conversions of *Essex* type carriers would be prohibitive both as to weight and as to cost.

As regards underwater damage, there will be installed on the *Forrestal* class carriers one additional protection which the Navy is very sure can repel any known torpedo.

In brief, the requirement for the large carriers is completely analogous to the problem of airfields—civilian and military. Modern aviation can no longer operate satisfactorily and safely from the airfields which were constructed a few years ago and which were then entirely adequate. As the older airfields have been stretched and improved, so have our present carriers been modernized through conversion. But as airfields reach a limit of elasticity, so is there a limit to the possibilities of carrier conversion. If in the near future naval aviation is to make full use of the weapons at its disposal in carrying out its assigned mission, adequate "airfields"—carriers of the *Forrestal* class—have become an imperative necessity.

The funds which the pending bill would provide for a carrier of this class have been requested by the Navy Department, and this request has been approved by the Secretary of Defense, by the Bureau of the Budget, and by the President. In the interest of the national defense I strongly urge that these funds be appropriated by the Congress. In the interest of military balance I cannot comprehend how you could fail to approve these funds. In the interest of naval air power and the complete control of the seas and the air above, I urge you to make these funds available. In the interest of a mighty America commanding a peaceful world, I plead with you to approve these funds. The appropriation of these funds will greatly strengthen the bulwark of security in a free world.

Mr. BURDICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURDICK: On page 6, line 12, strike out the period, insert a colon and "*Provided further*, That where an appropriation of funds is made for a specific purpose in national defense no person shall be authorized or empowered to transfer

more than 10 percent of the specific funds for any other purpose in national defense."

Mr. CURTIS of Missouri. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CURTIS of Missouri. Have we reached that point in the bill?

The CHAIRMAN. We have.

Mr. CURTIS of Missouri. I have an amendment on page 6, line 10.

The CHAIRMAN. The Chair calls attention to the fact that this amendment is offered to page 6, line 2.

Mr. CURTIS of Missouri. I beg the Chair's pardon; I thought the Clerk read line 12.

Mr. BURDICK. May I ask the gentleman if it is a similar amendment? If anybody wants this amendment they can have it.

The CHAIRMAN. So that the Members may understand, the Chair states that the gentleman has offered an amendment to page 6, line 2, and the gentleman from North Dakota is now recognized for 5 minutes in support of his amendment.

Mr. BURDICK. Mr. Chairman, if the Congress really wants to take control of the money and keep it in their own control and follow out the purposes for which the appropriation was made, this amendment will do it.

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

Mr. BURDICK. I yield.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that the amendment may again be read.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

(The Clerk again read the amendment.)

Mr. MAHON. Mr. Chairman, if the gentleman will yield, I would be disturbed about that amendment because it would withdraw control of the Congress from the purse strings considerably. When Congress appropriates money under one of these items none of it can be transferred; but the gentleman by implication at least would let them transfer 10 percent. On a large item that might run into several million dollars. There is no transferability between these appropriation items now.

Mr. BURDICK. The gentleman from Texas is no more disturbed about that than I am. I know funds for specific purposes are being transferred right along and the gentleman's committee knows it.

Mr. MAHON. The gentleman, I am afraid, is defeating the very purpose he is trying to achieve. Let us not have any transferability. We do not want any transferability.

Mr. BURDICK. Mr. Chairman, I am perfectly willing to have somebody strike it all out. I left 10 percent in there for emergency purposes, but you can strike it all out if you want to. I just got through listening to the gentleman and he said that where we are appropriating $30,000,000 for a specific purpose and only $6,000,000 have been used, the remainder, the committee finds, has been transferred to some other purpose.

Mr. MAHON. I think the gentleman must have confused me with somebody else. What I am trying to say is that they do not have a 10-percent transferability now, but the gentleman would let them have that authority.

Mr. BURDICK. That statement was made this afternoon, by more than one of the supporters of this measure. They inquired where the other $24,000,000 was and it was stated: "It was transferred to some other purpose."

I want to stop that and leave Congress in control of that fund. If you think 10 percent is too much of a leeway, take it all out. I am willing to do that. I do not think this amendment requires any argument.

Mr. MAHON. Why does not the gentleman just propose there be no transferability between the appropriation items in the bill, and I will have no objection to that.

Mr. BURDICK. Mr. Chairman, I will modify it, if I may, right now to read:

No person shall be authorized to transfer any of the funds from one department to the other.

The CHAIRMAN. The gentleman asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

Mr. BURDICK. It does not occur to me, unless it would be on the Democratic side, that any argument is necessary on the amendment; but if anyone thinks it is I will be glad to argue it. The gentleman from Texas [Mr. MAHON] evidently thinks this amendment is unnecessary; but he also knows, or at least his committee does, that funds for specific purposes are being transferred to other purposes. What I want to do is to stop this practice.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. BURDICK: Page 6, line 2, strike out the period, insert a semicolon and the following: "and, *Provided further*, That where appropriation of funds is made for a specific purpose in the national defense, no person shall be authorized or empowered to transfer funds for any other purpose in the national defense."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. BURDICK].

The amendment was agreed to.

The Clerk read as follows:

Emergency fund

For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred, $40,000,000.

Mr. CURTIS of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CURTIS of Missouri: Page 6, line 10, strike out "$40,000,000" and insert "$20,000,000."

Mr. CURTIS of Missouri. Mr. Chairman, this particular item might be completely stricken out of the bill. It is very difficult to run it down and find out what the details are; however, I can give the references to where this item appears in the various documents published by the committee.

The table on page 178, second volume of the hearings, Department of Defense, refers to it. On page 13 of the Explanatory Notes of this particular committee hearing is a discussion of the particular emergency fund. Further on page 5 of the committee hearings, top of the page, there is a table in which you will find the item.

Then finally, in volume 1 of the Department of Defense hearings, page 373, there is a little bit of discussion on this particular emergency fund. The gist of my amendment, of course, is to cut $20,000,000 out of that fund, which would be a total cut of $40,000,000 because the committee has already cut it $20,000,000. The reason for it is this, and the reason I made the statement, that actually we could cut the entire amount out, is there is actually a balance of $70,550,530 that still remains from last year and would be available. Actually, if the $60,000,000 were appropriated it would be a total of $130,000,000.

In reading the testimony on page 373, Mr. Garlock, the Deputy Comptroller for the Budget, is the only witness who testified in regard to this fund, and some of his testimony is particularly revealing and, I might state, an indication of all these hearings as far as giving us specific information about these items the Army, Navy, Air Force, and Department of Defense come in and ask us to spend money for.

On the bottom of page 374 the gentleman from Florida [Mr. SIKES] asked:

Do you think the $60,000,000 you are asking for this year is a safe estimate, or more than you will actually require?

And Mr. Garlock answered:

I would not know.

On page 375 Mr. Garlock said, in answer to the question of the gentleman from South Carolina [Mr. RILEY]:

How much did I understand you to say you have spent already in the fiscal year?

Twelve million nine hundred and sixty-six thousand four hundred and seventy dollars.

Then the gentleman from South Carolina [Mr. RILEY] said:

How much more will it take for the last 6 months?

Mind you, $13,000,000 for the first 6 months. Mr. Garlock said:

The estimate is $80,000,000.

Although they could only spend $13,000,000 the first 6 months, the estimate is $80,000,000 for the next 6 months. Then he said:

I really do not know because we make no effort to spend the $90,000,000.

Then again, on the bottom of the page Mr. Garlock, in answer to another question about how much money might be turned back on this, said:

Unfortunately that does not happen to be the record. We have used it all.

He is the only witness who appears, and his testimony on details is practically worthless. Yet he makes the statement on page 374 that the unexpended amount of this particular fund would go back to the United States Treasury. Yet information furnished to the committee of unexpended funds that are available includes the carry-over sum of $70,000,000.

Mr. Chairman, I submit that the only way to treat this sort of a request is to cut it down. I submit the whole thing should be cut out, but from the standpoint of simply being a little safe, I am cutting it down only $20,000,000.

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

Mr. CURTIS of Missouri. I yield to the gentleman from California.

Mr. SHEPPARD. Would the gentleman mind telling us what the source of the information is that advised him that the unexpended portion does not revert to the Treasury?

Mr. CURTIS of Missouri. Yes. Summary of amounts available for expenditure, and expenditures fiscal year 1953 estimate, which was furnished to the gentleman and the other gentlemen of the committee by the Defense Department, and you will find that item in there as $70,000,000 unexpended balance.

Mr. SHEPPARD. I am sorry, but the gentleman is looking at expenditures and obligations. He is not looking at that particular fund in that particular category.

Mr. CURTIS of Missouri. I submit it is in there, and if the gentleman will look he will see it. At any rate, I again emphasize that only $13,000,000 was spent in one 6-month period and it is obvious that they do not need $40,000,000.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, the time to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, I am sure that the Members are not disturbed when they find that funds made available have not been spent, squandered, thrown away. We should be happy that only $13,000,000,000 of the funds for the current fiscal year have been spent. It is fortunate that not all of the funds available have been spent, and we hope that they will not be expended. Apparently, officials have husbanded this fund with great jealousy.

I think that the cut already made was perhaps the most indefensible cut the Committee on Appropriations made in the entire military budget. The sum has already been reduced from $60,000,000 to $40,000,000.

What is the purpose of this money? It is all for research and development. If there is anything we have a phobia on, probably, it is our research and development. That is all this money is for. It is put in the Office of the Secretary of Defense so he can transfer it to the Army or the Navy or the Air Force or the Marine Corps for research and development on something that gives special promise, like atomic artillery or some special thing of that sort. The Secretary through this fund can come in with additional help in an emergency and expedite development. Such a course might mean millions of lives and billions of dollars. If there is any money in this bill that can be defended, it is this. On a roll call vote I certainly would not want to be in the position of striking out funds that are so vital as these are here for research and development. We have been saying we are for research and development. If these funds are not spent during the current fiscal year on this program, they revert to the Treasury.

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

Mr. MAHON. I yield to the gentleman from New York.

Mr. TABER. It would not show $70,000,000 on the emergency fund if it had been transferred and not expended. It would show in the funds to which it was transferred on this sheet. That is the thing that appeals to me about it. It must be that this is an estimate that they would have $70,000,000 left.

Mr. MAHON. I hope they have $70,000,000 left. It will be in the Treasury and it will not be spent. But to let them have $40,000,000 for this key purpose of placing it wherever it may be needed in any of the three services in research and development seems to be the smartest management that any portion of this bill contains. I cannot understand why we want to cut this sum. I am surprised the gentleman from Missouri has offered this amendment.

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

Mr. MAHON. I yield to the gentleman from California.

Mr. SHEPPARD. There was a certain amount, rather large, that was used out of this fund for the purpose of getting that special ammunition that was developed and used in Korea.

Mr. MAHON. That is right. It helped us very much in the Korean operations the year before last, and to some extent this year. If you are going to have fantastic weapons, this is one of the ways to get them.

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

Mr. MAHON. I yield.

Mr. CURTIS of Missouri. Why is there not a little explanation in the hearings if all these statements are accurate, and why do you have a witness who knows so little about the subject on which he is testifying?

Mr. MAHON. He cannot tell in advance just what money may be required. Besides that, this was so simple and fundamental and elementary a matter, which has been developed and discussed in previous hearings, that it was more or less assumed by the committee.

Mr. CURTIS of Missouri. There are many other appropriations for research and development in this bill.

Mr. MAHON. That is right, but they are budgeted for particular projects. This provides a special research and development fund.

Mr. CURTIS of Missouri. This is another cushion?

Mr. MAHON. This is another cushion, if you want to call it that, to use in an emergency in defense of this country. I hope the House will not be so nearsighted as to strike out these very vital sums. We have brought the sum way down in the committee. In my judgment it should have never been cut, anyway.

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

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. MEADER. I notice in the Air Force budget $525,000,000 and in the Navy $450,000,000.

Mr. MAHON. There is $1,700,000,000 in this bill for research and development, and it is the best money in the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. CURTIS].

The question was taken; and on a division (demanded by Mr. CURTIS of Missouri) there were—ayes 45, noes 50.

Mr. CURTIS of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MAHON and Mr. CURTIS of Missouri.

The Committee again divided; and the tellers reported that there were—ayes 70, noes 58.

So the amendment was agreed to.

The Clerk read as follows:

OFFICE OF PUBLIC INFORMATION

For expenses necessary for the Office of Public Information, $312,500.

Mr. SUTTON. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. SUTTON: On page 6, line 11, strike out lines 11, 12, and 13.

Mr. SUTTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Chairman, the reason I ask for this additional 5 minutes is to discuss another paragraph in this bill which I want to bring to the attention of the committee.

For the first few minutes I would like to refer to line 21 on page 6, which reads:

Title 3. Department of the Army: For pay, allowances, individual clothing, interest on deposits and permanent change of station travel, including transportation of dependents and household effects.

Mr. Chairman, this is something that has been bothering me for some time. We hear speeches on this floor about the grave condition in which we are today, the turmoil and strife throughout the world. We hear statements that we are in world war III now. We hear other statements that we are just about to get into world war III. It is rather disturbing to me to see the wives and children going overseas to Japan, Europe, and other places. I say that for this

reason: If we are in world war III or if we are fixing to go into world war III, why do we crucify these wives and children by sending them overseas? It is a great morale factor to the boys to have their families with them. That is one side of the question. But I would like to direct the attention of this committee to exactly what it is costing the taxpayers each year to send those families into those areas, so that you as a committee may investigate and find out whether we should send these families to foreign lands and take a chance on losing American citizens.

During World Wars I and II, dependents were not sent overseas. I can see why we would send dependents to Panama Canal or South America, the Hawaiian Islands, or some place like that, but it is debatable whether we should sent them to Japan or Europe.

For your information, I would like to give you the cost that the Department of Defense admits it costs each year, to send dependents overseas together with their household effects. This cost does not include preparations necessary for their shipment.

For this purpose the Army each year spends $11,566,000. The Navy and Marine Corps, jointly, spend $21,940,039. The Air Corps spends $18,429,773.

That makes a total appropriation for sending dependents overseas of $51,935,812.

To send the household effects the Army spends each year $31,205,880; the Marine Corps and Navy together spend $14,151,289; and the Air Corps spends $42,360,108, which makes a total for the household effects of dependents to go overseas $87,717,277.

To send the dependents and household effects overseas costs the taxpayers of this country $139,653,089, plus the additional expense of preparation.

I just wanted to put the question before the House whether it is good policy for us to continue to do that from a morale standpoint or whether we are sticking our neck out for those civilians we are sending abroad. I am not offering an amendment to stop the practice, but I am calling it to your attention for serious consideration.

Coming now to the amendment which I have offered, to delete $312,000 for the Office of Public Information. Each and every member of the committee remembers that a few weeks ago the Washington newspapers carried stories about the scandal of the number of people in the Office of Public Information over at the Pentagon, and of the reporter who had such a job finding out how many people were employed there, and of our own colleague the gentleman from Louisiana [Mr. HÉBERT], who was having trouble with officers of the Public Information Service, how they were evading him and circumventing him when he was seeking out waste in the Military Establishment.

Mr. Chairman, I have looked into this matter as well as I could for the time that I have had, and from the Department of Defense I found that there are in the Army, Navy, Air Force, and Office of Secretary of Defense, 613 employees in the Office of Public Information.

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

Mr. SUTTON. I yield to my friend from Missouri.

Mr. SHORT. Is this public information or just sheer, downright propaganda?

Mr. SUTTON. Propaganda, I would say to the gentleman. This also includes, if I may say to the distinguished gentleman from Missouri, radio programs, with movie stars, and so forth on television at the taxpayers' expense.

Mr. SHORT. Newspapers and everything else.

Mr. SUTTON. Newspaper advertising; yes.

In the Military Establishment they have 1,653 personnel assigned to this informational service, and they are spending a very large sum of money. I call the attention of the committee to the fact that this $312,500 is not all of the money involved, for the salary of these 1,653 employees in Public Information is $9,807,856. That money is cached away in this appropriation bill. I asked one of the clerks, the chief clerk on the minority side of the committee, to point out where the appropriation was noted and he said this was so hidden in that you cannot find it; that is true, because I have looked through the bill myself and cannot find where that money is appropriated here.

I say this $312,500 should be completely deleted, and then at the end of debate on this amendment, another amendment should be adopted limiting the funds that may be expended on public information. I intend to offer such an amendment.

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

Mr. SUTTON. I yield.

Mr. DORN. I would like to say to the distinguished gentleman from Tennessee, who is making a very great statement here both in regard to this Information Service and in the matter of dependents, that the one-hundred-and-thirty-million-odd dollars that he mentioned a moment ago for the transporting of dependents of service people overseas is only a beginning. If war started, these 50,000 dependents in Germany, I understand, become a first priority; their first duty would be to get them out of there. The roads over there would be clogged and military movement would be hamstrung just exactly like it was in France in 1940, and the cost of it then in lives and money we cannot even yet foretell.

I thank the gentleman for his fine statement.

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

Mr. SUTTON. I yield.

Mr. SHEPPARD. I am wondering if the gentleman has taken cognizance of the fact that the original request for this requirement was $1,250,000, and after thorough investigation it was cut 75 percent.

Mr. SUTTON. I realize that, and the committee realizes how useless this Office of Public Information was, or it would not have cut it so deeply.

Mr. SHEPPARD. We based our action on the testimony submitted.

Mr. SUTTON. The gentleman is well aware that this $312,500 is not all that is to be expended by this Office. Will the gentleman support an amendment limiting the amount that can be spent for this Information Service?

Mr. SHEPPARD. The committee felt that the appropriation presently before the House was adequate, that they could get along very well through the exercise of good management practices.

Mr. SUTTON. I agree with the gentleman wholeheartedly. If the gentleman will offer an amendment that the Office of Public Information cannot expend more than $312,500, I will withdraw my amendment.

Mr. SHEPPARD. Let me say to the gentleman from Tennessee that we have already done that because we have said that that is all the money they are going to get in this bill.

Mr. SUTTON. But it is very plain that they are going to spend $9,700,000 in salaries.

Mr. SHEPPARD. If the gentleman wants to cut out the entire public information of the entire service that is one thing; that can be reached in other sections of the bill, but if the gentleman wants to cut down the surplus he has referred to in this particular operation it can be done at this particular point.

Mr. SUTTON. That is the reason I say cut this part out and then put a limitation on the amount of money they can expend.

Mr. SHEPPARD. I cannot go along with the gentleman to take it all out because the evidence before the committee would not justify my supporting that. Very frankly, I thought when we took off 75 percent we had done a tough job on it, and the gentleman will agree on that.

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

Mr. GROSS. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

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

Mr. SUTTON. I yield to the gentleman from Iowa.

Mr. GROSS. This item was not even in this bill last year. There was no such appropriation in the bill last year.

Mr. SUTTON. To my knowledge there was not.

Mr. SHEPPARD. The gentleman is partially right and partially wrong. It was not in under the particular language here, but it was there in contributions from other sections of the services which contributed to this operation, including the Air Force and the others.

Mr. GROSS. It was not in the bill last year?

Mr. SHEPPARD. No. We changed it so we could take a single shot at the thing.

Mr. GROSS. This is something entirely new?

Mr. SHEPPARD. The money was in the bill, but we have control of it this year that we did not have before.

Mr. SUTTON. I hope my amendment will be agreed to because under this bill there is over $11,000,000 to be expended for public information.

Mr. BEAMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is a coincidence perhaps that many of us are thinking about the same thing. On the desk I had the same amendment that my good friend from Tennessee has just offered.

I want to bring out one very important fact and that is that this was not in the appropriation bill previously. It was placed there by the committee. Therefore, you are not taking away anything that they have not had previously. In other words, you are just putting them back to the status quo. You are taking away $312,500, and they did not have that before.

Mr. Chairman, there is another thing we should consider about this matter. The gentlemen of the Appropriations Committee have told you that they have already reduced the amount for public information. I wish they would call this by its correct name. This is an amount for propaganda. After all, there is a certain amount of legitimate and effective information that is produced, but if you will read a portion of the hearings you will find they are paying $45 a day for entertainers in the Department of Information, in the Army, the Air Force, the Engineers, and the Navy. That certainly is not the type of thing we are thinking about today.

After all, this is a separate unit. It is given to the Secretary of Defense. I would like to bring that out because it is important.

There is one other reason why this should be considered very carefully. I hope the pending amendment is agreed to because, after all, it is only a small amount. Three hundred and twelve thousand and five hundred dollars is such an insignificant amount when you are thinking in terms of billions of dollars; but if we can save a few hundreds of thousands of dollars here, it will not be very long perhaps until we can cut off something like a billion or the four or five billion dollars that have been referred to. Also this money that the gentleman mentioned, some 9 or 11 million dollars for information in the other three departments, is not the entire picture.

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

Mr. BEAMER. I yield to the gentleman from Tennessee.

Mr. SUTTON. In the Department of Defense alone they have one job which pays $14,500, another which pays $11,500; they have 613 civil employees in the Department of Defense alone the salaries of which amount to $2,349,193.

Mr. BEAMER. In addition to that, there are many indirect costs. They will assign duties to some of the boys in the ranks. We have no record of that. The Armed Services Committee does not know what that cost is, either. It involves an assignment of work.

Mr. SUTTON. And in addition to the $312,500 there are $11,000,000 for the Office of Public Information.

Mr. BEAMER. I think we will both agree again that it is very definitely a matter of propaganda in many cases. I think we should remember back a few moments to the time the UMT bill was being considered, how much money and energy was spent by the three armed services trying to sell the idea of UMT to this country. I saw it on television and I heard it on radio, and I think you saw the same thing. I submit to you that it was propaganda and not information.

Mr. SUTTON. If the gentleman will yield, Mr. Chairman, I would like to correct one statement that my friend from California made: It is public relations instead of information.

Mr. BEAMER. I do not know about that. You can call a rose by another name, but it still smells the same. I hope the amendment will pass.

Mr. WERDEL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been listening to the expressions of doubts and confusion in regard to the appropriation bill now before us. I want to call the attention of the House to that part of my remarks on April 3, 1951, at which time I was opposing the Pentagon's proposed universal training bill and the centralized staff. That part of my remarks that I direct your attention to commence on page 3239, volume 97, part 3. I will not undertake to read them, nor will I ask to have them reincorporated here. I do want to point out, though, that in those remarks I included excerpts of statements from two studies made by the Army and the Pentagon relative to their own activities. Both studies, one by Col. S. L. A. Marshall, and the other by the well-known management relations staff of Cresap, McCormick & Paget, of New York and Chicago, in their reports, condemn the General Staff's centralization tactics from a military standpoint as well as from an economic standpoint. If you want something interesting in the light of this budget, read the excerpts which I incorporated, in which they recommended changes for the purpose of drawing the budget so that it could be understood not only by this Congress but by the Military Establishment. You will wonder why that proposed action has not been taken since 1949. The fact is that those studies and reports were so startling to those who do not desire those changes that they were marked "Confidential" and locked up.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

(Mr. MAHON asked and was given permission to yield the time allotted him to Mr. HÉBERT.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I think we should give a little consideration to part 3 of the committee hearings in connection with this bill. The gentleman from Kansas [Mr. SCRIVNER], questioning General Devine, asked this question:

> Mr. SCRIVNER. Why the increase of $200,000 for increased radio programing cost? What kind of programs are we providing?
>
> General DEVINE. We provide a certain number of radio programs primarily to overseas broadcasting stations. Some of these are originated and prepared in studios in Hollywood. The chief increase in cost is the salaries of actors. By an arrangement with the musicians' union and actors in Hollywood, we have in the past been able to get the services of those people for something like one-third of the current Hollywood rate. There was some advantage to the actors and musicians, but they have not liked the agreement, and gradually we have had to raise our price. The last agreement set the price at about $45 per program hour for actors and musicians.

I wonder whether that includes $45 an hour or more while these glamour boys and girls are being transported from one point to another to put on radio and television programs. Continuing his testimony, General Devine says:

> Up to last year we were able to get them for about $25. The current rate is much higher. It is about $75. We felt their demands were just and, as a matter of fact, had little choice but to accept them.
>
> Mr. SCRIVNER. Oh, you had another option; you could have cut them out?
>
> General DEVINE. Yes, sir; that is always possible.
>
> Mr. SCRIVNER. Of course, we hear about these people contributing their talents to the defense effort, and so forth, but this contribution does not sound like much of a contribution.

And it certainly does not.

Mr. MAHON. If the gentleman will yield, this has to do with recruiting.

Mr. GROSS. That may be, but it is all part of the stupendous spending contained elsewhere in this bill, and it should be cut to the irreducible minimum. These so-called performers are paid $75 an hour, when most of the people who watch television and listen to the radio programs think they are contributing their services.

Mr. SIKES. The committee did not allow that $75 an hour.

Mr. GROSS. The testimony I have just read quotes General Devine as saying this:

> Up to last year we were able to get them (actors) for about $25 (an hour). The current rate is much higher. It is about $75.

I find no limitation in the language of this bill which would prohibit any branch of the service from paying $75 an hour or any other amount for the services of actors, singers, musicians, sports broadcasters, announcers, news commentators, or script writers who might be used in recruiting or for the purpose of disseminating alleged public information.

I also note in these hearings an inconclusive discussion as to whether Frankie Laine was paid $3,000 or $6,000 a week, apparently out of funds appropriated to the Military Establishment.

Altogether this is high-priced talent no matter whether it is for recruiting or for just plain propaganda purposes. It is a luxury the taxpayers cannot afford and I am cutting it out.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. HÉBERT].

Mr. HÉBERT. Mr. Chairman, I want to address myself to the amendment offered to strike from the bill the $312,500 for the Office of Public Information in the Department of Defense. I rise in opposition to that amendment. I do not think anybody who is familiar with my own activities in this House and particularly familiar with the activities of the committee I am privileged to head, the Subcommittee on Armed Services, can question for 1 minute my attitude toward propagandists and press agency in the Government, and my attitude particularly toward what I refer to as the "Potomac pitchmen" across the river in the Pentagon.

This is a problem that needs a great deal of examination, but it needs an examination with a realistic approach. I believe the whole matter should be gone into and thoroughly investigated and extensively explored, and my Subcommittee on Armed Services is prepared to do that within the next several weeks.

We are in the position of having a very sick patient on our hands. The Public Information Service of the Department of Defense is a very sick patient, in fact, in my opinion, there is every symptom of malignancy, but there is no cure for the patient by taking a cleaver and chopping his neck off. I do not think that a very realistic approach at all.

I think the manner in which the Appropriations Committee has gone about this problem is the proper approach. They have reduced in the particular instance the Department of Public Defense Information 75 percent of the appropriation and pin-pointed the amount allowed in order that they can keep their fingers on the pulse of the situation while this very sick patient is being treated. In the other fields of public information, in the Army, Navy, and Air Force, they have reduced it 50 percent.

There is a great deal of difference between a public information officer and a public relations officer and a press agent or a propagandist. There is a definite need for public information officers and public information personnel within our Defense Department. It facilitates matters, it expedites the handling of news in a legitimate and orderly manner. What I object to is press agency and propaganda in Government. But while those sharing that objection voice themselves, do not let us lose sight of the very necessary function of the legitimate public information officer.

I certainly urge upon the committee that it reject this amendment, except this minimum amount of money which is just a going function for the Department of Public Information in the Pentagon, and allow the subcommittee of the Armed Services Committee the opportunity to go into this whole matter and explore it fully and survey it completely, and develop the proper answer in an orderly manner. But I urge you, do not go helter skelter today just throwing a meat cleaver hither, thither, and yon, thus removing all hope of ever restoring health to a very sick patient, which needs treatment from understanding hands.

The manner in which the Public Information Office in the Defense Department has been directed leaves much to be desired. At times its direction has been in fields which should have never been invaded. Propaganda has been spread with little regard to its legitimate function. In my opinion much of the unpleasantness which now exists between some congressional committees and the Pentagon is the direct result of the inadequateness, ineptness, and lack of ability to understand the problem at hand on the part of the director.

Complaints about the manner in which the Department of Defense information office functions have been multiple. There is much going on, or perhaps not going on, which does not readily meet the eye. I know all this. I know what a farce the Defense Public Information Office is at the present time. I know of the abuses being practiced and of the overstaffed offices where loafing is the order of the day.

I readily admit all of this, but at the same time I insist that this amendment is not the way to correct these evils. We simply cannot just blow out the candle. We must kept a spark burning with which to rekindle the fire at the proper time. I assure you that my committee will do everything in its power to clean up the entire mess, but allow us the privilege of doing it in an orderly and constructive manner and not by means of a sudden death as here proposed by the gentleman from Tennessee.

Mr. GROSS. This item was not in last year's bill. We are not, in fact, using a meat ax on them.

Mr. MAHON. This item was in the bill last year, and was three or four times as much as is in the bill this year. It was in the bill in a different form last year through contributions from the Army, Navy, and Air Force to the Office of the Secretary of Defense to set this up. We changed the manner of putting it in the bill this year over last year, in order to pinpoint it and know exactly where all the money was. We cut them down 75 percent. There must be some kind of public information for the 150,000,000 Americans who are entitled to legitimate information so I think we ought to clarify the situation.

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

Mr. HÉBERT. I yield.

Mr. BEAMER. I would like to know, then, if they succeeded very well without this last year, why is it so essential this year? This is simply a new item and, as the chairman of the subcommittee indicates, in previous years it was not in the bill.

Mr. MAHON. They had the money last year. They had four times more money. They had the office, they had the people, they had the directive. The gentleman just fails to understand.

Mr. BEAMER. I do not gather that from reading the report.

Mr. MAHON. The gentleman just does not understand the report.

Mr. MEADER. I understand it. When I read the report and it says there was nothing there, it means nothing.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Tennessee [Mr. SUTTON].

The amendment was rejected.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to add just a few comments to the debate earlier in the afternoon. I have enjoyed this debate tremendously because I feel I have some supporters and friends who think somewhat like I do. On August 9, 1951, when the $56,000,000,000 military bill was before the House, I referred to the statements made by the gentleman from Texas [Mr. MAHON], the gentleman from New York [Mr. TABER], the gentleman from Massachusetts [Mr. WIGGLESWORTH] on the bill then before us, and based on what those three gentlemen had said, I said the following:

> I am just about convinced that the Congress of the United States has substantially lost control of the affairs of this country. When men of their type are forced to come into this well and tell us they are unable to get information from the military administrators, and that detailed information is not forthcoming or that satisfactory answers to questions are not available, that is something for us to be concerned about.

That is the debate here this afternoon. I was alone at that time. I was severely criticized by the newspapers of the country for making such an observation last August 1951. Now, it is the story before us. In the same debate on that bill, I raised the question with the gentleman as to how fast—that is, how many billions of dollars per month—they intended to spend of the $56,000,000,000, because I knew that the rate of spending would determine the tempo of industry in this country, and the disposition of such funds as the Treasury might raise.

A few weeks ago I sat in on a conference with 35 of our large industrialists and I expect to meet with them again soon. They came to the conclusion that under no circumstances could the Treasury possibly put over the production line in excess of $4,000,000,000 of military orders per month with the equipment we have in this country at the present time. Now, take that $4,000,000,000 or $48,000,000,000 per annum, and compare it with what the gentleman from Texas [Mr. MAHON] said with respect to the $52,000,000,000 per year; they are ticking along right together. There are reasons for many of these things. The third proposition I raised last August was the question of obsolesence, if you went ahead and built this equipment more quickly. Mr. MAHON, the gentleman from Texas, stated a while ago that we do not want equipment which will not work in combat. That has to do with obsolesence, and there are plenty of reasons why the military administrators are not furnishing the specifications for this equipment to the production managers of this country. There are many men in the military

who do not want this equipment yet because they are not too sure that we are going to use it. One other point is this question of the steel strike, which is now before us. Suppose this strike goes into effect, and the President backs up what the unions have said? What does that do? That serves notice on every industrial enterprise in this country that the United States Government, insofar as the present administration is concerned, has adopted a policy that profits shall be paid out in wages before arriving at taxable income. What does that do? That serves notice on the people of this country that the revenues of this country are to tremendously drop when that formula goes into operation. Then, if permit is granted to raise the price of steel to $12 a ton, what do you think that does to this budget we are now considering? Talk about having control of our affairs. I propose to support the Coudert amendment as I have right along. You have heard me stand on this floor time and again and say that I would gladly support a $14,000,000,000 cut in this over-all budget; that I would take care of my situation after we cut $14,000,000,000 off. The Coudert amendment will still be in the right direction, but it does not necessarily do the job. I hope we can adopt it, and I shall certainly support it. I wish I had had a chance to support it a year ago so as to get a little sense into this program.

I have raised this question because I am not at all content with what is likely to come out of this steel strike.

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

The Clerk read as follows:

COURT OF MILITARY APPEALS

Salaries and expenses: For expenses necessary for the Court of Military Appeals, $250,000.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows.

Amendment offered by Mr. JONES of Missouri: Page 6, after line 16, insert a new paragraph:

"No part of any appropriation in this act shall be used to pay rent on space to be utilized for recruiting purposes; and no part of any appropriation in this act may be used for pay and allowances of military personnel assigned to recruiting duty in excess of 25 percent of the amount expended for such purpose during the fiscal year ending June 30, 1952."

Mr. MAHON. Mr. Chairman, I do not think this amendment properly comes at this point in the bill. I make the point of order against the amendment for that reason.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard?

Mr. JONES of Missouri. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman from Missouri.

Mr. JONES of Missouri. Mr. Chairman, I present this amendment at this point in the bill for several reasons. I know it is customary for such amendments to be considered at the conclusion of the bill. However, the point of order that has been raised cannot be supported because the amendment does not restrict or prevent any other appropriation from being made. It simply states that no part of the appropriation to be made should be paid for rent. So that would not have any effect on any appropriation that we would make for over-all recruiting.

It also limits the amount of money which can be spent for recruiting purposes, and is a per centum of what was spent in the last year, and therefore would not have any effect on the other appropriations in this bill.

I am offering it at this point because it is in order and could apply to the entire bill, and I think it is a matter of policy which ought to be discussed at this time. For that reason I think the point of order should be overruled.

The CHAIRMAN (Mr. FORAND). The gentleman from Missouri [Mr. JONES] offers an amendment to the bill now under consideration, H. R. 7391. The amendment is offered at page 6, following the language at the end of title 2 of the bill. Since it relates to the entire bill, the Chair would suggest that the gentleman withhold the amendment until later.

Mr. BARDEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take these few minutes not for the purpose of any quarrel with the Appropriations Committee. As a matter of fact, they have my deepest sympathy. They have tried as best they could to perform an impossible job. There is simply not any way for these gentlemen, and I think the House is now beginning to realize it, to handle a $46,000,000,000 bill and inquire into every agency, branch, and department of the Armed Forces. Certainly they were not to blame for that situation; we are. We are cutting off money at times here when probably we are not quite sure of our position. I think, as a matter of fact, we had better take $100,000 of this money we are cutting off and properly staff this committee and give the staff the authority to go into these figures before they come to the floor. I make that statement very sincerely and in all fairness to the committee. They of necessity must listen to the officers who come over for the specific purpose of justifying the appropriation, and then the committee has neither the staff nor the time to inquire into the accuracy of those statements. So again I say they have my sympathy.

Here is one matter that I want to bring to the attention of the House at this time, and that is the activities of the various governmental departments, and at this time especially the Department of Defense in the field of education. About a year and a half ago I decided to see if I could not find out something about the educational operations being carried on by the many, many governmental departments. After about a year and a half with a very fine research staff I found that in 1950 the Federal Government was spending in the field of education about $4,000,000,000; it is probably more now. It might be interesting right at this point to say that the entire public school system of the entire elementary, grade, and high schools cost only $4,600,000,000. That gives you some idea of how we have permitted the Federal Government's drift into the field of education.

Mr. BAILEY. Is it not true that the major part of that expenditure was to cover the GI-training program under the GI bill of rights.

Mr. BARDEN. Certainly; about 80 percent, I may say to the gentleman. But that still does not change the picture one iota; it simply explains up to that extent. That is to say, we know where it went but not how it was spent. Here is what we found: In the Department of Defense we found they reported expenditures in the various type schools approximately $270,000,000—let me say right at this point that if there is anything in the world I think is unanimously objectionable to the American people it is that the Federal Government should have anything to do with the operating and the formation of policy and direction, and so forth, of our school system. In America we do not want that, yet may I say that these schools that are now being operated in France, Germany, and elsewhere around the world are being operated by the Armed Forces; their curriculum is being established, the Armed Forces say what courses they shall teach, how they shall be operated, the type of teachers that shall be employed, and the amount of salaries that shall be paid. Now, for the first time since this Government has been operating, has there been a thorough study of the Federal Government's activities in the field of education.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

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

There was no objection.

Mr. BARDEN. Mr. Chairman, in following up these appropriations, they accounted to us for approximately $270,000,000 in various schools. When they reached that point they then gave me this statement, and here is the letter from the Department of Defense. I wish you would pay particular attention to the following paragraph:

It has not been possible to provide meaningful figures in some reports concerning obligations. Estimates were made, when possible, but the nature of some of the Army educational and training activities is such that even approximate estimates are not possible. At Army service schools, for example, the only available information concerns amounts obligated under "Army training" which cannot be furnished as representing the total cost of operating the schools since they do not include amounts required to furnish standard supplies and equipment issued through normal supply channels, such as travel in connection with the schools or numerous expenses provided for in other cost categories. In this same connection, it should be noted that the pay of personnel participating in Army educational programs is paid from other appropriations, and consequently is not included in obligations shown for educational activities.

Now, after showing specifically the expenditure of $270,000,000, and quoting that paragraph, it could mean either $270,000,000 more or a billion more because it covers the whole field.

I picked up the report and the hearings and I find this kind of explanation right down to minute detail. It is a very unusual thing that before the ink gets dry on what they have written me they are able to give a very detailed statement here. I wish you would listen to this one paragraph:

Trade school training in technical skills for reservists on an inactive duty status.

Instruction in such subjects as metalworking, welding, and instrument repair will be offered to reservists who have indicated a desire to improve their skills in those fields. One hundred and fifty thousand dollars, the same amount as that approved for fiscal year 1952, will be required to offer this training to 5,000 individuals at an average cost of $30 per trainee.

What kind of a sensible vocational training program can you put on for $30 per trainee? It is utterly absurd, and you might just as well throw that $150,000 into the gutter; it would be just as sensible as using it in this way.

I have a subcommittee in operation of which I am chairman, and I expect to call in every department of the Government to not only justify these things but let us know what is going on. Why, I called the State Department, and I have gone over the picture with them. The Army will set up a high school in some town in Germany or France. Do you think they will let the State Department children go to it? No. The State Department fathers and mothers must pay to the Army approximately $250 in tuition in order to go to the Army schools set up to operate as a high school comparable to the high schools in this country. It does not make sense. The State Department says there should be some school available to them, and I agree. If you are going to make schools available to the Marine Corps, the Navy, and Army, why not let the State Department or any other Government children go to the schools there, being operated by the Government? Yet the Army makes them pay $250 in tuition in order for that child to go. There is that kind of a foolish set-up going on. I think the Defense Department should have made this known to the committee. But apparently they are not interested in saving the United States taxpayers' money. They would let us set up another system of schools for the State Department and another for any other branch of Government that might be operating in that same place. Duplication and waste seems to be the order of the day.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SHORT. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

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

There was no objection.

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

Mr. BARDEN. I yield to the gentleman from Missouri.

Mr. SHORT. Does the gentleman mean to tell me, in relation to these schools being established both at home and abroad by the military, that we turn over to the military these lump sums for educational purposes, and they themselves determine the facilities, the supplies, the curriculum, the teaching personnel and all without any regulation or check by the Congress of the United States; that we grant them blanket authority?

Mr. BARDEN. I regret to state that that is the situation. I do not know that they are so much to blame. This is not so much a blame upon them as it is upon ourselves. That is just putting it frankly. Schools are necessary and we left it to them. They should have some place to file a report.

Mr. SHORT. I quite agree with the gentleman.

Mr. BARDEN. Certainly there ought to be some coordination between the Armed Forces or any other department that is operating in the school field in the Office of Education, or some place. Now here is exactly what my objective is in setting up the committee to hold hearings and making inquiry into this problem, and that is to require every single governmental agency or department that spends one dollar for education to file a detailed statement of its program, its cost, and the results obtained, with some central office, and I think the Office of Education is the proper department. Then any committee dealing with the appropriations for any department could call up the Office of Education and say, "Let us have this report with their comment." Then I think we could reach an intelligent conclusion on a matter of this kind.

Mr. SHORT. I am sure the gentleman will agree with me it is not only good gospel, but sound psychology that as a man thinketh, so is he, and it is true also with a nation. Ideas are the most powerful weapons in this world, and I want to congratulate the gentleman from North Carolina, who is chairman of the Committee on Education, for the interest that he has taken in this problem and for setting up this committee to invite—not so much to investigate—but to invite all who are interested to appear before the committee and give us the benefit of their wisdom. It certainly needs guidance.

Mr. BARDEN. I thank the gentleman. I am not inclined to be an investigator and I am not after anyone, so to speak, but it did not take me so very long after being chairman of the Committee on Education to find that that particular field had just been ignored.

Mr. SHORT. That is right.

Mr. BARDEN. Fortunately, I do think we have an excellent administrator in the Office of Education, and I am as hard to please when it comes to administrators as anyone. I know he does not like to involve himself in any of the inside State matters, and it is obnoxious to him to even suggest that he do so. He has fired some men down there that did involve themselves and he is probably going to fire some more, I think, that have been tinkering around in the field of education. Recently he made this statement before a congressional committee and I would like to quote it:

Dr. McGRATH. We are very sensitive in the Office of Education about the use of any such word as "veto power" or domination or anything like that, and I will tell you why, Mr. Congressman.

We subscribe to the States' rights idea with regard to education. I think the American public, by and large, subscribes to that.

With that set-up I do think there is a field here where we can be of some help to the Committee on Appropriations, and I would not dare ask either one of the gentlemen to give me detailed information on the subject of schools, because they have just run them as they please. They have set up their own curriculum, and if they want to set up their own propaganda, that is all right, too; they do that, but the general is the head man. Some are good but some not quite so good, but certainly it is not very tasty to the American people to have as much money as is being spent in the field of education to be spent under the direct supervision and control of any particular Federal agency, bureau or administrator, and that is what we are facing.

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

Mr. BARDEN. I yield to the gentleman from California.

Mr. SHEPPARD. Is it or is it not a fact that about a year ago the Congress placed the jurisdiction of this operation within the Office of Education, and that they are now directing the curriculum and the modus operandi on the continental United States? I am not speaking of outside the continental United States.

Mr. BARDEN. No. As a matter of fact, I expect the Commissioner of Education would resist even the authority of direction. I think his field is properly the field of consulting, and so forth. Recently they have started conferring with them, since the Quattlebaum reports came out. Probably the gentleman is speaking of Public Laws 815 and 874, which dealt with schools on bases, among other defense areas. But even with these schools the Office of Education has for all practical purposes passed all management and control over to the local authorities. Might I also say there is no trouble with the on-base public schools in the United States. We know about them. I am really addressing myself to the schools that are not covered by Public Laws 815 and 874.

Mr. McGREGOR. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as we are considering H. R. 7391, a bill providing appropriations for the Department of Defense and related independent agencies, I would like to submit some observations. The physical affairs of our country are in a very precarious position. We are facing an all-time high of peacetime appropriations and possible deficit.

During the time I have been privileged to serve in public office, I have endeavored to honestly portray to the people how much money is spent and

for what purpose. I am not in accord with the amount of spending as determined in the various appropriation bills. This spending, whatever the amount, must be paid for by the tax dollars of our people. In my judgment, the Congress has been appropriating and spending far too much money and I have been constantly endeavoring to help reduce every appropriation. I have likewise attempted to help bring about greater efficiency in government and thereby reduce our costs.

There is no apparent clearly defined program on the part of our defense officials providing for an orderly production of tools of war. For this reason, I believe the House should change its policy and not appropriate more money until we have an assurance from the defense officials that the money is needed and will be carefully spent.

We all want those in the service to have sufficient equipment to defend their lives and we want an adequate defense program for the Nation. However, with the known corruption and duplication of expenditures it is time we carefully analyze the military expenditures as it seems to me that some of our military leaders do not recognize that the money they are spending comes from taxes paid by all the people. I ask my colleagues here in Congress to join with me in making a survey to determine what is absolutely essential to maintain our freedoms. Any expenditure not under that category should be carefully studied before appropriations are made.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close immediately.

Mr. BAILEY. I object, Mr. Chairman, and move to strike out the last word.

Mr. Chairman, I have asked for this time in order to complete the educational picture that our distinguished chairman, the gentleman from North Carolina [Mr. BARDEN] has just presented to the House. There is another angle of this educational program that is and should be of interest to every Member of the Congress.

You will recall that in the Eighty-first Congress we approved Public Law 815, which carried a provision for a Nationwide study of the needs for school facilities. This survey has practically been completed by the Federal Commissioner of Education. Through the wisdom or lack of wisdom of the distinguished gentleman from North Carolina, he has assigned me the duty of conducting a special subcommittee investigation to make a study of this national survey.

This subcommittee is in session now and will remain in session through Friday of this week. It will resume hearings on the 23d of April for a period of four additional days. If any Members are interested in the question of the needs of your schools from the standpoint of added school facilities, we will be pleased to have you come over before the committee and give us the benefit of your views and tell us of the problems that exist within your particular States and school districts.

We have a real problem. Time will not permit me to attempt to give you the enormity of the problem that faces the American people beyond saying that we are 20 years behind in the matter of school buildings, that the country needs 600,000 additional classrooms, and that there are over 1,700,000 boys and girls that will not have a school roof over them on the first of September 1952. Those are some of the highlights of what this survey uncovered. Time will not permit me to explain them in detail, but if you will come before the committee we will try to give you the details of one of the most shocking problems imaginable in America today, the condition of our public schools.

The Clerk read as follows:

TITLE III

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, interest on deposits, and permanent change of station travel, including transportation of dependents and household effects, for members of the Army on active duty (except those undergoing reserve training); expenses incident to movement of troop detachments, including rental of camp sites and procurement of utility and other services; expenses of military courts, boards and commissions; expenses of apprehension and delivery of deserters, prisoners, and soldiers absent without leave, including payment of rewards (not to exceed $25 in any one case), and costs of confinement of military prisoners in nonmilitary facilities; donations of not to exceed $25 to each prisoner upon each release from confinement in an Army prison (other than a disciplinary barracks) and to each person discharged for fraudulent enlistment; welfare, recreation, and informational services, educational services for Army enlisted personnel; subsistence and clothing for resale, as authorized by law; authorized issues of articles to prisoners, other than those in disciplinary barracks; civilian clothing, not to exceed $30 in cost, to be issued each person upon each release from an Army prison, other than a disciplinary barracks; medals and awards; subsistence of enlisted personnel, selective-service registrants called for induction and applicants for enlistment while held under observation, and prisoners (except those at disciplinary barracks), or reimbursement therefor while such personnel are sick in hospitals; subsistence of supernumeraries necessitated by emergent military circumstances; and chaplains' activities; $4,393,000,000: *Provided*, That section 212 of the act of June 30, 1932 (5 U. S. C. 59a), shall not apply to retired military personnel on duty at the United States Soldiers' Home: *Provided further*, That the duties of the librarian at the United States Military Academy may be performed by a retired officer detailed on active duty.

Mr. SMITH of Mississippi. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Mississippi: On page 7, line 23, strike out "$4,393,000,000" and insert "$4,388,000,000, of which not to exceed $197,000,000 shall be available for travel of the Army."

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this paragraph, and on this amendment, and all amendments thereto, close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Mississippi. Mr. Chairman, the purpose of this amendment is to reduce by a small amount the allowance for travel for the Department of the Army personnel. The committee has seen fit to cut this allowance.

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

Mr. SMITH of Mississippi. I yield.

Mr. SCRIVNER. I think you will find that when the Army subcommittee worked on this we cut travel $12,800,000, and only leave $189,200,000 for travel of the Army now.

Mr. SMITH of Mississippi. It is my understanding that $203,000,000 was left for the Department of the Army.

Mr. SCRIVNER. I am just talking about the operation of the subcommittee as disclosed in some of our discussions. I can tell you right now exactly what was done.

Mr. SMITH of Mississippi. I appreciate the clarification, but this is what the committee clerk informed me as to what it was.

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

Mr. SMITH of Mississippi. I yield.

Mr. SIKES. If there was any misunderstanding about this matter, the request for funds for this item in the 1953 bill was $202,000,000, and the committee cut it $12,800,000, down to $189,200,000, and if a misunderstanding arose about the figures which the gentleman obtained at the desk I ask unanimous consent that he be allowed to restate his amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Mississippi [Mr. SMITH], as modified.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Mississippi. On page 7, line 23, strike out the sum and insert "$4,383,000,000, of which not to exceed $192,000,000 shall be available for travel of the Army."

Mr. SMITH of Mississippi. Mr. Chairman, I ask unanimous consent that I might be permitted to revise the amendment for the purpose of reducing the travel of the Army pay by $5,000,000.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

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

Mr. SMITH of Mississippi. I yield.

Mr. SIKES. Then the gentleman's language, which I shall, of course, have to oppose, will be to limit the amount of money available for travel of the Army to $184,200,000.

Mr. SMITH of Mississippi. That is correct, according to the language which the gentleman from Kansas [Mr. SCRIVNER] gave me—it should be reduced to $184,200,000.

Mr. SIKES. And the gentleman's figure striking out the language "$4,393,000" would be changed to "$4,388,000"; would it not?

Mr. SMITH of Mississippi. The gentleman is correct.

The CHAIRMAN. Without objection, the Clerk will read the amendment for purposes of clarification.

There was no objection.

The Clerk read as follows:

On page 7, line 23, strike out the sum and insert "$4,388,000,000, of which not to exceed $184,000,000 shall be available for travel of the Army."

The CHAIRMAN. Is there objection to the modification of the amendment as submitted by the gentleman from Mississippi [Mr. SMITH]?

There was no objection.

Mr. SMITH of Mississippi. Mr. Chairman, the purpose of this amendment is to increase in a small degree the cut in the funds for the travel of the Army, which has already been made by the committee, and to emphasize the need for the change in some of the plans and regulations in regard to travel of the Army in an attempt to cut down the waste which has developed in this travel, which is a hang-over from policies followed during World War II. There has been some improvement on those policies in the Army from the time of this wasteful shifting around since World War II, but I think there is room for further improvement. If the Army gets specific instructions to cut this sum by this amount, I believe they will change their regulations and change some of their plans in reference to training of personnel, whereby they can accomplish it in a more economical manner and as a result achieve this saving.

You are all familiar with some of the costs that piled up in our training program in World War II. At a time when a man would be inducted on the west coast and shipped to the east coast and then shipped down South, all in a period of 10 days, without the possibility of any type of training in between. It is a waste of time on the part of the soldier as well as on the part of the Army. There has been some improvement along that line, but there has not been enough improvement in the present emergency that has resulted in a sharp increase in our Armed Forces. For instance, a large group of men were sent to the Hawaiian Islands for basic training. The Government is going to have to pay the expenses of shipping those men back at the conclusion of their training. If this amendment is adopted, I think a similar amendment should be adopted for each of the other services.

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

The gentleman from Florida [Mr. SIKES] is recognized.

Mr. SIKES. Mr. Chairman, as much as I would like to concur in the amendment offered by the gentleman from Mississippi [Mr. SMITH], I cannot in good conscience do so. Undoubtedly all of us here have been disturbed by what we consider abuses of travel by the Armed Forces, but I would like to point out that in 1952 there was available for this appropriation $212,625,000. This is for travel of men in the Army. This is not for travel of dependents. This is not for transportation of things. This is only for travel of men in the Army. In 1952 they had $212,625,000. They asked for less than that this year. They asked for $202,000,000. The committee cut it down to $189,200,000. The gentleman from Mississippi [Mr. SMITH] asks to cut it $5,000,000 more. The committee would like to have cut this item more, but I must point out that 700,000 enlistments expire this fiscal year. The enlistments of almost half of the total force of the Army expire during this coming year. Those men have to be sent home and new men have to be brought in in order to keep the Army at the necessary strength. They have to be trained and shipped overseas. You make it physically impossible to send men home and bring new men back to fill their places, and you can seriously jeopardize the orderly operation of the rotation program as it is now carried on in Korea. No one of us wants to take a chance on denying to the men in Korea their right to be rotated home. I feel, Mr. Chairman, that this amendment should be rejected.

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

Mr. SIKES. I yield to the gentleman from Missouri.

Mr. SHORT. I think all of us are sympathetic with the purpose of the amendment offered by the gentleman from Mississippi. I happen to know of a particular soldier in World War II who went to school in Pennsylvania; then to Florida; then out to Idaho; then to Stockton, Calif.; then to Salt Lake City and back to Sioux City, Iowa—all over the country, at enormous expense to the taxpayers. But we must bear in mind, following the suggestion offered by the gentleman from Florida [Mr. SIKES] that this rotation must go on, and it is impossible to send a boy always to the place nearest his induction.

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

The question is on the amendment offered by the gentleman from Mississippi [Mr. SMITH].

The amendment was rejected.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: Page 8, line 3, before the period insert the following: "No part of any appropriation in this act shall be used to pay rent on space to be utilized for recruiting purposes; and no part of any appropriation in this act may be used for pay and allowances of military personnel assigned to recruiting duty in excess of 25 per centum of the amount expended for such purpose during the fiscal year ending June 30, 1952."

Mr. JONES of Missouri. Mr. Chairman, this is an amendment that everyone can understand; it is an amendment that will not affect the defenses of this country in any way; it is an amendment that will save some money.

I say it is an amendment you can understand, because I think all of us know that through the Selective Service Act the Armed Services have the opportunity of securing all of the men that are needed and that they can take care of, yet they continue to maintain recruiting offices in hundreds, perhaps thousands, of cities—I know hundreds of cities throughout the country. At many places we are paying rent in buildings in choice locations in towns where the Government itself owns buildings which could have been utilized. This would cut out paying any rent on any space.

The second part of the amendment would restrict the personnel that is being used for recruiting purposes to 25 percent of that which has been used during the past year. We have in almost every town of any size at all at least one recruiting office; in some we have as many as three, contrary to what the gentleman from Florida said yesterday.

I say that any young man who wants to volunteer can do so without the recruiting service urging him. Most of the men who have been obtained by the recruiting service have been young men where the draft board has been breathing down their necks. This is an opportunity to save a few million dollars without doing any harm to the defense program.

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

Mr. JONES of Missouri. I yield.

Mr. SHEPPARD. In order that my colleagues and myself may have the benefit of the information the gentleman has, would he be so kind as to enumerate the towns where the military service he refers to is renting space instead of using available Federal buildings? I would like to have that information.

Mr. JONES of Missouri. I cannot give the gentleman the exact locations, but in every large town I have gone into recently I have seen on corners, not in Federal buildings, and I think every Member of the House has seen like instances, of recruiting stations. I am sorry I cannot give the gentleman the exact locations.

Mr. SHEPPARD. Let me ask this question, please—I am not trying to ask embarrassing questions, I really want to get information: Did the gentleman see advertising on the corner or in a building?

Mr. JONES of Missouri. I saw it on the building on the corner: "Recruiting Offices inside." I have seen signs for the Army Air Force, recruiting for the Navy, recruiting for the Army. I do not suppose the owners of the buildings are contributing that space free. If they are this amendment would not affect that situation. If you are not paying rent for those buildings you can adopt this amendment, and it will not affect them. It will only stop rent that is being paid.

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

Mr. TABER. The only thing I wanted to do was to tell the gentleman from Missouri [Mr. JONES] that recruiting expense comes from "Maintenance and operation" in the next paragraph.

Mr. JONES of Missouri. My amendment reads: "Any part of the appropriation."

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. MAHON].

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

Mr. MAHON. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Chairman, may I point out just what the physical picture of recruiting in the Army is? In 1952

we appropriated $14,500,000. This year despite the fact, as I pointed out a little while ago, that the turnover in the Army is almost 50 percent, the services asked for $12,500,000. We cut it by $2,000,000. Mr. Chairman, that is a 16-percent cut. Undoubtedly there have been some wasteful procedures in recruiting. I would like to see them eliminated if possible. I would like to see strict unification in recruiting. Possibly we could go a little deeper in this bill, but when you cut out 75 percent of the money available you are going to require almost entirely that all men who enter the services be obtained by the draft. That can be done under the law of course, but when you do it you are going to limit the services largely to 2-year men, not career men. I submit that the Army needs career men, long-term enlistment men, for the training and the experience required to properly operate and maintain all the intricate and involved procedures of a modern army with its modern equipment, weapons, and machinery. The amendment is too severe and should be defeated.

Mr. VAN ZANDT. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Would it be necessary to give additional personnel to the draft boards to take care of this job?

Mr. MAHON. That is correct. It would be a very unwise thing, in my judgment, to make this reduction. It goes too far because we want people in the service to make it a career.

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

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Does this $10,500,000 the gentleman is talking about for the recruiting service include the pay and allowances of all the personnel that are assigned to recruiting, which covers several thousand men? It does not include that, does it?

Mr. MAHON. No, it does not include pay and allowances.

Mr. JONES of Missouri. All of those men are taken out of the Defense Department and are not available for combat duty.

Mr. MAHON. I understand the gentleman's position that he wants to stop recruitment, as he said on the floor yesterday, and bring in everybody through the draft.

Mr. JONES of Missouri. The gentleman misunderstood me. I do not want to stop recruiting and this will not stop it. It still gives an opportunity to go and enlist for any term you want to, you can still maintain your larger recruiting centers.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Missouri [Mr. JONES].

The question was taken; and on a division (demanded by Mr. JONES of Missouri) there were—ayes 48, noes 45.

Mr. MAHON. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MAHON and Mr. JONES of Missouri.

The Committee again divided; and the tellers reported that there were—ayes 72, noes 58.

So the amendment was agreed to.

The Clerk read as follows:

MAINTENANCE AND OPERATIONS, ARMY

For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration and rentals at the seat of Government; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; disposition of remains, including those of all Army personnel who die while on active duty; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at disciplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding $25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilities; donations of not to exceed $25 to each prisoner upon each release from confinement in a disciplinary barracks; authorized issues of articles for use of applicants for enlistment and persons in military custody; civilian clothing, not to exceed $30 in cost, to be issued each person upon each release from a disciplinary barracks and to each soldier discharged otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; photographic services; maps and similar data for military purposes; military surveys and engineering planning; alteration, extension, and repair of structures and property; acquisition of lands (not exceeding $5,000 for any one parcel), easements, rights-of-way, and similar interests in land, and, in administering the provisions of 43 U. S. C. 315q, rentals may be paid in advance; payment of deficiency judgments and interest thereon arising out of condemnation proceedings; utility services for buildings erected at private cost, as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; contingencies for the Commandant of the National War College, to be expended in his discretion (not exceeding $1,000); purchase, repair, and cleaning of uniforms for guards at the National War College; tuition and fees incident to training of military and civilian personnel at civilian institutions; maintenance and operation of the United States Military Academy, including contingencies for the Superintendent (not exceeding $5,200), the Commandant of Cadets (not exceeding $1,200) and the Academic Board (not exceeding $1,000), to be expended in their respective discretions, expenses of the Board of Visitors, and liquidation of unpaid indebtedness of separated cadets to the treasurer of the Academy; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law (10 U. S. C. 381–390; 441–444; 1180–1182a); exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law (31 U. S. C. 95a; 50 U. S. C. App. 1705–1707; 61 Stat. 493); expenses of inter-American cooperation, as authorized for the Navy by law (5 U. S. C. 421f) for Latin-American cooperation; not to exceed $6,152,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; $4,520,000,000: *Provided*, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing grown or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements by vessels in foreign waters and emergency procurements or procurements of perishable foods by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto: *Provided further*, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions.

Mr. JOHNSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON: On page 10, line 21, strike out "$4,520,000,000" and insert in lieu thereof "$4,384,400,000."

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CURTIS of Missouri. I object, Mr. Chairman.

Mr. JOHNSON. Mr. Chairman, I offer this amendment not in any spirit of antagonism to the Army or to be supercritical, but I offer it largely for indirect reasons, many of which have been discussed here today.

Mr. Chairman, this amendment would save $136,000,000. That is about 1 percent of the total amount allocated to the Army in this bill. What has been going through my mind is this: When you read the report of this committee you find it makes this statement:

The Nation is confronted with maintaining a program capable of deterring aggression and at the same time a program that will not destroy our economy.

Mr. Chairman, if you will look back 8 or 10 years and see what has happened to the American dollar and its purchasing power, it will make you realize that we must find some way of balancing our budget. Since the end of the war the dollar has depreciated so much that the raise we gave the armed services has been entirely neutralized.

According to the Congressional Library research people, the American insurance policyholders have lost purchasing power to the extent of almost $100,000,000,000, and the buyers of American bonds, who helped finance the war, have lost $85,000,000,000 in purchasing power since 1940. So what I am thinking is that I want to try if I can to get the budget balanced this year. If we cannot balance it, I want to help close it up as close to a balance as possible. Unbalanced Federal budgets have fed the fires of inflation and unless our Federal expenditures are sharply curtailed we may progress to runaway inflation.

This cut is only one drop in the bucket that will help this situation. This is the place where I understand the fat of the Army is. You cannot tell me that with a budget of over $4,000,000,000 the Army cannot squeeze out 1 percent of that with efficient and economical operation.

You men who have served in the Armed Forces know that every one of these little stations all over the country send in their requests for maintenance, for operation, to do this and do that, usually asking more than they need or expect to get. Many of the things which are requested, in fact, most of them, can be put off until another day, instead of squeezing the American taxpayers to death as you are doing at the present time.

So I say to you, here is one place where you can save a little bit over $136,000,000 and do something that will not in the slightest degree injure or impede the development and efficiency of the United States Army.

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

Mr. JOHNSON. I yield to the gentleman from Florida.

Mr. SIKES. I certainly do not want to interfere with the gentleman's statement, for I know he is very sincere in what he is attempting to do, but since I am going to take the other side, I should like to have the gentleman tell me specifically where he would take off this $136,000,000.

Mr. JOHNSON. I cannot do it specifically. Maybe the gentleman can, because he heard the testimony at the hearings. But the gentleman knows there are hundreds of places, and probably if I had the time to read all the hearings I could pick them out, where you could save a little money. When you try to save only 1 percent of the over-all cost they are asking to operate this agency, you can readily appreciate that that is possible. The committee always asks for a specific place where we can do these things, knowing that it is hard to specify specific items. It is utterly fantastic to ask me that question, when there are a thousand Army installations scattered all over the United States and the world, to pick out particular places where money could be saved. I could tell you several in California, but I do not intend to do so, as it might get me into endless argument. The chairman yesterday admitted that 25 percent of Army personnel did not have enough to do. Why not drop those men and make the others do a day's work. I know from personal observation of some places that they can save money if there is a real effort to do so.

I hope you people will look at this situation seriously, as I am.

We are not trying to injure the Army, but look how dismal the picture was here today. It really shocked me. Some of these men that talked about this bill acted as though war were coming on us right away. We are acting in an atmosphere motivated by fear. They are throwing a scare into us, they are throwing fear at us by trying to make us believe that we are weak and helpless.

Why cannot America sit down and make its program, disregard the Soviets, and have a reasonable program that the American taxpayer can afford? We do not need to worry about the Soviet Union. They do not have the production lines America has, they do not have the skilled labor to turn out the production that America is capable of. They do not have the steel production, they do not have any of the things that make up an industrial nation.

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

Mr. TABER. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for three additional minutes.

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

There was no objection.

Mr. JOHNSON. We are legislating here because every time somebody opens his mouth in Moscow we think we have to change our policy, we have to build up a little higher. We are going up and up and up. We could build so large as to run the danger of provoking a war. We are in an armaments race whether you believe it or not. We do not have the control of it. We can control inflation ourselves, but you cannot control the size of your Armed Forces if you try to play hop, skip, and jump with the Soviets.

The other day they told us it would go up to a certain level by a certain year, when we would level off. I asked a general, "Suppose the Soviets go higher?" He said, "Then we may have to go higher also."

The point is that instead of deciding these matters in a quiet, dispassionate atmosphere, we are deciding them in an atmosphere of nervousness, hysteria, fear. That is the wrong way to decide these matters. That is why I want to see us do something to stabilize the purchasing power of the American dollar so we will know what we can buy next year for defense.

We do not know now whether the dollar will be cheaper next year than it is now, and unless we gradually approach the balance of the budget as well as take other measures that will enable us to get stability of the dollar, and its power to purchase equipment which is essential for a long-range sound military program, the country will be in trouble. I plead with you, do not be motivated by fear. Do not be afraid that America is a weak sister in the family of nations. Do not let some group that we can hardly deal with dominate our policy. Let us stand here as men and say that this can be cut out and that the American taxpayers can be saved roughly $136,000,000 without impairing our military strength at all. I am for retaining reasonable military strength. I spent some time in the military. I have spent 10 years studying the problem. I tell you on my own responsibility that this slight reduction will not affect our military strength one iota. In fact, it may have the effect of indirectly increasing it by moving it in the direction of economic stability in the United States. I do hope you will vote for this amendment.

If we can hold steady and not let hysteria and fear warp our judgments we can then develop international confidence and legal mechanisms that will give us the peace we have been looking for since the end of World War II. The economic front is as essential as the military front. This amendment will help stabilize the economic front, and move in the direction of strengthening the dollar.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that all debate on this section, and all amendments thereto, close in 30 minutes.

Mr. ARENDS. Mr. Chairman, reserving the right to object. Can the gentleman from Florida tell us whether there has been a determination as to when the Committee will rise?

Mr. SIKES. It is hoped that the Committee will rise as soon as we finish with this request to limit debate.

Mr. SUTTON. Mr. Chairman, reserving the right to object, could not this request be put over until tomorrow?

Mr. SIKES. We want to reach an agreement on the time, and then go over until tomorrow to complete debate. We want to rise as soon as agreement is reached on this, if it is agreeable to the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The committee has a list of those Members who were on their feet at the time the request was made, the gentleman from Florida [Mr. SIKES], the gentleman from Tennessee [Mr. SUTTON], the gentleman from New York [Mr. TABER], the gentleman from California [Mr. SHEPPARD], the gentleman from Louisiana [Mr. BROOKS], the gentleman from Florida [Mr. LANTAFF], the gentleman from Illinois [Mr. ARENDS, the gentleman from Minnesota [Mr. H. CARL ANDERSEN], the gentleman from South Dakota [Mr. BERRY], the gentleman from Oklahoma [Mr. ALBERT], the gentleman from Missouri [Mr. CURTIS], the gentleman from Michigan [Mr. MEADER], the gentleman from Iowa [Mr. JENSEN], the gentleman from Kansas [Mr. SCRIVNER], the gentleman from Montana [Mr. D'EWART], the gentleman from Iowa [Mr. LECOMPTE], the gentleman from Connecticut [Mr. SEELY-BROWN], the gentleman from Texas [Mr. FISHER].

Mr. LECOMPTE. Mr. Chairman, a parliamentary inquiry. How much time will each Member have?

The CHAIRMAN. One and two-thirds minutes.

Mr. SIKES. 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. FORAND, 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. 7391) making appropriations for the Department of Defense and related

independent agencies for the fiscal year ending June 30, 1953, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On March 31, 1952:

H. J. Res. 363. Joint resolution to provide for the presentation of the Merchant Marine Distinguished Service Medal to Henrik Kurt Carlsen, master, steamship *Flying Enterprise.*

On April 1, 1952:

H. R. 3847. An act to authorize the Secretary of the Interior to issue to School District No. 28, Ronan, Mont., a patent in fee to certain Indian land; and

H. R. 4798. An act to amend the Hawaiian Organic Act relating to qualifications of jurors.

On April 3, 1952:

H. R. 748. An act for the relief of Basil Vasso Argyris and Mrs. Aline Argyris;

H. R. 1043. An act to provide for medical services to non-Indians in Indian hospitals, and for other purposes;

H. R. 1416. An act for the relief of Giuseppe Valdengo and Albertina Gioglio Valdengo;

H. R. 1446. An act for the relief of Calcedonio Tagliarini;

H. R. 1828. An act for the relief of Maria Szentgyergyi Mayer;

H. R. 1831. An act to admit Luigi Morelli to the United States for permanent residence;

H. R. 1857. An act for the relief of James Yao;

H. R. 2283. An act for the relief of Setsuko Yamashita, the Japanese fiancée of a United States citizen veteran of World War II, and her son Takashi Yamashita;

H. R. 2775. An act for the relief of Anneliese Barbara Vollrath and Mrs. Margarete Elise Vollrath;

H. R. 2833. An act for the relief of Rudolf Bing and Nina Bing;

H. R. 3954. An act to authorize the Mount Olivet Cemetery Association of Salt Lake City, Utah, to grant and convey to Salt Lake City, Utah, a portion of the lands heretofore granted to such asscciation by the United States;

H. R. 4010. An act for the relief of William Grant Braden, Jr.;

H. R. 4268. An act for the relief of Elvira Zachmann;

H. R. 4467. An act to incorporate the Conference of State Societies, Washington, D. C.;

H. R. 5347. An act for the relief of Fusako Terao Scogin;

H. R. 5558. An act for the relief of Anna Maria Krause;

H. R. 5598. An act to authorize the Administrator of Veterans' Affairs to convey a parcel of land to the Mount Olivet Cemetery Association, Salt Lake City, Utah;

H. R. 5951. An act to add certain federally owned land to the Mound City Group National Monument, in the State of Ohio, and for other purposes;

H. R. 6065. An act for the relief of Patrick J. Logan;

H. R. 6242. An act to restore certain land to the Territory of Hawaii and to authorize said Territory to exchange the whole or a portion of the same; and

H. J. Res. 108. Joint resolution providing for recognition and endorsement of the International Trade Fair and Inter-American Cultural and Trade Center in New Orleans, La.

On April 4, 1952:

H. R. 761. An act for the relief of Yuriko Tsutsumi;

H. R. 827. An act for the relief of Dr. Manuel J. Casas and Mrs. Julia Nakpil Casas;

H. R. 899. An act for the relief of Malka Dwojra Kron and Tauba Kron;

H. R. 1234. An act for the relief of Mrs. Selma Cecelia Gahl;

H. R. 2923. An act for the relief of Adelaida Reyes;

H. R. 3153. An act for the relief of Signa Angela Maino Cristallo;

H. R. 3374. An act for the relief of Mrs. Lourdes Augusta Pereira Ladeiro Rose;

H. R. 3668. An act for the relief of David Yeh; and

H. R. 5389. An act for the relief of Ching Wong Keau (Mrs. Ching Sen).

On April 5, 1952:

H. R. 648. An act to record the lawful admission for permanent residence of aliens Max Mayer Hirsch Winzelberg and Mrs. Jenty Fuss De Winzelberg.

On April 7, 1952:

H. R. 773. An act for the relief of Mering Bichara.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Landers, its enrolling clerk, announced that the Senate had ordered, that the Senator from Louisiana, Mr. LONG, be appointed a conferee on the part of the Senate on the joint resolution (S. J. Res. 20) entitled "Joint resolution to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources," in lieu of the Senator from Arizona, Mr. MCFARLAND, excused, and that the above-entitled joint resolution, together with accompanying papers, be returned to the House.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet tomorrow at 10 o'clock a. m.

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

There was no objection.

ORDER OF BUSINESS FOR TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make an announcement.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, the first order of business tomorrow will be the contempt proceedings from the Ways and Means Committee. On that I wish to advise the Members there will be a roll-call vote, as a matter of policy, in connection with contempt proceedings.

HENRY W. GRUNEWALD

Mr. DOUGHTON, from the Committee on Ways and Means, submitted the following privileged report (No. 1748), which was referred to the House Calendar and ordered printed:

PROCEEDINGS AGAINST HENRY W. GRUNEWALD

Mr. DOUGHTON, from the Committee on Ways and Means, submitted the following report:

CITING HENRY W. GRUNEWALD

The Committee on Ways and Means as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection(s) of the Seventy-ninth Congress, House Resolution 7 of the Eighty-second Congress, and pursuant to the authority contained in House Resolution 78 of the Eighty-second Congress, through its Subcommittee on the Administration of the Internal Revenue Laws, created by it in an executive session on January 12, 1951, caused to be issued subpenas to Henry W. Grunewald which are set forth in words and figures in the appendix hereof. Said appendix is made a part hereof as if fully set forth herein.

These subpenas, as appears from the returns which are also contained in the appendix, were duly served on Henry W. Grunewald; and he did appear at the times and places specified in the subpenas.

Said subcommittee, as directed by resolution of the House, was engaged in an investigation of the administration of the internal revenue laws. Testimony had been received to the effect that Henry W. Grunewald had intervened in tax cases, maintained close personal relations with several high officials of the Bureau of Internal Revenue, and had lent money to and had other business dealings with officials of the Bureau of Internal Revenue.

The record of the proceedings which ensued during the interrogation of Henry W. Grunewald by said subcommittee are set forth in the appendix.

Said records of proceedings indicates that said Grunewald failed and refused to answer pertinent questions propounded to him and failed, refused, and neglected to produce papers, books, and documents, the production of which was required by said subcommittee, all material to the subject matter concerning which said subcommittee was by resolution of the House required to, and did, conduct an inquiry.

On motion duly made that said subcommittee recommend to the Committee on Ways and Means that contempt proceedings be instituted against Henry W. Grunewald, there was a vote of six ayes, no noes, and one absent. The motion having carried, said subcommittee reported to the Committee on Ways and Means of January 30, 1952, the facts constituting the contumacious conduct of Henry W. Grunewald. After receiving the report, on the same day, the Committee on Ways and Means voted without dissent that the chairman of the Committee on Ways and Means be directed to report to the House of Representatives the facts concerning the conduct of Henry W. Grunewald as a witness before the Subcommittee on Administration of the Internal Revenue Laws, and that such order may be taken as the dignity and character of the House requires.

The transcript of the proceedings which the Speaker is requested to certify as contained in the appendix which is appended hereto which also include the subpenas referred to above and the rules of procedure adopted for the investigation of the internal revenue laws and made a part hereof as if fully set forth herein.

APPENDIX

ADMINISTRATION OF THE INTERNAL REVENUE LAWS

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ADMINISTRATION
OF THE INTERNAL REVENUE LAWS, OF
THE COMMITTEE ON WAYS AND MEANS,
Washington, D. C., December 12, 1951.

EXECUTIVE SESSION

The subcommittee met at 2:15 p. m., pursuant to call, in room 517, Georgetown Hospital, Washington, D. C., Hon. Cecil R. King, chairman of the subcommittee, presiding.

Present: Representatives King (presiding), Keogh, and Kean.

Present also: Adrian W. DeWind, chief counsel to the subcommittee, and Charles S. Lyon, assistant counsel. (Note: Alfred Goldstein, stenographer, took proceedings for Mr. Maloney.)

Chairman KING. Proceed.

Mr. DEWIND. Henry W. Grunewald is the witness, and this is Mr. William P. Maloney.

Mr. MALONEY. With the permission of the chairman and the other members of the committee who are present, I would like to make a preliminary statement.

I represent Mr. Grunewald in this matter, and I would like to state for the record some of the facts in connection with his present physical condition.

Mr. Grunewald has been in Georgetown Hospital since last Thursday evening. He has been under continuous treatment during that time by Dr. John Curry, and part of the treatment has consisted of the administration of three grains of sodium amytal four times daily.

I think it is significant as to Mr. Grunewald's physical condition, and mental condition at this time, that yesterday when the committee doctors came here to examine him, his blood pressure rose to 210 and his pulse rate jumped to 120—all this despite the fact that he is under administration of an extremely heavy dose of a very potent sedative at this time.

Mr. DEWIND. Pardon me, Mr. Maloney. At this time may I ask: Are you suggesting some conclusions that are to be derived from these facts that you stated?

Mr. MALONEY. No, I am not suggesting. I am stating this for the record.

Mr. DEWIND. I wonder if it would not be more appropriate to have our doctors and Mr. Grunewald's doctors to make a statement for the record about Mr. Grunewald's medical condition.

Mr. MALONEY. I have about concluded.

Mr. DEWIND. I see.

Mr. MALONEY. There are only two other things I would like to state in connection with that.

One is that it was the very decided opinion of Dr. Curry, and concurred in by Dr. Terry, that Mr. Grunewald will require treatment for an indefinite time, and that treatment will require that he be kept under sedation for an indeterminate time.

The committee doctors advised against Mr. Grunewald's leaving the hospital to appear before this committee at this time.

As I said before, I am Mr. Grunewald's counsel, and I have told Mr. DeWind that Mr. Grunewald would appear before this committee to testify under oath in public.

Unfortunately, the present state of his health prevents his doing so today, and probably will for the next several days at least.

I am advised by his physician that he will probably be able to leave the hospital this week end, or possibly Monday or Tuesday, when they announced his condition.

Mr. DEWIND. Mr. Chairman, I would like to note for the record here, at this point, if I may, that Dr. Curry has made no statement to the committee, upon the request of Mr. Maloney. So we have had no expression of Dr. Curry's opinion, because Mr. Maloney directed him not to give us any expression.

Mr. MALONEY. I may say this, gentlemen: I am somewhat at a loss to understand the desire of this committee to override all considerations of decency and regard for the health and welfare of this witness by this invasion of a sick room in a hospital, in an attempt to extract testimony from him at this time.

After all, this committee has been going on for some time in its investigation. I assume it will continue for some time. I can see no reason why his testimony cannot be taken next week.

The sole reason for the existence of this committee is to obtain facts upon which to base a recommendation for legislation. I understand this committee does not intend to file a report in the near future. It is obvious that whatever Mr. Grunewald knows today he will know just as well next week. It will in no way impede the legislative purpose of this committee to delay taking his testimony until that time.

I would like to quote the Vice President of the United States, from the CONGRESSIONAL RECORD of June 19, 1950. In this connection, about the investigative committees generally, the Vice President said: "The Senate is not a grand jury. None of its committees are grand juries."

I might observe that that statement applies with equal force and effect to committees of the House.

The Vice President said further: "The Senate cannot try anyone for any offense."

Again I say that applies with equal force to the committees of the House.

Yet, anyone who has heard or read of the proceedings before this committee can reach only one conclusion, and that is that this is a trial—a trial which, in my opinion—and I might say my opinion has been shared by many other people with whom I have discussed this, with members of the bar and the judiciary—a trial which has been conducted in flagrant violation of the rights of citizens and public officials, whose names have been wantonly bandied about; a trial conducted with what, in my opinion, is a shocking disregard for the rules of evidence and other procedures set up and time-tested for the protection of all citizens.

Indeed, I read in the press that a member of your own committee has publicly condemned, in very strong terms, tactics employed by trial counsel for the committee and the committee's procedure in making public the testimony, which is the rankest kind of hearsay.

At this point, I would like to call the attention of this committee to——

Chairman KING. How much more of this is there going to be, Mr. Maloney?

Mr. MALONEY. It is very brief.

Mr. DEWIND. Mr. Chairman, I would like to suggest in some way this be brought to a conclusion. A statement of this kind from Mr. Maloney has not been invited by the committee and is inappropriate to the present purpose of the committee, which is to take testimony here.

Mr. MALONEY. I have asked for and obtained the consent of the committee. That is the basis of the statement.

Chairman KING. I had no idea that your request, Mr. Maloney, was for the purpose of castigating the committee and its past actions, and perhaps present behavior.

I would suggest at this point to entertain a motion that it be stricken and not be made a part of the proceeding here this afternoon.

Mr. MALONEY. May I say, sir, that that seems to me to be a most strange proceeding. I am here as counsel for this gentleman. I maintain I have a right to—this is a committee of the Congress of the United States. I think I have every right to express on the record what I believe to be the facts in connection with this proceeding.

Chairman KING. Mr. Maloney, the committee set up, many months ago, rules, and one of them clearly sets forth the fact that this committee is under no obligation to take statements from counsel until their preparation is presented to the committee and meets with its approval or disapproval.

Mr. MALONEY. May I say, Mr. Chairman, I do not think this committee—most respectfully I say this—has the power to get itself out from under the common, ordinary rules of fair play and regard for the reputations and names of persons who have had no opportunity to protect themselves against this kind of a proceeding.

Chairman KING. This is perhaps unfortunate, but we are not here to discuss that, Mr. Maloney.

Mr. MALONEY. May I say, sir, I think you have used that phrase before in describing the result of some of this hearsay testimony.

I say it is more than unfortunate. This amounts to a condemnation of a great many innocent people in the public press, with no opportunity whatever to be heard.

I now say, and I urge upon this committee, that I be allowed to continue and——

Mr. DEWIND. Mr. Chairman, is Mr. Maloney appearing here on behalf of other witnesses, or only on behalf of Mr. Grunewald? He seems to be making an argument here which has no relation whatsoever to Mr. Grunewald.

Chairman KING. I quite agree with counsel. I think we should get down to the purpose for which we came and make it as easy as possible on Mr. Grunewald.

If Mr. Grunewald is in the condition—and I daresay he is—I might say his condition would not be helped at all, Mr. Maloney, by prolonging such charges as you are making.

Mr. MALONEY. May I say, if the committee will bear with me and let me finish this very brief statement——

Mr. KEAN. Brief statement?

Mr. MALONEY. Well, I don't believe I have been talking for more than 2½ minutes.

Mr. DEWIND. May I say, Mr. Maloney, your statement consists of statements of your views as to this committee and matters unrelated to your client. Those views are unsolicited and inappropriate, and there is no point in the committee's arguing with you about your views.

Mr. MALONEY. May I say this: I think the committee would be interested in hearing what the Supreme Court had to say about the rights of witnesses.

Mr. DEWIND. If you wish to make a statement for the record and submit it with a request to be made a part of the record, that is the way you may proceed without having to make such a statement while your witness is here and in the condition you refer to.

Why do we not get on with the business of the meeting and then you may file a statement, if you wish?

Mr. MALONEY. Mr. DeWind, may I say I am here as an attorney, to advise my client.

Mr. DEWIND. A statement of your views is not relevant to that job.

Mr. MALONEY. I think it is part of my duty to advise this committee of what the Supreme Court has said, for their guidance, and I intend now to read a very brief excerpt from the case of Sinclair against the United States, in the Supreme Court, which is on this very point.

Mr. DEWIND. Mr. Chairman, let me say the decision of the United States Supreme Court in the United States against Sinclair is fully available to this committee, and if Mr. Maloney wants to refer this committee's attention to that case, we can certainly read it.

I would most respectfully suggest, Mr. Chairman, you should terminate this statement here, now.

Mr. MALONEY. I see no reason why this committee should refuse to permit the language of the Supreme Court to go into this record.

Chairman KING. It is not a matter of the language of the Supreme Court, Mr. Maloney. In fact, you have been in violation of our rules from the second sentence after you commenced this statement.

I want to be fair and proper and lenient in matters of this kind, but we did not come here to be told about our past, present, and perhaps future improprieties.

I suggest that we stop it right now and let us proceed with our business, both for the committee's convenience, your own, and the condition of your client.

Mr. MALONEY. I assure you that this statement here will not take more than another minute and a half to complete.

Chairman KING. You may read the Supreme Court decision.

Mr. MALONEY. The Supreme Court said, in the case of Sinclair against the United States, reported at 279 United States 263—and I am now quoting from page 291—

"The cases show that while the power of inquiry is an essential and appropriate auxiliary to the legislative function, it must be exerted with due regard for the rights of witnesses, and a witness may rightfully refuse to answer where the bounds of the power are exceeded, or the questions asked are not pertinent to the matter under inquiry."

Now, may I say this, I would like at this point to also call the committee's attention to the language of the fifth amendment to the Constitution, which is, as far as I know, still in full force and effect.

Mr. DEWIND. Mr. Chairman, I think it can be safely taken for granted that the committee and all the members are fully aware of the language of the fifth amendment, and Mr. Maloney is trespassing on the good will of the committee.

Chairman KING. I must rule you out of order, Mr. Maloney.

Mr. MALONEY. Perhaps the committee has not read this recently.

Mr. DEWIND. Mr. Chairman, I insist that Mr. Maloney is now being disrespectful to the committee, and I suggest you now take steps to stop it.

Chairman KING. I am going to rule in that fashion.

And I must warn you now, Mr. Maloney, that we are prepared to get on with our business. So you can proceed, Mr. DeWind.

Mr. MALONEY. May I say, Mr. Chairman, the remark was made that I am disrespectful to this committee. I wish to assure you that I am at no time in the habit of being disrespectful to this committee, or any other committee.

Mr. DEWIND. Your statement about the fifth amendment had no other implication, and perhaps you would like to withdraw that statement.

Mr. MALONEY. I will not withdraw it, and insist this committee should allow me to read the fifth amendment.

Chairman KING. No, Mr. Maloney, we must go ahead.

Mr. DEWIND. Mr. Chairman, will you caution Mr. Maloney to be still?

Chairman KING. Yes; I must, Mr. Maloney.

Mr. MALONEY. May I say one thing before you proceed?

Chairman KING. Very well.

Mr. MALONEY. I feel, in the interest of justice and the protection of my client, I must make a statement. If I cannot make it here, I will make it in public.

Chairman KING. Very well, you make it in public.

Now proceed, Mr. DeWind.

Mr. MALONEY. I perfer it be made here, so that the committee may hear it.

Chairman KING. The committee is not in closed session to listen to you, Mr. Maloney, and I insist if the condition of your client is as has been represented to me by my counsel, that you are contributing to his further distress by bringing about this sort of a situation prior to his being questioned.

Mr. MALONEY. I don't believe I am.

Mr. DEWIND. Mr. Chairman, there is no need to deny Mr. Maloney the right to make a statement. It seems to me it is simply a matter of postponing it until we are through with this business.

Chairman KING. I thought he understood that.

I certainly do not want the record to show you are going to be forbidden or prohibited from making any statement you choose to make. I am simply saying this is not the time.

Mr. MALONEY. May I conclude that today I may make a statement for the record at the conclusion of this session?

Chairman KING. I do not say today.

Mr. MALONEY. At the conclusion of whatever proceedings there are, I take it I will then be permitted to make a statement for the record?

Mr. DEWIND. The matter can then be considered, but this is a wholly inappropriate way to consider making the statement.

Mr. MALONEY. Then I have no assurance I would be permitted to make such a statement.

Mr. DEWIND. Mr. Chairman, it seems Mr. Maloney will be permitted to make a statement. We will be glad to hear what he wishes to say and consider the whole statement and the whole question of his making the statement.

Mr. MALONEY. And include the statement in the record.

Chairman KING. I would not want that statement to be a part of our record, Mr. Maloney. It will be so far afield and so contrary to the wishes and demands of past counsel, a goodly number that have appeared before the committee, that it would appear that this session, the way it is being held, in a patient's room in a hospital, was really unusual; that you could not defend that statement before the committee in regular session.

Mr. MALONEY. I assure you, sir, I will be very happy to make it in regular session.

Chairman KING. Very well, then.

Mr. MALONEY. I think my statement is borne out by the facts in this case: I must, respectfully, say in my opinion, it is, if anything, an understatement.

Chairman KING. Very well.

Now, we can proceed, Mr. DeWind, with the purpose for which we came here?

Mr. DEWIND. Has the witness been sworn?

Chairman KING. No. I will swear him.

Will you raise your right hand, please, Mr. Grunewald?

Do you solemnly swear that the testimony you will give to this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GRUNEWALD. I do, sir.

TESTIMONY OF HENRY W. GRUNEWALD, ACCOMPANIED BY WILLIAM P. MALONEY

Mr. DEWIND. What is your full name, Mr. Grunewald?

Mr. MALONEY. At this point, I wish to state for the record an objection which I have, which I think I should present to the committee.

Mr. DEWIND. Mr. Maloney, may I acquaint you with the rules of this committee, that counsel can be present to advise the witness as to his rights with respect to any questions that are put to him by the committee. He can make statements only with the consent of the committee, and, apart from such consent, he is confined to advising his client and consulting with his client when the client wishes to consult with him concerning questions put to him in the session.

There is no other right to make a statement.

Mr. MALONEY. I think, Mr. DeWind, if you will permit me to make a statement, which is exactly two sentences long——

Mr. DEWIND. It is not up to me, Mr. Maloney.

Mr. MALONEY. You are in the committee familiar with the position which Mr. Grunewald is going to take in this inquiry at this time.

Mr. DEWIND. I think, Mr. Maloney, you had simply better consult with your client, and whatever position he wishes to take he may take following consultation.

There is now a question pending, and you have a right to consult with him, and he has a right to consult with you.

Mr. MALONEY. If you will bear with me for two sentences, then I will not make any further request.

Chairman KING. No. I insist, Mr. Maloney, in running the risk, in your opinion, of being unfair with you, I insist that this terminate your statement for the time being.

Mr. MALONEY. I now say, sir, that at this time, in view of the fact——

Mr. DEWIND. Mr. Chairman, I would ask you to direct Mr. Maloney to remain silent.

Mr. MALONEY. I am going to direct the witness not to answer any questions.

Chairman KING. Very well. That is your right, sir.

Mr. MALONEY. And that is what I intended to make my statement about, sir.

Chairman KING. Very good.

Mr. DEWIND. Mr. Grunewald, the pending question is: What is your full name?

Mr. MALONEY. I direct the witness not to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, do you refuse to answer that question?

Mr. GRUNEWALD. On advice of counsel, I refuse.

Mr. DEWIND. On advice from counsel, you refuse to answer the question?

Mr. GRUNEWALD. Yes.

Mr. DEWIND. Do you refuse to state any ground for your refusal to answer?

Mr. MALONEY. Counsel has directed him, and I will state the ground right now.

Mr. DEWIND. Mr. Maloney, I believe the chairman has directed you to make no statement.

Mr. MALONEY. Mr. Grunewald is a sick man. He has been fully——

Chairman KING. This is not on the record.

(Discussion off the record.)

Chairman KING. I will allow our counsel to proceed.

Mr. DEWIND. Mr. Maloney, you are, of course, well aware that it is the standard of this committee, as well as other congressional committees, to have closed sessions, taking testimony before witnesses are called in public sessions. That, too, is a perfectly proper and fair proceeding and one which should be encouraged, I believe.

I just want to say I do not want to argue with you, Mr. Maloney. In fact, I would suggest, Mr. Chairman, that Mr. Maloney make no further statements.

Mr. MALONEY. What is this? A one-way street? You make all the statements?

Chairman KING. Up to now, Mr. Maloney, it has been a one-way street. You were having both sides of it.

Mr. MALONEY. I might add right now counsel directed his remark to me, and I say this man will testify in an open, public hearing, fully, under oath, in the same forum in which these remarks and slanders have been passed about him. He will not, under my advice and direction, give any answers to any questions at this time.

Mr. DEWIND. In a closed session? Is that what you are saying?

Mr. MALONEY. He will have a public session. That is where the charges have been made, and he is entitled, as an American citizen, to a public hearing.

Mr. DEWIND. Of course, as you have been told, Mr. Maloney, the intention is to have

Mr. Grunewald in a public session. That is what he was called for. Nevertheless, a prior closed session does not impinge upon those rights in any way, as you are well aware.

Mr. MALONEY. I am aware of the charges that have been made in public, and he is entitled, as a citizen, to meet those charges without any star chamber or closed proceedings.

I am well aware of the fact that follows in many closed sessions, where, after a witness leaves the room, certain information is given to the press, and after that, his side is not given.

Furthermore, he has no assurance he will have a public hearing after a private hearing.

So I am saying now he will answer no questions except in a public hearing, in the same forum in which these charges were made against him.

Mr. DEWIND. What charges were made?

Mr. MALONEY. He has been vilified in the press as an "influence peddler," "mystery man," and an "unsavory character."

Mr. DEWIND. What papers are these? Have you got some clippings?

Mr. MALONEY. Haven't you read your press notices? I certainly do.

Mr. DEWIND. Has Mr. Grunewald's name been mentioned in any adverse way by any witness before the committee?

Mr. MALONEY. Well, I don't intend to argue that point with you, Mr. DeWind. I just call your attention to a headline—it is one of the largest I have ever seen—in the Daily News in New York, referring to the "Find tax shake mystery man."

If that isn't vilification and slander, I don't know what it is.

Chairman KING. What did the committee have to do with that, Mr. Maloney?

Mr. MALONEY. The newspaper did not dream that up. They got it from somewhere, either from counsel or as a result of the hearings.

Mr. DEWIND. You know that is not true. It is wholly untrue and a sheer fabrication on your part.

Now, Mr. Grunewald, do I understand that you refuse to answer the question that has been put to you, namely, what is your full name?

Mr. MALONEY. On the advice of counsel——

Mr. GRUNEWALD. On the advice of counsel. He told me not to.

Mr. DEWIND. Mr. Chairman, will you direct the witness to answer that question?

Chairman KING. I hereby direct you, Mr. Grunewald, to answer the question.

Mr. MALONEY. On the advice of counsel, he refuses to follow, very respectfully, the direction of the chairman.

Mr. DEWIND. Would you reply to the chairman's question, Mr. Grunewald?

Mr. GRUNEWALD. I hate to do that, but I will not, on the advice of counsel, Mr. Chairman.

Chairman KING. You will not answer on the advice of counsel?

Mr. GRUNEWALD. That is right.

Chairman KING. You refuse to answer, on the advice of your counsel?

Mr. GRUNEWALD. It is very simple, but, on the advice of counsel——

Mr. DEWIND. Now, Mr. Grunewald, do you know Charles Oliphant, former chief counsel of the Bureau of Internal Revenue?

Mr. MALONEY. Mr. DeWind, I have already stated I am advising him not to answer any questions at this time.

Mr. DEWIND. Mr. Chairman, would you direct Mr. Maloney not to make statements?

Chairman KING. Mr. Maloney, we must ask you to cease. Mr. Grunewald knows he can consider what the answer is, and he can answer for himself.

Mr. MALONEY. May I say, Mr. Chairman, I have already stated in, I think, quite clear language, that Mr. Grunewald would, on my direction, give no answers at this time.

Chairman KING. Is there an objection to having Mr. Grunewald state that, on the advice of counsel, he refuses to answer the question?

Mr. MALONEY. Not at all.

Chairman KING. Very well.

Mr. MALONEY. Would you make such a statement, for the record?

Mr. GRUNEWALD. What is that?

Mr. DEWIND. This is not a statement made for the record. This is a statement of his position.

Mr. MALONEY. Yes.

Will you state for the record, in your own language, that, on the advice of counsel, you will not answer any questions at this time?

Mr. GRUNEWALD. Purely on the advice of counsel.

Mr. DEWIND. On the advice of counsel, what, Mr. Grunewald?

Mr. GRUNEWALD. Purely on the advice of counsel——

Mr. DEWIND. Yes.

Mr. GRUNEWALD. What was the question?

Mr. MALONEY. You will not answer any questions at this time.

Mr. GRUNEWALD. I will not answer any questions at this time. At an open hearing I will.

Mr. DEWIND. Mr. Chairman, may I observe at this time that we have had Mr. Grunewald examined by two doctors of the United States Public Health Service, who have expressed their opinion to us that Mr. Grunewald's physical condition does not prevent or require that there be any postponement in questioning him in his room here. We have had no expression of opinion from Mr. Grunewald's own doctor because, on Mr. Maloney's direction, he refused to make any statement.

Mr. Maloney was advised yesterday of the proposed meeting of this committee here and he did not at that time say that he would refuse to have his client answer questions here and has not advised us prior to our appearance here that he would advise his client not to answer questions.

Mr. MALONEY. I did strongly urge you——

Mr. DEWIND. Let me finish, Mr. Maloney. You have had the floor here ever since the meeting began. Now let me just say a word or two.

I think that the report of the doctors of the Public Health Service, that examined Mr. Grunewald, should be made a part of the record here at this point.

Mr. MALONEY. I certainly will have no objection to that.

Chairman KING. It is so ordered.

(Report of Public Health Service doctors relative to examination of Witness Grunewald is as follows:)

DECEMBER 11, 1951.

A REPORT OF THE EXAMINATION OF MR. HENRY GRUNEWALD

In accordance with instructions from the Surgeon General of the United States Public Health Service, the undersigned proceeded to Georgetown University Hospital, Washington, D. C., and on the above date examined the complete medical records and the patient, Mr. Henry Grunewald. Prior to examining the records and the patient, Dr. G. Halsey Hunt, Chief of the Hospital Division of the Public Health Service, and the undersigned conferred with Mr. Taylor, assistant counsel for the King committee, and were informed of the general nature of the examination desired. Mr. Taylor informed Drs. Hunt and Terry that it was desired that we review the records and examine the patient in order to determine whether or not he could be brought before the committee for interrogation at this time without undue injury to his health.

Drs. Hunt and Terry then proceeded to the offices of Dr. John J. Curry, staff physician of the Georgetown University Hospital and private physician for Mr. Grunewald, and there conferred with Dr. Curry regarding Mr. Grunewald's condition. We were given the privilege at that time of reviewing the previous hospitalization on this patient in Georgetown Hospital in 1948, and, in addition, the hospital chart of the present hospital admission was also reviewed. Following a review of the hospital records, Drs. Hunt and Terry with Dr. Curry proceeded to the patient's room, where a complete medical history was elicited from Mr. Grunewald and where Mr. Grunewald was examined by Dr. Terry. Prior to eliciting the history and to the examination, Drs. Hunt and Terry asked Mr. Grunewald if he was willing to submit to this examination and he replied in the affirmative.

The information elicited from Mr. Grunewald and the hospital record indicated that he had been admitted to Georgetown University Hospital on December 6, 1951, at which time he was complaining of nausea, vomiting, and some discomfort in the lower abdomen. Mr. Grunewald stated that he had been quite well until the day prior to admission; namely, December 5, 1951. At that time he first experienced some mild nausea which later became more severe in severe nausea and vomiting. After he had vomited several times, Mr. Grunewald stated that he had severe retching and that on this occasion he brought up a small amount of blood on two or three occasions. He denies that there was any gross blood brought up or that he had vomited any coffee-ground material. He estimated that a total of not more than a teaspoonful of blood had been vomited. He denied any severe abdominal cramps or any diarrhea. He did say that during some of the retching he felt discomfort in the left lower abdomen and was fearful that this might herald the onset of a recurrence of previous attacks of diverticulitis, which he had experienced in recent years. Patient stated that by the time he reached the hospital he continued to be nauseated and vomiting, was extremely upset and nervous, and was worried about the possibility of a recurrent diverticulitis. On admission to the hospital the patient was started on sedation consisting of 3 grains of sodium amytal three times a day. However, on this medication he did not obtain adequate sedation and Dr. Curry, his physician, increased the dose to sodium amytal, grains 3, four times a day. The patient had been continued on this dosage up until the time he was seen by us. In spite of this moderately heavy sedation, the patient stated that he had had difficulty in sleeping and was extremely nervous and upset.

Physical examination revealed a tense, anxious male who appeared to be well-oriented and cooperative. Blood pressure in the right arm, taken at the beginning of the examination, was 210/110. The pulse rate was 120. Respirations were 22. Examination of the head and neck revealed no significant findings. The pupillary reflexes and cranial nerves were intact. The chest was well-developed and symmetrical. The lungs were clear and resonant. The heart was within normal limits on percussion and palpitation, and the sounds were normal except for tachycardia. The abdomen was slightly rounded and soft; the liver and spleen were not palpable. Careful palpation of the abdomen failed to reveal any masses or rigidity. The patient did complain of slight tenderness on moderate to deep pressure in the left lower quadrant, but in this area careful palpation allowed adequate exploration and at the same time did not reveal any palpable abnormalities. The external genitalia were that of a normal male with the exception of the fact that the right scrotum contained a large mass which was cystic in consistency and was rather typical of a hydrocele. Examination of the extremities revealed nothing of note. All reflexes were slightly hyperactive but no abnormal reflexes were elicited. During the entire examination the patient was affable and cooperative. There was no evidence at

any time during the examination of any abnormal content and the patient denied that he had experienced any such symptoms. He specifically denied any hallucinations or any dreams of significance.

From talking with the patient and reviewing his previous hospital records, the following facts were elicited with regard to his past history: He states that he has always been a high-strung, somewhat nervous type of individual. Approximately 5 years ago he had what he terms a nervous breakdown, at which time he had symptoms similar to the present episode and was treated by a physician, requiring the administration of sedatives. He recovered from this nervous condition to a certain extent but over the past several years has had a great many domestic difficulties which have added to his worries and caused him considerable nervousness and disturbance. In 1946 he had an attack of diverticulitis, at which time he had fever and pain in the abdomen. However, on treatment he recovered fairly promptly. In 1948 he was at Georgetown University Hospital with a recurrence of diverticulitis, at which time he had chills, a very high fever, severe pain in the abdomen, and was quite seriously ill. He was treated with penicillin and within a period of a few hours his temperature began to drop and he made a prompt and satisfactory recovery. Over the past few years the patient states that he has had some nervous tension and has had some difficulty in sleeping. He admits that he has required some sedation which has been of a mild type—namely seconal—3 or 4 nights a week in order to get the proper amount of rest. However, he denies any excessive use of barbiturates or any other type of drugs. He states that only in the past week has his condition been such that he needed moderately severe sedation such as he is taking at the present time.

In summary, we feel that Mr. Grunewald is suffering from a severe anxiety state that is under satisfactory control with sedation at the present time. We do not feel that the hydrocele plays any part in the present question of his health, nor is there any evidence of an active diverticulitis at this time. The entire question should rest upon the patient's emotional status. It is our opinion that Mr. Grunewald is not psychotic at this time nor is there any evidence that he has been psychotic at any time. There is no evidence of any abnormal thought content and we are of the opinion that he is mentally competent at this time. The fact that he has such a severe anxiety state which requires moderately heavy sedation at the present time in our opinion indicates that the patient is too ill to be asked to appear before either an open or closed hearing of the committee at this time. However, we have no hesitancy in saying that we believe the patient is in sufficiently good state that he could be interrogated at the hospital. Furthermore, we were assured by Dr. Curry that he anticipated that Mr. Grunewald would probably leave the hospital within the next week. If that is true, even though he may have to continue on sedation after leaving the hospital, it is our opinion that he should be available to testify before the committee at that time without any undue jeopardy to his health. On the other hand, if it is necessary for the patient to be kept in the hospital for a long period of time, it would probably be necessary to review the situation again within the next 2 weeks and to reevaluate the patient's status at that time.

G. HALSEY HUNT,
Medical Director, USPHS, Chief, Division of Hospitals.
LUTHER L. TERRY,
Medical Director, USPHS, Chief, Medical Service, USPHS Hospital, Baltimore, Md.

Mr. DEWIND. Mr. Chairman, at this time I would like to address another question or two to Mr. Grunewald, if there is no objection.

Chairman KING. Go ahead; proceed.

Mr. MALONEY. May I say for the record, Mr. Chairman, I see no point in asking further questions. You will get the same answer. You are only upsetting the witness further.

Mr. DEWIND. Mr. Grunewald, which officials of the Bureau of Internal Revenue are known to you?

Mr. MALONEY. I again direct the witness not to answer any questions at this time.

Mr. GRUNEWALD. I would like to answer, but my attorney instructs me not to do it.

Mr. DEWIND. Do you know any officers or officials employed by the Bureau of Internal Revenue, past or present?

Mr. MALONEY. I say now, Mr. DeWind, that you are asking these questions for the purpose of creating some kind of a record here in the face of a clear statement by me and by the witness that we insist that he will not answer any questions at this time, and that he insists upon his right to appear in a public hearing in the same forum in which the slanderous charges have been made against him and clear his name.

And he is going to insist on that.

And I tell you again, regardless of how many questions you ask, for whatever purpose you have in mind, this witness will not answer any questions today.

Mr. DEWIND. Mr. Maloney, you carry on at length about the slanderous charges that have been made against Mr. Grunewald in public sessions of our committee. I would suggest that perhaps you direct the committee's attention to the slanderous charges made against Mr. Grunewald in public session.

Mr. MALONEY. I suggest the committee read the clippings that appeared in every newspaper.

Mr. DEWIND. The clippings are not the record of public sessions of this committee.

Mr. MALONEY. They quote at length from public sessions of this committee.

I am sure that counsel has a complete set of clippings, and they would be available to the committee if they choose to read them.

Chairman KING. Mr. Maloney, I, as chairman of the committee, who has been present at every public session, have no recollection of any unkind, slanderous, or libelous statements being made about Mr. Grunewald.

To the contrary, I can recollect a few complimentary things having been said about him.

Mr. DEWIND. Mr. Chairman, I think it is simply a matter of directing Mr. Maloney, if he wishes to, to read the record rather than read the newspapers.

Mr. MALONEY. I don't for a minute think the newspapers incorrectly quoted the verbatim record of the committee.

Mr. DEWIND. Why do you not simply read the verbatim record? It is available to you, Mr. Maloney.

Mr. MALONEY. I so shall.

Mr. DEWIND. Mr. Grunewald, have you ever discussed any tax cases pending before the Bureau of Internal Revenue, with any official or employee of the Bureau of Internal Revenue?

Mr. MALONEY. I make the same suggestion to the witness.

Mr. GRUNEWALD. If he makes the same direction, I got to follow what he says. I will appear in public hearings.

Mr. DEWIND. What is your answer, Mr. Grunewald?

Mr. GRUNEWALD. There is no answer.

Mr. DEWIND. You refuse to answer, on advice of your counsel?

Mr. GRUNEWALD. Until I appear in public hearings; yes, I will be glad to.

Mr. DEWIND. Mr. Chairman, I suggest you would direct the witness to answer.

Chairman KING. I must, Mr. Grunewald, direct you to answer the question, yes or no.

Mr. MALONEY. The witness will follow the advice of his counsel and refuse to answer, most respectfully, Mr. Chairman.

Mr. DEWIND. What did you say, Mr. Grunewald? The chairman has directed you to answer the question.

Mr. GRUNEWALD. Mr. Chairman, listen to what counsel said.

Chairman KING. And you refuse to answer?

Mr. GRUNEWALD. On his advice.

Mr. DEWIND. Mr. Grunewald, have you consulted with your counsel, or has your counsel advised you concerning the effects and the results that may flow from an improper refusal to answer questions of this committee?

Mr. MALONEY. Let me state for the record that I think that is an attempt to pry into the confidential relationship between an attorney and his client.

Mr. DEWIND. Mr. Maloney, you have not been questioned. Your client has been questioned.

Mr. MALONEY. I have no objection to your stating to Mr. Grunewald, and for the record, what you have in mind, as far as he is concerned, in the event that he refuses to answer, on the advice of counsel, and by direction of counsel.

I must object to any attempt to invade the right of privacy which exists between an attorney and his client.

Chairman KING. I take it, then, that you object to our having an understanding of what is in your client's mind when he refuses to answer a question put to him by counsel of this committee.

Mr. MALONEY. I do, sir. I am directing him to answer no questions at this time.

Mr. DEWIND. Mr. Chairman, of course, the clear purpose of my question was simply to try to make it clear, if it could be, to Mr. Grunewald that he has a right to be advised concerning the possibility of contempt of this committee. I did not want Mr. Grunewald to refuse to answer a question without having brought to his attention the possibility he might desire the advice of his counsel, if he has not already obtained it.

Mr. MALONEY. Why don't you make a statement for the record?

Mr. KEOGH. Mr. DeWind, by that statement, you do not mean to imply that this committee is under any obligation to apprise the witness of what his position might lead to; you know of no such obligation?

Mr. DEWIND. That, of course, is entirely correct. I was simply trying to be fair to Mr. Grunewald so that he would be apprised of the situation.

Mr. MALONEY. I would suggest you state to Mr. Grunewald, and for the record, what his position would be and then ask him if he still desires to follow the advice of his counsel.

Mr. DEWIND. Mr. Chairman, I have no further questions to ask at the present time.

Chairman KING. You are aware, Mr. Grunewald, that you have refused to answer questions, are you not?

Mr. GRUNEWALD. On advice of counsel, Mr. Chairman.

Chairman KING. And that by so doing, you are placing yourself in the position of the possible consequence of being in contempt of this committee?

Mr. GRUNEWALD. Mr. Chairman, may I——

Mr. MALONEY. I direct the witness not to answer.

Mr. GRUNEWALD. I would like to be given the opportunity to, as soon as I am well. That is all I ask for. Nothing else.

Chairman KING. Very well.

Mr. KEOGH. I move we recess, subject to the call of the chairman.

Chairman KING. If there is no objection, it is so ordered.

(Thereupon, at 2:55 p. m., the hearing was recessed, to reconvene subject to call of the Chair.)

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE ADMINISTRATION OF THE INTERNAL REVENUE LAWS OF THE COMMITTEE ON WAYS AND MEANS,
Washington, D. C., Thursday, Dec. 20, 1951.

EXECUTIVE SESSION

The subcommittee met at 2:30 p. m., pursuant to notice, in the main hearing room of the Committee on Ways and Means, New House Office Building, Hon. ROBERT W. KEAN, presiding.

Present: Representatives KEAN and CURTIS.

Committee staff present: Adrian W. DeWind, chief counsel to the subcommittee; Charles S. Lyon, assistant counsel; James Q. Riordan, assistant counsel; and Walter C. Taylor, assistant counsel.

Mr. KEAN. The subcommittee will come to order.

Mr. Grunewald, what books and records have you brought?

STATEMENT OF HENRY GRUNEWALD, ACCOMPANIED BY HIS COUNSEL, WILLIAM POWER MALONEY.

Mr. MALONEY. May I suggest at this time, Mr. Chairman, that I am appearing as Mr. Grunewald's attorney here today.

I would like to suggest at the outset a point of no quorum. I do not know if the committee would wish to rule on it at this time or consider making it a part of the record.

Mr. KEAN. Under the rules of the committee, Mr. Maloney, two members constitute a quorum.

Mr. MALONEY. Very good. That is the ruling of the committee, I take it?

Mr. KEAN. That is the ruling of the committee.

Mr. CURTIS. That is the written rule made up and published prior to the beginning of the investigation.

Mr. MALONEY. Very good, sir. I do not believe I have met you before, sir. My name is Maloney.

Mr. CURTIS. My name is CARL CURTIS.

Mr. KEAN. Those rules of the committee, of course, are available to you.

Mr. MALONEY. Thank you sir.

Mr. DEWIND. You have received a copy of our rules, have you not?

Mr. MALONEY. I have not up to this point.

Mr. DEWIND. I thought you had. We have discussed it before.

Mr. MALONEY. I do not know what you gentlemen prefer. If you can hear me quite clearly, I would just as soon talk without the aid of the microphone. It is a matter of my preference.

Mr. KEAN. I can hear.

Mr. MALONEY. Very good, sir.

May I say this, gentlemen, and as a preliminary statement to Mr. Grunewald's appearance here today, I would like to make a statement for the RECORD which will perhaps qualify for the RECORD what Mr. Grunewald's position is today.

Mr. KEAN. Mr. Maloney, has your statement anything to do with that question of the papers that were subpenaed?

Mr. MALONEY. Yes, sir; it does.

Mr. KEAN. Could you confine yourself to that at the moment?

Mr. MALONEY. I will do my best to obey your suggestion.

Mr. CURTIS. Would it be possible, before you start your statement, to enumerate and identify what records you have with you?

Mr. MALONEY. I will make this statement, sir, in response to your question. The witness has not produced here today any statements at all and I would like to state for the RECORD my reason for directing him not to produce the records here today.

Mr. KEAN. Mr. Maloney, the other members of the committee who were very anxious to be here were unable to be here today. For that reason I think that we will postpone the continuance of this until tomorrow morning.

Mr. MALONEY. May I suggest this, sir. I came down from New York today to be here at this hearing to represent Mr. Grunewald. This is perhaps a plea in familia. My two sons have come home from school for the Christmas vacation. They arrived last night. We ordinarily spend that at our summer place at Bridgehampton, Long Island. It is my very earnest desire to spend as much time as I can with them. They are only here for a little over a week. It was rather unfortunate from my standpoint that this matter came on today. Frankly I made them a promise I would be home tonight. I know that that can carry very little weight with you gentlemen who have many important duties to attend to. But my reason for bringing it up at all is that I was going to ask if it is possible to defer this matter until after the Christmas holidays, if that would suit the convenience of the committee. After all, I have come here some 250 miles to be present today and this meeting was set at the request of the committee.

Mr. KEAN. We would not be able to complete it today, anyway.

Mr. MALONEY. May I suggest, Mr. Kean, that the position which I intend to take today is one which I think may well be the subject of review by the Congress and possibly by the courts.

I tell you quite frankly, if it will be of any guidance to you gentlemen in deciding whether you wish to put this matter over until tomorrow or not, that it is my intention to direct Mr. Grunewald to refuse to answer any questions at this time. I could do no more than give a similar direction tomorrow morning.

I did ask permission to make a statement for the record and my purpose in doing that was that I feel that out of a decent respect for the opinions of Congress I should state for the record the causes which impel me to direct Mr. Grunewald not to answer questions at this time. I will attempt to confine my statement to what I sincerely believe are valid reasons for his refusal to answer questions at this time. Such a statement would not take more than 10 or 15 minutes at the outside and I doubt if it would take even that.

With that in mind, perhaps, Mr. KEAN, you might wish to reconsider your decision to adjourn until tomorrow morning.

Mr. KEAN. All right, Mr. Maloney, you can make your statement, and then we will decide, after you have made it, whether we wish to go over until tomorrow morning.

Mr. MALONEY. Very good, sir.

Gentlemen, Mr. Grunewald has appeared before this closed session today in response to your subpena. I am appearing with him as his attorney. I may say that the situation today is no different, so far as Mr. Grunewald is concerned than it was when this committee came to his sick room in the Georgetown Hospital on December 12 at which time I directed Mr. Grunewald to decline to answer any questions asked by the committee or its counsel at that time.

I then requested on his behalf that he be given the right to appear at an open hearing of this committee in the same forum in which his name and reputation have been slandered and vilified both in the record of this committee and in the public press and over the radio. I requested that he be given an opportunity to make whatever statement he desired to make at an open hearing, as I have said, in the same forum for all the public to hear.

Mr. KEAN. Mr. Maloney, the committee has every intention of calling Mr. Grunewald in an open hearing. The thought is that it would be better all around, to avoid criticism, to get some of the information along the line that we are interested in in a closed hearing. You will remember the criticism of the committee on account of certain testimony having come out which they say was not properly brought out in a closed hearing. That is the purpose of this executive session.

Mr. MALONEY. I quite understand your point, Mr. KEAN. I would like to say this, in response to it, that as far as Mr. Grunewald is concerned, the damage has already been done. I do not see how this committee has the power in anyway to undo what has been done.

The point which I wish to make is that as a result of what has already transpired, Mr. Grunewald has been deprived of the right guaranteed to him by the Constitution to have his name protected—and a good name is a property right just as well as anything else and the Constitution has always said that no man can be deprived of his property without due process.

As I said the other day at the hospital when you gentlemen were there, and I was quoting the words of the Vice President of the United States, in the CONGRESSIONAL RECORD of June 19, 1950, at which time he was presiding, the Vice President said at that time, of congressional committees of inquiry generally:

"The Senate is not a grand jury. None of its committees are grand juries. The Senate cannot try anyone for any offense."

Of course, I then pointed out the Vice President's words apply with equal effect to any committee of the distinguished House of Representatives. Yet anyone who has read or heard of the proceedings which have been had before this committee can reach only one conclusion and that is that this proceeding is a trial.

Mr. KEAN. I would deny that as completely untrue.

Mr. MALONEY. I am stating for the record what is my reason for directing Mr. Grunewald not to answer. Perhaps you gentlemen will not agree with me when I get through; perhaps you will.

Mr. CURTIS. You do not agree with that yourself.

Mr. MALONEY. I beg your pardon, I most sincerely do.

Mr. CURTIS. A trial is a proceeding where a tribunal has authority to enter a judgment compelling people to do something or not to do something or inflicting punishment or pronouncing punishment. You, of course, know that a committee of Congress investigating, conducts no such proceeding.

Mr. MALONEY. That is just the very thing I was about to object to, sir, the attempt by this committee to conduct a trial.

Mr. CURTIS. The distinguished Vice President is entitled to his opinion. What you are quoting is an opinion of an individual. Certainly it is not binding upon the House of Representatives.

Mr. MALONEY. I believe I quoted him correctly, sir.

Mr. CURTIS. I have no question as to the quotation, but even if the quotation is true, it is not binding upon the House of Representatives.

Mr. MALONEY. I would say it is not binding, but I should say it would carry a great deal of weight as a suggestion coming from a man of his stature, sir.

May I say this? I am not desirious of getting into a discussion with you, Mr. CURTIS, about the technical distinctions of a trial. My objection here is based upon the attempt by a congressional committee to conduct a trial in public of persons who have been accused in the public press and in the record of these proceedings of the commission of crimes and to judge and condemn them in the public press, if you please, sir, before they have had an opportunity to present their side of the case without the right guaranteed by the Constitution, to be confronted by the witnesses against them and to cross-examine them, without the right to be present at the time such accusations are made, with no protection,

sir, by the rules of evidence which have been time-tested for the protection of all accused. All of these rights I maintain, sir, most respectfully, have been violated by this committee in the proceedings which have been had up to now. It is for that reason, sir, that I allude to the proceedings which have been had as a public trial.

I may say, sir, that it is a public trial which, in my opinion—and believe me, I am being very serious about this, and I think it is a very serious point—which has been conducted in flagrant disregard of the fundamental rights of witnesses and other persons, the rights which have been guaranteed to witnesses and persons by the Constitution of the United States.

Mr. KEAN. Mr. Maloney, will you try to specify how this has affected your client specifically?

Mr. MALONEY. I am coming to that.

Mr. KEAN. You have made a very general statement.

Mr. MALONEY. I wish merely to say this, sir. The Supreme Court has said, speaking of congressional committees, and I refer to the case of *Sinclair* v. *United States* (279 U. S. 263), quoting from page 291:

"The cases show that while the power of inquiry is an essential and appropriate auxiliary to the legislative function, it must be exerted with due regard for the rights of witnesses, and a witness may rightfully refuse to answer where the bound of the power are exceeded or where the questions asked are not pertinent to the matter under inquiry."

I submit, sir, that in conducting these proceedings as they have been conducted up to now, this committee has exceeded the powers, any powers which it could derive as a result of being a committee of Congress.

Mr. KEAN. Where does this get to your client? You are talking about all sorts of people who are not your client. Your client has not been asked any questions yet except, the other day, what was his name.

Mr. MALONEY. Very good, sir. If you will bear with me, I will conclude very shortly.

I may say this, sir, that although I cannot claim to speak for the bar of the United States, nor for any of our courts, nevertheless I am sure that the bar of the United States and the courts of the United States must be gravely disturbed by this spectacle of a congressional committee conducting which, with due deference to Mr. CURTIS, I maintain is a public trial of persons who have not been informed of the nature of the accusation against them and in derogation of every right guaranteed to them by the fifth and sixth amendments to the Constitution.

Now I am sure you gentlemen are all familiar with the fifth amendment to the Constitution. I would like to read just one or two lines of it for the record. It reads as follows:

"No person shall be held to answer for a capital or other infamous crime unless on a presentment or indictment of a grand jury * * * nor be deprived of life, liberty, or property, without due process of law. * * *"

I submit, sir, that from what has gone on before my client and other persons are being held to answer in the public gaze, in the public estimation, they are being tried in the newspapers by reason of the reports which have emanated from these proceedings without any indictment, without ever being informed what they are accused of except some surmise. As a matter of fact, I was shocked to read that Mr. Caudle was permitted to state for the record that it was his surmise that it was my client who made the extortion telephone call to Mr. Teitelbaum.

Sir, I know of no court in the English-speaking world, certainly not in the United States of America, where such a thing would be permitted; and yet who can say that such a statement broadcast in the press and on the radio can ever be eradicated from the mind of the public, the very public out of which a jury some day may have to be drawn to try my client for that very offense.

Mr. KEAN. Excuse me for interrupting but you are arguing entirely against your own case. You are arguing that you do not like the public hearings and you are appearing here today to say that you want public hearings. Now what is the answer? What we are trying to do in the private hearings is to meet the only criticism I have heard by any members of the bar and that was that we had not had the private hearings before we had the public hearings. You are talking about public hearings. Now you have stated already that if we have public hearings, you are willing to recommend to your client that he come and be heard.

Mr. MALONEY. Sir, I am very glad that you brought that point up at this time and my answer is this: I cannot accept with any assurance, as a reasonable man, that in the event his testimony was taken in executive session, as we are now sitting in here, that such testimony would not be made available or parts of it to the press. I am sorry to say that I have observed statements in the press in connection with these hearings which could only have emanated from testimony taken in executive session.

Mr. DEWIND. Mr. Maloney, are you surmising about that?

Mr. MALONEY. No, sir, I am not. I make that statement advisedly.

Mr. DEWIND. Mr. Chairman, I would ask Mr. Maloney to specify instances where such testimony has been released by the committee.

Mr. MALONEY. If you wish me to take the time to get all the clippings together of the proceedings which have been had before this committee, I shall be happy to do it. I have read them, and I might say I have followed them quite closely.

Mr. KEAN. Will you give one or two instances where testimony taken in executive session has appeared in the public press?

Mr. MALONEY. I do not have the clippings with me, sir. There is no doubt in my mind, if I can get the clippings, I will point out such instances. If you wish me to take the time and the clippings are made available, I am certain that such instances do exist.

Mr. DEWIND. I feel that you should not make any statements that executive session testimony has been released by this committee to the press unless you are prepared to back them up.

Mr. MALONEY. I am certainly prepared to back them up.

Mr. DEWIND. Not at the moment, though.

Mr. MALONEY. I am rather shocked to find that you dispute it, Mr. DeWind.

Mr. DEWIND. Of course I dispute it. You are not prepared to back it up.

Mr. MALONEY. I certainly do not feel I am making an irresponsible statement in making that statement. If anything it is an understatement.

Mr. DEWIND. Why don't you produce what you are basing it on?

Mr. MALONEY. As I said, I will not take the time of this committee to dig through all the clippings. If the clippings are available here, I will find them for you. I shall be happy to point them out.

Mr. DEWIND. I would suggest if you make that statement you should come equipped with that evidence.

Mr. MALONEY. That is your opinion, Mr. DeWind. I did not expect you to dispute it. I think it is an obvious fact. Anybody who has read those newspaper clippings could arrive at no other conclusion.

Mr. DEWIND. It seems to me you are engaging in wild surmise.

Mr. MALONEY. Mr. DeWind, I am sure you are entitled to your opinion. I an entitled to mine. I think I have not engaged in any wild surmise. I think any person, any unbiased person, who has followed the proceedings in the press would be inclined to agree with me.

Mr. KEAN. We have found, Mr. Maloney, that when we do have closed hearings the witnesses bring in the names of a lot of other people and very often it would seem better for their own protection not to bring their names in the open hearings which would automatically come out when a certain question was asked. That is one of the reasons why it seems a better practice for the protection of everybody and for the constitutional rights of people to have the closed hearings before we have the open hearings.

Mr. MALONEY. Sir, if that has been the practice of this committee from the outset a great deal of the criticism which has been leveled at the practice and procedure of this committee could well have been avoided. It might have been eliminated altogether.

Mr. KEAN. That has been what the desire of the committee was.

Mr. MALONEY. I quite agree with you, sir, that would have been a salutary thing. Unfortunately, sir, that has not been done, has not been followed, and I say that citing as an example offhand the testimony of Mr. Teitelbaum, a man of ill repute, a man apparently about to be indicted for violation of the law, the idea of his being allowed to give the rankest kind of hearsay testimony in public is something which I think has shocked the conscience of every member of the bar.

I am here, sir, for what I maintain is a valid reason, and that is to protect the rights of my client. I feel I can no longer, as a reasonable man, accept an assurance that whatever he says here will remain secret, nor can I accept assurance that he will ever be given an opportunity to appear in public at or near the times when these accusations have been made.

I submit, sir, it is not going to do my client any good to have him appear in public 2 or 3 months from now when this poison has been seeping through the system of every member of the public from whom a jury may some day be drawn to try him. It is not going to do him any good to then appear and enter his denials on the record, sir.

I maintain that in the interest of justice in an open hearing a witness whose name has been mentioned should be permitted to be present. He should be permitted to have counsel there and he should have the right to cross-examine the witness who has testified against him. I think in all fairness that is the only way in which a man's reputation can be protected adequately.

As we all know as practical men, and I am sure Mr. CURTIS will agree with me, a denial 6 months later in a public hearing is of very little force and effect and can do little to eradicate the damage done or restore a man's reputation and good name.

Mr. KEAN. Would you be willing to have Mr. Grunewald appear and testify in a private hearing if it was a day or two before a public hearing?

Mr. MALONEY. No, sir. I say this, sir, very respectfully. Mr. Grunewald should be given an opportunity to appear in a public hearing without any further delay to make such statement as he wishes there.

Continuing on with my statement, I would like to call the attention of this committee, and through this committee the attention of the Congress of the United States, to the sixth amendment to the Constitution. I am sure you are familiar with it, but I would like to state parts of it for the record:

"In all criminal proceedings, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed. * * * and to be informed of the nature and the cause of the accusation; to be confronted"—and that is a very valuable right—"with the witnesses against him; to have compulsory process for obtain-

ing witnesses in his favor, and to have the assistance of counsel for his defense."

Mr. KEAN. You do not consider this as a criminal trial?

Mr. MALONEY. This in my opinion is a trial of persons accused of crime. There have been accusations here of an extortion attempt. A story has been told and widely circulated that some person made a telephone call to a man named Teitelbaum and threatened him with dire consequences unless he acceded to the demand for $500,000. My client's name has been broadcast in connection with that testimony.

May I say, sir, as I said, that Mr. Caudle has been permitted to surmise at least, and I use the word he used, "surmise," that it was my client who made that telephone call. I state right now for the record that nothing could be further from the truth than that. But nevertheless the damage as far as my client is concerned has been done.

Let us assume that some day there may be an indictment brought in the orderly process of law against the persons accused of attempting to shake down or extort that money from Teitelbaum. As a result of what has already appeared in the Nation's press and over the radio, it has been made impossible for my client or any other person who may be indicted to obtain a trial by an impartial jury, to obtain a trial by persons whose minds have not already been impregnated and poisoned with this rankest kind of hearsay testimony.

Now I say this, that the law in its wisdom has always had a provision called change of venue, under which any man who has been unfairly condemned in the press may apply for a change of venue to a district where he has not been unfairly attacked. I say, sir, that unfortunately, as a result of the Nation-wide coverage given to these proceedings, it is now impossible for anyone who may be accused of a crime by a grand jury to find an impartial jury.

This is a very serious threat to the orderly administration of justice in this country. I think it is one that should well merit great consideration by the Congress.

Far be it from me, sir, to appear here before you gentlemen and suggest what remedy or what should be done to prevent such things happening again. I am confident that the Members of Congress are cognizant of the problem and I feel confident also that if it is brought to their attention, and that is the purpose of my statement here, they will do something to protect the rights of witnesses which have been guaranteed to all citizens by the Constitution of the United States.

Mr. KEAN. I will say that the committee did make an attempt and tried to give Mr. Grunewald an opportunity to appear in a public session. Mr. Grunewald unfortunately went to the hospital so he could not be here.

Mr. MALONEY. Of the ways of mice and men and physical illnesses, unfortunately that is something no one has any control over. The committee's own doctors did examine him and said he was too ill to leave the hospital at that time. He is here today in response to your subpena.

Mr. KEAN. Mr. Maloney, you have not as yet gotten down to the facts as to how this actually affects your man here and also you have not said anything about that justification for refusal to produce documents which you are going to do later.

Mr. MALONEY. Yes, sir, I say his refusal to produce documents is based on exactly the same premise as his refusal to testify before the committee.

Mr. KEAN. Will the documents be produced at a public hearing?

Mr. MALONEY. Sir, he will obey whatever subpena is served upon him to appear at a public hearing.

Mr. KEAN. Including documents?

Mr. MALONEY. Yes.

That about concludes my statement, Mr. Kean. Thank you for the privilege.

Mr. CURTIS. I may ask a question or two. Do you anticipate making any objections to the answering of questions by your client on any day subsequent to this?

Mr. MALONEY. Sir, I think that is something that as his attorney I will have to decide at the time the point arises. There is a great deal going on in the interim here, and what may transpire in the meantime will have some effect upon it.

Mr. CURTIS. Is it your intention to object to the answering of questions by your client if this hearing is continuned until tomorrow in executive session?

Mr. MALONEY. If the hearing is continued in executive session, sir, I shall.

Mr. CURTIS. What are your intentions if we interrogate your client in public hearings?

Mr. MALONEY. Sir, at that time I shall advise him to make such statement as I think proper at that time.

Mr. CURTIS. You expect to advise him not to answer our questions?

Mr. MALONEY. May I respectfully reserve the right to answer that question, Congressman CURTIS, until such time as the open hearing is set?

Mr. CURTIS. Mr. Maloney, it may be that the acting chairman will adjourn this meeting. I think that in fairness to the committee and to you and everybody else it should be stated that that is the procedure that we agreed on earlier today by reason of a commitment to other members of this committee. Everyone is busy, I realize that, but the committee members have had duties in Washington and elsewhere, official duties, and we have made the commitment that we would not proceed with this hearing until other members of the committee could be here, and any continuation or decision not to proceed with questioning of Mr. Grunewald today is not an admission on the part of the committee that the contentions that you have made are granted or acceded to in any way.

Mr. KEAN. The committee will stand adjourned until 10:30 tomorrow morning. I direct the service of the subpenas to be sure they will be here.

Mr. MALONEY. There is no question of my client appearing at such time as they direct him to be there, or you may serve the subpena.

(Thereupon, at 3:15 p. m., a recess was taken until Friday, December 21, 1951, at 10:30 a. m.)

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE ADMINISTRATION OF THE INTERNAL REVENUE LAWS OF THE COMMITTEE ON WAYS AND MEANS,
Washington, D. C., December 21, 1951.

EXECUTIVE SESSION

The subcommittee met at 10:50 a. m., pursuant to recess, in the main hearing room of the Committee on Ways and Means, New House Office Building, Hon. EUGENE J. KEOGH presiding.

Present: Representatives KEOGH, KEAN, and CURTIS.

Present also: Representatives WOODRUFF and MASON.

Committee staff present: Adrian W. DeWind, chief counsel to the subcommittee; Charles S. Lyon, assistant counsel; John E. Tobin, assistant counsel; James Q. Riordan, assistant counsel; and Walter C. Taylor, assistant counsel.

Mr. KEOGH. The subcommittee will come to order.

I would like to have the record note that pursuant to the rules of the subcommittee we have consented to the presence during this executive session of Representatives WOODRUFF, of Michigan, and MASON, of Illinois, both members of the House Committee on Ways and Means.

Mr. Grunewald, would you be good enough to stand and take the oath?

Do you solemnly swear that the testimony you will give in this proceeding will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GRUNEWALD. I do, sir.

Mr. KEOGH. Mr. DeWind.

Mr. DEWIND. Mr. Grunewald, will you state your full name, please?

TESTIMONY OF HENRY W. GRUNEWALD, WASHINGTON, D. C., ACCOMPANIED BY HIS COUNSEL, WILLIAM POWER MALONEY

Mr. GRUNEWALD. Henry W. Grunewald.

Mr. DEWIND. What is your residence, Mr. Grunewald?

Mr. GRUNEWALD. Westchester Apartments.

Mr. DEWIND. Do you have a business office, place of business?

Mr. GRUNEWALD. Gentlemen, I am following the advice of my counsel and for the reasons which he stated I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, on what are you basing your refusal to answer questions?

Mr. MALONEY. I would like to state for the information of the gentlemen who were not here yesterday that I made quite a lengthy——

Mr. KEOGH. Excuse me, Mr. Maloney, you are under no obligation or duty to advise the members who are sitting here with the consent of the subcommittee as to anything that has been said. I think you have been reminded previously of the rules of this subcommittee with respect to the position of counsel for any person called to testify.

Mr. MALONEY. Mr. Keough, I am quite aware of that. In the interest of saving time I merely wish to say that I stated on the record yesterday the reasons why I would so direct Mr. Grunewald not to answer any questions at this time. He has stated now that for the reasons stated by counsel he most respectfully declines to answer any question at this time.

Mr. DEWIND. Mr. Grunewald, on what basis are you basing your refusal to answer questions.

Mr. GRUNEWALD. On the advice of my counsel which says, as I read before, gentlemen—if you want me to repeat it?

Mr. DEWIND. No, I do not wish you to repeat that statement. You merely said on advice of counsel you would not answer questions.

Mr. GRUNEWALD. And for the reasons which he has stated.

Mr. DEWIND. Perhaps I might say, Mr. Grunewald, that except for the possibility that you might decline to answer questions on the ground of possible self-incrimination under the fifth amendment, it is not my view that you have any proper basis on which to refuse to answer questions here. I wish to direct your attention to the fact that in my view vour refusal to answer, except possibly on the grounds I have stated, would place you in contempt of the Congress of the United States.

Then, Mr. Chairman, I suggest it might be advisable for the chairman to put the question to the witness.

Mr. KEOGH. Mr. Reporter, will you repeat the question that is pending?

(The pending question was read by the reporter as follows:)

"Do you have a business office, place of business?"

Mr. KEOGH. Mr. Grunewald, I direct you to answer the question which is pending for you to answer.

Mr. GRUNEWALD. I am following the advice of my counsel, sir, and for the reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. DeWind.

Mr. DEWIND. Mr. Grunewald, when did you first learn of the tax investigation being conducted by the Bureau of Internal Revenue involving Abraham Teitelbaum, Chicago?

Mr. GRUNEWALD. Sir, do you mind my referring to the same statement I made before? I stand on that.

Mr. KEOGH. Mr. Grunewald, I direct that you answer the question put to you by the counsel of the subcommittee.

Mr. GRUNEWALD. I still stand on my statement, sir.

Mr. KEOGH. Mr. DeWind.

Mr. DEWIND. When did you first discuss the Teitelbaum case with Mr. Oliphant, who was then Chief Counsel of the Bureau of Internal Revenue?

Mr. MALONEY. May I at this time point out for the record, sir, that the position which the witness has taken and intends to maintain as to all questions has been quite clearly stated for the record. I can see no point at this time in plying him with further questions which can only elicit the same statement from the witness.

Mr. KEOGH. Mr. Maloney, that is a question which the subcommittee can and will decide.

Mr. Grunewald, I direct you to answer the last question put to you by counsel of the subcommittee.

Mr. GRUNEWALD. I only have to go back and read you the same story. Gentlemen, I am following the advice of my counsel. That is what I am paying him for and his advice is my advice to me. For that reason which he has stated I most respectfully decline to answer any questions.

Mr. KEOGH. Mr. DeWind.

Mr. DEWIND. Mr. Grunewald, is your refusal to answer this question and the prior question based in whole or to any extent upon a claim of possible self-incrimination?

Mr. GRUNEWALD. I am sorry, Mr. DeWind, but I must answer in the same fashion.

Mr. DEWIND. Do you wish to consult with your counsel before making the answer to that question?

Mr. GRUNEWALD. No; I do not.

Mr. DEWIND. Now the question I am asking, Mr. Grunewald, is this: Whether in refusing to answer questions placed to you by this subcommittee you are to any extent basing your refusal upon a plea of possible self-incrimination under the fifth amendment?

Mr. GRUNEWALD. I have got to refer back to to the same statement I made to you before. Do you want me to read it again?

Mr. DEWIND. You make any answer you wish to make to the question.

Mr. GRUNEWALD. Well, gentlemen, I am following the advice of my counsel and for the reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, how old are you?

Mr. GRUNEWALD. Fifty-nine.

Mr. DEWIND. Where were you born, Mr. Grunewald?

Mr. GRUNEWALD. I have to give you the same answer. I am following the advice of my counsel and for that reason which he has stated I most respectfully decline to answer any questions at this point.

Mr. DEWIND. How long have you lived at the Westchester apartments?

Mr. GRUNEWALD. The same answer, sir.

Mr. DEWIND. Mr. Chairman, do you wish to direct the witness to answer that question?

Mr. KEOGH. Mr. Witness, I direct you to answer the last question put to you by the counsel of the subcommittee.

Mr. GRUNEWALD. Mr. Chairman, with all due respect to you I stand on my last statement.

Mr. DEWIND. Mr. Chairman, would you care to direct the witness to answer the question as to where he was born?

Mr. KEOGH. I direct you, Mr. Witness, to answer the question as to where you were born.

Mr. GRUNEWALD. I didn't get the chairman's question. Would you mind repeating your question, sir?

Mr. KEOGH. Mr. Stenographer, will you repeat the last statement by direction of the acting chairman?

(The statement referred to was read back by the reporter.)

Mr. GRUNEWALD. With great respect to you, Mr. Chairman, I decline to answer on the grounds of the advice of my attorney, as I have read before.

Mr. DEWIND. Mr. Grunewald, I would like to direct your attention that to my knowledge your counsel has not stated that your refusal to answer questions would be based in any part upon any claim that your answer might tend to incriminate you under the fifth amendment of the United States Constitution. Are you aware of that?

Mr. MALONEY. Mr. DeWind, you were here yesterday when I made the statement. I was here and my client was here. I think the record will speak for itself as to what was said. My client was here and heard it and I think the record speaks for itself in that regard.

Mr. DEWIND. Mr. Maloney, it seems to me appropriate to make that point entirely clear, and perhaps it could be made clearer by having your views stated for the record that you have not on behalf of your client claimed any privilege based upon possible self-incrimination.

Mr. MALONEY. With the gracious permission of Mr. Kean and Mr. Curtis yesterday, I made a rather lengthy statement of the reasons why I intended to direct Mr. Grunewald to decline to answer any question which might be asked of him in an executive session. I made that statement in order that the Congress might have before it a complete statement of what I believe to be the valid reasons for his declining to answer questions at this time. I see no point in my now adding to that statement.

Mr. DEWIND. I was simply undertaking an effort to be entirely fair to your client, that his refusal to answer questions very clearly has not been based upon a claim of possible self-incrimination. I want to give you every opportunity to correct that situation if you wish to do so or to claim it if you wish to claim it.

Mr. MALONEY. I wish to remind you, Mr. DeWind, that my client has stated he will decline to answer any questions today for the reasons which I set forth in my statement yesterday. I think the record will speak for itself on that subject.

Mr. KEOGH. Mr. Grunewald, pursuant to the direction of the subcommittee present I am advising you now that it is the present opinion of the subcommittee that it has no knowledge that your refusal to answer any of the questions put to you is predicated upon the belief that the answering of them would tend to incriminate you. The subcommittee has directed me to call your attention to that.

I have also been directed by the subcommittee to inform you that the claim of such privileges must be made by the witness personally and cannot be made by anyone on his behalf.

Mr. DEWIND. In the light of what has been said, Mr. Grunewald, I repeat the question I put to you earlier: Where were you born?

Mr. GRUNEWALD. Mr. DeWind, as I stated before—it is only a repetition of what I have told you before—I am following the advice of my counsel and for the reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, pursuant to the subpena of this committee, have you produced the books, records, and documents called for by the subpena served upon you?

Mr. GRUNEWALD. I am following the advice of my counsel and for the reasons which he has stated, to answer your question, I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Chairman, would you wish to direct the witness to produce the books, records, and documents called for by the subpena served upon him?

Mr. GRUNEWALD. I am following the advice of my counsel and for the reasons which he has stated, to answer your question, I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Chairman, would you wish to direct the witness to produce the books, records, and documents called for by the subpena served upon him at this time?

Mr. KEOGH. Mr. Witness, pursuant to the decision of the subcommittee I direct you to produce the books, records, and documents called for by the subpena served upon you.

Mr. MALONEY. May I advise the witness as to the form of the answer which, in my opinion, he may make to that, sir?

Mr. KEOGH. Yes.

Mr. GRUNEWALD. On the advice of my counsel and for the reasons which he has stated, I respectfully decline to do so at this time. I emphasize that.

Mr. DEWIND. Mr. Chairman, it would seem appropriate at this point to make a part of the record here copies of all the subpenas that have been served upon Mr. Grunewald.

Mr. KEOGH. Without objection that will be done, together with the proof of service thereof on the witness.

(See infra in appendix A for these and other subpenas.)

Mr. KEOGH. Mr. Maloney, I am informed that the first subpena duces tecum issued by the subcommittee to Mr. Grunewald was handed to you and you stated that you waived any question of the effective service.

Mr. MALONEY. That is correct.

Mr. KEOGH. Mr. Grunewald, you just heard my last question and Mr. Maloney's answer?

Mr. GRUNEWALD. Yes, Mr. Chairman; I did hear that.

Mr. KEOGH. The subcommittee will resolve itself into an executive session and has directed me to suggest to you, Mr. Grunewald, that you step aside and remain available to the subcommittee.

Mr. GRUNEWALD. You mean I should go out in the building?

Mr. KEOGH. Yes.

Mr. MALONEY. May I inquire, does that mean the witness should leave the building or be subject——

Mr. KEOGH. It is best not to have him leave the building. We will communicate with you shortly.

Mr. MALONEY. In other words, you want him to be available immediately.

May I ask the chairman, if it would be permissible, if the Chair could give me any indication of how long we will be kept here today, because I would like to make plans, if possible.

Mr. KEOGH. Just as soon as we have any information on that subject, we will communicate it to you, Mr. Maloney.

Mr. MALONEY. Very good. I shall appreciate that.

Before we leave, I did make a statement yesterday and in view of the questions which have been asked today may I now again ask for permission to elaborate somewhat on the statement which I made yesterday? My reason for making that request, sir, is a very serious one. It is obvious to me, I think, that this matter may well go before the Congress, may ultimately wind up in our courts. I think that it is important in the interest of my client that I should state fully, perhaps more fully than I did yesterday, the reasons which have impelled me to advise him as I have.

Mr. KEOGH. Now will you let the acting chairman consult with the other members of the subcommittee in deciding on that?

Mr. MALONEY. Very good.

(A short recess.)

Mr. KEOGH. Mr. Maloney, I have been directed by the subcommittee to inform you that it will be pleased to receive from you any statement that you might now want to

make, that statement to be submitted to the subcommittee in writing, at which time we will then decide and let you know whether it will be made a part of the record.

Mr. MALONEY. Yes, sir.

May I say, sir, in response to that that I most seriously urge the necessity of including my statement in the record because it is certainly my very serious intention to test in the courts the validity of any proceedings which may be taken against Mr. Grunewald. I think that this matter is a very serious matter and one which we should have some law on at the earliest possible moment for the protection of the rights of all citizens.

Mr. KEOGH. I think I can assure you, Mr. Maloney, that the subcommittee will have in mind and take under consideration what you have just said.

Mr. MALONEY. Very good.

Mr. KEOGH. The subcommittee will now stand in recess until 11:35, at which time I have been instructed to direct you to produce the witness under subpena, and at which time we will hold a public hearing.

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE
ADMINISTRATION OF THE INTERNAL
REVENUE LAWS OF THE COMMITTEE ON WAYS AND MEANS,
Washington, D. C.,
Friday, December 21, 1951.

PUBLIC HEARING

The subcommittee met at 11:35 a. m., pursuant to notice, in the main hearing room of the Committee on Ways and Means, New House Office Building, Hon. EUGENE J. KEOGH presiding.

Present: Representatives KEOGH, KEAN, and CURTIS.

Present also: Representative MASON.

Committee staff present: Adrian W. DeWind, chief counsel to the subcommittee; Charles S. Lyon, assistant counsel; John E. Tobin, assistant counsel; Charles W. Davis, clerk of Ways and Means Committee; James Q. Riordan, assistant counsel; and Walter C. Taylor, assistant counsel.

Mr. KEOGH. The subcommittee will come to order.

Mr. Henry W. Grunewald has been sworn and is called as a witness.

Mr. MALONEY. Mr. Chairman, may I make a request that at the outset of this hearing, this public hearing, the use of flash cameras be discontinued during the testimony or the statements which are to be made? I think that flash bulbs going off in a person's face certainly are not conducive to calm and collected reflective thinking. I do not wish to deprive the news cameramen of their opportunity to take whatever pictures they wish of my client, but I do wish that during the actual proceedings the flash cameras be dispensed with.

Mr. KEOGH. The subcommittee has uniformly sought to accommodate the convenience of all witnesses in the manner to which you refer. We can say to you that we have had the cooperation of the press photographers. I am sure they will continue to cooperate with us. If it is agreeable with your client, we will suggest that the photographers take as many shots now as they think they ought to have and thereafter give the witness the usual consideration that they have extended heretofore.

Mr. MALONEY. Very good; that is agreeable.

TESTIMONY OF HENRY W. GRUNEWALD, WASHINGTON, D. C., ACCOMPANIED BY HIS COUNSEL, WILLIAM POWER MALONEY

Mr. DEWIND. Mr. Grunewald, you have already told the subcommittee that your name is Henry W. Grunewald, that you are 59 years of age, and live in Westchester Apartments. Is that correct?

Mr. MALONEY. Mr. Chairman, at this time I most respectfully ask the permission of the Chair to make a statement and to lay upon the record of this proceeding, this public proceeding, the reasons and the basis for certain advice which I am going to give Mr. Grunewald at this time as his attorney.

Mr. KEOGH. Mr. Maloney, the subcommittee will take under consideration your request.

Mr. Maloney, I am advised by the subcommittee present here this morning to inform you that the subcommittee will not at this time receive any statement from you as counsel for the witness.

Mr. MALONEY. May I say, sir, that I am appearing here as attorney, and I must as his attorney insist upon my right to represent this man.

Mr. KEOGH. Mr. Maloney, you are appearing here as an attorney, and you are here with the consent and permission of this subcommittee. You must abide by the rules adopted by the subcommittee, and which rules have been heretofore uniformly applied to all who have appeared before this subcommittee.

Mr. MALONEY. Mr. Chairman, may I respectfully say that the Constitution of the United States far antedates any rules of the subcommittee.

Mr. KEOGH. Mr. Maloney, you are out of order.

Mr. MALONEY. If it is out of order for an attorney to appear and protect the rights of a witness before a committee, that is the first time I have heard of it. I do not intend to be disrespectful at all, sir, but I do insist that this man is a citizen of the United States, and he has certain constitutional rights.

Mr. KEOGH. Mr. Maloney, you heard the ruling of the subcommittee. I admonish you to respect that ruling and abide by it.

Mr. MALONEY. I have no choice but to adhere to the ruling of the Chair. I say it is most unfair for the Chair to rule that way.

Mr. KEOGH. Mr. Maloney, the subcommittee is not listening to you.

Mr. MALONEY. I don't see how they can fail to hear me, sir, and I insist on my rights now as attorney to appear and state the reasons why I am going to direct my client to refuse to answer any questions. I intend to lay the foundation to take this matter to the Supreme Court, if necessary.

Mr. KEOGH. Mr. Maloney, I warn you that a continuance of this conduct will necessarily force us to remove you from this hearing.

Mr. MALONEY. Sir, you may remove me, but I doubt your capacity or the capacity of anyone to stop me from representing my client to the best of my ability. I say, sir, I wish to lay the foundation and make a record which will be the subject of review by every court in this country.

Mr. DEWIND. Mr. Grunewald, I will proceed with the questioning, stating to you first that you have the right to consult with your counsel prior to answering any question that is put to you.

Now what is your business address, Mr. Grunewald?

Mr. GRUNEWALD. Gentlemen, I am following the advice of my counsel and for reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. MALONEY. And for the reasons which I was not permitted to state for the record but which I will insist——

Mr. DEWIND. Mr. Grunewald, if you wish to state for the record the basis on which you refuse to answer questions and if you wish to consult with your counsel before making any such statement, you are at liberty to do so.

Mr. GRUNEWALD. Gentlemen, I request to read the statement prepared by my counsel.

Mr. MALONEY. In answer to a question asked by Mr. DeWind.

Go ahead and read it.

Mr. DEWIND. Mr. Grunewald, if the answer turns out to be unresponsive, of course I will have to interrupt you and ask the chairman to direct you to answer the question.

Mr. KEOGH. May I ask the stenographer to repeat the question put to the witness?

(The question referred to was read back by the reporter as follows: "Now what is your business address, Mr. Grunewald?")

Mr. MALONEY. Would you read the colloquy following after that, please?

Mr. DEWIND. It is simply the pending question.

Mr. MALONEY. I would like to have the colloquy read.

Mr. KEOGH. The colloquy is not a part of the record.

Mr. MALONEY. I suggest, sir, that out of the colloquy arose another question, but my recollection may be wrong. I do request in the interest of clarity of the record that the colloquy be read back on that point.

Mr. DEWIND. I simply advised Mr. Grunewald prior to answering that question if he wished to consult you he was at liberty to do so. The question is: What is your business address?

Mr. MALONEY. May I ask that the record be read back?

Mr. KEOGH. The request is denied.

Mr. MALONEY. Then my client at this time wishes to state for the record his reason for declining to answer questions at this time. He will now proceed to read the statement.

Mr. GRUNEWALD (reading): "Mr. Henry W. Grunewald has appeared here today in response to a subpena of this committee. I am appearing with him as his counsel.

"As this committee already knows, Mr. Grunewald was recently confined to Georgetown Hospital as a patient from December 6 until December 17. Your own doctors examined him and reported that his physical and mental condition was such that he could not with safety leave the hospital and appear before this committee. Although he has been released from the hospital, he is ill and very sick, and both the committee doctors and Mr. Grunewald's physician are in agreement that he still requires medical attention for an indeterminate time. I have advised Mr. Grunewald as fully as I can to consider his present mental and physical condition, of his rights and duties as a witness before this committee, and as his counsel I here and now publicly advise and direct him not to answer any question which may be asked of him today by this committee or by its counsel.

"It is my respect for the Congress of the United States which requires me to declare the reasons which impel me to so advise him. Furthermore, it is necessary for the protection of my client's rights that a record be made at this time setting forth what I believe to be valid reasons for his refusal to testify, so that in the event this matter is reviewed by Congress and the courts, Congress and the courts shall have before them a record of what transpired here and the reasons advanced in support of Mr. Grunewald's rightful refusal to testify.

"The Supreme Court of the United States has said in the case of *Sinclair* v. *The United States* (279 U. S. 263), and I quote from page 291:

" 'While the power of inquiry is an essential and appropriate auxiliary to the legislative functions, it must be exerted with due regard for the rights of witnesses, and a witness may rightfully refuse to answer where the bounds of the power are exceeded.'

"I would not for one moment dispute the right of a congressional committee to conduct a legitimate inquiry for the purpose of ascertaining facts upon which to base recommendations for legislation. I do not do so now.

"I do say, however, that the procedure followed by the present inquiry has gone far astray of any legitimate purpose or power possessed by the Congress of the United States. Anyone who has read the newspaper

accounts of the proceedings before this committee or listened to the news broadcasts cannot fail to arrive at a conclusion that these proceedings are in effect a public trial of persons whose names have been bandied about with utter disregard of the fundamental rights guaranteed to all citizens by the Constitution, a trial conducted in flagrant disregard of the rules of evidence which have been established and time-tested for the protection of the rights of all citizens. Among these rights are the right to be informed of the nature and cause of the accusation and to be confronted with the witnesses against him, the right to cross-examine witnesses produced against him, the right to be present at the trial and be represented by counsel of his own choosing, and the right to a verdict at the hands of an impartial jury.

"These are basic fundamental rights guaranteed to all citizens by the Constitution of the United States. I cannot stand idly by and permit an attack upon the fundamental law of our country, a law which, by the way, far antedates and supersedes any rules or rights of this committee.

"While I do not claim to speak for them, I feel that the entire bar of the United States, the courts of our country, the Congress, and every thinking citizen must be deeply disturbed by the spectacle of a congressional committee under the guise of obtaining legislative facts conducting a trial by association and surmise in which the accused are neither informed of the nature of the charge against them or granted any of the rights guaranteed by the Constitution. If in the course of a proper inquiry it should be revealed that public officials are dishonest or incompetent, the law provides that they may be removed by impeachment. This is not an impeachment proceeding. In fact, the House has no power to try an impeachment proceeding.

"Speaking of a senatorial investigation committee, the Vice President of the United States was presiding in the Senate on June 19, 1950, and said:

" 'The Senate is not a grand jury. None of its committees are grand juries. The Senate cannot try anyone for any offense.'

"I submit the words of the Vice President apply with equal force to any committees of this distinguished House of Representatives. Yet in this unprecedented trial—and I insist that this is a trial—this committee is usurping the power and functions of the grand jury and of the Constitution of the United States. This committee has cast itself in the role of prosecutor, grand jury, trial court, witnesses, and jury in derogation of the rights guaranteed to all citizens by the Constitution.

"My client has been depicted in the press and over the radio as an influence peddler, a generally unsavory character, as a fixer, as a party to a criminal attempt to extort money.

"All of the foregoing are the basis of the rankest kind of hearsay testimony and surmises which this committee has permitted to be spread on the public record in complete and utter disregard of the rights of my client and in violation of the express provision of the Constitution.

"Nor do I stand alone in my condemnation of the methods of this committee and the practice pursued by its counsel in this respect. A member of this very committee has publicly expressed his disapproval in strongest terms of the tactics employed by counsel for the committee and the procedure followed by this committee.

"I say it is not less the duty of the Congress and its committees to protect the rights of our citizens than it is the duty of the courts to do so, and it surely was within the power and province of the committee to have prevented this grave miscarriage of justice, had it desired to do so.

"Only yesterday the press of New York carried a report of a committee of the New York State Bar Association on the subject of congressional inquiries condemning such practices and recommending the adoption of a code of procedure for the protection of witnesses. Among other things this committee said, and I quote:

" 'It is often asserted that Congress has the job of enlightening and educating the public so as to create an intelligent public opinion. This may be an incidental and often valuable byproduct of the legislative process, but it is questionable whether education is a constitutional function of the legislature sufficient to sustain procedures of doubtful value in eliciting facts, especially when weighed against the danger to individual rights. Nor do we find any sound constitutional basis for the assertion sometimes made that television, newsreels, radio, or the camera have rights guaranteed by the first amendment to record proceedings which are a part of official governmental investigations. Equally doubtful is the existence of any rights in the public to hear the legislative or executive proceedings while they are in progress.

" 'On the score of fairness and justice to witnesses appearing before the committee, the fact that these media are, as a matter of experience, selective in their coverage, raises serious questions of due process. Only those moods of the witness or the committee which appeal to the current popular fancy are caught and reproduced, particularly in the case of newsreel and camera. But even as to radio and television there is great pressure on the members of the committee to telescope and compress the hearings, selecting for their public sessions the most sensational witnesses and the most spectacular part of their testimony, in a measure staging the hearing to accommodate the media over which it is carried.

" 'The importance of time is magnified by the practice schedules of radio and television. Only a portion of the hearings can be broadcast or else the whole proceedings must be shortened to accommodate the stations and to sustain the public interest. And the danger that legislators may use the tremendous national audience for personal advantage at the cost of a dignified and fair proceeding cannot be ignored.'

"On the basis of what has transpired so far in these hearings one cannot help but conjecture whether the real purpose of counsel for this committee is to use the widespread publicity as a political springboard, as was done in the case of another counsel for a very recent senatorial committee.

"I would like to remind this committee that 'no person shall be held to answer for a political or otherwise infamous crime unless on a presentment or indictment of a grand jury, nor be deprived of life or liberty or property without due process of law' and that is the fifth amendment to the Constitution of the United States.

"This committee has not once but repeatedly in the course of its public hearings permitted statements to be made by witnesses testifying under oath under cloak of immunity from slander, accusing my client, among other persons, of infamous crimes, including an attempt to extort $500,000 from Teitelbaum as the price of quashing criminal proceedings against him.

"As an example of the extreme to which this committee has gone in an attempt to condemn my client in the eyes of the public, the same public from whom some day may be drawn a jury to try him for that very offense, is the following:

"Teitelbaum offered as his testimony here that a man speaking with a deep, guttural German accent——"

Mr. KEOGH. The witness will suspend. I am instructed by the subcommittee to remind you that the statement you have been offering us is intended to be the reasons for your refusal to answer the pending question. We must ask you to restrict your statement to those reasons.

Mr. MALONEY. May I say, Mr. Chairman, that the witness is reading a statement which I had prepared and which I intended to give myself to the committee. It is not a very clear copy; it is a third carbon copy. For that reason he has had a little difficulty reading it.

However and further, he is about to conclude, and the matter to which he is about to allude has a very definite bearing upon his declining at this time to answer questions. I assure the committee of that; and, if you will permit him to continue, it will be obvious.

Mr. GRUNEWALD (continuing reading): "Speaking with a deep, guttural German accent, telephoned him threatening dire consequences and mentioning the names of public officials as being members of a clique, unless he paid the extortioner's price.

"Three members of this committee invaded the privacy of my client's sickroom in Georgetown Hospital on December 12, 1951, and upon leaving the sickroom one of the members of this committee is reported in the press as saying he found my client 'sitting in bed looking like a Prussian drill sergeant.' And that same member of this committee, in response to a question by a reporter as to whether my client spoke with a deep guttural German accent, replied 'Absolutely.' No other conclusion can be reached by them than this was a deliberate calculated attempt to create in the public mind the indelible impression that my client was in fact the man who made the extortion phone call.

"What assurance can he have that any denial which he might enter here would ever reach the eyes and ears of the persons who read that damning statement by a member of this committee? What point is served by his appearing here now and entering his denial on the record days after he has been convicted in the public mind as the result of this unquestionably improper remark by a committee member?

"The law has always recognized that a man's right to his good name and reputation is a property right just as tangible as his right to own real estate or have money in the bank. My client has in fact been deprived of his good name and reputation without due process of law.

"I would like to call the attention of the entire bar, the judiciary, the Congress, and the public to an even more serious consequence of the wanton abuse of power by this committee and its counsel. I refer to the very grave threat which the practice and procedure adopted by this committee and other recent congressional investigating committees poses to the orderly administration of justice in this country and to the right of every accused to a trial by an impartial jury.

"Since the adoption of the Bill of Rights, the right of every citizen to a trial by an impartial jury has been most zealously guarded and protected. This committee must now bear the responsibility for depriving citizens of that right. There is no blinking the fact that as a result of the irresponsible hearsay testimony which this committee has permitted to be spread upon the record in public, knowing and intending that it would be published in press and radio, wellnigh every man and woman in the city of Washington, nay, in the entire Nation, has come to a conclusion as to the guilt of those accused.

"This committee has already made it impossible for my client, or any other person who may be accused of a crime in connection with the matters which have been inquired into here, to obtain a trial by an impartial jury not alone in Washington but anywhere in the Nation. The law in its wisdom has provided for a change of venue to

protect persons who have been unfairly tried in the press. This wise provision of the law has been nullified by this committee on a Nation-wide basis.

"I would like to call the attention of this committee to the sixth amendment to the Constitution and remind this committee that the sixth amendment is still in full force and effect. It reads as follows:

" 'In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed * * * and to be informed of the nature and cause of the accusation; to be confronted with witnesses against him; to have compulsory process for obtaining witnesses in his favor; and to have the assistance of counsel for his defense.'

"My client has been deprived of not one but every one of the rights guaranteed to him by the sixth amendment as the result of this trial by association and surmise, and I use the word 'surmise' advisedly, because I read in the record that one witness, Mr. Caudle, was permitted to testify in public that he 'surmised' that it was my client who made the extortion telephone call to Teitelbaum.

"Over the entire judicial history of this country, the courts have enforced strictly those rules of evidence which have been time-tested for the protection of all citizens to see to it that no accused shall be convicted except upon proper legal evidence. The proceedings here have the ring of a people's court conducted behind the iron curtain. I know of no court in this country, nor indeed anywhere in the English-speaking world, where Mr. Caudle would have been permitted to testify as he did, and it is no excuse nor does it in any way repair the damage for the chairman of this committee now piously to assert that such testimony and other testimony like it is 'unfortunate.' This committee, as a committee of Congress, has the very clear duty to protect the rights of all citizens against the type of slanderous accusations and vilifications with which this record is replete. If the committee sincerely thought such hearsay testimony was of any value to it in its legitimate purpose, such testimony could have been taken in secret in executive session. It would be violating every rule of reason to suppose that the committee did not know in advance or have reasonable opportunity to acquaint itself with the nature of such obviously improper testimony and take proper action to protect the rights of those whose names were mentioned."

Gentlemen, after this conclusion, after I have read this article, after I have read this——

Mr. MALONEY. Statement.

Mr. GRUNEWALD (continuing). Statement, I have followed the advice of my counsel, and for the reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the question pending, namely: What is your place of business?

Mr. GRUNEWALD. Mr. Chairman, you bring me back to the same answer.

Mr. CURTIS. What is that answer?

Mr. GRUNEWALD. The answer is that I have followed the advice of my counsel, for the reasons which he has stated, and I must respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, was it the advice of your counsel that you should answer questions only in public session?

Mr. MALONEY. I object to that question as an invasion of the right of privacy existing between counsel and his client. I direct the witness not to answer.

Mr. DEWIND. Mr. Grunewald, your counsel, Mr. Maloney, has stated to this committee that he has advised you not to answer questions except in public session.

Now, is that a fact?

Mr. MALONEY. I have made no such statement to this committee. Are you referring now to the hearing at the hospital? I will state for the record now that at the hospital——

Mr. DEWIND. No, Mr. Maloney; don't state anything for the record. You haven't been asked to make a statement for the record.

Mr. MALONEY. Since that hearing, something has happened which has made me change my mind and my advice. And I made no such statement to the committee in executive session yesterday or this morning.

Mr. DEWIND. Mr. Grunewald, isn't it a fact that you asked Mr. Oliphant, formerly chief counsel to the Bureau of Internal Revenue, not to advise this committee of the questions that you had asked him concerning the Teitelbaum tax case?

Mr. GRUNEWALD. I am following the advice of my counsel; the same story. By advice of counsel and for the reasons that he has stated, I most respectfully decline to answer any questions at this time, sir.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. GRUNEWALD. Mr. Chairman, with due respect to you, I must answer the same question to you.

Mr. MALONEY. Make the same answer.

Mr. GRUNEWALD. Make the same answer.

Mr. KEOGH. What is that answer, Mr. Witness?

Mr. GRUNEWALD. I am following the advice of my counsel.

Mr. MALONEY. And for the reasons——

Mr. GRUNEWALD. And for the reasons which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. DeWind?

Mr. CURTIS. Mr. Witness, what do you mean by refusing to answer questions at this time?

Mr. MALONEY. I am sorry. I will have to direct the witness——

Mr. CURTIS. No; I am asking the witness that. Please keep still.

Mr. GRUNEWALD. I am following the advice of my counsel, and for that reason, which he has stated before, I most respectfully decline to answer any question at this time, sir.

Mr. CURTIS. My question is: What do you mean by "this time"?

Mr. GRUNEWALD. I will stand on my statement, sir.

Mr. DEWIND. Mr. Grunewald, have you ever made any loans to persons employed by the Federal Government at the time you made the loans to them?

Mr. GRUNEWALD. With all due respect to you, Mr. DeWind, I must refer back to that—I am following the advice of my counsel, and for reasons which he has stated, I most respectfully decline to answer any question at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. GUNEWALD. With all due respect to you, Mr. Chairman, I make the same answer.

Mr. KEOGH. What is that answer?

Mr. GRUNEWALD. That answer is that I am following the advice of my counsel; and for the reasons which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. DeWind?

Mr. DEWIND. Mr. Grunewald, you were served with a subpena of this committee to produce here certain books, records, and documents described in that subpena. Will you now kindly produce them for the subcommittee?

Mr. GRUNEWALD. On the advice of my counsel and for the reasons which he has stated, I respectfully decline to do so at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question and produce the books, records, and documents called for by the subpena duces tecum heretofore served on you.

Mr. GRUNEWALD. On the advice of my counsel, sir, and for the reason which he has stated, I respectfully decline to do so at this time.

Mr. DEWIND. Now, isn't it a fact, Mr. Grunewald, that your counsel stated here yesterday that in a public hearing you would produce the documents called for by the subpena?

Mr. MALONEY. I submit we will let the record speak for itself on that. If you want to read the record, you can.

Mr. KEOGH. This is from the hearing of the Subcommittee on Administration of the Internal Revenue Laws of the Committee on Ways and Means, Washington, December 20, 1951:

Question, by Mr. KEAN: "Will the documents be produced at the public hearing?"

Answer, by Mr. Maloney: "Sir, he will obey whatever subpena is served upon him to appear at a public hearing."

Question, by Mr. KEAN: "Including documents?"

Answer, by Mr. Maloney: "Yes."

Mr. MALONEY. And it is perfectly obvious by that exchange, Mr. Chairman, that I was referring to the fact that this witness would appear at a public hearing and obey a subpena requiring him to appear at a public hearing, but not to produce documents. I have never yet made any agreement with this committee to have him produce documents.

Mr. DEWIND. Mr. Grunewald, are you admitted to practice before the Treasury Department of the United States?

Mr. GRUNEWALD. I am following the advice of my counsel; and, for this reason which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instruction of the subcommittee, I direct you to answer the pending question, as to whether you have been admitted to practice before the Treasury Department of the United States.

Mr. GRUNEWALD. Mr. Chairman, I will only have to repeat the same answer to you. I am following the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. DeWind?

Mr. MALONEY. Now, I would like to have that removed, if you don't mind.

(The reference is to the flash of a photographer's bulb.)

Mr. MALONEY. I think that is a direct violation of the agreement which I had with the photographers, and I don't approve or appreciate that for 1 minute. I wish the gentleman who is leaving with the picture would be requested to bring it back. I think that is in violation, clearly in violation, of the committee's agreement with me. I wish that plate would be destroyed, if you don't mind.

PHOTOGRAPHER. I have no power to destroy it.

Mr. MALONEY. I wish the committee would impound it.

Mr. KEOGH. I have been instructed by the subcommittee to inform the photographer who took that last picture that it is the subcommittee's opinion that that picture should not be used. And I have further been instructed by the subcommittee to remind the press photographers of our gentlemen's agreement with respect to such pictures.

Mr. MALONEY. Now, that's just the type of picture to which I took exception.

Mr. KEOGH. The matter has been disposed of, Mr. Maloney.

Mr. DEWIND. Mr. Grunewald, what steps have you taken to comply with the subpena of the subcommittee to produce here the books, records, and documents set forth in the subpena?

Mr. GRUNEWALD. Mr. DeWind, I am following the advice of my counsel, and for the reason which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. GRUNEWALD. Mr. Chairman, respectfully to you, I am following the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any questions at this time, sir.

Mr. KEOGH. Mr. DeWind?

Mr. DEWIND. Are you now refusing, Mr. Grunewald, to produce any of the books, records, and documents called for by that subpena?

Mr. GRUNEWALD. Mr. DeWind, I refer you back to the same answer. I am following the advice of my counsel, and for the reason which he has stated, most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. MALONEY (to Mr. Grunewald). Read the same answer.

Mr. GRUNEWALD. With respect to you, Mr. Chairman, I am following the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any questions at this time.

Mr. DEWIND. Mr. Grunewald, what is your age?

Mr. MALONEY. He said 59 in the executive session. Do you want to ask him again?

Mr. DEWIND. What is your age, Mr. Grunewald?

Mr. GRUNEWALD. I was born in 1892.

Mr. DEWIND. What was the place of your birth?

Mr. GRUNEWALD. Mr. DeWind, you are bringing me back to the same answer. I am following the advice of my counsel, and for the reason which he has stated, I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. GRUNEWALD. Again with due respect to you, Mr. Chairman, my answer is I have followed the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any question at this time.

Mr. DEWIND. Mr. Gruenwald, did you testify correctly when you testified before the Senate District Committee in 1950 that you were born in South Africa?

Mr. GRUNEWALD. Again, Mr. DeWind, I am sorry. I will have to refer you back to—I am following the advice of my counsel, and for the reasons which he has stated I most respectfully decline to answer any questions at this time.

Mr. KEOGH. Mr. Witness, pursuant to the instructions of the subcommittee, I direct you to answer the pending question.

Mr. GRUNEWALD. Mr. Chairman, again with due respect to you, I am following the advice of my counsel, and for the reason which he has stated, I most respectfully decline to answer any questions at this time, sir.

Mr. DEWIND. Mr. Grunewald, would you please give the subcommittee the names of any officials of the Federal Government who, while serving as officials of the Federal Government, have visited in your hotel suite at the Hotel Washington?

Mr. MALONEY. Mr. Chairman, may I respectfully suggest at this time that the position which the witness has taken up to now and intends to take without changing throughout these hearings is that he will decline to answer any questions asked of him at this time.

I submit with that statement on the record, that it is improper for Mr. DeWind now to ply him with other questions solely for the purpose of making a record, and then having it appear in the paper that Mr. Grunewald refused to answer a question about this or a question about that.

Mr. Chairman, as you and I both know, that is an old trick, and I object to it right now, and I suggest that Mr. DeWind be asked to desist from any more of his tricks.

Mr. KEOGH. I have been instructed by the subcommittee to remind you, Mr. Maloney, that the queston as to the propriety of any question put is one for the subcommittee to decide.

But am I to take it from your last statement that you are making the concession and admission on the record that with respect to any questions that might be put to the witness by the counsel for the subcommittee the answers he has previously made to those already put would be the same answer as he would give?

Mr. MALONEY. That is the statement and the position which the witness takes, and I think it is quite clear from the statements which he has been making.

Mr. CURTIS. Mr. Chairman?

Mr. Grunewald, in your answer to a previous question, you referred to a Mr. Teitelbaum. What Mr. Teitelbaum is it that you referred to?

Mr. GRUNEWALD. Mr. Congressman, I am following the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any questions at this time.

Mr. CURTIS. But you did, in an answer, refer to a Mr. Teitelbaum, and I wanted to have you identify him. Who is he?

Mr. MALONEY. Just a minute, Mr. CURTIS.

Mr. CURTIS. No, no. I want the witness to answer.

Mr. MALONEY. But, sir, that is not an accurate statement of the record. The witness was not asked that question.

Mr. CURTIS. In response to a question, he referred to a Mr. Teitelbaum.

Mr. MALONEY. That is the same Teitelbaum who has been in the newspaper.

Mr. CURTIS. I am asking him to identify Mr. Teitelbaum. Who is he, and where does he live?

Mr. GRUNEWALD. Mr. Congressman, I would have to refer back to the same answer. I am following the advice of my counsel, and for the reasons which he has stated, I most respectfully decline to answer any question at this time.

Mr. KEOGH. I have been instructed by the subcommittee to make the following statement:

This subcommittee is vested with the power and duty to investigate the administration of the internal-revenue laws. Among the questions that have been brought to the attention of this subcommittee are whether persons having no official position have in fact been able to affect the administration of the internal-revenue laws, and, if so, whether appropriate legislation is needed or desired to meet such situations. There can, of course, be no doubt that these inquiries fall squarely within the jurisdiction of this subcommittee. There is equally no doubt that the subcommittee is authorized to call witnesses, including Mr. Grunewald, to further such an investigation, or the investigation of any other matter within the subcommittee's jurisdiction. All this goes to the essence of the nature and purpose of hearings conducted by the subcommittee.

Our hearings are not, as Mr. Grunewald and his counsel seem to assume, grand jury proceedings, nor are they trials, either civil or criminal.

Mr. MALONEY. I know they are not trials or grand jury proceedings, Mr. Chairman, but they certainly look like it. They certainly have all the ring of it.

Mr. KEOGH. You may step aside, Mr. Grunewald.

Mr. MALONEY. Do I understand that the committee no longer desires Mr. Grunewald's presence before it?

Mr. KEOGH. The subcommittee will go into executive session now, and we will be pleased to convey to you the decision of the subcommittee just as soon as it is made.

Mr. MALONEY. Very good, sir.

Mr. KEOGH. The public hearing stands in recess to the call of the Chair.

(Whereupon, at 12:40 p. m., Friday, December 21, 1951, the hearing was recessed to the call of the Chair and the executive session was resumed at 12:40 p. m.)

EXECUTIVE SESSION

Mr. KEOGH. The subcommittee will come to order.

Mr. Grunewald, will you take the stand, please?

Mr. Grunewald, I have been instructed by the subcommittee to inquire from you as to whether your refusal to answer the questions that have heretofore been put to you is predicated upon the ground of your privilege to decline to answer such questions for the reason that to so answer might tend to incriminate you?

Mr. MALONEY. Mr. Chairman, I wish to state that my client will stand——

Mr. KEOGH. I will have to ask you to observe the rules of the subcommittee, of which you have been reminded now several times.

Mr. MALONEY. But, Mr. Chairman, I merely wish to say, here——

Mr. KEOGH. Mr. Grunewald?

Mr. MALONEY. All right. I will write it out for him [writing].

Mr. GRUNEWALD. Mr. Chairman, with all due respect to you, I will stand on my statement which I have made.

Mr. KEOGH. What is that statement, Mr. Grunewald?

Mr. MALONEY. The statement which the witness read into the record earlier, where he said, "Gentlemen, I am"——

Mr. KEOGH. My question is put to the witness.

Mr. GRUNEWALD. Yes, sir. The statement was: "Gentlemen"—Mr. Chairman first and gentlemen, I am following the advice of my counsel, and for the reason that he has stated, I most respectfully decline to answer any questions at this time, sir.

Mr. KEOGH. I have been instructed by the subcommittee, Mr. Grunewald, to inform you that it is the opinion of the subcommittee that the only basis for refusal to answer a question that might be asserted is the privilege that to so answer might tend to incriminate. And it is further the opinion of the subcommittee that that privilege must be asserted by the witness in response to the question put to him.

Mr. MALONEY. Mr. Chairman, may I state that the subcommittee is at odds with the Supreme Court on that point?

Mr. KEOGH. The subcommittee has decided to hear no further statements from counsel at this time. The witness is excused, and the subcommittee will stand in recess subject to the call of the Chair.

(Whereupon, at 1 p. m., Friday, December 21, 1951, the hearing was recessed, subject to the call of the Chair.)

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON
ADMINISTRATION OF THE
INTERNAL REVENUE LAWS OF THE
COMMITTEE ON WAYS AND MEANS,
Washington, D. C., January 29, 1952.

PUBLIC HEARINGS

The subcommitte, met pursuant to call, at 10:20 a. m., in the main hearing room of the Committee on Ways and Means, New House Office Building, Hon. CECIL R. KING (chairman of the subcommittee) presiding.

Present: Representatives KING (presiding), O'BRIEN, KEOGH, KEAN, CURTIS, and BYRNES.

Present also: Adrian W. DeWind, chief counsel; Bruno Schachner, special counsel; and Charles S. Lyon, assistant counsel.

Chairman KING. The subcommittee will be in order.

* * * * *

(At this point in the proceedings Mr. O'BRIEN made a statement concerning another and unrelated matter which is not relevant to this report.)

Chairman KING. Mr. Grunewald.

You may proceed [addressing the photographers].

For the benefit of the photographers who have not been previously informed, there will be no pictures taken of the witness during the testimony. Is that understood? That is any and all.

Will you rise and be sworn, Mr. Grunewald, please?

Mr. GRUNEWALD. I will, sir.

Chairman KING. Do you solemnly swear the testimony you are about to give will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GRUNEWALD. So help me God.

TESTIMONY OF HENRY W. GRUNEWALD, WASHINGTON, D. C.; ACCOMPANIED BY HIS COUNSEL, WILLIAM POWER MALONEY, NEW YORK, N. Y.

Chairman KING. Mr. Grunewald, this is not the first time you have been subpenaed to appear before this subcommittee and requested to bring with you your records. Prior to the formal taking of testimony, I should like to say a few words to you which I hope you will accept in the nature of impartial and sincere advice.

You previously refused to answer any questions put to you by members of the committee and its counsel. In explanation of your refusal, your counsel had you read a statement prepared by him of the asserted legal grounds upon which he based his advice to you not to answer. Several weeks have passed since that time. I hope you have had occasion to reconsider carefully your decision. I am informed by our counsel that the legal grounds you stated before would be insufficient to protect you in a trial for contempt if your conduct should otherwise be adjudged contemptuous of the Congress of the United States. I can only say from a reading of the record of the hearing that, in my opinion, your refusal to answer the simplest questions can only be viewed as contempt of Congress.

It seems to me that it will be regrettable for everyone concerned if our meeting today leaves us in a position where we must seek your punishment for contempt. I, for one, am unwilling to believe ill of any man unless by his conduct he leaves me no other choice. You have not claimed that to answer our questions might tend to incriminate you. Such a claim would receive such recognition by this subcommittee as would be proper. Lacking its assertion, I must assume there is no ground to assert it or that you do not care to claim such protection.

As a nation we need an honest Government in which the citizens who believe in the country stand together and work to control and eliminate forces which would seek to take advantage of decent people in the country. My task has been to play my part in improving the administration of the revenue laws by serving as the chairman of this subcommittee, which has been assigned the task of conducting this investigation by the House of Representatives. In the past months the work has often not been pleasant.

Perhaps your refusal to answer our questions is based on the fact that answers would involve you in unpleasantness. I must remind you that there are times when it is necessary to undertake what may be unpleasant in order to serve the community as a whole. Do not let either petty or distorted arguments, or any misguided sense of loyalty to persons who deserve no loyalty, or any narrow views as to possible personal gain blind you to your larger duties as a citizen. We have had many people before this committee from many walks of life. You are aware of the identity of many of them. Whatever may be said against any of these witnesses, not a single one of them has felt so little regard for the elected representatives of the people that he refused to answer questions.

Upon reflection, I hope you will cooperate to tell us everything you know which might aid us in our study of the revenue administration. We have already received testimony which has mentioned you in connection with at least two tax cases. We have information that you have had transactions with persons, in their official capacities, who were entrusted with high positions in that administration and appear to have failed in their trust. Every indication is that you could help us in our work if you were of a mind to be helpful. Much of what you could say would be directly relevant to matters which have already been before the committee. I therefore urge upon you most strongly that you answer the proper questions this subcommittee is going to direct to you.

Mr. KEOGH. Mr. Chairman, I would like the record to note that while I am in agreement with the laudable and the purposeful objectives of this subcommittee as set forth in the chairman's statement, I question the advisability of his having made it at this point in the proceeding.

Chairman KING. I wish it understood in connection with your statement, Mr. KEOGH, that this is my statement and my statement alone, and any member of the committee has a perfect right to object to any part of its content.

If there is no objection——

Mr. KEOGH. Your statement that any member of the committee has the right to object to any part of its contents does not delimit any member from objecting to the making of the statement, does it?

Chairman KING. Not at all.

Now, Mr. Maloney, I would like to direct your attention once more to the procedure which it has been our custom to follow in these hearings, and which is set forth in our adopted rules, a copy of which you have received. Questions will be put to Mr. Grunewald. He may ask your advice at any time in answering those questions. You may proffer him your advice whenever you feel that it would be helpful to him. We will, however, receive no testimony or oral statements from you. If you feel that the record as constituted by this procedure needs any elucidation, we will be glad to consider any statements in writing you may wish to propose for addition to our record.

Mr. MALONEY. Mr. Chairman, may I say in this response to your remarks, I would like at this time to add to the record on behalf of——

Chairman KING. Just a moment, now——

Mr. MALONEY. An objection to the statement you made, and I certainly subscribe to Mr. KEOGH's remarks in that regard.

Chairman KING. If you persist, I will have the sergeant at arms remove you from the room.

Mr. MALONEY. That, sir, is your privilege, but I still say I object to it.

Chairman KING. Very well, you have objected and now what are you going to do?

Mr. MALONEY. I have made my objection.

Chairman KING. Very good.

Mr. MALONEY. And I said I object to this sermonizing and prejudging people.

Chairman KING. Just a moment, Mr. Maloney, just a moment, please. You have heard the rules, you have read the rules. You are well aware of them. You will abide by them or be removed from the room.

Mr. MALONEY. I have also read the Constitution of the United States, sir, which far antedates the rules of this committee. I am appearing here as this man's counsel.

Chairman KING. Just a moment.

Mr. Counsel, proceed.

Mr. MALONEY. Do I understand that I am proscribed from any further remarks on behalf of my client? I wish to note an objection to that.

Chairman KING. You understand the English language, sir, and I am well aware of that.

Mr. MALONEY. I wish it to appear on the record that I am objecting to the ruling of the Chair at this time.

Chairman KING. Very well.

Mr. DEWIND. Mr. Grunewald, this committee has served you with a subpena to produce here today certain books and records called for by that subpena. Have you those books and records with you?

Mr. GRUNEWALD. I appeared before this committee on December 21, 1951, and at that time I made a statement as to the position I would take with regard to any questions this committee or counsel might ask. I believe I made my position clear.

Mr. DEWIND. Pardon my interrupting you. I simply asked——

Mr. MALONEY. I object to your interrupting him. He is answering your question and making a statement which is due——

Mr. DEWIND. I simply asked him, "Have you those books and records with you?" and that does not call for any statement.

Mr. MALONEY. He is making a statement as to his position and I insist he be given the right to continue it.

Chairman KING. He has been asked a question.

Mr. MALONEY. And he is making a statement in response to that which will cover the position he will take.

Chairman KING. We are quite aware of the fact that he is making a statement.

Mr. MALONEY. I insist he be given an opportunity to complete the reading of the statement.

Mr. DEWIND. I am simply asking you, have you produced the books and records, and the answer to that can be brief. Now then, if you have a reason for failure to produce the books and records, the committee may wish to hear it. In the first place, have you produced the books and records?

Mr. MALONEY (to the witness). Read the statement.

Mr. GRUNEWALD. I appeared before this committee on December 21, 1951——

Mr. DEWIND. Mr. Grunewald, excuse me. Would you simply state first of all whether you have produced the books and records called for by the subpena?

Mr. MALONEY. His statement will cover your question, if you will let him complete reading it.

Mr. DEWIND. I want the answer to cover only the question.

Mr. MALONEY. I am sorry, I am not interested in what you want. This man has rights before this committee, and I insist he be given an opportunity to make his statement.

Chairman KING. Ask the question again, Mr. Counsel.

Mr. DEWIND. Mr. Reporter, could you repeat the question that is pending?

(Whereupon, the reporter read the pending question as follows: "Mr. Grunewald, this committee has served you with a subpena to produce here today certain books and records called for by that subpena. Have you those books and records with you?")

Chairman KING. I hereby direct you, Mr. Grunewald, to answer the question.

Mr. MALONEY (to the witness). Read the statement.

Mr. GRUNEWALD. Mr. Chairman, with all due respect, I appeared before this committee on December 21, 1951, and at that time I made a statement as to the position I will take with regard to any question the committee or its counsel might ask. I believe I made my position clear. In calling me

back today, this committee can only be motivated——

Chairman KING. Just a moment. Mr. Grunewald, cease reading the statement.

I again direct you to answer the question put to you by counsel, "Yes" or "No."

Mr. MALONEY. Again I say the Chair has no right to make such a ruling, nor to make such a requirement.

Chairman KING. I don't want——

Mr. MALONEY. He has a right to make his statement as to his position and he is going to tell you what his position is if you are going to give him an opportunity to do it, and you won't let me make a statement for you——

Chairman KING. For obvious reasons.

Mr. MALONEY. What his position is going to be.

Chairman KING. Very well.

Mr. MALONEY. I am trying to appear for this man as his attorney, in spite of the efforts of the Chair to shut me off.

Chairman KING. I order you to remove Mr. Maloney from this room.

Mr. MALONEY. If you are so interested in ascertaining the facts, I would like to know why this committee hasn't sent the Teitelbaum testimony over to the Department of Justice; and I say that Mr. DeWind is guilty of misprision of a felony right now, and the law requires that that material be turned over to the Department of Justice, and this committee hasn't done it, and I would like to know why they haven't done it.

Chairman KING. I will direct the reporter to cease making this a part of the record, and the sergeant——

(At this point in the proceedings, 10:55 a. m., Mr. Maloney was removed from the hearing room by Lt. William P. Reed, of the Capitol Police.)

Chairman KING. Mr. Witness, I hereby direct you to answer the question put to you by counsel to this committee.

Mr. GRUNEWALD. In the absence of my counsel, sir, I feel that I am provided that privilege.

Chairman KING. I will give you, Mr. Grunewald, until 12 o'clock to secure the services of another counsel.

Mr. KEOGH. Mr. Chairman, may I, off the record, remind you that the Committee on Committees will meet at 11:30.

Chairman KING. The Committee on Committees certainly wouldn't interfere with the proceedings here today. I can only repeat to you, Mr. Grunewald, that you will return here at noon today prepared to answer questions.

The committee will be in recess until the hour of 12 o'clock.

(Whereupon, a recess was taken at 10:58 a. m.)

(Whereupon, the subcommittee reconvened at 12:10 p. m.)

(Present: Representatives KING, O'BRIEN, KEOGH, KEAN, CURTIS, and BYRNES.)

Chairman KING. The subcommittee will be in order.

Mr. Grunewald, you have been previously sworn. Be seated, Mr. Grunewald.

TESTIMONY OF HENRY W. GRUNEWALD, WASHINGTON, D. C.—RESUMED

Mr. DEWIND. What is your present residence address?

Mr. GRUNEWALD. In view of the fact that this committee has deprived me of the right to be represented here by counsel of my own choosing, I will make no further statement to this committee.

Chairman KING. Have you made any effort, Mr. Grunewald, to secure counsel other than Mr. Maloney?

(No answer from the witness.)

Chairman KING. Do you understand the question put to you, Mr. Grunewald?

(No answer from the witness.)

Chairman KING. Have you or have you not made any effort since the recess of this committee to secure counsel?

(No answer from the witness.)

Chairman KING. All right, the photographers will stand in recess.

Mr. CURTIS. Mr. Grunewald, why don't you tell us whether or not you have made any attempts to get counsel?

(No answer from the witness.)

Mr. CURTIS. Don't you have any desire to be cooperative to this hearing at all?

(No answer from the witness.)

Chairman KING. I direct the reporter to note in the record that Mr. Grunewald remains mute or silent upon being asked questions by members of the committee.

Mr. BYRNES. Could I direct this question to the witness: Is it my understanding from the statement that you read, that you are going to remain mute to any question this committee asks you, no matter what its nature?

(No answer from the witness.)

Mr. BYRNES. In other words, you can't even explain the meaning of the statement that you made to us, so that we can start out on a firm footing, at least understanding the purport of the statement you read? You won't even answer questions as to the meaning of that?

(No answer from the witness.)

Mr. BYRNES. Do I understand we can go on asking you questions all day, and we will receive not even a grunt from you, no answer whatever?

(No answer from the witness.)

Mr. BYRNES. Will you even acknowledge that a question has been asked of you?

(No answer from the witness.)

Mr. CURTIS. Are you able to hear what is being said, Mr. Grunewald?

(No answer from the witness.)

Mr. CURTIS. I say, are you able to hear what is being said to you?

(No answer from the witness.)

Mr. CURTIS. What effort have you made to get a lawyer in this last hour?

(No answer from the witness.)

Mr. BYRNES. Would you answer our questions if Mr. Maloney, your counsel that you appeared with this morning, was here with you?

(No answer from the witness.)

Mr. BYRNES. If this committee were to permit at this time Mr. Maloney to accompany you and advise you, would you still remain mute?

(No answer from the witness.)

Mr. CURTIS. Mr. Grunewald, this is a rather serious situation, and I would like to know whether or not anyone has advised you to refuse to answer such simple questions as to whether or not you have a counsel?

(No answer from the witness.)

Mr. CURTIS. Do you have an attorney now?

(No answer from the witness.)

Mr. CURTIS. Are you assuming this responsibility yourself, to refuse to answer the simplest question, or is it your own personal decision to defy this committee and totally ignore the questions put to you?

(No answer from the witness.)

Mr. CURTIS. Just why is it you wouldn't tell the chairman whether or not you have been successful in getting a lawyer, if you want one?

(No answer from the witness.)

Mr. CURTIS. Do you want a lawyer; is that the reason you are waiting?

(No answer from the witness.)

Mr. KEAN. Mr. Chairman, I move that the committee vote to instruct Mr. Grunewald to answer questions, in spite of Mr. Maloney's absence, and in spite of the fact that he has appeared without counsel.

Chairman KING. The committee has heard the motion of Mr. Kean. Is there any objection?

If there is no objection, it is so ordered.

Proceed, Mr. Counsel.

Mr. DEWIND. Mr. Grunewald, have you brought with you today the books and records that were called for by the subpena served upon you?

(No answer from the witness.)

Mr. DEWIND. Mr. Reporter, will you note in each case where no answer is given, that that is the case; no answer was given.

Mr. BYRNES. And that a sufficient lapse of time, Mr. Counsel, has been granted to the witness in each case to make answer.

Chairman KING. Read back the question, Mr. Reporter.

(The question was read by the reporter as follows:)

Mr. DEWIND. Mr. Grunewald, have you brought with you today the books and records that were called for by the subpena served upon you?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, this committee has received testimony in connection with a tax case involving Hyman Harvey Klein, of Baltimore, that you appeared in a conference with officials of the Bureau of Internal Revenue concerning that case; and I ask you now, what was your connection with the Hyman Harvey Klein case, and in what capacity did you appear in conferences with the officials of the Bureau of Internal Revenue?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, this committee has also held hearings and received testimony concerning the tax liabilities of a company known as Patullo Modes, Inc., and certain of its stockholders; and the committee has also received testimony that you discussed that case with an official of the Bureau of Internal Revenue, the former Chief Counsel, Mr. Oliphant. Will you please tell the committee the manner in which you became associated in that case, and upon what basis you discussed the case with Mr. Oliphant?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer that question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, this committee has also heard testimony that you conferred with the former Chief Counsel of the Bureau of Internal Revenue, Mr. Oliphant, concerning the tax case of one Abraham Teitelbaum. Will you please tell the committee in what capacity you discussed that case with Mr. Oliphant, and what your connection was or interest was in the case?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, this committee has received testimony that you have on occasion recommended persons for appointment to positions in the Bureau of Internal Revenue. Would you please tell the committee what persons you have recommended for appointments to positions in the Internal Revenue Bureau?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, are you admitted to practice before the Treasury Department?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby direct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Chairman, may the record indicate at this point that a check of the records of the Bureau of Internal Revenue has not revealed that Mr. Grunewald has been admitted to practice before the Treasury Department.

Chairman KING. It is so ordered.

Mr. DEWIND. Mr. Grunewald, have you made any loans or had any other financial

transactions with employees of the Bureau of Internal Revenue?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby instruct you to answer the question.

(No answer from the witness.)

Mr. DEWIND. Mr. Grunewald, have you made any loans to employees of the Treasury Department or the Department of Justice?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby instruct you to answer the question.

(The witness took a drink of water.)

Mr. DEWIND. Have you engaged in any business or other financial transactions other than loans, with employees of the Treasury Department or the Department of Justice?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, I hereby instruct you to answer the question.

(No answer from the witness.)

Mr. CURTIS. Mr. Chairman, may I ask a question?

Chairman KING. Mr. CURTIS.

Mr. CURTIS. Mr. Grunewald, you understand that you are the individual who has been subpenaed here, that the responsibility to answer questions is yours and not anyone else's, and you understand that; don't you?

(No answer from the witness.)

Mr. CURTIS. You understand that this is a duly constituted committee of the United States Congress, and you have been subpenaed here to give answers to questions, and, now, you understand that, don't you?

(No answer from the witness.)

Mr. CURTIS. Were you ever employed by the Government of the United States?

(No answer from the witness.)

Mr. CURTIS. And if you were so employed, did you ever make an official visit to the city of Omaha?

(No answer from the witness.)

Mr. CURTIS. What was the purpose of that visit when you went out there?

(No answer from the witness.)

Mr. CURTIS. I think, Mr. Grunewald, that you ought to tell this committee why you are not responding to the questions, and what effort you have made to secure a lawyer. You have had quite a while to think about this thing, and don't you think you ought to do that, because it is you that is responsible, and the subpena has been served on you; you are aware of that; aren't you?

(No answer from the witness.)

Mr. BYRNES. Who is the counsel of your choice, Mr. Grunewald?

(No answer from the witness.)

Mr. BYRNES. Do you have a counsel?

(No answer from the witness.)

Mr. BYRNES. Would you repeat the statement that you made when you first appeared?

Mr. GRUNEWALD. At your request?

Mr. BYRNES. Would you repeat the statement that you read when you appeared shortly after 12 o'clock?

Mr. GRUNEWALD. In view of the fact that this committee has deprived me of the right to be represented here by my counsel, by counsel of my own choosing, I will make no further statement to this committee.

Mr. BYRNES. Who is the counsel of your own choosing that you refer to?

Mr. GRUNEWALD. Mr. Maloney.

Mr. BYRNES. Did Mr. Maloney advise you to make that statement to the committee?

(No answer from the witness.)

Mr. BYRNES. Did Mr. Maloney advise you to read this statement to the committee?

(No answer from the witness.)

Mr. BYRNES. If Mr. Maloney was here with you now, would you answer the questions put to you by the committee?

Mr. GRUNEWALD. I suggest you ask Mr. Maloney. He is my attorney. You just threw him out.

Mr. BYRNES. I did not get that last answer.

Mr. GRUNEWALD. I say he is my attorney, and you threw him out.

Mr. BYRNES. I did not get the last.

Mr. GRUNEWALD. So I am without counsel.

Mr. BYRNES. Do you understand why Mr. Maloney is not here with you?

(No answer from the witness.)

Mr. BYRNES. Do you understand the question I am asking you?

Mr. GRUNEWALD. Yes, I do fully.

Mr. BYRNES. Can you answer it?

(No answer from the witness.)

Mr. BYRNES. Can you answer it?

(No answer from the witness.)

Mr. BYRNES. You ought to know whether you can answer it or not.

(No answer from the witness.)

Mr. BYRNES. Do you know why Mr. Maloney is not here with you?

(No answer from the witness.)

Mr. BYRNES. I have difficulty in determining whether you either hear the questions or whether you understand the questions, and I would be very glad to simplify them if I can in any way, so that you do understand them, if that is your trouble.

(No answer from the witness.)

Mr. BYRNES. You say the committee has deprived you of having your counsel to advise with. What do you mean by that?

(No answer from the witness.)

Mr. BYRNES. You say you have been deprived of counsel of your own choosing, and what do you mean by being deprived of counsel of your own choosing?

(No answer from the witness.)

Mr. BYRNES. Do you understand that question?

(No answer from the witness.)

Mr. BYRNES. You insist on remaining mute even to that question?

(No answer from the witness.)

Chairman KING. Mr. Grunewald, this committee by its rules and its policy, affords witnesses an opportunity to be represented by counsel. Counsel must comport themselves with very reasonable rules governing their conduct. Your counsel, Mr. Maloney, failed repeatedly to observe these rules. You were given an opportunity to get new counsel. Having failed to do this within the time given to you, you have no longer any claim to the indulgence of this committee. Your conduct, in my opinion, constitutes a shocking affront to the dignity of the Congress.

As a consequence, this committee will have to take under consideration such steps as the law permits to remove this obstruction to our inquiry.

You are now excused, and you will reappear on the morning of March 1, 1952, at 10:30 a. m. You are excused, sir.

Mr. KEAN. Mr. Chairman.

Chairman KING. Mr. KEAN is recognized.

Mr. KEAN. Mr. Chairman, I move that this committee recommend to the full Committee on Ways and Means that contempt proceedings be instituted against Henry W. Grunewald.

Chairman KING. You have heard the motion. We will call the roll.

The CLERK. Congressman KING.

Chairman KING. Aye.

The CLERK. Congressman O'BRIEN.

Mr. O'BRIEN. Aye.

The CLERK. Congressman KEOGH.

Mr. KEOGH. Aye.

The CLERK. Congressman KEAN.

Mr. KEAN. Aye.

The CLERK. Congressman CURTIS.

Mr. CURTIS. Aye.

The CLERK. Congressman BYRNES.

Mr. BYRNES. Aye.

The CLERK. Congresman COMBS.

(Absent.)

The CLERK. The vote is six ayes.

Chairman KING. The vote is six ayes; and the motion is carried.

Mr. BYRNES. Mr. Chairman.

Chairman KING. Mr. BYRNES.

Mr. BYRNES. Mr. Chairman, I move that this committee recommend to the full Committee on Ways and Means that contempt proceedings be instituted against William Power Maloney.

Chairman KING. You have heard the motion. The clerk will call the roll.

The CLERK. Congressman KING.

Chairman KING. Aye.

The CLERK. Congressman O'BRIEN.

Mr. O'BRIEN. Aye.

The CLERK. Congressman KEOGH.

Mr. KEOGH. No.

The CLERK. Congressman KEAN.

Mr. KEAN. Aye.

The CLERK. Congressman CURTIS.

Mr. CURTIS. Aye.

The CLERK. Congressman BYRNES.

Mr. BYRNES. Aye.

The CLERK. Congressman COMBS.

(Absent.)

The CLERK. The vote is five ayes and one nay, and one absent.

Chairman KING. The motion is carried.

Mr. CURTIS. Mr. Chairman, I move that the chairman of this subcommittee seek the calling of the full Committee on Ways and Means at the earliest possible hour today.

Chairman KING. You have heard the motion. Is there any objection? If not, it is so ordered.

I wish to note for the record the following members of the subcommittee have been present at all times throughout today's proceedings: Members KEAN, of New Jersey; Mr. CURTIS; Mr. BYRNES, of Wisconsin; myself; and Mr. O'BRIEN, and Mr. KEOGH.

The committee is adjourned subject to the call of the Chair.

(Whereupon, the subcommittee adjourned at 12:45 p. m.)

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry Grunewald, Westchester Apartments, 4000 Cathedral Avenue NW., Washington, D. C., to be and appear before the Subcommittee on the Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, in their chamber in the Ways and Means Committee hearing room in the New House Office Building in the city of Washington, forthwith, then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 5th day of December 1951.

[SEAL] CECIL R. KING, *Chairman.*

Attest:

RALPH R. ROBERTS, *Clerk.*

Please report at room 1039, New House Office Building, at the time aforesaid.

[Endorsement]

Subpena for Henry Grunewald, Westchester Apartments, 4000 Cathedral Avenue NW., Washington, D. C., before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject at the Georgetown Hospital, personally at the hour of 4:40 p. m., by exhibiting the original subpena to him and leaving with him a true copy thereof, this 7th day of December 1951.

W. BRUCE MATTHEWS,
United States Marshal in and for the District of Columbia.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear be-

fore the Subcommittee on Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, in their chamber in room 1039, New House Office Building, in the city of Washington, on December 20, 1951, at the hour of 2 p. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 15th day of December 1951.

[SEAL] CECIL R. KING, *Chairman.*
Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at room 622, Georgetown Hospital, at the hour of 3:40 p. m., by exhibiting to him the original subpena and leaving with him a true copy thereof this 15th day of December 1951.

Lt. W. P. REED,
United States Capitol Police.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear before the Subcommittee on Administration of the Internal Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, and bring with him—

(1) all of your books, records, accounts, ledgers, bills, and diaries, including but not limited to retained copies of all tax returns, work sheets of yourself or your agents in connection with preparation of tax returns, bank books, bank records, bank statements, bank deposit books, canceled checks, telephone bills, telephone toll slips, and other records of local and long-distance calls, for the period January 1, 1945, to date; and

(2) all correspondence between you and any one or more of the following persons: Daniel A. Bolich, Harry T. Woodring, Charles Oliphant, George Schoeneman, T. Lamar Caudle, Frank Nathan, Bert K. Naster, Edward Martin, Eugene Ditto, Charles R. Burke, Abraham Teitelbaum, and all records or documents of any kind pertaining to any one or more of the above-mentioned people or to any dealings or transactions in which any one or more of them were involved, for the period January 1, 1945, to date; and

(3) all correspondence or other records or documents of any kind passing between you and any other person or persons relating to any tax case, prosecution, or investigation, or other tax matter or proceeding, for the period January 1, 1945, to date.

in their chamber in room 1039, New House Office Building, in the city of Washington, on December 20, 1951, at the hour of 2 p. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 15th day of December 1951.

[SEAL] CECIL R. KING, *Chairman.*
Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at room 622, Georgetown Hospital, at the hour of 3:41 p. m. by exhibiting to him the original subpena and leaving with him a true copy thereof this 15th day of December 1951.

LT. W. P. REED,
United States Capitol Police.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear before the Subcommittee on Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, in their chamber in room 1039, New House Office Building, in the city of Washington, on December 21, 1951, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 21st day of December 1951.

[SEAL] CECIL R. KING, *Chairman.*
Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at New House Office Building, at the hour of 3:30 p. m., by exhibiting to him the original subpena and leaving with him a true copy thereof this 20th day of December 1951.

JAMES Q. RIORDAN,
House of Representatives.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear before the Subcommittee on Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, and bring with you—

(1) all of your books, records, accounts, ledgers, bills, and diaries, including but not limited to retained copies of all tax returns, work sheets of yourself or your agents in connection with preparation of tax returns, bankbooks, bank records, bank statements, bank deposit books, canceled checks, telephone bills, telephone toll slips, and other records of local and long-distance calls, for the period January 1, 1945, to date; and

(2) all correspondence between you and any one or more of the following persons: Daniel A. Bolich, Harry T. Woodring, Charles Oliphant, George Schoeneman, T. Lamar Caudle, Frank Nathan, Bert K. Naster, Edward Martin, Eugene Ditto, Charles R. Burke, Abraham Teitelbaum, and all records or documents of any kind pertaining to any one or more of the above-mentioned people or to any dealings or transactions in which any one or more of them were involved, for the period January 1, 1945, to date; and

(3) all correspondence or other records or documents of any kind passing between you and any other person or persons relating to any tax case, prosecution, or investigation, or other tax matter or proceeding, for the period January 1, 1945, to date.

in their chamber in room 1039, New House Office Building, in the city of Washington, on December 21, 1951, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said commitee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 21st day of December 1951.

[SEAL] CECIL R. KING, *Chairman.*
Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at New House Office Building, December 20, 1951, at the hour of 3:30 p. m., by exhibiting the same to him and leaving with him a true copy hereof, this day of December 21, 1951.

JAMES Q. RIORDAN,
House of Representatives.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear before the Subcommittee on Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, in their chamber in room 1039 in the New House Office Building, in the city of Washington, on January 29, 1952, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not, and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 19th day of January 1952.

[SEAL] CECIL R. KING, *Chairman.*
Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at the Carroll Arms Hotel at the hour of 9:57 p. m., by exhibiting to him the original subpena and leaving with him a true copy thereof this 24th day of January 1952.

Lt. W. P. REED,
United States Capitol Police.

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES OF THE CONGRESS OF THE UNITED STATES OF AMERICA

To Whom It May Concern:

You are hereby commanded to summon Henry W. Grunewald to be and appear before the Subcommittee on Administration of the Internal Revenue Laws of the Ways and Means Committee of the House of Representatives of the United States, of which the Honorable CECIL R. KING is chairman, and to bring with him—

(1) all of your books, records, accounts, ledgers, bills, and diaries, including but not limited to retained copies of all tax returns, work sheets of yourself or your agents in connection with preparation of tax returns, bank books, bank records, bank statements, bank deposit books, canceled checks, telephone bills, telephone toll slips, and other records of local and long-distance calls, for the period January 1, 1945, to date; and

(2) all correspondence between you and any one or more of the following persons: Daniel A. Bolich, Harry T. Woodring, Charles Oliphant, George Schoeneman, T. Lamar Caudle, Frank Nathan, Bert K. Naster, Edward Martin, Eugene Ditto, Charles R. Burke, Abraham Teitelbaum, and all records or documents of any kind pertaining to any one or more of the above-mentioned people or to any dealings or transactions in which any one or more of them were involved, for the period January 1, 1945, to date; and

(3) all correspondence or other records or documents of any kind passing between you and any other person or persons relating to any tax case, prosecution, or investigation, or other tax matter or proceeding, for the period January 1, 1945, to date.

in their chamber, room 1039, New House Office Building, in the city of Washington, on January 29, 1952, at the hour of 10: 30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee.

Herein fail not and make return of this summons.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 19th day of January 1952.

[SEAL] CECIL R. KING, *Chairman.*

Attest:

RALPH R. ROBERTS, *Clerk.*

[Endorsement]

Subpena for Henry W. Grunewald before the Subcommittee on the Administration of the Internal Revenue Laws of the Committee on Ways and Means of the House of Representatives, served on the above-named subject personally at the Carroll Arms Hotel at the hour of 9: 58 p. m. by exhibiting to him the original subpena and leaving with him a true copy thereof this 24th day of January 1952.

Lt. W. P. REED,
United States Capitol Police.

WAYS AND MEANS COMMITTEE, SUBCOMMITTEE ON ADMINISTRATION OF THE INTERNAL REVENUE LAWS

RULES OF PROCEDURE

1. No major investigation shall be initiated without approval of a majority of the subcommittee. A preliminary report upon any case based upon information from available sources not requiring assignment of investigative staff to field inquiry shall be made upon the request of any two members of the subcommittee.

2. Public hearings shall be held only with the approval of a majority of the subcommittee. Executive sessions shall be held at the call of the chairman.

3. Attendance at executive sessions shall be limited to members of the subcommittee and of the staff and such other persons whose presence is requested or consented to by the subcommittee.

4. An accurate stenographic record shall be kept of the testimony of all witnesses in public and executive hearings. Any witness may have a stenographic transcript of his testimony at cost.

5. All evidence received in executive hearings shall be secret. It shall not be released without the approval of a majority of the subcommittee, except as provided in rule 9.

6. Any witness summoned at a public or executive hearing, unless the subcommittee by a majority vote determines otherwise, may be accompanied by counsel who shall be permitted while the witness is testifying to advise him of his rights. Counsel shall not testify or make any statement without consent of a majority of the subcommittee present.

7. In a public hearing any person who is the subject of an investigation may at such hearings cross-examine witnesses giving testimony relating to him by submitting questions in writing to the chairman. Such of these question as may be consented to by a majority of the subcommittee present will be put to the witness by a member of the subcommittee or by a member of counsel to the subcommittee.

8. Any person who believes that testimony or other evidence given in a public hearing tends to defame him or otherwise adversely affect his reputation may file with the subcommittee his sworn statement, concerning such testimony or other evidence, which shall be made a part of the record of such hearings. Such person may testify in person before the subcommittee with the consent of a majority of the subcommittee.

9. No subcommittee report shall be made without the approval of a majority of the subcommittee; provided, however, that at the time any such report is made, one or more members of the subcommittee may make reports supplementary to or dissenting from the majority report. Evidence received in executive hearings may be included in any such report.

10. No summary of a subcommittee report, prediction of the contents of such report, or statement of conclusions concerning any investigation prior to a subcommittee report thereon shall be released by a member of the subcommittee or of the staff prior to the issuance of the report of the subcommittee. Any member of the subcommittee, however, may, at any time make statements concerning the subcommittee or its activities to the Ways and Means Committee of the House of Representatives sitting in executive session.

11. No member of the subcommittee or of the staff shall publish or release any report or statement alleging misconduct by any person in any matter under investigation by the subcommittee unless and until such person has been advised of the alleged misconduct and has been given a reasonable opportunity to present to the subcommittee his sworn statement with respect thereto.

12. No member of the subcommittee or the staff shall, for compensation, publish any article or deliver any speech or lecture concerning the subcommittee or its activities while such person is a member of the subcommittee or the staff.

13. For the purpose of taking sworn testimony at public or executive hearings two members of the subcommittee shall constitute a quorum under the provisions of House Resolution 78, Eighty-second Congress, first session. However, if the chairman and the ranking minority member of the subcommittee so agree, one member of the subcommittee shall constitute a quorum for such purpose at any particular hearing.

14. All witnesses at public or executive hearings shall be sworn.

15. Subpoenas may be issued by the chairman of the subcommittee or by any other member of the subcommittee specifically authorized by the chairman.

August 17, 1951.

INTERVENTION IN CERTAIN TAX CASES IN CALIFORNIA

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report from the Committee on Ways and Means on an investigation made of rumors of intervention in certain tax cases arising in southern California.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is there a minority report?

Mr. DOUGHTON. No. There is not.

The SPEAKER. Is there objection?

There was no objection.

AMENDING SECTION 32 (a) (2) OF THE TRADING WITH THE ENEMY ACT

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 302) to amend section 32 (a) (2) of the Trading With the Enemy Act.

The Clerk read the title of the bill.

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

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain this bill?

Mr. BECKWORTH. I shall be glad to explain the bill. This is a very simple bill. Its provisions are very easily understood. It passed the Senate unanimously and was reported by the House Committee on Interstate and Foreign Commerce without objection.

About 2 or 3 years ago the Committee on Interstate and Foreign Commerce brought to the floor of the House a bill designed to permit some 150 dual citizens, that implies and means that they are American citizens, to recover property that had been invested by our Alien Property Custodian during World War II. At the time the bill was brought up we placed a ceiling of $5,000,000 on the amount that these 150 citizens might recover. The purpose of the ceiling in my opinion was to be sure that we knew about how much money we were taking from the enemy property funds. It was determined at that time that the $5,000,000 would be adequate. However, since the authorities in the office of Alien Property have studied this matter further, they have determined that the $5,000,000 is inadequate, and that instead it will require under $8,000,000. For that reason, the Committee on Interstate and Foreign Commerce, believing that these cases have merit and that these dual citizens should be awarded in fact their property, have recommended this bill to raise the ceiling to $8,000,000.

Mr. MARTIN of Massachusetts. This is a unanimous report of the committee?

Mr. BECKWORTH. It is.

Mr. MARTIN of Massachusetts. And it does not take any money out of the American Treasury?

Mr. BECKWORTH. It does not take any money out of the American Treasury. Instead, it takes money from the fund which the Alien Property Custodian has.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. Mr. Speaker, I yield to the gentleman from New York.

Mr. REED of New York. Does that relate to the bill which was passed a few years ago?

Mr. BECKWORTH. The bill of which the gentleman was the author did something somewhat similar to what we are proposing to do here. As I recall, the gentleman's bill related primarily to claims that arose during World War I.

Mr. REED of New York. That is right. The bill was for the purpose of giving certain preference to American claims.

Mr. BECKWORTH. We feel this bill with reference to people who lost their property in World War II is designed to give justice to dual citizens.

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

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

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That subdivision (D) of paragraph (2) of section 32 (a) of the Trading With the Enemy Act, as amended, is amended by striking out everything beginning with the colon following the word "marriage" down to and including "$5,000,000" where it last appears therein.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That the third proviso in subdivision (D) of paragraph (2) of section 32 (a) of the Trading With the Enemy Act, as amended, is amended by striking out '$5,000,000' wherever it appears in such proviso and by inserting in lieu thereof '$8,000,000'."

The committee amendment was agreed to.

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

SUN RIVER IRRIGATION PROJECT, MONTANA, GREENFIELDS DIVISION—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 420)

The SPEAKER laid before the House the following veto message from the President of the United States which was read by the Clerk:

To the House of Representatives:

I am returning, without my approval, H. R. 3144 relating to certain construction cost adjustments in connection with the Greenfields division of the Sun River irrigation project, Montana.

This bill would empower and direct the Secretary of the Interior to make certain cost adjustments on the Greenfields division of the Sun River irrigation project. Specifically, there would be deducted from the obligation of the Greenfields Irrigation District the amount of $297,752 representing certain construction costs on an abandoned section of the original irrigation canal.

The facts in this case are as follows: Construction of the Greenfields division of the Sun River irrigation project was undertaken in 1913. Irrigation water was first made available in 1920. After some years of unsuccessful attempts to prevent seepage in one section of the canal, a new by-pass canal (the Spring Valley canal) was completed in 1930, and part of the old canal was abandoned.

The Greenfields irrigation district contracted to reimburse the United States for the cost of the irrigation works, including the cost of the Spring Valley canal. The amount of the repayment contract was set at not to exceed $9,500,000. Responsibility for operating and maintaining the irrigation facilities was transferred by the United States to the district on January 1, 1931. To date, about $740,000 has been returned on the repayment contract.

The argument presented for now reducing the amount of the repayment contract has a surface plausibility. The argument is that the district should not have to pay for a section of the canal which was abandoned because of faulty engineering—a section, moreover, which some of the local people had predicted would fail when the original canal was being built.

However, the fact is that the original engineering designs and construction plans were approved, after examination by a special board of consultants which took into account local objections, as in accord with the then accepted engineering standards for irrigation projects. If this bill were enacted into law, it would establish the principle that the Government is obliged to give a complete guaranty as to the engineering adequacy of all construction work on irrigation projects—and to include in the guaranty any advances in technology that may be later devised. I believe this would be an unsound principle. The Government's proper obligation is to make sure in any case that the design and construction work on any project is done well and competently, in accordance with the best engineering standards of the time. That obligation was fully met in this case.

As a matter of fact, the building of the Spring Valley canal in 1930 resulted in substantially improving the irrigation facilities from the district's standpoint. Abandonment of the old section of the canal did not result in elimination of irrigation water delivery to lands previously served. On the contrary, the new Spring Valley canal brought water to an additional 4,400 acres of land not previously served. The building of the new canal, therefore, resulted in a betterment of the district's existing irrigation facilities. Under legislation enacted by the Eighty-first Congress, the cost of such rehabilitation and betterment work is added to the repayment obligation of the irrigation district involved, without any write-off of the costs of the original facilities. I see no reason for different treatment in the case of the Greenfields district.

It is true that the Federal Government has a policy of writing off reimbursable construction costs on irrigation projects where it is found that project acreage is not susceptible to irrigation, either because of soil conditions or because of a deficiency of water supply; neither condition holds in this case. As pointed out above, the building of the new canal resulted in enlarging, not diminishing, the project acreage.

In reaching the decision to veto this bill, I have considered the repayment problems that face the farmers in the district. The maximum amount of $9,500,000, to be repaid without interest will come from assessments made against all the irrigable lands in the district. The district's per acre construction-cost obligation was not increased by reason of the partial abandonment of the Greenfields canal and by the cost of construction of the Spring Valley canal. The 4,400 acres of additional lands, which were brought into the district's service area by reason of the change in plan, enlarged the repayment base, and actually enhanced the district's ability to meet its annual obligations under its contract with the United States. The total repayment contract of the Greenfields district amounts to a construction-cost obligation of about $115 per acre, and this amount is repayable under the contract over a long period of years. I believe that these arrangements are fair and equitable, and that they are consistent with the Federal policy of not placing undue financial burdens on the water users.

For these reasons, I have concluded that the present repayment contract is not unfair, and that this bill would establish an unfortunate precedent by reducing the repayment obligation of the Greenfields district on insufficient grounds. Accordingly, I am returning the bill without my approval.

HARRY S. TRUMAN.

THE WHITE HOUSE, *April 8, 1952.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. ENGLE. Mr. Speaker, I move that the bill and message be referred to the Committee on Interior and Insular Affairs and ordered printed.

The motion was agreed to.

EXTENSION OF WAR POWERS

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 423, to continue the effectiveness of certain statutory provisions until July 1, 1952.

The Clerk read the title of the House joint resolution.

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

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the reason for the bill at this time?

Mr. FEIGHAN. Mr. Speaker, this is an interim resolution which seeks to keep in effect and operation 59 emergency powers which are in effect either in time of war or during the proclamation of a national emergency until July 1 of this year. The reason for this interim resolution is that by its enactment the United States will be able to deposit the Japanese Peace Treaty and thereby make it effective, and at the same time, the 59 emergency powers that would terminate when the Japanese Peace Treaty becomes effective, will remain in operation until July 1 of this year. The governments which are participants in the Japanese Peace Treaty have made plans to make it effective in mid-April. There is a provision in the treaty that it will not become effective until ratified by the United States. Other participating nations have ratified the treaty. It is important that the United States ratification be completed so that any delay will not seriously interfere with Japan's orderly transition from the status of an occupied country to that of a free and independent country. This interim resolution will not extend any of the 59 statutes beyond July 1. In the meantime, the Committee on the Judiciary may be able to complete its hearings on these 59 statutes and present to the House those statutes which it feels should be extended beyond July 1. The House will have an opportunity to decide whether or not to extend any of the 59 statutes beyond July 1, 1952.

Only one or two of these 59 statutes originated in the Committee on the Judiciary. The remaining statutes were considered by other House committees and we would prefer that the committees that handled each statute would consider whether or not the statute should be made permanent legislation, whether it should be extended temporarily or whether it should expire. It is the hope of our committee that before July 1 the respective committees of original jurisdiction will consider the merits of each statute and make a determination whether they should let it expire or present it to the House as permanent or temporary legislation.

Mr. MARTIN of Massachusetts. If you do not get this bill as is you will probably accomplish the same purpose by not promulgating the Japanese Treaty, is that right?

Mr. FEIGHAN. That is correct. Without the treaty, not only these 59 statutes, but about 95 others would continue to be effective. This resolution will enable our Government to make effective the treaty, and it will keep in effect only 59 statutes until July 1. Before July 1, Congress can decide to extend any of the 59 statutes that it considers necessary.

Mr. MILLER of Nebraska. Mr. Speaker, reserving the right to object, I want to ask a question of the gentleman. Do I understand this is an extension of war powers that the President now has under the old War Powers Act?

Mr. FEIGHAN. Some of them. They are either emergency powers that the President has or some of the agencies have.

Mr. MILLER of Nebraska. I introduced a bill in 1946 to repeal the War Powers Act. I thought they ought to all go out of the window at once. In 1947 there were 229 laws at that time tied up with the ending of the war. The gentleman say there are 59 laws that need to be looked at and may be extended in some form or another?

Mr. FEIGHAN. I would like to advise the gentleman from Nebraska that our committee recommended to Congress that many of the statutes under the war powers acts should be terminated and the Congress passed favorably on our recommendations. At the present time there are effective about 155 emergency statutes. All but 59 will expire if this resolution is adopted.

Mr. MILLER of Nebraska. I am glad to see we are making some progress, but I think the Members of the House ought to know that this is an extension of the War Powers Act. There may be a difference of opinion as to what the President can do under the War Powers Act. I think he got us into the Korean war without coming to the Congress, he got us to sending troops over to Europe before he came to the Senate for approval, he got us into the Atlantic pact; and I am wondering if he intends to continue this so that he might seize the steel mills during this emergency? Is that part of the picture to continue the War Powers Act so that it will be possible to step in and take over a great industry?

Mr. FEIGHAN. I do not know what the President has in mind or whether it would be possible under the continuation of any of these particular statutes.

Mr. MILLER of Nebraska. The very thing that the gentleman has said about repealing or getting rid of these War Powers Act was said in 1947 when they had the bill up on the floor of the House. The war with Japan has been over since September 2, 1945, and here it is almost 7 years that we are continuing a lot of War Powers Acts so that we can have a lot of emergencies. This Administration thrives on emergencies or they could not survive, but it seems to me this Congress should see that these War Powers Acts should be done away with. I am convinced that many of them are not needed. We have spent a lot of blood and money to kill the very thing that we are trying to extend in this country.

Mr. FEIGHAN. I am trying to make this clear. Our committee has been considering and holding hearings on these 59 statutes. We have not completed the hearings, and this interim legislation is introduced only so that the effectiveness of the Japanese Treaty will not be impeded. This is a request for extension until July 1. In the meantime our committee is going to scrutinize each of these 59 statutes.

Mr. MILLER of Nebraska. Then may I ask this? Will your committee go over these statutes with a fine-tooth comb and eliminate every single War Powers Act that the President now has that is not needed in peacetime?

Mr. FEIGHAN. We certainly have been doing that and shall continue to do so.

Mr. MILLER of Nebraska. I am not going to object to considering the resolution, but I think it is important that the Japanese Peace Treaty be consummated and take that forward step. But I think it is rather unusual legislative maneuvering to sort of tie the Japanese Peace Treaty to it; that you cannot have the treaty unless you extend the War Powers Act. I would like to see a clear-cut issue on this thing. However, on the word of the gentleman that between now and the 1st of July we will have a review of these things, and perhaps cut most of them out, I will not object. So far as having the power to take over steel mills, sending troops to Europe and all over the world, that power should not be in the hands of any President, be he Republican or Democrat.

Mr. FEIGHAN. Our committee is working very diligently. We shall not recommend the extension of any statute which we feel is not necessary.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Indiana.

Mr. HALLECK. I am certainly not going to object, and I hope no one does, because we have been confronted with a practical situation. As has been pointed out, within the next 60 days, or whatever time this extension is for, this matter can be gone into. However, one question has arisen, and I would like to have the assurance of the gentleman from Ohio in respect to it. We have been informed that it is likely that the steel mills of the country will be seized by the Federal Government tonight. Is the gentleman of the opinion that there is any provision in any of these war powers that could possibly be asserted as authority for any such seizure?

Mr. FEIGHAN. I think not. The only statute which, to my knowledge, gives seizure powers, is that which gives the President power to seize the transportation systems of this country.

Mr. HALLECK. Of course, steel mills would not be in that category. I am glad the gentleman clarified that as far as I am concerned. I have examined the statutes of the Federal Government and the Constitution and I do not believe there is any authority in any existing law or any authority under the Constitution for the seizure of the steel mills, but I certainly want, in view of the fact that we are permitting this matter to go through at this time, to have it clearly understood that it is not asserted so far as the committee is concerned that there is anything in this extension that would lend any substance to this alleged strike to seize the steel mills.

Mr. FEIGHAN. Absolutely not, and I think I speak for the full committee on that score.

Mr. CURTIS of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. CURTIS of Nebraska. What are some of the principal powers that are needed that call for such action?

Mr. FEIGHAN. Many of them refer to the operation of the Department of Defense.

Mr. CURTIS of Nebraska. What does the gentleman mean by that?

Mr. FEIGHAN. The Reserve officers may be appointed without peacetime limitation. There is authority to inspect plants and audit books of war contractors. The Navy may acquire and operate buildings that are necessary due to the present expansion of its building program. Priority for transportation of troops and matériels of war. Some statutes deal with preference for veterans.

Mr. CURTIS of Nebraska. There are not many of those that could not wait for the Congress to take affirmative action; are there?

Mr. FEIGHAN. There are at present 155 statutes. If the Japanese treaty is not effective, they will remain, unless Congress takes affirmative action to repeal them. The Japanese treaty will repeal all of them. This resolution provides that upon the adoption of the Japanese treaty 96 will be repealed and 59 will be operative until July 1. Congress may determine before July 1, whether or not to extend any of the remaining 59 which will expire July 1.

Mr. CURTIS of Nebraska. Are there any other powers, other than relating to the Armed Forces, where an emergency exists that requires that these powers continue, and not wait for the Congress to take affirmative action to grant the powers?

Mr. FEIGHAN. One of them would be the power to control the operation of all transportation. This is one section on which we have concluded hearings and, in my opinion, the necessity of its continuance is highly questionable.

Mr. CURTIS of Nebraska. And that is all?

Mr. FEIGHAN. That is one.

Mr. CURTIS of Nebraska. What others are there?

Mr. FEIGHAN. There is one with reference to missing persons who are in the service. This would permit the payment of benefits to their beneficiaries, and also, provide pay and allowances to missing personnel, return to this country of the dependents, and household goods of missing, injured, or dead personnel.

Mr. CURTIS of Nebraska. Mr. Speaker, I am through, but I fail to see the need for such action tonight.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Illinois.

Mr. BUSBEY. May I ask the gentleman from Massachusetts [Mr. MARTIN], when he first knew that this bill was coming out on the floor of the House tonight?

Mr. MARTIN of Massachusetts. I heard about it at about 2 o'clock this afternoon.

Mr. BUSBEY. What harm could possibly be done by having this go over until tomorrow, so that we may know what it is all about? I do not think the Members of the House know what all the provisions are in here so that they can vote intelligently on them tonight.

Mr. MARTIN of Massachusetts. I yield to the gentleman from Delaware [Mr. BOGGS] to answer that question.

Mr. BOGGS of Delaware. There are 59 different provisions here affecting veterans, the Armed Forces, housing, transportation, and many other technical items. Our subcommittee has been holding hearings as carefully and as long as we possibly could, for the past month, anyway, mornings and afternoons. We have not covered all these items yet. We do not have all the testimony. We cannot say actually whether each individual item should be continued as requested or not. But we do believe that this 60-day period will give the committee and the Congress the chance to work its will affirmatively on each one of these items. We do recognize that under our present circumstances, because of the Korean situation there may be an injustice, a wrong, a damage done if we without careful consideration fail to continue some of these authorities. It is an unfortunate situation, but under all the circumstances, I think it is the only rational approach we can make to the problem at this time.

Mr. BUSBEY. I might say to the gentleman from Massachusetts, the only reason I raised the question is because I am going to speak tomorrow on a situation where we let a bill slip by last year on the Consent Calendar which took away the right from the FBI to investigate the Bureau of Internal Revenue without any explanation or anything else on the floor, or the membership knowing what they were doing.

Mr. MARTIN of Massachusetts. I might say to the gentleman from Illinois that he could have objected to that, if he had wanted to. He was here at the time.

Mr. BUSBEY. There was no explanation of the bill.

Mr. WERDEL. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. WERDEL. Mr. Speaker, I was interested in the remarks of the gentleman from Indiana with regard to the power of the President to take over the steel industry. I cannot help but feel that that is involved in the consideration of this subject tonight. I just want to tell the House that when we had hearings in a subcommittee of the Committee on Education and Labor last year, we had before us representatives of the various labor agencies and price control agencies of the Government. They took the position that there is inherent power in any government to take over any industry that is necessary to be operated in the interest of the security of the country, and that that power vests in the President of the United States. Some of their membership took the position, however, that there was statutory power to do that in the present act under consideration. If we admit that that power exists in government in the nature of things, still I for one, do not admit it exists in connection with the Executive in our Government, and I am a bit concerned inasmuch as they make those contentions in regard to the War Powers Act by legislative authority that they will take the position if we pass this tonight that we have extended that power, and that, therefore, there is statutory authority by virtue of those claims and by virtue of our passing this matter tonight.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. GROSS. I wonder if the gentleman from Ohio can tell us what effect this extension will have on the Reserve officers bill which was passed by the House, and which will probably be considered by the other body next week, and, I hope, passed? In the event that the bill passes, does the gentleman know what effect it will have on the Reserve bill?

Mr. FEIGHAN. It would have no effect.

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

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

There was no objection.

The Clerk read the joint resolution, as follows:

Whereas the existing state of war with Japan is the last declared state of war to which the United States is a party and the termination thereof and of the national emergencies proclaimed in 1939 and 1941 would render certain statutory provisions inoperative; and

Whereas some of these statutory provisions are needed to insure the national security and the capacity of the United States to support the United Nations in its efforts to establish and maintain world peace; and

Whereas, in view of the impending termination of this state of war, it is desirable to extend these needed statutory provisions immediately until July 1, 1952, to permit further consideration of a more extended continuation: Now, therefore, be it

Resolved, etc., That notwithstanding the termination hereafter of the war with Japan declared December 8, 1941 (55 Stat. 795), and of the national emergencies proclaimed by the President on September 8, 1939 (Proc. 2352, 54 Stat. 2643), and on May 27, 1941 (Proc. 2487, 55 Stat. 1647), and notwithstanding any proclamation of peace with respect to such war—

(a) Except insofar as they otherwise have further effectiveness the following statutory provisions and the authorizations conferred and liabilities imposed thereby shall remain in full force and effect to and including July 1, 1952, notwithstanding any other terminal date or provision of law with respect to such statutory provisions and notwithstanding any limitation, by reference to war or national emergency, of the time during or for which authorizations or liabilities thereunder may be exercised or imposed; and acts or events of the kind giving rise to legal consequences, under any of those provisions when performed or occurring during the existing state of war shall give rise to the same legal consequences when they are performed or occur during the period above provided for.

(1) Act of December 17, 1942 (ch. 739, sec. 1, 56, Stat. 1053), as amended (50 U. S. C. App. 1201).

(2) That portion of section 5 (m) of the act of May 18, 1933 (ch. 32, 48 Stat. 62; 16 U. S. C. 831d (m)), authorizing the sale of products of the Tennessee Valley Authority to allies of the United States; and the term "allies," as used therein, shall include nations associated with the United States in defense activities.

(3) Act of March 27, 1942 (ch. 199, secs. 1301–1304, 56 Stat. 185–186; 50 U. C. S. App. 643, 643a, 643b, 643c).

(4) Act of July 7, 1943 (ch. 192, sec. 11, 57 Stat. 382; 44 U. S. C. 376).

(5) Act of June 22, 1944 (ch. 268, sec. 102, 58 Stat. 285), as amended (38 U. S. C. 693b).

(6) Act of June 24, 1948 (ch. 625, sec. 4 (d), 62 Stat. 607), as amended (50 U. S. C. App. 454 (d)).

(7) Act of July 2, 1940 (ch. 508, sec. 1 (a) and 1 (b), 54 Stat. 712, 713), as extended by sections 13 and 16 of the act of June 5, 1942 (ch. 340, 56 Stat. 317; 50 U. S. C. App. 773, 1171 (a), 1171 (b); and the authority thereby granted to the Secretary of the Army is hereby conferred on the Secretary of the Navy, to be exercised by him on behalf of the Department of the Navy, using naval appropriations for the purpose.

(8) Act of June 5, 1942 (ch. 340, secs. 1, 7, and 11, 56 Stat. 314, 316, 317; 50 U. S. C. App. 761, 767, 771).

(9) Act of July 1, 1944 (ch. 373, secs. 212, 213, and 216, 58 Stat. 689–691; 42 U. S. C. 213, 214, and 217).

(10) Act of January 2, 1942 (ch. 645, sec. 7), as added by the act of April 22, 1943 (ch. 67, sec. 7, 57 Stat. 67; 31 U. S. C. 224i).

(11) Act of March 7, 1942 (ch. 166, secs. 1–12, 14, 15, 56 Stat 143–147), as amended (50 U. S. C. App. 1001–1012, 1014, 1015), and as extended by section 4 (e) of the act of June 24, 1948 (ch. 625, 62 Stat. 608; 50 U. S. C. App. 454 (e)). Said act of March 7, 1942, as amended, is hereby further amended as follows and as so amended is extended in accordance with said section 4 (e) of the act of June 24, 1948: Section 2 (50 U. S. C. App. 1002) is amended by deleting "interned in a neutral country, captured by an enemy" and inserting in lieu thereof "interned for reasons arising out of any armed conflict in which Armed Forces of the United States are engaged, captured as a result of any such armed conflict." Section 6 (50 U. S. C. App. 1006) is amended by deleting "an enemy or is interned in a neutral country" and inserting in lieu thereof "a hostile force or interned for reasons arising out of any armed conflict in which Armed Forces of the United States are engaged." Section 9 (50 U. S. C. App. 1009) is amended by deleting "in the lands of an enemy" and inserting in lieu thereof "in the hands of a hostile force." Section 12 (50 U. S. C. App. 1012) is amended by deleting "interned in a neutral country, or captured by the enemy" and inserting in lieu thereof "interned for reasons arising out of such operations, or captured as a result of such operations." Section 14 (50 U. S. C. App. 1014) is amended to read as follows:

"SEC. 14. The provisions of this act, applicable to persons captured by armed forces against which Armed Forces of the United States are engaged in armed conflict, shall also apply to any person beleaguered or besieged by hostile armed forces."

(12) Act of December 4, 1942 (ch. 674, secs. 2, 3, and 4, 56 Stat. 1039; 10 U. S. C. 904b, 904c, 904d).

(13) Act of October 26, 1942 (ch. 624, 56 Stat. 987; 50 U. S. C. App. 836).

(14) Act of December 18, 1942 (ch. 765, 56 Stat. 1057; 10 U. S. C. 906 and note, 907 and note).

(15) Act of September 16, 1942 (ch. 561, secs. 1–3, 56 Stat. 753), as amended (50 U. S. C. 301–303).

(16) Act of June 25, 1942 (ch. 447, 56 Stat. 390–391; 50 U. S. C. App. 781–785).

(17) Act of October 14, 1940 (ch. 862, 54 Stat. 1125), as amended, secs. 1, 202, 301, 401, 402, and 501 (42 U. S. C. 1521, 1532, 1541, 1561, 1562, 1571). In view of the continuing existence of acute housing needs occasioned by World War II, the emergency declared by the President on September 8, 1939, shall, for the purpose of continuing the use of property held under said act of October 14, 1940, continue to exist until and including July 1, 1952.

(18) Act of December 2, 1942 (ch. 668, titles I and II, 56 Stat. 1028), as amended (42 U. S. C. 1701–1706, 1711–1717). The following terms, as used therein, and the terms "allies" and "war effort," as used in the statutory provisions referred to in section 101 (a) (1) thereof (42 U. S. C. 1701 (a) (1)), shall be construed as follows: The term "enemy" shall include any nation, government, or force engaged in armed conflict with (i) the armed forces of the United States or any ally or (ii) persons covered by said titles I and II. The term "allies" shall include any nation, government, or force associated with the United States in defense activities. The terms "national war effort" and "war effort" shall include national defense. The term "war activities" shall include activities directly related to military operations.

(19) The paragraph designated "(2)" which was inserted into the act of March 3, 1909 (ch. 255, 35 Stat. 753), by the act of April 9, 1943 (ch. 39, 57 Stat. 60; 34 U. S. C. 533).

(20) Act of October 25, 1943 (ch. 276, 57 Stat. 575), as amended by section 2 of the act of April 9, 1946 (ch. 121, 60 Stat. 87; 38 U. S. C. 11a note).

(21) Act of December 23, 1944 (ch. 716, 58 Stat. 921; 50 U. S. C. App. 1705 and note, 1706, 1707).

(22) Act of July 28, 1945 (ch. 328, sec. 5 (b), 59 Stat. 505; 5 U. S. C. 801); and the term "enemy" as used therein shall include any nation, government, or force engaged in armed conflict with (i) the Armed Forces of the United States or of any nation, government, or force associated with the United States in defense activities or (ii) persons covered by said statutory provision.

(23) Act of June 27, 1942 (ch. 453, 56 Stat. 461; 50 U. S. C. App. 801, 802).

(24) Act of December 22, 1942 (ch. 803, 56 Stat. 1071; 48 U. S. C. 510 note).

(25) Act of October 17, 1942 (ch. 615, secs. 1–4, 56 Stat. 796; 36 U. S. C. 179–182).

(26) Act of October 17, 1940 (ch. 888, sec. 512, 54 Stat. 1190), as amended (50 U. S. C. App. 572); and this provision shall be applicable also to citizens of the United States who serve on or before July 1, 1952, with the forces of any nation that is participating with the United States in any armed conflict in which the United States may be engaged.

(27) Act of July 15, 1949 (ch. 338, title V, sec. 507, 63 Stat. 436; 42 U. S. C. 1477).

(28) Act of October 14, 1940 (ch. 862, title V, sec. 503), as added by the act of June 23, 1945 (ch. 192, 59 Stat. 260, 42 U. S. C. 1573).

(29) Act of September 27, 1944 (ch. 421, 58 Stat. 747), as amended (43 U. S. C. 279–284).

(30) Act of December 21, 1928 (ch. 42, sec. 9, 45 Stat. 1063), as amended (43 U. S. C. 617h).

(31) Act of July 22, 1937 (ch. 517, sec. 1, 50 Stat. 522), as amended (7 U. S. C. 1001).

(32) Act of April 24, 1912 (ch. 90, secs. 1 and 2, 37 Stat. 90, 91), as amended (36 U. S. C. 10, 11).

(33) The eighth paragraph (designated "Military traffic in time of war") of section 6 of the act of February 4, 1887, chapter 104, as that section was amended by section 2 of the act of June 29, 1906 (ch. 3591, 34 Stat. 586; 10 U. S. C. 1362 and 49 U. S. C. 6 (8)).

(34) The first complete sentence (designated "Transportation of troops, and so forth, exclusive control of systems in time of war") at the top of page 645 of Thirty-ninth Statute in the act of August 29, 1916 (ch. 418, sec. 1; 10 U. S. C. 1361); and the President may exercise his authority thereunder through such officers or agencies as he may designate.

(35) Act of February 4, 1887 (ch. 104, sec. 1 (15)), as enacted by act of February 28, 1920 (ch. 91, sec. 402, 41 Stat. 456, 476; 49 U. S. C. 1 (15)).

(36) Act of February 4, 1887 (ch. 104, sec. 420), as added by act of May 16, 1942 (ch. 318, sec. 1, 56 Stat. 284, 298; 49 U. S. C. 1020).

(37) Act of June 6, 1941 (ch. 174, 55 Stat. 242–245), as amended (50 U. S .C. App. 1271–1275).

(38) Act of December 3, 1942 (ch. 670, sec. 2, 56 Stat. 1038; 33 U. S. C. 855a).

(39) Title 18, United States Code, sections 794, 2153, 2154, and 2388.

(40) Act of May 22, 1918 (ch. 81, 40 Stat. 559), as amended by the act of June 21, 1941 (ch. 210, 55 Stat. 252, 253; 22 U. S. C. 223–226b).

(41) Act of October 31, 1942 (ch. 634, 56 Stat. 1013; 35 U. S. C. 89 and note and 90–96); and the terms "prosecution of the war" and "conditions of wartime production," as used therein, shall include, respectively, prosecution of defense activities and conditions of production during the national emergency proclaimed by the President on December 16, 1950.

(42) Title 28, United States Code, section 2680 (j).

(43) Act of July 1, 1944 (ch. 373, sec. 211 (c), 58 Stat. 688), as amended (42 U. S. C. 212 (c)).

(b) The following statutory provisions which are normally operative in time of peace shall not become operative upon the termination of the state of war with Japan but rather (in addition to being inoperative, in accordance with their terms, in time of war) shall continue to be inoperative until and including July 1, 1952, any other provision of law with respect thereto to the contrary notwithstanding:

(1) Those portions of section 37 of the act of June 3, 1916 (ch. 134, 39 Stat. 189), as amended (10 U. S. C. 353), which restrict the appointment of Reserve officers in time of peace.

(2) The second sentence of section 40b of the act of June 3, 1916, as added by section 33 of the act of June 4, 1920 (ch. 227, 41 Stat. 777), as amended (10 U. S. C. 386).

(3) Act of August 4, 1942 (ch. 547, sec. 10, 56 Stat. 738; 34 U. S. C. 850i).

(4) Act of June 28, 1944 (ch. 306, sec. 2, 58 Stat. 624), as amended (10 U. S. C. 1214; 34 U. S. C. 555b).

(5) Act of March 3, 1893 (ch. 212, 27 Stat. 717; 34 U. S. C. 196).

(6) Act of June 16, 1890 (ch. 426, sec. 4, 26 Stat. 158; 10 U. S. C. 651).

(7) Joint resolution of November 4, 1939 (ch. 2, sec. 7, 54 Stat. 8; 22 U. S. C. 447 (a)–(d)).

(c) The President is hereby authorized to continue in effect until and including July 1, 1952, all appointments under the provision of sections 37 and 38 of the act of June 3, 1916 (ch. 134, 39 Stat. 189, 190), and section 127a of said act as added by the act of June 4, 1920 (ch. 227 (41 Stat. 785)), as amended (10 U. S. C. 358, 32 U. S. C. 19, 10 U. S. C. 513); section 515 (e) of the act of August 7, 1947 (ch. 512, 61 Stat. 907; 10 U. S. C. 506d (e)); and section 3 of the act of August 21, 1941 (ch. 384, 55 Stat. 652), as amended (10 U. S. C. 591a), which are in effect on the date of the approval of this act as officers and warrant officers of the Army of the United States and as officers and warrant officers of the United States Air Force, including appointments as officers and warrant officers in the Organized Reserve Corps, the Air Force Reserve, the National Guard of the United States, and the Air National Guard of the United States, any other provision of law to the contrary notwithstanding.

(d) For the purpose of section 1 of the act of May 29, 1945 (ch. 135, 59 Stat. 225), as amended (31 U. S. C. 222c), and for the purpose of section 2 of the act of December 28, 1945 (ch. 597, 59 Stat. 662; 31 U. S. C. 222e), the date of the termination of a time of war and the establishment of peace shall be July 1, 1952, notwithstanding any other termination of war or establishment of peace.

(e) For the purpose of section 1 of the act of July 3, 1943 (ch. 189, 57 Stat. 372), as

amended (31 U. S. C. 223b), and for the purpose of section 1 of the act of December 28, 1945 (ch. 597, 59 Stat. 662; 31 U. S. C. 223d), the date of the termination of a time of war and the establishment of peace shall, with respect to accidents or incidents occurring after June 23, 1950, be July 1, 1952, notwithstanding any other termination of war or establishment of peace.

SEC. 2. Authority now conferred upon the Secretary of the Air Force under the statutory provisions cited in this act is hereby extended to the same extent as the authority of the Secretary of the Army thereunder.

SEC. 3. Nothing in this act shall be construed to repeal or modify section 601 of Public Law 155, Eighty-second Congress, first session, relative to coming into agreement with the Committee on Armed Services of the Senate and of the House of Representatives with respect to real-estate actions by or for the use of the military departments or the Federal Civil Defense Administration.

SEC. 4. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remaining provisions of this act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 5. This act may be cited as the "Emergency Powers Interim Continuation Act."

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

SUBMARGINAL LANDS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (S. J. Res. 20) to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources, with an amendment of the House thereto, insist on the House amendment and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CELLER, WALTER, WILSON of Texas, GRAHAM, and CASE.

PERMISSION TO ADDRESS THE HOUSE

Mr. VAN ZANDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

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

SPECIAL ORDERS GRANTED

Mr. BECKWORTH asked and was given permission to address the House today for 5 minutes, following any other special orders heretofore entered.

Mr. BUSBEY asked and was given permission to address the House tomorrow for 15 minutes, following the legislative business of the day and any other special orders heretofore entered.

The SPEAKER. Under previous order of the House the gentleman from New York [Mr. JAVITS] is recognized for 20 minutes.

NATIONAL EMERGENCY SEIZURE ACT OF 1952

Mr. JAVITS. Mr. Speaker, since I first proposed amendments to the Taft-Hartley law in 1947 I have carried on a campaign to urge the Congress to make provision for the kind of ultimate situation which we seem to be facing in the steel industry. I have urged that Congress deal realistically with a situation in which the operation of plants and facilities are so vital to the national security or health that it must be continued. Particularly is this true in a national emergency of defense mobilization like the present.

The Congress has not dealt with the problem and we again face a situation today in which the Government may move with its own interpretation of its powers in this area and with an arduous controversy either publicly or in the courts, or both, to determine the rights of the parties affected and of the Government and without help from Congress on a fundamental national policy which is exactly within the province of Congress.

It is significant that Massachusetts has a law providing for seizure by the governor of privately owned business engaged in the distribution of food, fuel, water, electric light, power, gas, and hospital and medical services threatened by shutdown to the extent necessary to safeguard health and safety.

For this reason, Mr. Speaker, I am raising the subject again today by introducing a bill to establish authority in the President for the seizure, use, and operation of plants essential to the national security and health in which shutdowns of production due to labor-management difficulties are threatened. I believe that the impending steel shutdown with its direct threat to the defense production of the country brings forward again the urgent need for this kind of legislation. Under the present statutory authority contained in the Selective Service Act of 1948—Public Law 759, Eightieth Congress—section 18 and under any general constitutional powers of the President, there are no ground rules for such seizure of plants which are made, as they ought to be, by the Congress. It is my belief that Congress must deal with this problem in respect of the impending situation and any similar situation. At a time of national emergency like the present, I believe that the people of the country would not feel that this administration ought to be entrusted with complete power in a situation like seizure of the steel plants without the Congress having set up the ground rules. Accordingly my bill makes the following major points:

First. That the United States may seize plants where a labor-management dispute has resulted in or imminently threatens a shut-down in an industry, operation of which is essential to the national security or health and where seizure is essential to continued operation;

Second. That the plants are to be operated by the Government only to the minimum extent required by the national security or health—in this way avoiding any implication of strikebreaking;

Third. That employees—those who remain on the job—are to be paid not less than the prevailing wages in the particular industry in the area and that a special wage board is to consider wage rates and other conditions of employment;

Fourth. That the special wage board is to be composed of nine members, three chosen by the President from a panel nominated by the principal national labor organizations to represent labor, three members from a panel nominated by the principal national employer organizations to represent employers, and three members to be appointed by the President and confirmed by the Senate to represent the public;

Fifth. That the Government is to pay only just compensation for its use of the seized property, is to operate it for the account of the United States, and is not to operate it for the account of the employer as if it were a going concern; and

Sixth. That the property is to be restored to its owners within 30 days after the restoration of such labor relations as would permit production required for the national security or health.

I wish to emphasize again that the situation with which my bill proposes to deal is not confined to the steel situation but that it is intended to deal with any national emergency in defense mobilization involving continued necessary production.

Having carried on this effort to establish a national policy for seizure and operation of critical industrial facilities since 1947, I feel that the injunction provisions of the Taft-Hartley Act on this subject have shown themselves to be negative and inadequate to the problem. The provisions of section 18 of the Selective Service Act are so general as to be inadequate. None of these regulates an absolute exercise of power on the part of the Executive which is the responsibilitly of the Congress.

The SPEAKER pro tempore (Mr. BECKWORTH). Under the previous order of the House, the gentleman from California [Mr. JACKSON] is recognized for 30 minutes.

THE COMMUNISTS AND HOLLYWOOD

Mr. JACKSON of California. Mr. Speaker, Howard Hughes, production manager of RKO Studio in Los Angeles, Calif., has gone on the offensive against some of the Communists and fellow travelers who have infested a great and productive industry for many years. So successful have the Red termites been in their operations within the moving-picture industry that they have succeeded, out of all proportion to their numbers, in convincing many millions of Americans that Hollywood is the seat of the American Kremlin. This activity on the part of Communists and fellow travelers in the entertainment field has created new and additional problems for the makers of pictures, and has brought down upon some of the recent products

of Hollywood the wrath of veterans' organizations and other groups throughout the Nation. It is not unusual today to see picket lines around moving-picture theatres with pickets carrying placards indicating that a star, a writer, a producer, or some other individual associated with the production of the picture has been publicly identified as a member of the Communist Party, or as a prominent fellow traveler. This public outcry has hurt business in Hollywood.

As in any other controversy of this kind, the interested parties have chosen up sides and have belabored each other in the process. Some in Hollywood who should know better contend that the Communist bug-a-boo is a mare's nest, and that the few Communists in Hollywood have not been able to make a serious dent in the operations of the industry or upon the finished product of the movie capital, while the other side is equally vehement in its declarations that the town is infested with Communists and fellow travelers.

The moving-picture industry operates under a code of ethics, designed and adopted by the industry not only to insure against objectionable material in film content but also to discourage and censor those guilty of personal moral turpitude and conduct generally considered offensive to public decency. All contracts drawn between studios and artists contain the morals clause, and it is within this frame of reference that I should like to relate communism and membership in Communist-front organizations to present-day concepts of public decency and public morality.

Communism is offensive to the American people today. That fact can brook no denial. Courts and juries have found that the Communist Party in the United States teaches and advocates the use of force and violence in the overthrow of constitutional government in this country, and the leaders of the party have been jailed on these findings. The American people concur in these decisions and so plain has public displeasure become with respect to Communists in this country that suspect witnesses before congressional committees now refuse to answer any questions concerning their participation in the Communist Party or within Communist-front organizations for fear of public condemnation. Although refusal of noncooperative witnesses to answer questions bearing upon their membership in the Communist conspiracy is based on a professed fear of crminal prosecution, in almost all instances today the provisions of the fifth amendment to the Constitution are invoked, not by reason of possible self-incrimination, but because an identity established with the conspiracy will render unlikely the future employment of the witnesses. This is particularly true in the field of entertainment, where tenure is, at best, precarious and uncertain, and where the artist is successful only so long as he or she is acceptable to the public. The picket lines about the theaters are ample evidence to Communists and fellow travelers that their public identification as Communists will inevitably result in the one black list they fear the most—that at the box office.

But notwithstanding the obvious fact of public displeasure and a universal demand that Communists and fellow travelers be disclosed for what they are, some of those associated with the moving-picture industry contend that the refusal of a witness to discuss with cognizant committees of the Congress his documented and detailed associations within the orbit of the Communist Party is in no way a violation of the morals clause contained in contracts, and that participation in Communist and Communist-front organizations is a matter outside the proper scope of congressional investigation. They further contend that employing studios have no right to discharge from their employment those who refuse to discuss alleged party membership before the duly constituted committees of the Congress.

The spirit and the letter of the morals clause go to the point that any action generally viewed by the American people as reprehensible in and of itself tends to degrade and damage the moving-picture industry and the product of that industry. If a picket line outside a theater protesting the appearance in a picture of a writer who refuses to state whether or not he was or is a member of the Communist Party tends to undermine public confidence in the studio producing the picture, the producers contend that the public actions of the individual do in fact constitute a violation of the morals clause.

A fight between two moving-picture personalities in a Hollywood night club may be considered reprehensible and public drunkenness on the part of a performer unquestionably constitutes a violation of the morals clause. But how much greater is the offense, as viewed by the public, committed by a performer who refuses to state whether or not he or she belongs to an organization which, by definition, seeks to overthrow the Government of the United States by force and violence. The night-clubbing inebriate may be guilty of disturbing the peace, but in the view of the American public the present-day Communist is guilty of the offense of treason at a time when Americans by the thousands are laying down their lives in an all-out global war against communism. It is quite natural that the parents whose sons are engaged in the conflict will resent the appearance of a performer who is allied with the forces which seek the life of their son.

Treason is a harsh word, but it is the only word the dictionary provides to cover the membership of a Communist today. The acts of one who fails to give his government all of the information within his possession regarding communism is, in fact, high treason as defined in the New Century Dictionary, to wit: "in levying war against them, or in adhering to their enemies, giving them aid and comfort."

The Communist who, having in his possession information relating to the membership and the activities of the Communist Party, fails to disclose those facts to his government is in fact and in truth adhering to the enemies of the United States and giving them aid and comfort.

The morals clause was never intended to give authority for treason or shelter to those who commit it.

In taking strong action against Paul Jarrico, a screen writer, Mr. Howard Hughes, production manager of RKO pictures, is moving against those who claim that while murder of an individual may be wrong, it is entirely legal to murder a way of life—in this instance the American way. Mr. Hughes is a businessman but he is also a good American. I have never met the gentleman, but I should like to do so and I shall take the first opportunity to talk with him for the purpose of congratulating him on his initial move against the activities of those to whom communism means more than does the economic welfare of any industry or the political stability of any constitutional form opposed to that of the Soviet Union.

Hughes fired Jarrico for the latter's refusal to answer questions put to him by the Committee on Un-American Activities. In a counter legal action Jarrico has sued Hughes for $350,000, alleging that portions of Jarrico's work were included by RKO studio in the film, The Las Vegas Story. This allegation has been denied by the studio. Whether or not any portion of the Jarrico script was used by RKO is a matter upon which I am not qualified to rule, but whether Paul Jarrico has lent aid and comfort to the enemies of this country is quite another matter, and one upon which I can speak with considerable authority.

Before documenting the Jarrico record let me say, Mr. Speaker, that in my 6 years in the Congress and my year and a half on the Committee on Un-American Activities, I have never been charged with smearing the character of any man. I have been extremely cautious in making charges, and in every instance I have required the fullest documentation before taking either the floor of the House or any public platform. Mr. Jarrico was subpenaed before the House Committee on Un-American Activities on April 13, 1951. He was not summoned in a capricious manner, but his appearance was required because of the serious nature of documented evidence in possession of the Committee. In brief, Mr. Speaker, the committee had every valid reason to summon Mr. Jarrico before it for an explanation of his long and continued affiliation in, and his activities on behalf of, the Communist Party and its front organizations.

In order that the record may be clear regarding the pertinent testimony of Mr. Jarrico, I include herewith portions of the transcript covering his appearance before the committee:

Mr. TAVENNER. You are Mr. Paul Jarrico?

Mr. JARRICO. That's right.

Mr. TAVENNER. You are represented by counsel?

Mr. JARRICO. Yes; I am. By Mr. Margolis and by Mr. Kenny.

Mr. TAVENNER. Will you please state your full name, place of birth, and your age?

Mr. JARRICO. Well, my full name is Israel Paul Jarrico, though I am known personally and professionally and legally as Paul Jarrico. I was born in Los Angeles, Calif., on January 12, 1915, and I reside at 320 South Sherbourne Drive, Los Angeles 48, Calif.

Mr. TAVENNER. Will you give the committee a brief statement of your educational background?

Mr. JARRICO. I was educated in the public schools of Los Angeles. I attended the University of California at Los Angeles, the University of California at Berkeley. I graduated from the University of Southern California in 1936 with a degree of bachelor of arts.

Mr. TAVENNER. How are you now employed?

Mr. JARRICO. Well, until 2 weeks ago I was a screen writer.

Mr. TAVENNER. What was your last employment?

Mr. JARRICO. I was employed by RKO Radio Pictures until the day I received a subpoena from this committee.

Mr. TAVENNER. Will you give the committee a statement of your employment record, please?

Mr. JARRICO. Well, it is a rather long one.

Mr. TAVENNER. Briefly.

Mr. JARRICO. I will try to summarize it. I first obtained employment in the motion-picture industry in 1937, and have been employed more or less continuously since by practically every studio in Hollywood, except for a brief time I spent in the merchant marine and a short time I spent in the United States Navy.

Mr. TAVENNER. What was the last screen play on which you were employed?

Mr. JARRICO. The last screen play on which I was employed was The Las Vegas Story, which is currently shooting in Hollywood, with Jane Russell and Victor Mature. I urge you all to see it.

Mr. TAVENNER. By what company were you employed?

Mr. JARRICO. RKO Radio Pictures.

Mr. TAVENNER. Who employed you?

Mr. JARRICO. I was employed by the studio.

Mr. TAVENNER. The studio must have had an official representative of course, in making the employment. Who was he?

Mr. JARRICO. Well, my immediate producer was Mr. Robert Sparks. However, I must protest at this point. It seems to me an attempt to create the basis for a blacklist in Hollywood, on the basis of guilt by employment, guilt by the mere fact that you employ a man. Mr. Sparks, a conservative gentleman, I am sure, employed me because he thought I was the best man to do that particular job, and not because of my politics.

Mr. TAVENNER. Were you engaged in screen-play writing along with Richard Collins?

Mr. JARRICO. Yes. He was my collaborator for several years.

Mr. TAVENNER. Over what period of time was he a collaborator with you?

Mr. JARRICO. From the fall of 1941 until the summer of 1943.

Mr. TAVENNER. You were present, I believe, at this hearing room during the giving of his testimony yesterday?

Mr. JARRICO. Yes; I was.

Mr. TAVENNER. I suppose you heard his testimony, in which he stated that you were a member of the Communist Party?

Mr. JARRICO. I heard his testimony in regard to a great many things. I heard him attempting to purge himself before this committee and perjuring himself before this committee.

Mr. TAVENNER. Did he perjure himself in regard to his statement that you were a member of the Communist Party?

Mr. JARRICO. I refuse to answer that question on the grounds that it may tend to incriminate me.

Mr. TAVENNER. Then what did you mean by stating that he perjured himself in his testimony here?

Mr. JARRICO. I refuse to answer that question, also, on the same grounds.

Mr. TAVENNER. And what is that ground?

Mr. JARRICO. That it may tend to incriminate me. That doesn't mean that it would incriminate me. It just means that it might tend to; that it might subject me to prosecution, not to conviction.

Mr. TAVENNER. In other words, for you to answer the question would put you in fear that you might be prosecuted for some criminal offense?

Mr. JARRICO. It might place me in jeopardy; yes.

Mr. TAVENNER. When did you receive your subpena to appear before this committee?

Mr. JARRICO. I believe the date was March 23. I am not completely certain. I believe that is the correct date.

Mr. TAVENNER. Did you confer with Mr. Collins about his appearance, Mr. Richard Collins, about his appearance before this committee after you were served your subpena to appear here?

Mr. JARRICO. I refuse to answer that question on the same ground.

Mr. TAVENNER. When you referred to Mr. Richard Collins perjuring himself before this committee, were you referring in any way to his testimony as to the occasion when you visited him with regard to his testimony before this committee?

Mr. JARRICO. I have already refused to answer the same question, phrased rather differently. I believe it is the same question. At any rate, to make it clear, I refuse to answer this question also, on the same ground.

Mr. TAVENNER. You refuse to answer in what particular? You have in mind with regard to Mr. Collins' testimony when you said that he perjured himself before this committee?

Mr. JARRICO. That's correct.

Mr. VELDE. Counsel, is the word "perjured" or "purged?"

Mr. JARRICO. I used both words. I used "purge" and "perjury." I think the line between them is very thin.

I wonder if I might at this point introduce a statement, Mr. Chairman. I have sat here all day yesterday and heard my patriotism maligned, my loyalty impugned. I wonder whether I might read a fairly short statement, which states quite concisely my attitude toward my country and toward this committee.

Mr. WOOD. We are giving you the opportunity to answer whatever questions are asked you here, which are intended to reflect on that very subject matter. At the conclusion of your testimony, we will be happy to have you file for the record here any statement that you desire to make.

Mr. JARRICO. I can only answer the questions that are presented to me when I am being cross-examined. However, in my statement I am able to make a more considered statement of my position.

Mr. WOOD. Following the custom and practice of the committee, you will be given the privilege of filing that statement with the committee for the record when you have finished your testimony.

Mr. JARRICO. I would like to reply publicly.

Mr. WOOD. In this connection, sir, I would like to, if I may, Mr. Counsel, interpose at this point this observation: Perjury is a rather grave offense, not only under our law but under every moral code that I know anything about. Now you have leveled a charge against a man that you say was your collaborator for several years in the same industry that you are in; that he has deliberately committed that offense here before this committee yesterday. Don't you think, when you make that charge yourself, that you owe it to yourself; you owe it to Mr. Collins; you owe it to the American people, and particularly the people in your industry, to inform this committee as to just how and in what manner you contend that he swore falsely before this committee yesterday? Don't you think, in fairness to every conception of decency and common justice and honesty, that you owe it to the people of America, and particularly in your industry, to let them know in what particular you claim he swore falsely?

Mr. JARRICO. I shall issue a statement and otherwise communicate.

Mr. WOOD. You are under oath now. Under your oath you have sworn that he committed perjury. One or the other of you is swearing falsely. He has pin-pointed his testimony. Don't you think you ought to pin-point yours?

Mr. JARRICO. This is not my forum, Mr. Chairman, and this is not the place for me to discuss my differences with Mr. Collins. I don't choose to do it here.

Mr. DOYLE. May I suggest this: I think, Mr. Jarrico, you were not being questioned by our counsel or by anyone else as to whether or not it was your opinion that Mr. Collins had perjured himself. You volunteered the statement to this committee. We were not asking you whether or not he perjured himself. You yourself volunteered the charge that he perjured himself.

Mr. JARRICO. I was asked a question based on an assertion that Mr. Collins made here yesterday. I answered that question by saying that I refused to answer that question, and that I refuse to consider Mr. Collin's testimony here as truthful. Now, that is my position. I don't intend to discuss with you wherein it was untruthful or wherein it was truthful.

Mr. DOYLE. The only reason I brought it to your attention is that you volunteered the charge that he had perjured himself. We had not asked you whether or not he perjured himself or testified falsely. I just wanted to make that suggestion to you.

Mr. JARRICO. My answer stands, sir.

Mr. WOOD. Continue the questioning.

Mr. TAVENNER. Are you now or have you ever been a member of the Communist Party?

Mr. JARRICO. I refuse to answer that question on the ground that it might tend to incriminate me, as I shall refuse to answer any questions regarding my political affiliations or activities.

Mr. TAVENNER. Mr. Chairman, I have no further questions.

It will be noted, Mr. Speaker, that early in his testimony, Mr. Jarrico served notice on the committee that he had no intention of cooperating in the hearing, or of giving any information which might be of service to the committee in carrying out the obligations which had been laid upon it by the Congress to investigate the nature and extent of Communist activity and propaganda. Although Mr. Jarrico undoubtedly had considerable knowledge of the membership, finances, and activities of the Communist branches to which he had been assigned, he chose to take his stand on the provisions of the Constitution relating to possible self-incrimination, thus depriving the committee and the Congress of pertinent and essential information respecting the infiltration of the moving-picture industry. Further, he chose to deny to his colleagues in the Screen Writers' Guild, his employers, and the American public any information as to the part he played in the life of the Communist Party in Los Angeles. In short, and in spite of testimony naming Jarrico as a Communist Party member, he contented himself with reviling the committee and its motives and left the stand contending that his failure to cooperate should not be assumed to be any admission of complicity in the Communist conspiracy.

His employers at RKO chose to assume otherwise, and in this assumption they have been joined by members of

the committee and the press and public. Typical of press comment is the following editorial from the Santa Monica (Calif.) Evening Outlook of March 31, 1952:

MR. HUGHES TILTS A LANCE

Howard Hughes of RKO, who has tangled with everything from jet planes to Uncle Sam, is not to be bulldozed by the Screen Writers Guild. He has served notice in a letter to the union that he would never accept the decision of arbitrators in the Paul Jarrico dispute, and demanded: "Are you going to strike or aren't you?"

The background of this dispute is enlightening. Some time ago screen writer Jarrico refused to tell the House Un-American Activities Committee whether he was a Communist—on grounds of self-incrimination. Howard Hughes thereupon decided he did not want such a man writing his screen plays, and fired him. He also discarded Jarrico's manuscripts on the Las Vegas Story and made the picture with another writer. This did not please the Screen Writers Guild; reports reached Hughes' office that the guild meant to champion Jarrico to the bitter end. But since it did not act, the irrepressible Hughes has sought to end the cold war with his classic letter.

The key to his action is his insistence that he would never submit to compromise or negotiation on the Jarrico issue because his stand "is based on principle, belief, and conscience." These things, he explained, "are not subject to arbitration." We have no cynical feeling in saying that such a reliance on principle is a refreshing sound, coming out of Hollywood.

In particular, it may be hoped that the Hughes stand on communism will stiffen the backs of other movie producers who have hedged and hesitated on the issue. Since the 10 Hollywood Reds were fired, some of them have regained positions in the industry, while other notorious Commie sympathizers among screen writers have never been challenged. For lack of bold leadership, an entertainment medium which has a strong hold on the public mind is still being used as a vehicle for Red propaganda.

Howard Hughes believes that people who refuse to affirm their American loyalty should not be allowed to control what is said and done in a motion picture. It is a matter of principle with him, and from all indications, he is going to make that principle stick. Mr. Hughes is rather foreign to the role of a crusader, but in this case he may be able to provide the moral leadership that Hollywood needs.

In spite of Jarrico's professed regard for this Government and for American institutions in general, it will be noted, Mr. Speaker, that he assiduously avoided questions relating to his Communist Party affiliations and activities. It remained for other witnesses to give positive and unqualified identifications which to this time have not been refuted by Mr. Jarrico.

The first witness to identify Jarrico as a member of the Communist Party was screen writer Richard Collins, who collaborated with Jarrico on the screen play, Song of Russia. Mr. Collins testified before the committee on April 12, 1951, or the day before Mr. Jarrico appeared, and said, in part—page 236, Communism in the Motion Picture Industry, part 1:

Mr. TAVENNER. Will you identify Paul Jarrico more definitely for us? How long had you known him?

Mr. COLLINS. About 5 years.

Mr. TAVENNER. How closely had he been associated with you in your work during that period of 5 years?

Mr. COLLINS. Well, we first started working together I think in 1940, and we sold a story to M-G-M and then one to Universal.

Mr. TAVENNER. How many screen plays did he work on with you?

Mr. COLLINS. Three.

Mr. TAVENNER. Was he a member of the Communist Party?

Mr. COLLINS. Yes.

Jarrico was followed to the stand by Meta Reis Rosenberg, story editor and agent in Hollywood, who testified that she joined the Communist Party in 1938. She was assigned to a party branch, and testified as to the membership of the group as follows:

Mr. TAVENNER. Well, now, will you tell us the names of the persons in the group of Communist Party members to which you were assigned when you first joined the party?

Mrs. ROSENBERG. As I remember it, there was a Frank Tuttle—Frank and Tania Tuttle, who was married to her at that time; he isn't now. Waldo Salt; Jarrico.

Mr. TAVENNER. Paul Jarrico?

Mrs. ROSENBERG. Yes.

Evidence that meetings of a Communist Party cell or branch were held at Jarrico's apartment was placed in the record during the testimony of Budd Schulberg, who testified on May 23, 1951. During the course of questioning by committee counsel, the following testimony was given—Communist Infiltration of Hollywood Motion Picture Industry, page 604:

Mr. TAVENNER. Will you give us the names of other persons who from time to time became affiliated with that group—that is, the group in the Communist Party to which you belonged?

Mr. SCHULBERG. Besides the ones I remember definitely in 1937, there was Waldo Salt.

Mr. TAVENNER. Waldo Salt?

Mr. SCHULBERG. Yes. I don't believe he was in the original group, but came in at some later time. I couldn't place the time. It seems to me early in 1938, but I am not too clear on these dates.

Mr. TAVENNER. In whose homes were meetings held?

Mr. SCHULBERG. They would be held at the various homes of the people in the group. As far as I recall, it would rotate. Once in a while, mine, sometimes at Jarrico's or Collins' apartment, at the house of Lardner.

Leo Townsend, Hollywood screen writer, added additional identification of Paul Jarrico as a member of the Communist Party during his testimony before the committee on September 18, 1951. The following exchange of questions and answers took place—Communism in Motion Picture Industry, part 4, page 1513:

Mr. TAVENNER. Let me ask you to identify those people a little more fully with regard to their Communist Party membership and activity.

Mr. Townsend then listed a number of individuals with whom he had been associated during his membership in the Communist Party:

Mr. TOWNSEND. * * * There was Abe and Sylvia Polonsky. That is spelled P-o-l-o-n-s-k-y, I believe. There was John Weber, W-e-b-e-r, who was a writer's agent at that time. * * * There was Paul and Sylvia Jarrico, J-a-r-r-i-c-o; there was Joseph Losey, L-o-s-e-y.

The next to drive an identification nail in Jarrico's Communist Party membership was Martin Berkeley, a screen writer. Testifying before the committee on September 19, 1951, Berkeley positively identified Jarrico as a Communist who had attended a number of groups with him—Communist Infiltration of Hollywood Motion Picture Industry, part 4, page 1594. Berkeley testified, in part, as follows:

Mr. TAVENNER. I would like to ask you at this time to give the committee the names of any other persons known to you personally to have been members of the Communist Party during the time that you were a member, which you have not already given us, and in so doing to tell us as nearly as you can the circumstances under which you knew them to be members of the Communist Party.

Mr. BERKELEY. Well, that is rather difficult, Mr. Tavenner. I have an enormous list here. I am afraid we would be here all day if I started to talk in terms of how I met them and where I met them. These people that I will name as having been in my group may have come into the group and stayed for one meeting and then shuttled out into another group or have come into the group and left town, may have stayed in the group for a year after I left that particular group. All I will say is that I knew them then as party members.

Mr. TAVENNER. Very well, sir.

Mr. BERKELEY. A man named Lou Amster, A-m-s-t-e-r, a writer; a Miss Isobel Lennart, L-e-n-n-a-r-t, who was a reader. I originally knew Isobel as a reader, as a member of the Screen Readers' Guild. Later she became a very, very successful screen writer at Metro-Goldwyn-Mayer. Paul Jarrico was in a number of groups with me. That is J-a-r-r-i-c-o. A young actress named Frances Sage. There was a gentleman in the group with me for—well, a number of groups, named Bob Roberts, R-o-b-e-r-t-s. Bob Roberts is a partner of John Garfield's and his (Robert Roberts') wife, Catherine O'Neal. I don't know which way she spells O'Neal. Dr. Leo Bigelman, I think it is B-i-g-e-l-m-a-n. I don't know how he spells his name. Bigelman. I saw his picture in the paper this morning.

On September 21, 1951, Elizabeth Wilson, a screen writer, identified Paul and Sylvia Jarrico as members of the Young Communist League, during the year 1937—Communist Infiltration of Hollywood Motion Picture Industry, part 5, pages 1725–26:

Mr. TAVENNER. * * * will you give us the names of those who were members of the Young Communist League?

Mrs. WILSON. The names that I recall, the faces I recall as being present there rather than at Browder meetings which I was then attending of the Hollywood Anti-Nazi League, were Paul and Sylvia Jarrico, J-a-r-r-i-c-o.

Additional identification of Jarrico as a member of the Communist Party of the Communist Political Association was read into the record by Mrs. Anne Ray Frank, a free lance radio writer, who testified in executive session in Los Angeles, Calif., on September 10, 1951. Mrs. Frank's testimony—Communist Infiltration of Hollywood Motion Picture Industry, part 6, page 2073—is as follows:

Mr. WHEELER. Do you recall the names of the individuals who attended these meetings?

Mrs. FRANK. Yes. But since at about this time the Communist Party was dissolved and became instead an organization known as the Communist Political Association, and since the meetings of the association were open, and for purposes of recruiting it was impossible then, and it is impossible now, to know just which of these people were party members and which were guests. However, there did seem to be a small group who were at all the meetings that I was at. I assumed then, and I assume now, that they were at that time members of the Communist Party or Communist Political Association.

Mr. WHEELER. Would you identify these individuals?

Mrs. FRANK. Well, in addition to Mr. Trumbo and Mr. Lardner I would say this group consisted of Richard Collins, Paul Jarrico, Gordon Kahn, Harold Buchman, and Robert Rossen. I also remember being impressed with the eloquence of two guest speakers, Albert Maltz and John Howard Lawson.

There can be no queston, Mr. Speaker in light of the tremendous weight of sworn testimony, that Paul Jarrico has been a member of the Communist Party, and a most effective and active member at that. Whether he remains a member to this day only Jarrico and a small coterie of active Communists in Hollywood can state. He has refused to divulge any information as to his present activities as they may relate to communism. In light of his long record as a member of the Communist conspiracy, there is little reason for doubt in my mind as to his continuing activity on behalf of the party and its fronts.

In my opinion, Mr. Speaker, the continued employment of such individuals as Mr. Jarrico by the motion-picture industry will continue to bring discredit upon the industry and upon the thousands of loyal Americans who make their living in that industry. For the Screen Writers Guild to continue in membership those who refuse to disclose the nature of their association with the Communist Party is to invite the active opposition of the American people to the activities of that guild. The majority of the members of the SWG are men and women of integrity and loyalty. It is difficult to rationalize the position taken by the guild as indicated in the following news story, featuring an exchange of letters between Howard Hughes and the Screen Writers Guild. The story is from the March 31 issue of the Hollywood Reporter, moving-picture trade publication:

SWG BOARD DUCKS RKO STRIKE—JARRICO ISSUE TO BE PUT TO MEMBERSHIP—HUGHES HURLS A NEW CHALLENGE

The Screen Writers Guild executive board has sidestepped a direct answer on the RKO strike issue, stating that the question of a strike is one for the guild's membership to decide. The board met in an emergency session late Friday for the purpose of drafting a reply to Howard Hughes' letter, which bluntly asked the guild whether or not it intended to strike against the studio on behalf of Paul Jarrico.

Two documents were drafted at Friday night's meeting—a personal reply to Hughes, signed by Mary C. McCall, Jr., SWG president, and a history of the events in the dispute for the benefit of the membership, both of which were sent yesterday. The board's reply to Hughes read:

"This will reply to your letter of March 27, The minimum basic agreement between the Screen Writers Guild and RKO Radio, signed early last year, stipulates that a writer must receive screen credit for his work, and provides the machinery by which these credits are determined. In flat contradiction of your published statements, it was established last September by an authorized panel that Paul Jarrico was entitled to screen credit on the film in question. By refusing to grant this credit, RKO Radio has breached its signed contract with the Screen Writers Guild. This is clearly a labor dispute. It does not involve the political beliefs of Mr. Jarrico, however repugnant they might be to you or us. By terms of our corporation character, by terms of our agreement with RKO Radio and all major motion-picture studios, we are obligated to extend guild membership to, and protect the rights of, any writer you choose to employ. You chose to employ Mr. Jarrico. We have no choice but to protect his professional rights. In reply to your direct question regarding a strike: We grant that such action at this time might suit your purpose, since it is a well-known fact that production at RKO now is at a virtual standstill. However, this question is one for the membership of the Screen Writers Guild to decide. Under no circumstances will a strike be called at your suggestion or for your convenience."

NEW CHALLENGE BY HUGHES

On receiving the guild's reply to his letter, Hughes made the following statement:

"This is addressed, not to the entire membership of the Screen Writers Guild, but to that segment which met and drafted the letter (that was delivered to the press and to RKO on Sunday with such clever strategy in the hope it would reach the public before anyone at RKO could have knowledge of it or the opportunity to reply).

"Gentlemen, you are paid writers of fiction and the strongest portions of your letter are fiction in its most brilliant form. I challenge you to make public the answers to the following questions:

"1. Please give the names of all your members who fall in the classification described in your letter by the words: 'Political beliefs of Mr. Jarrico, however repugnant they might be to you or us.' How many of these members have been connected with one or more of the officially designated 'Communist-front organizations'? How many of these members are on your executive board?

"2. How long is it since these people (whom you still honor with membership in your guild) were employed by a studio in Hollywood thereby forcing you to protect them?

"3. Why did you notify certain members of your guild to stand by for a meeting of the membership Friday night, and then call them and tell them not to come, thereby confining the meeting to your executive board?

"4. In your letter, why didn't you tell the public that the 'authorized credit panel' which decided that Jarrico was entitled to screen credit was composed solely of members of the Screen Writers Guild, and that RKO was not represented and not even permitted to present its case to this credit panel?

"5. Is it true that this credit panel was composed of three men and that one of these men voted against Jarrico and two voted in favor of Jarrico?

"Please give the names of the two who voted in favor of Jarrico."

The SWG board did not disclose what steps will be taken to give the membership an opportunity to decide on the strike question.

Five members of the 21-man SWG board did not attend the emergency session—Walter Reisch and Robert Carson, who were out of town, and Robert Pirosh, Carl Foreman, and Marvin Borowsky. It was a hot session with much discussion to the effect that Hughes had had all of the advantage on publicity thus far, and the guild should declare its position. The meeting also laid plans to enlist the aid of outside labor groups should a strike become necessary. On this point, several members expressed doubt that local motion-picture labor groups would support their position. It was also revealed that, earlier, the Association of Motion Picture Producers had attempted to intercede in the dispute and that Charles Boren, vice president in charge of industrial relations for the AMPP, had requested a conciliation meeting but had been refused by Hughes.

JARRICO FILES SUIT

Jarrico, on Friday, filed a $350,000 suit in Superior Court against Hughes and RKO. The action was a counterclaim asking $100,000 plus $250,000 in punitive damages, to the studio's March 17 suit asking for declaratory relief on Jarrico's $5,000 claim and screen credit on The Las Vegas Story. Jarrico's brief denies he violated the morals clause in his contract by refusing to tell a congressional committee whether or not he was a Communist. The suit also attacked Hughes and unnamed RKO stars for past moral conduct. Jarrico stated, "Mr. Hughes had better get it straight. The issue before the court is not whether I have a right to my political opinions, but whether he has a right to set himself above the law." In a statement replying to the suit, Hughes said: "I address this to you, Mr. Jarrico: According to press reports, in your statement to the court you say that your refusal to answer the question put to you by the Un-American Activities Committee does not entitle anyone to draw the inference of guilt against you. Mr. Jarrico, these are times of national emergency. I do not think it is important what the public is legally entitled to believe from your refusal to answer the committee's question. I do not think the public should be forced to guess or conjecture as to whether a man is a Communist. I think the public is entitled to know. If the public made a mistake in its interpretation of your refusal to answer the committee's question, then that is truly regrettable and it should by all means be corrected. I should think you would be more anxious than anyone else to have this mistake corrected. If you refused to answer the committee because of some reason which we do not understand, won't you please tell the public now, so that we may all know the truth? Therefore I ask you the question: Are you, or have you ever been a member of the Communist Party? If you have been misjudged, there is a simple way to correct the matter. Just answer the question."

It is almost anticlimactic to insert at this point the Communist-front record of Mr. Jarrico, but in order that the record may be complete and the necessary documentation as comprehensive as possible, I feel that these activities should be spread upon the record. It should be remembered that a number of activities participated in by Mr. Jarrico and set forth in the following citations and listings, occurred after the groups and organizations had been declared subversive in nature by the Attorney General of the United States or by the House Committee on Un-American Activities. For instance, the listing of Jarrico as a candidate for the executive board of the Arts, Sciences, and Professions Council in January 1951 followed by months the citation of the ASP Council as a Communist-front organization by the House Committee on Un-American Activities.

The files, records, and publications of the Committee on Un-American Activities contain the following information

concerning the Communist-front affiliations of Paul Jarrico:

1. The Daily People's World, west-coast Communist newspaper, announced in its issue of October 22, 1941, page 2, that Paul Jarrico, then a scenarist for MGM, had agreed to support the candidacy of Communist LaRue McCormick for California State senator in the November 3 elections. The newspaper quoted a personal statement by Mr. Jarrico in support of Mrs. McCormick. Paul Jarrico also supported the candidacy of LaRue McCormick for State senator in 1942, according to a story in the Daily People's World of October 31, 1942, page 3, and an advertisement in the Daily People's World of October 24, 1942, page 5.

2. A letterhead of the Citizens Committee for Harry Bridges, 1265 Broadway, New York, N. Y., dated September 11, 1941, listed Paul Jarrico, screen writer, as being among the "committee members and sponsors." The Citizens Committee for Harry Bridges was cited as a Communist organization by Attorney General Tom Clark in a letter to the Loyalty Review Board released April 27, 1949. The Special Committee on Un-American Activities, in a report dated March 29, 1944, cited the same organization as a Communist front formed to oppose the deportation of Harry Bridges, Communist Party member and leader of the disastrous San Francisco general strike of 1934 which was planned by the Communist Party.

3. Paul Jarrico was one of the signers of a public statement sponsored by the Civil Rights Congress, 307 South Hill, Los Angeles, Calif., and inserted as a paid advertisement in the Independent Long Beach, Calif., on November 22, 1948, page 29. The statement protested against contempt citations for witnesses refusing to answer questions before the Committee on Un-American Activities and protested the existence of a grand jury dealing with Communists. The Daily People's World, on November 6, 1948, page 3, announced that Paul Jarrico was also among the signers of a statement which would be run in a full-page advertisement in the Los Angeles Daily News. This statement, according to the People's World, would urge dismissal of contempt citations and dismissal of a "witch-hunt" grand jury, and would urge attendance at a Civil Rights Congress protest rally on November 7, 1948, at the Embassy Auditorium in Los Angeles. The Civil Rights Congress was cited as subversive and Communist by Attorney General Tom Clark in letters to the Loyalty Review Board, released December 4, 1947, and September 21, 1948. The Committee on Un-American Activities, in a report dated September 2, 1947, cited the organization as a Communist front which was dedicated "specifically to the defense of individual Communists and the Communist Party" and "Controlled by individuals who are either members of the Communist Party or openly loyal to it."

4. Paul Jarrico was among the signers of a public statement sponsored by the National Federation for Constitutional Liberties and inserted as an advertisement in the Washington Post dated February 8, 1943. The statement called for the abolition of the Committee on Un-American Activities "as a step toward victory in 1943." The National Federation for Constitutional Liberties was cited as subversive and Communist by Attorney General Tom Clark in letters to the Loyalty Review Board released December 4, 1947, and September 21, 1948. It was also cited as a Communist front by Attorney General Francis Biddle (CONGRESSIONAL RECORD, vol. 88, pt. 6, p. 7446) and by the Committee on Un-American Activities (report dated September 2, 1947).

5. A paper on film economics was presented by Paul Jarrico at a film panel of a peace conference held by the Arts, Sciences, and Professions Council on April 10, 1949, at the El Patio Theater in Hollywood, according to the Daily People's World, dated April 14, 1949, page 5. The issue of Alert, dated February 1, 1951, stated that Paul Jarrico was listed as a candidate for the executive board of the Arts, Sciences, and Professions Council, on an official ballot of the organization dated January 27, 1951. Alert stated that the names of the candidates had been proposed by a nominating committee and that the election was then being held by printed ballot. The National Council of the Arts, Sciences, and Professions was cited as a Communist front by the Committee on Un-American Activities in a report dated April 26, 1950.

6. Paul Jarrico was among the initial signers of the Call to the Fourth Congress of the League of American Writers, which was held in New York City, June 6–8, 1941, according to the Daily Worker, dated April 5, 1941, page 7. A leaflet announcing courses for the 1942 summer session of the School for Writers, conducted by the Hollywood Chapter, League of American Writers, listed Paul Jarrico as one of the instructors in a course titled "Writing for Film." Mr. Jarrico was scheduled to lecture on July 9, 1942, on the specific subject of comedy. The League of American Writers was cited as subversive and Communist by Attorney General Tom Clark in letters to the Loyalty Review Board, released June 1, 1948, and September 21, 1948. The league was also cited as a Communist front by Attorney General Francis Biddle (CONGRESSIONAL RECORD, vol. 88, pt. 6, p. 7445) and the Special Committee on Un-American Activities (reports dated January 3, 1940, June 25, 1942, and March 29, 1944).

7. Ceremonies held at Carnegie Hall in New York City on October 16, 1942, under the auspices of the Artists' Front To Win the War were sponsored by Paul Jarrico among other individuals, according to the printed program of the affair. The Artists' Front To Win the War was cited as a Communist front by the special Committee on Un-American Activities in a report dated March 29, 1944.

8. Paul Jarrico was named as a supporter in a brief filed in the Supreme Court of the United States, October term 1949, in behalf of John Howard Lawson and Dalton Trumbo. Mr. Lawson and Mr. Trumbo had been convicted of contempt of Congress by refusing to answer questions before the Committee on Un-American Activities regarding their membership in the Communist Party. The afore-mentioned brief was filed in the name of "Alexander Maiklejohn, of Cultural Workers in Motion Pictures and Other Arts, and of Members of the Professions, as Amici Curiae." Paul Jarrico was also the signer of a petition submitted to the Screen Writers Guild on December 16, 1947, by 50 guild members. The petition, which the executive board of the guild opposed, asked that the guild fight to protect the movie-industry jobs of 10 individuals who had refused to answer questions regarding their Communist Party membership before the Committee on Un-American Activities. The issue of Alert, dated November 14, 1949, page 386, stated that, in connection with a recent election within the Screen Writers Guild, Paul Jarrico had signed a petition nominating Albert Maltz for membership on the guild's executive board. Mr. Maltz, who failed to win election, was one of the witnesses convicted of contempt of Congress for refusing to answer questions regarding membership in the Communist Party before the Committee on Un-American Activities.

9. The New York Times of September 26, 1948, section 2, page 5, announced that Paul Jarrico had just returned from a tour of Europe with a contract to make a motion picture in Hungary. The article stated that the project would be financed by the Hungarian National Film Trust, and that Mr. Jarrico would return to Hungary that November to begin work on the movie. The contract allegedly provided that Paul Jarrico would contribute to the Hungarian film trust the screen rights to a novel, Temptation, which would form the basis for the movie. Mr. Jarrico was also reported to have agreed to provide his own services as an adapter and production executive, and to obtain in the United States certain raw film stock and other technical equipment which were needed to make the film in Hungary, as well as to raise about $75,000 in American capital. The contract promises Mr. Jarrico 80 percent of the profits of the film's distribution in the Western Hemisphere.

10. On October 13, 1943, Hanns Eisler and his wife, Louise, attended a gathering in the home of Paul Jarrico, 727 Linda Flora Drive, Los Angeles, which was addressed by Joseph North, former editor of the New Masses. This was testified to by Louis J. Russell, senior investigator for the Committee on Un-American Activities, during committee hearings on October 30, 1947. Hanns Eisler headed the International Music Bureau, with headquarters in Moscow, and is the brother of the Communist International agent Gerhart Eisler. Mr. Hanns Eisler since left the United States, under threat of deportation.

Mr. Russell further testified that Paul Jarrico attended a meeting on May 3, 1942, at the home of Herbert Biberman—a meeting also attended by Morton Grant, Robert Rossen, and Hynan Kraft. Mr. Russell pointed out that earlier that same day, another meeting had been held at the home of Mr. Biberman at which Mr. Biberman met with Waldo Salt and Alexander Stevens, alias J. Peters. It should be noted that J. Peters was identified as the one-time head of the Communist Party's underground apparatus in the United States, in the testimony of former Communist Paul Crouch before the Committee on Un-American Activities on May 6, 1949.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New Jersey [Mr. RODINO] is recognized for 10 minutes.

THE HUNGARIAN MINISTER TO THE UNITED STATES

Mr. RODINO. Mr. Speaker, human dignity has been outraged by the despotic Communist rulers of Eastern Europe. The fundamental rights of American citizens in those countries have been trampled. However, in an effort to keep open the few remaining windows in the iron curtain, the United States has continued diplomatic relations with the Soviet Union and its satellites.

We have limited our reprisals for the violations of international law and human decency to diplomatic notes, the closing of legations, and minor retaliatory restrictions. We have not broken relations because the State Department has felt that it is more to the advantage of the United States to keep representatives behind the iron curtain than to impose upon the satellite countries the treatment they so richly deserve.

Leading the satellite states in this wholesale violation of moral law and international decency have been the Communist tyrants in Hungary. Time and again they have violated the human-rights provisions of the Hungarian peace treaty. Time and again they have insulted the United States by the mistreatment of American citizens.

The most recent example is the case of the four American fliers whose plane was forced down in Hungary last November. American diplomatic officers were

denied the right even to see these airmen. Although the fliers had merely lost their way, they were accused of spying, given a mock trial and sentenced to jail. The supreme affront, however, was to demand $120,000 ransom from the United States. This act alone warrants complete severance of United States relations with Hungary but it is not an isolated incident.

Two years before, in 1949, an American businessman Robert Vogeler, was arrested by Hungarian security police and held incommunicado in violation of the most universally accepted rules of international law. His trial also made a mockery of justice and ended in a decision that Mr. Vogeler was guilty of espionage and sabotage. Seventeen months of negotiation and several concessions to the Hungarian government constituted the price of Vogeler's release.

The Hungarian Communist Government in seeking to destroy the ways of the Christian world has stopped at nothing. Indicative of the treatment accorded the worshippers of God and those who believe in following Christianity is the incident described by Dr. Bela Varga, President of the Hungarian National Council and former President of the Parliament of Hungary, now in exile:

> In conclusion, may I relate to you a symbolic event. In the city of Budapest stood a great church commemorating the thousand-year-old history of Christianity in my country. This church had much more than religious significance. It symbolized the devotion of Hungarians to the faith which saved them in their interminable struggles against Eastern barbarians.
>
> This symbolic church has been destroyed by the Bolsheviks and a statue of Stalin erected in its place. The new symbol of Hungary will be the 65-foot statue of the Red Caesar.

However, probably the most heinous deed of the Hungarian Communists concerns their treatment of Josef Cardinal Mindszenty, Roman Catholic primate of Hungary. A man of the church, Mindszenty was widely respected and loved. On December 26, 1948, Mindszenty was arrested on "suspicion of treason, attempting to overthrow the democratic regime, espionage, and foreign-currency abuses." The Cardinal was known to be a strong, brave man with a will of iron, but when he came to his trial he appeared broken, weak, and dazed. He confessed to the charges against him. It seemed apparent then that some drug had been used to force his confession and break his spirit.

Cardinal Mindszenty is now in prison, serving a life sentence. The thought of his suffering arouses a sense of indignation that the rights of any individual, especially a man of God can be so abused.

A new consideration has now come to light in regard to this unhappy case which has a direct bearing on this country. I am speaking of the allegations that the man who injected the drug which reduced Cardinal Mindszenty from a pillar of strength to a broken shadow of a man is now the Hungarian Minister to the United States, Dr. Emil Weil.

Dr. Weil was one of the first to join the Communist Party in Hungary back in the 1930's. Consequently, when the Communists took over Hungary after the war, Dr. Weil found himself in a position of great power. He was called in on the Mindszenty trial, it is believed, both because he was trusted by the party and was a personal friend of Prime Minister Rakosi. The cardinal had been cross-examined for 82 hours, during which time he remained firm and unyielding. Being forced to view his secretary, hysterical and covered with blood, however, was the last straw. The cardinal fainted and, it is alleged, that was when this man Emil Weil directed the administration of the drug aktedron to the prelate. The drug broke the cardinal's spirit. Subsequently he answered questions at his trial in words put in his mouth by his tormentors.

If, as it is alleged, Dr. Weil did play a part in the brutal mistreatment of Cardinal Mindszenty, he is not welcome in Washington. The administration of a drug such as aktedron for political purposes violates every code of human morality and the universally accepted ethics of the medical profession. If there is a grain of truth in these allegations, Dr. Weil should be declared persona non grata and his recall demanded immediately by the State Department. The United States may find it necessary to maintain diplomatic relations with unfriendly governments, but it does not have to play host to an individual who has gone so far beyond the concepts of national duty as to behave in this depraved fashion.

There appears to be a further reason why Dr. Weil should not be allowed to stay in the United States and why his presence is dangerous to us. According to expert observers and underground reports, Dr. Weil's mission to the United States is not in accord with the usual purpose of diplomatic missions—this is to promote good relations between two nations. Instead, his aim is to organize the spurious Communist peace movement, to stir up disunity among Americans of Hungarian descent, and to organize a group which will give allegiance to the Hungarian Communist government organized in 1948. After he has accomplished these purposes, it is believed, Dr. Weil is to denounce openly his Communist allegiance, and declare himself a non-Communist. Then he would be in a position, as an exile, to continue working underground for the Communists.

If this is the Hungarian Minister's aim in the United States, he should be deported immediately under the Internal Security Act of 1950.

A man who played such a monstrous role in the tragedy of Cardinal Mindszenty should not be permitted to utilize the privileges and the protection of the United States which diplomatic representatives enjoy here to undermine our democracy.

Ferenc Nagy, former Prime Minister of Hungary and in exile in the United States, expressed the underlying reaction of the Hungarian people to the Communist-dominated government when he said, "The Hungarian people know that the present government represents neither the people nor the interest of Hungary; it is merely an executive agent of Moscow's intentions. It is a government which persecutes the tradition and the patriotism of the Hungarian people, and its creation violated international agreements. The Hungarian people do not rejoice in the fact that the Western Powers deem its present government worthy of maintaining diplomatic relations."

The Hungarian people won their fight for independence in 1848 under the leadership of Louis Kossuth. Their freedom has been temporarily eclipsed by Communist domination, and until that domination is cast off, no Hungarian Minister will be truly representative of the Hungarian people. In the meantime, however, international custom does not require that he be of a caliber so loathsome as to pervert medical science to degrade fellow human beings and to abuse his office for the purpose of destroying the American way of life.

No reason need be given for declaring a diplomat persona non grata. However, authoritative reports of former Hungarian leaders now living in exile here in the United States, stories trickling in from the underground, and the observations of refugees are deserving of the greatest consideration by our State Department. It is imposible because of the secrecy surrounding iron curtain countries and the fear of reprisal which hangs over the heads of refugees who talk, to reduce any related incident to proof. Nonetheless, I would like to suggest that our State Department should check the reports on Dr. Weil to determine whether he should be given his walking papers as a persona non grata. It is not my intention to presume to prejudge the facts but, if Dr. Weil had anything to do with the Mindszenty case and if he is the head of Hungarian Communist subversion in the United States, we should not only tell the Hungarian Communist government why he is not welcome here but we should tell the whole world. In this manner we will show that acts of tyranny which violate human rights do not go unnoticed, that the individual perpetrators of these acts are known and must answer for their deeds. And most important, in this manner we will safeguard our democracy from the ruthless tactics of professional Communist saboteurs.

The SPEAKER pro tempore (Mr. FURCOLO). Under the previous order of the House, the gentleman from Texas [Mr. BECKWORTH] is recognized for 5 minutes.

THE NEWARK AIRPORT

Mr. BECKWORTH. Mr. Speaker, I have the honor to report briefly on the activities of the Aviation Subcommittee of the House Interstate and Foreign Commerce Committee which has been engaged in investigating aviation safety with particular emphasis on the series of accidents at Elizabeth, N. J. The subcommittee has held nine public hearings and seven executive hearings where testimony was taken. It also has met five times in what might be called work sessions, the latter being either visits to

sites of accidents or committee discussions concerning testimony or agenda.

While the subcommittee first directed its attention to the circumstances surrounding the accidents at Elizabeth, with their attendant heavy losses of life to both passengers and people on the ground, its main objective is to promote increased safety in air by seeking out and identifying the causes of aircraft accidents wherever they may have occurred and then endeavoring to find ways and means of preventing them in the future. I am most happy to report that considerable progress has been made toward identifying certain specific hazards to safe flying, and the subcommittee is in process of ascertaining any and all information on these items with the hope that remedies will be found and early action taken to apply them.

We have been very pleased with the constructive attitude of industry, interested citizens as well as of Government agencies in regard to our investigation. We have had their helpful cooperation and apparently they are pleased to have a congressional committee inquiring into these matters at this time. The visits of the subcommittee to the sites of the accidents at Elizabeth, N. J., and the hearings held in connection therewith have offered an opportunity to the people in that area to register their objections to the operations of the Newark airport. Incidentally, our subcommittee had scheduled a hearing in Elizabeth on Monday, February 11, at 10 a. m.; we were in New York City the preceding Sunday night; we, therefore, were in the area when the third accident occurred in Elizabeth. The subcommittee participated in numerous discussions by telephone and otherwise in the early Monday morning hours immediately after the accident. These discussions contributed to the conclusion that the closing of Newark airport at 3 a. m., February 11, 2 hours and 40 minutes after the third accident, was necessary. This action, as well as the sympathetic attitude shown by the subcommittee during its several visits to Elizabeth, N. J., has done much to reassure the residents of that city and vicinity. The very dangerous and hysterical atmosphere that prevailed in that area following these accidents has become less pronounced and many people in those localities are cooperating with the various committees that are seeking to find a solution to the problems connected with the low flying of planes over residential areas.

Representative KLEIN, a member of our subcommittee, is now in New York. Immediately after the tragic accident in New York last Saturday morning, I talked with Representative KLEIN over the phone and we agreed that he would go to the scene of the accident as soon as possible. I understand he has done this; I expect to get a report from him soon. Indeed, our committee desires to contribute everything possible to help prevent these very tragic airplane accidents.

I shall report our progress from time to time, and I am hopeful that a very real contribution to safety in air will result from the work of our subcommittee.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the RECORD, or to revise and extend remarks was granted to:

Mr. SUTTON and to include extraneous matter.

Mr. MAHON and to include certain extraneous matter and excerpts in the remarks he expects to make today.

Mr. LANE in four instances and to include extraneous matter.

Mr. ALLEN of Illinois and to include an article by Mr. Drew Pearson.

Mrs. ROGERS of Massachusetts and to include an article by David Lawrence in last night's Evening Star.

Mr. BEAMER to include an editorial from Our Sunday Visitor.

Mr. LOVRE and to include an article.

Mr. PATMAN asked and was given permission to revise and extend the remarks he expects to make in Committee of the Whole today and include extraneous matter.

Mr. HAYS of Ohio asked and was given permission to revise and extend his remarks in the Appendix of the RECORD and include an article notwithstanding that it is estimated by the Public Printer to cost $336.

Mr. TACKETT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HÉBERT and to include a statement from the New Orleans Chamber of Commerce.

Mr. MILLER of New York in three instances.

Mr. RADWAN and to include an editorial.

Mr. BOGGS of Louisiana in two instances and to include extraneous matter.

Miss THOMPSON of Michigan in two instances and to include two newspaper articles.

Mr. ROGERS of Colorado and to include a statement by Mrs. Gracie Pfost before the Insular Affairs Committee.

Mr. REED of New York in four instances and in each case to include extraneous matter.

Mr. JENSEN and to include a report.

Mr. HORAN and to include a letter.

Mr. SCUDDER and to include a resolution.

Mr. POTTER and to include an editorial.

Mr. KEARNEY and to include an article.

Mr. CANNON (at the request of Mr. PRIEST) and to include an address delivered by Secretary of Agriculture Brannan before the Women's National Democratic Club.

Mr. MCGUIRE (at the request of Mr. PRIEST) and to include an article from the Army Times.

Mr. STANLEY and to include a report of the committee headed by the gentleman from Texas [Mr. REGAN] appointed by the Committee on House Administration to check into the service of the folding room.

Mr. KELLEY of Pennsylvania and to include a press release from Pittsburgh on the Bureau of Mines, showing the violence of mine explosions.

Mr. ADDONIZIO (at the request of Mr. RODINO) and to include certain resolutions.

Mr. FURCOLO and to include extraneous matter.

Mr. WHARTON and to include extraneous matter.

Mr. VURSELL.

Mr. GWINN and to include extraneous matter.

Mr. GAMBLE and to include an editorial.

Mr. FEIGHAN to revise and extend the remarks he made in the House.

Mr. THOMPSON of Texas.

Mr. SABATH (at the request of Mr. MCCORMACK).

Mr. DAVIS of Wisconsin (at the request of Mr. MARTIN of Massachusetts) in three instances and to include extraneous matter.

Mr. O'HARA and to include some newspaper articles.

Mr. BUSBEY in two instances, in one to include a portion of a radio broadcast made by Paul Harvey, and in the other to include an address made by the Lithuanian Consul in Chicago.

Mr. HALE and to include a letter.

Mr. VAN ZANDT and to include an editorial.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MACHROWICZ from April 9 to May 2, 1952, inclusive, on account of absence from the country on business of Congressional Katyn Massacre Committee.

Mr. YATES (at the request of Mr. PRIEST), for the balance of the week, on account of official business.

SENATE JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 147. Joint resolution designating April 9, 1952, as Bataan Day.

ADJOURNMENT

Mr. MARSHALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.), under its previous order, the House adjourned until tomorrow, Wednesday, April 9, 1952, at 10 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:

1324. A communication from the President of the United States, transmitting recommendations to extend for a period of 60 days emergency powers which otherwise will terminate when the treaty of peace with Japan becomes effective (H. Doc. No. 416); to the Committee on the Judiciary, and ordered to be printed.

1325. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled, "A bill to amend the act of December 23, 1944, authorizing certain transactions by disbursing offices of the United States, and for other purposes"; to the Committee on Expenditures in the Executive Departments.

1326. A letter from the Attorney General, transmitting a copy of an order of the Acting Commissioner of Immigration and Naturalization dated October 20, 1950, authorizing the temporary admission into the United States, for shore leave purposes only, of alien seamen found to be excludable as persons within one of the classes enumerated in section 1 (2) of the act of October 16, 1918, as amended by section 22 of the Internal Security Act of 1950; to the Committee on the Judiciary.

1327. A letter from the Attorney General, transmitting a letter relative to the case of Jesus Pelayo-Lopez or Juan Garcia-Loera, file No. A-7270927 CR 38077, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

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. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 1729, report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BUCKLEY: Committee on Public Works. H. R. 7340. A bill to amend and supplement the Federal-aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, to authorize appropriations for continuing the construction of highways, and for other purposes; without amendment (Rept. No. 1730). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 6922. A bill to amend section 22 (relating to the endowment and support of colleges of agriculture and the mechanic arts) of the act of June 29, 1935, so as to extend the benefits of such section to certain colleges in the Territory of Alaska; without amendment (Rept. No. 1746). Referred to the Committee of the Whole House on the State of the Union.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 423. Joint resolution, to continue the effectiveness of certain statutory provisions until July 1, 1952, without amendment (Rept. No. 1747). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. Report on proceedings against Henry W. Grunewald; without amendment (Rept. No. 1748). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. Report pursuant to House Resolution 78, Eighty-second Congress. A report on the investigation of rumors of intervention in certain tax cases arising in southern California; without amendment (Rept. No. 1749). Referred to the Committee on the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. S. 658. An act to further amend the Communications Act of 1934; with amendment (Rept. No. 1750). 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. H. R. 707. A bill to record the lawful admission for permanent residence of alien John Michael Ancker Rasmussen; with amendment (Rept. No. 1731). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 728. A bill for the relief of Mrs. Mildred Lewis Morgan; without amendment (Rept. No. 1732). Referred to the Committee of the Whole House.

Mr. CASE: Committee on the Judiciary. H. R. 765. A bill for the relief of John George Papailias; with amendment (Rept. No. 1733). Referred to the Committee of the Whole House.

Mr. WILSON of Texas: Committee on the Judiciary. H. R. 954. A bill for the relief of Elvira Suzanne Oosterwyk; without amendment (Rept. No. 1734). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1448. A bill for the relief of Mr. and Mrs. Charles Fuxman and their two daughters; without amendment (Rept. No. 1735). Referred to the Committee of the Whole House.

Mr. WILSON of Texas: Committee on the Judiciary. H. R. 1477. A bill for the relief of Linda Azar Karam Batrouny; without amendment (Rept. No. 1736). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1699. A bill to adjust the status of a displaced person in the United States who does not meet the requirements of section 4 of the Displaced Persons Act; with amendment (Rept. No. 1737). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1710. A bill for the relief of Mrs. Marie Weir; without amendment (Rept. No. 1738). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 1718. A bill for the relief of Mrs. Tomiko Munakata Millhollin; without amendment (Rept. No. 1739). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1723. A bill for the relief of George Economos; without amendment (Rept. No. 1740). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1814. A bill to authorize the admission of Flora Fung Wah Miu Wong to the United States; without amendment (Rept. No. 1741). Referred to the Committee of the Whole House.

Mr. CASE: Committee on the Judiciary. H. R. 1838. A bill for the relief of Fong Bat Woon and Fong Get Nan; without amendment (Rept. No. 1742). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 1843. A bill for the relief of Nahan Abdo Haj Moussa; without amendment (Rept. No. 1743). Referred to the Committee of the Whole House.

Mr. GRAHAM: Committee on the Judiciary. H. R. 1849. A bill for the relief of the alien Malke Kresel Mohrer; with amendment (Rept. No. 1744). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 2113. A bill for the relief of Yee Kee Lam; without amendment (Rept. No. 1745). 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. KEOGH:

H. R. 7443. A bill to amend section 3469 (a) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7444. A bill to amend the act of August 1, 1941, to include Public Health Service officers; to the Committee on Post Office and Civil Service.

By Mr. RADWAN:

H. R. 7445. A bill to amend subdivision (b) of section 61 of the National Defense Act to extend its provisions until December 31, 1954, and to permit the States at any time during that period to organize and maintain military forces at cadre strengths in addition to the National Guard, even if no part of the National Guard is in active Federal services; to the Committee on Armed Services.

By Mrs. ROGERS of Massachusetts:

H. R. 7446. A bill to amend Veterans Regulation No. 1 (a), as amended, to increase the additional rates of compensation provided for specific service-incurred disabilities; to the Committee on Veterans' Affairs.

By Mr. CAMP.

H. R. 7447. A bill to amend section 22 (d) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. GREENWOOD:

H. R. 7448. A bill to require inspection of motor vessels carrying passengers from a port in the United States or upon the navigable waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. JAVITS:

H. R. 7449. A bill to establish authority relating to the seizure, use, and operation by the United States of certain plants, mines, and facilities in the event of a national emergency due to strikes, lock-outs, and stoppages of production, and for other purposes; to the Committee on Education and Labor.

By Mr. BURDICK:

H. J. Res. 425. Joint resolution declaring the 14th day of June in each year to be a legal holiday, and requesting the President to issue a special proclamation commemorating the one hundred and seventy-fifth anniversary of the flag of the United States; to the Committee on the Judiciary.

By Mr. ROSS:

H. Res. 601. Resolution authorizing the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the Civil Aeronautics Board, and for other purposes; to the Committee on Rules.

MEMORIALS

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

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States, relative to the need for congressional action to restore the taxing power of the States; to the Joint Committee on Atomic Energy.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States, relative to the need for materials for construction of additional school and college buildings in California; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States, relative to their assembly joint resolutions Nos. 6, 7, 8, 9, and 10, adopted during the 1952 budget session, and assembly joint resolutions Nos. 2, 5, 6, 7, 8, and 15, adopted during the 1952 first extraordinary session of the California Legislature; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANFUSO:

H. R. 7450. A bill for the relief of Pietro Dentice; to the Committee on the Judiciary.

By Mr. BAKEWELL:

H. R. 7451. A bill for the relief of Akinori Nakayama; to the Committee on the Judiciary.

By Mr. BATES of Massachusetts (by request):

H. R. 7452. A bill for the relief of Mrs. Rosina Biola and daughter, Paula Biola; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 7453. A bill for the relief of Julia N. Emmanuel; to the Committee on the Judiciary.

By Mr. CLEMENTE:

H. R. 7454. A bill for the relief of the estate of William B. Rice, to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 7455. A bill for the relief of Willard Chester Cauley; to the Committee on the Judiciary.

By Mr. PATMAN:

H. R. 7456. A bill for the relief of Nasser Esphahanian; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 7457. A bill for the relief of Mihai Patrichi and Victoria Viorica Patrichi; to the Committee on the Judiciary.

By Mr. TACKETT:

H. R. 7458. A bill for the relief of Sakae Tomiyama Rapier; to the Committee on the Judiciary.

By Mr. VORYS:

H. R. 7459. A bill for the relief of Antonio Mollicone; to the Committee on the Judiciary.

PETITIONS, ETC.

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

669. By the SPEAKER: Petition of W. C. Thomas, city clerk, Seattle, Wash., relative to requesting the adoption of legislation confirming and establishing the titles of the States to lands beneath navigable waters within State boundaries and natural resources within such lands and waters and to provide for the use and control of said lands and resources; to the Committee on the Judiciary.

670. Also, petition of Mrs. B. Wegman, and others, Tampa, Fla., requesting passage of House bills 2678 and 2679, known as the Townsend plan; to the Committee on Ways and Means.

671. Also, petition of Byelorussian Community in Buenos Aires, Argentina, requesting that the Byelorussian language be included in the broadcasting programs of the Voice of America; to the Committee on Foreign Affairs.

SENATE

WEDNESDAY, APRIL 9, 1952

(Legislative day of Wednesday, April 2, 1952)

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:

Gracious God our Father, whose still, small voice invites us to turn aside from the feverish ways of the world and whose tender love bids us find our rest in Thee: We are conscious, as we bow at this noontide altar, that if we live a life of prayer Thou art present everywhere. Amid the draining duties of these demanding days, may Thy rest flow around our restlessness, may our jaded spirits be refreshed and our souls restored. With contrition we acknowledge that we have fallen short of our high calling. When we glimpse the opulent riches that Thou dost offer we stand ashamed at our spiritual poverty.

As public servants, make us worthy of the Nation's trust, in these days so fraught with destiny. On the stepping stones of our dead selves may we mount to newness of life and to the singing Easter of the soul. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, April 8, 1952, was dispensed with.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 9, 1952, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 147) designating April 9, 1952, as Bataan Day.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

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

On April 4, 1952:

S. 2667. An act to authorize the Board of Commissioners of the District of Columbia to establish daylight-saving time in the District.

On April 5, 1952:

S. 2077. An act to provide for certain investigations by the Civil Service Commission in lieu of the Federal Bureau of Investigation, and for other purposes.

On April 8, 1952:

S. 690. An act to permit certain lands heretofore conveyed to the city of Canton, S. Dak., for park, recreation, airport, or other public purposes, to be leased by it so long as the income therefrom is used for such purposes;

S. 1184. An act to extend the Youth Corrections Act to the District of Columbia;

S. 1212. An act to amend section 2113 of title 18 of the United States Code;

S. 1949. An act for the relief of Hattie Truax Graham, formerly Hattie Truax; and

S. 2408. An act to amend the act authorizing the negotiation and ratification of certain contracts with certain Indians of the Sioux Tribe in order to extend the time for negotiation and approval of such contracts.

On April 9, 1952:

S. J. Res. 147. Joint resolution designating April 9, 1952, as Bataan Day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the bill (S. 302) to amend section 32 (a) (2) of the Trading With the Enemy Act, with an amendment, in which it requested the concurrence of the Senate.

The message also 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 Senate to the bill (H. R. 745) for the relief of Thomas A. Trulove, postmaster, and Nolen J. Salyards, assistant postmaster, at Inglewood, Calif.

The message further announced that the House insisted upon its amendment to the joint resolution (S. J. Res. 20) to confirm and establish the titles of the States to lands beneath navigable waters within State boundaries and to the natural resources within such lands and waters, and to provide for the use and control of said lands and resources, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CELLER, Mr. WALTER, Mr. WILSON of Texas, Mr. GRAHAM, and Mr. CASE had been appointed managers on the part of the House at the conference.

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

H. J. Res. 423. Joint resolution to continue the effectiveness of certain statutory provisions until July 1, 1952; and

H. J. Res. 426. Joint resolution making temporary appropriations for the fiscal year 1952, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (H. R. 745) for the relief of Thomas A. Trulove, postmaster, and Nolen J. Salyards, assistant postmaster, at Inglewood, Calif., and it was signed by the Vice President.

LEAVES OF ABSENCE

On his own request, and by unanimous consent, Mr. IVES was excused from attendance on the sessions of the Senate beginning at 3 o'clock this afternoon to and through Tuesday, April 15, 1952.

On request of Mr. HILL, and by unanimous consent, Mr. MCCARRAN was excused from attendance on the sessions of the Senate for the next 2 weeks after today.

GOVERNMENT OPERATION OF STEEL MILLS—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 422)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, relating to Government operation of the steel mills, which was read and referred to the Committee on Labor and Public Welfare.

(For President's message, see House proceedings of today.)

TRANSACTION OF ROUTINE BUSINESS

Mr. HILL. Mr. President, I ask unanimous consent that Senators be permitted