

SENATE

TUESDAY, AUGUST 3, 1954

(Legislative day of Friday, July 2, 1954)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rev. Russell Cartwright Stroup, D. D., minister of the Georgetown Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, look with compassion upon these Thy servants, who hold in solemn trust the heritage and hopes of all the people in the land we love. Theirs are burdens too great to be borne save by Thy power. Theirs are problems too perplexing to solve save by Thy wisdom.

Grant, we beseech Thee, to each man strength for his day. Guide all in the way of truth by Thy holy spirit. Vouchsafe to them vision to perceive Thy purpose and the courage to obey Thy will, to the end that as they are blessed by Thee the Nation may be blessed through them. And to Thee we shall give the glory, world without end. Amen.

THE JOURNAL

On request of Mr. KNOWLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 2, 1954, was dispensed with.

MESSAGE FROM THE HOUSE—
ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the enrolled bill (S. 3683) to amend the District of Columbia Credit Unions Act, and it was signed by the Vice President.

LEAVE OF ABSENCE

Mr. BUSH. Mr. President, I ask leave of the Senate to be absent for 24 hours beginning at 3 o'clock this afternoon, to attend the funeral in New York of the wife of my long-time friend and intimate business partner.

The VICE PRESIDENT. Without objection, leave is granted.

ORDER FOR TRANSACTION OF
ROUTINE BUSINESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that immediately following a brief executive session and a quorum call there may be the customary morning hour for the transaction of routine business, under the usual 2-minute limitation on speeches.

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

EXECUTIVE SESSION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of executive business to act on the nominations on the Executive

Calendar which appear under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

FEDERAL RESERVE SYSTEM

The Chief Clerk read the nomination of Paul Emmert Miller, of Minnesota, to be a Member of the Board of Governors of the Federal Reserve Board for the remainder of the term of 14 years from February 1, 1954.

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

COMMODITY CREDIT
CORPORATION

The Chief Clerk read the nomination of Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

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

UNITED STATES CIRCUIT JUDGE

The Chief Clerk read the nomination of Elbert Parr Tuttle, of Georgia, to be United States circuit judge for the fifth circuit.

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

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Paul W. Cress, of Oklahoma, to be United States attorney for the western district of Oklahoma.

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

UNITED STATES MARSHAL

The Chief Clerk read the nomination of Charles Swann Prescott to be United States marshal for the middle district of Alabama.

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

Mr. KNOWLAND. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

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

LEGISLATIVE SESSION

Mr. KNOWLAND. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

CALL OF THE ROLL

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

Marjorie A. Hershiser, Lake Odessa, Mich., in place of D. M. Gray, transferred.

Marvin D. Cole, Middleton, Mich., in place of P. A. Curtis, transferred.

Shirley E. McBean, Peck, Mich., in place of Lyman Woodward, retired.

Burnetta W. Lawitzke, Port Hope, Mich., in place of H. C. Bunting, retired.

MINNESOTA

Robert J. Talbert, Crystal Bay, Minn., in place of E. T. Swanson, deceased.

Vernon A. Temanson, Greenbush, Minn., in place of Andrew Lubinski, retired.

Ruby S. Lynch, South International Falls, Minn., in place of H. S. Ness, removed.

MISSOURI

Weldon P. Coy, South St. Joseph, Mo., in place of E. C. Buehler, retired.

NEBRASKA

Ivan E. Hiatt, Bristow, Nebr., in place of M. E. Andersen, retired.

William H. Weber, Creighton, Nebr., in place of W. A. Horstman, removed.

Duane M. Vannice, Halsey, Nebr., in place of L. F. Besley, retired.

Clarence O. Rodine, Polk, Nebr., in place of M. P. Westfall, retired.

NEVADA

Bettie J. Nurmi, Austin, Nev., in place of W. B. Collins, resigned.

NEW JERSEY

Lester W. Schroeder, Franklin, N. J., in place of Elizabeth Massey, resigned.

Frank W. Murphy, Paterson, N. J., in place of D. B. Morgan, deceased.

NEW YORK

Leon P. Carey, Woodstock, N. Y., in place of Howard Bell, resigned.

OHIO

August J. Leagre, De Graff, Ohio, in place of P. D. Smith, removed.

Harry A. Titsworth, Fremont, Ohio, in place of L. C. Brokate, resigned.

Earl W. Conner, Waynesville, Ohio, in place of L. H. Gordon, resigned.

OREGON

Albert M. Hodler, Portland, Oreg., in place of E. T. Hedlund, deceased.

PENNSYLVANIA

Earl S. Cummings, Allquippa, Pa., in place of E. E. Hanna, resigned.

Bruce Crumm, Altoona, Pa., in place of P. V. Tillard, retired.

Kelvin L. Bowman, Klingerstown, Pa., in place of W. H. Davis, retired.

George W. Gunia, Springdale, Pa., in place of E. F. Kapteina, resigned.

William W. Davis, Wilkes-Barre, Pa., in place of E. J. Quinn, deceased.

TENNESSEE

Robert A. Smith, Clinton, Tenn., in place of B. R. Vandergriff, resigned.

Francis M. Bray, Jellico, Tenn., in place of H. H. Hackney, removed.

TEXAS

John W. Veazey, Ben Wheeler, Tex., in place of L. L. Cates, retired.

Rupaco T. Gonzalez, Falcon Heights, Tex. Office established September 1, 1951.

VIRGINIA

R. Frazier Smith, Jr., Covington, Va., in place of T. B. McCaleb, deceased.

WASHINGTON

Wanda G. Wyatt, Union, Wash., in place of H. G. Andersen, retired.

WISCONSIN

William D. Arnold, Lake Nebagamon, Wis., in place of L. J. Drolson, transferred.

The VICE PRESIDENT. The Secretary will call the roll.

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

Anderson	Green	McCarran
Barrett	Hayden	Murray
Bennett	Hendrickson	Payne
Bowring	Hickenlooper	Reynolds
Butler	Holland	Smith, N. J.
Carlson	Johnson, Tex.	Upton
Cordon	Knowland	Watkins
Crippa	Langer	Wiley
Ervin	Lehman	Williams
Flanders	Long	Young
George	Mansfield	
Gillette	Martin	

Mr. SALTONSTALL. I announce that the Senator from Pennsylvania [Mr. DUFF] is necessarily absent.

The Senator from Kansas [Mr. SCHOEPEL] is absent by leave of the Senate.

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

The VICE PRESIDENT. A quorum is not present.

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

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

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

After a little delay, Mr. AIKEN, Mr. BEALL, Mr. BRICKER, Mr. BRIDGES, Mr. BURKE, Mr. BUSH, Mr. BYRD, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. DANIEL, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. ELLENDER, Mr. FERGUSON, Mr. FREAR, Mr. FULBRIGHT, Mr. GOLDWATER, Mr. GORE, Mr. HENNING, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KUCHEL, Mr. LENNON, Mr. MAGNUSON, Mr. MALONE, Mr. MAYBANK, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONROE, Mr. MORSE, Mr. MUNDT, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, and Mr. WELKER entered the Chamber and answered to their names.

The VICE PRESIDENT. A quorum is present.

Routine business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON PROVISION OF WAR-RISK AND CERTAIN MARINE AND LIABILITY INSURANCE FOR AMERICAN PUBLIC

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and cer-

tain marine and liability insurance for the American public, as of June 30, 1954 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such suspensions (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

REPORT ON APPORTIONMENT OF APPROPRIATION FOR "SUPPORT OF UNITED STATES PRISONERS"

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of Justice for "Support of United States Prisoners" for the fiscal year 1955 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation (with an accompanying paper); to the Committee on Appropriations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. CARLSON and Mr. JOHNSTON of South Carolina members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDERSON, from the Committee on Agriculture and Forestry, with amendments:

S. 3601. A bill to provide that the Secretary of Agriculture is authorized to extend until not later than October 18, 1962, certain timber rights and necessary ingress and egress, and for other purposes (Rept. No. 2206).

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

S. 3622. A bill to provide for the preparation of plans and specifications for a museum building for the Smithsonian Institution; with amendments (Rept. No. 2207).

By Mr. LANGER, from the Committee on the Judiciary, without amendment:

H. R. 9804. A bill to authorize the appointment in a civilian position in the Department of Justice of Maj. Gen. Frank H. Partridge, United States Army, retired, and for other purposes (Rept. No. 2205).

By Mr. KUCHEL, from the Committee on Interior and Insular Affairs, with an amendment:

S. 3040. A bill to provide financial assistance to the Oakdale and South San Joaquin Irrigation Districts, California, in the construction of the Tri-Dam project (Rept. No. 2209).

By Mr. WATKINS, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 3419. A bill to authorize a \$50 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation (Rept. No. 2210).

JOINT COMMITTEE ON TIN—REPORT OF A COMMITTEE

Mr. CAPEHART. Mr. President, from the Committee on Banking and Currency, I report favorably, without amendment, the concurrent resolution (H. Con. Res. 259) to provide for the Joint Committee on Tin, and I submit a report (No. 2208) thereon.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The report will be received, and, pursuant to the order of the Senate of July 29, 1954, the concurrent resolution will be referred to the Committee on Armed Services.

BILLS INTRODUCED

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

By Mr. SMITH of New Jersey (by request):

S. 3831. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Labor and Public Welfare.

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

By Mr. MANSFIELD:

S. 3832. A bill for the relief of William Murray; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 3833. A bill for the relief of Julius Firt; to the Committee on the Judiciary.

AMENDMENTS OF FAIR LABOR STANDARDS ACT OF 1938

Mr. SMITH of New Jersey. Mr. President, at the request of the Acting Secretary of the Navy, Thomas S. Gates, Jr., I introduce for appropriate reference a bill to amend the Fair Labor Standards Act of 1938, as amended. Mr. Gates forwarded the bill to the Senate by letter addressed to the President of the Senate, dated July 21, 1954, which I request be printed in full text in the body of the RECORD as a part of my remarks. The President of the Senate, Vice President NIXON, referred the matter to me as chairman of the Committee on Labor and Public Welfare. It will be noted that Mr. Gates states that he has been designated as the representative of the Department of Defense in regard to this proposed legislation.

In introducing this bill I wish to make it clear that I am doing so by request.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3831) to amend the Fair Labor Standards Act of 1938, as amended, introduced by Mr. SMITH of New Jersey (by request), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter referred to is as follows:

JULY 21, 1954.

HON. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

MY DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation to amend the Fair Labor Standards Act of 1938, as amended.

This proposal is a part of the Department of Defense legislative program for 1954 and it has been approved by the Bureau of the Budget. The Department of the Navy has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

This proposal would amend the Fair Labor Standards Act of 1938 (29 U. S. C. 201) to provide that its principal provisions shall not apply to employees whose services are performed in a foreign country or within United States territory other than a State of the United States, the District of Columbia, Alaska, Hawaii, Puerto Rico, the Virgin Islands, outer Continental Shelf lands, Guam, American Samoa, and Wake Island. With respect to Guam, American Samoa, and Wake Island, this proposal provides that the Secretary of Labor after a public hearing may determine the minimum wage appropriate for the geographical area or particular work performed, not in excess of the minimum rate applicable within the continental United States.

The proposal also provides that no employer shall be subject to any liability under the Fair Labor Standards Act or the Portal-to-Portal Act for work performed outside the areas named above, or for work performed on Guam, American Samoa, or Wake Island prior to the effective date of a minimum wage fixed by the Secretary of Labor.

The Fair Labor Standards Act covers employees engaged in commerce or the production of goods for commerce. The geographic coverage of the act turns upon the definition of "State" as "any State of the United States or the District of Columbia or any Territory or possession of the United States." As a result of this broad definition, the act may be interpreted as applicable not only to employees in the United States and its Territories but also to employees upon any United States base anywhere in the world.

This broad interpretation of coverage is supported by the decision of the Supreme Court of the United States in *Vermilya-Brown Co., Inc. v. Connell* (335 U. S. 377 (1948)). This case held that the Fair Labor Standards Act, if otherwise applicable, covered employees of United States contractors engaged in construction of a military base for the United States on land in Bermuda acquired from Great Britain under the destroyer-lease agreement. The Court held that the "facts indicate an intention on the part of Congress in its use of the word 'possession' to have the act apply to employer-employee relationships on foreign territory under lease for bases."

The full effect of the *Vermilya-Brown* decision was not immediately felt by the Department of Defense because the Department was not then engaged in a mobilization effort which involved extensive overseas construction in areas covered by this decision. However, the expansion of military operations at home and abroad since the Korean incident has precipitated serious

problems relating to the applicability of the Fair Labor Standards Act to the various overseas possessions.

The Fair Labor Standards Act imposes a minimum wage of 75 cents per hour and requires that overtime compensation at time and one-half for all hours worked beyond 40 in a workweek be paid to all employees covered by the act. On bases or establishments in foreign areas where the act may presently be held applicable and where native workers are utilized, labor standards for areas contiguous to the base or establishment are under the jurisdiction of foreign governments and are established at levels consistent with the prevailing local economy. Applying the conditions of the Fair Labor Standards Act to work performed within the base or establishment would require, in most instances, wage payments on the part of contractors performing work for the Department of Defense to be made at higher wage scales than those generally prevailing in the area. Such wage payments would obviously distort the local economy and, in some instances, objections have been received from foreign governments. In addition, such payments would result in higher costs to the United States.

With respect to areas, other than those designated in section 3 of the proposal, upon which the United States may have defense bases or other establishments, the proposal expressly provides that the minimum wage, overtime, recordkeeping, and child-labor provisions of the Fair Labor Standards Act do not apply. With respect to Guam, American Samoa, and Wake Island, the proposal would authorize the Secretary of Labor to determine minimum-wage rates not in excess of the generally applicable minimum, now 75 cents per hour, taking into consideration the fact that the labor standards in these areas are unlike those in the United States. In addition, where such minimum-wage rates are established, the Secretary of Labor may make rules and regulations providing variations and exemptions from any of the provisions of section 7 (overtime payments) and section 12 (child labor) if he shall find that economic conditions warrant such action.

The principal problem now arises upon Guam, where Department of Defense contractors have been engaged in a major expansion program for improving defense facilities. There have not been sufficient local resident workers to accomplish this program. The remoteness of the island, its climate, and the more favorable economic conditions in the United States have prevented the attraction of sufficient United States workers, particularly in the laboring and semiskilled classifications. As a consequence, a large number of the required workers were recruited under contract from the Philippines. These workers had to be taught new skills and techniques, and their usefulness and productivity suffered from inability to understand English. They have been paid hourly wages and have been provided with lodging, board, and medical care. The compensation and the conditions of employment had the approval of the Philippine Government. The total of such compensation and benefits has been commensurate with their productive efficiency. Although for the less skilled workers the total compensation and benefits has not amounted to the 75-cent minimum prescribed by the Fair Labor Standards Act, the compensation has been substantial and has been much greater than they would have earned in the Philippines.

The Department of Defense believes that the employment of native workers in foreign areas as well as the employment of Filipinos on Guam has been advantageous to the workers and to their countries. The program has been administered fairly, with-

out exploitation, to produce substantial savings for the United States and to promote good international relations. To remove any technical doubt as to the legality of this employment, the Department of Defense proposes the exemptions from the Fair Labor Standards Act as set forth in the attached draft of legislation.

COST AND BUDGET DATA

This proposal would forestall claims that could amount to several million dollars from foreign workers on defense bases who have been paid less than the 75-cent minimum wage. It will also make unnecessary increases in the wage scales for foreign workers on such bases to pay all employees who may be covered by the Fair Labor Standards Act not less than this minimum and to maintain established wage differentials above this minimum. These claims and these increased wages would be reflected in higher costs to the United States for its contract work. For example, if the Fair Labor Standards Act is enforced on Guam, the Department of Defense is faced with a potential cost of more than \$3 million for retroactive wage payments; in addition, annual costs would increase by a minimum of \$1,500,000, which figure would be greatly increased if existing wage differentials between occupational categories are maintained.

Sincerely yours,
THOMAS S. GATES, Jr.,
Acting Secretary of the Navy.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ENTITLED "COMMUNIST PROPAGANDA"

Mr. JENNER submitted the following concurrent resolution (S. Con. Res. 103), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary an additional 20,000 copies of the hearings entitled "Communist Propaganda," held before a subcommittee of the above committee during the 83d Congress.

AGRICULTURAL ACT OF 1954—AMENDMENT

Mrs. SMITH of Maine (for herself and Mr. PAYNE) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 3052) to encourage a stable, prosperous, and free agriculture and for other purposes, which was ordered to lie on the table and to be printed.

Mr. ANDERSON submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

Mr. WILLIAMS submitted an amendment intended to be proposed by him to Senate bill 3052, supra, which was ordered to lie on the table and to be printed.

FLOOD CONTROL ACT OF 1954—AMENDMENTS

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted amendments intended to be proposed by them jointly to the bill (H. R. 9859) authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes, which were ordered to lie on the table and to be printed.

**SOCIAL SECURITY AMENDMENTS
OF 1954—AMENDMENTS**

Mr. HUMPHREY submitted amendments intended to be proposed by him to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, which were ordered to lie on the table and to be printed.

SOCIAL SECURITY ACT AMENDMENTS OF 1954—AMENDMENT

Mr. LEHMAN. Mr. President, I submit an amendment in the nature of a substitute, intended to be proposed by me to the bill (H. R. 9366) to amend the Social Security Act and the Internal Revenue Code so as to extend coverage under the old-age and survivors insurance program, increase the benefits payable thereunder, preserve the insurance rights of disabled individuals, and increase the amount of earnings permitted without loss of benefits, and for other purposes, now pending on the Senate calendar. This substitute conveys, with some modification, the substance of a bill I introduced last year, S. 2260, for the improvement and liberalization of our social-security laws, and proceeds along the lines of the administration's bill except that it makes much more comprehensive changes in the present law. I ask that the amendment lie on the table, and be printed.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

NOTICE OF HEARING ON NOMINATION OF BRIG. GEN. HERBERT D. VOGEL TO BE MEMBER OF BOARD OF DIRECTORS OF TENNESSEE VALLEY AUTHORITY

Mr. MARTIN. Mr. President, on behalf of the Committee on Public Works, I desire to give notice that a public hearing has been scheduled for Monday, August 9, 1954, at 10 a. m., in room 412, Senate Office Building, upon the nomination of Brig. Gen. Herbert D. Vogel to be a member of the Board of Directors of the Tennessee Valley Authority.

NOTICE OF HEARING ON NOMINATION OF C. CANBY BALDERSTON TO BE A MEMBER OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Thursday, August 5, 1954, at 10 a. m., in room 301, Senate Office Building, upon the nomination of C. Canby Balderston, of Pennsylvania, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1952,

to fill an existing vacancy. At the time and place all persons interested in the nomination may make such representations as may be pertinent.

NOTICE OF HEARING ON NOMINATION OF IRA A. DIXON TO BE A MEMBER OF THE HOME LOAN BANK BOARD

Mr. CAPEHART. Mr. President, on behalf of the Committee on Banking and Currency, I desire to give notice that a public hearing has been scheduled for Thursday, August 5, 1954, at 10 a. m., in room 301, Senate Office Building, upon the nomination of Ira A. Dixon, of Indiana, to be a member of the Home Loan Bank Board for a term of 4 years, expiring June 30, 1958, to fill an existing vacancy. At the time and place all persons interested in the nomination may make such representations as may be pertinent.

REVISION OF McCARRAN-WALTER IMMIGRATION AND NATIONALITY ACT—RESOLUTION

Mr. LEHMAN. Mr. President, on June 30 the Orleans County, N. Y., American Legion, in convention assembled, adopted a resolution favoring the revision and overhauling of the McCarran-Walter Immigration and Nationality Act, and urging the national organization of the American Legion to modify its position accordingly. A copy of this resolution was sent to me by the chairman of the Americanism Committee of the Orleans County American Legion, William H. Murray.

It is a very detailed resolution reflecting much thought and considerable study on the part of those who drafted the resolution and considered the matter. I ask unanimous consent that the resolution, reflecting a forward-looking attitude on the part of the Legionnaires and of the Legion posts situated in Orleans County, be printed in the RECORD.

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

RESOLUTION OF ORLEANS COUNTY AMERICAN LEGION, JUNE 30, 1954

UNITED STATES IMMIGRATION STATUTE

Whereas our United States immigration statute, Public Law 414, 82d Congress, commonly referred to as the McCarran-Walter Immigration Act, is not in keeping with our traditions of fair play, decency, and justice for all; and

Whereas the quota system of Public Law 414 is based on the 1920 National Census population total less our Negro and American Indian citizens; and

Whereas Public Law 414 clearly discriminates against nationals of the southern European countries; and

Whereas consuls are charged with and hold the power of decision as to whether or not a visa shall be issued to an alien; and although there are no adequate or well defined standards on which to base these decisions, there is, nevertheless, no appeal from these decisions; and

Whereas naturalized citizens are placed in a second-class status in that they may be deported for an act which at the time of commission was not a crime and is not now a crime for native born citizens; and

Whereas the deportation of aliens, who may have been residents of this country for many years and may have established homes and reared families, work unduly severe hardships even though the grounds for the deportation may be based, may have occurred 30, 40, 50, or more years ago, there being no statute of limitations; and

Whereas no court review is permitted of the decision of the United States Attorney General to deport an alien; and

Whereas unduly severe and detailed procedures are required by Public Law 414 for alien professional and scientific workers seeking visas with the result that our country is to a large extent losing the valuable contributions which these people offer; and

Whereas Senator IRVING IVES holds that Public Law 414 is "contrary to the American creed," and he has "joined" with colleagues in the Senate and House in sponsoring a bill which would rewrite the present statute; and

Whereas Senator HERBERT LEHMAN views the present immigration statute as dangerous and un-American, and he has joined with 7 of his fellow Senators and 24 Members of the House in introducing a bill to rewrite the present statute; and

Whereas by resolution the national executive committee of the American Legion meeting in October of 1952 urged that "an adequate trial period be given the McCarran-Walter Act," which became effective on December 24, 1952; and

Whereas the American Legion's National Executive Committee, at their April-May 1953 meeting which was less than 5 months after the new immigration law became effective resolved "that the American Legion opposes any and all attempts being made to repeal in toto, or to materially weaken, destroy, or amend Public Law 414, 82d Congress, and that all necessary steps be taken to defeat any bills now pending, or that may hereafter be introduced in the Congress for said purposes." Thus the national executive committee accepted Public Law 414 as perfection and acceptable for all time; and

Whereas grave injustices have become apparent in the statute and its administration; and

Whereas President Dwight D. Eisenhower, in his state of the Union message of January 1953, said of the immigration statute, "Existing legislation contains injustices. It does in fact discriminate. I am informed by Members of the Congress that it was realized, at the time of its enactment, that future study of the basis of determining quotas would be necessary." The President cited 10 specific provisions of the law "which it is claimed may operate with unwarranted harshness" in a letter to Senator ARTHUR WATKINS, chairman of the Congressional Joint Committee on Immigration and Naturalization, and the President recommended that an immediate study be made with full and open hearings held to afford all those interested to be heard; and

Whereas Public Law 414 contains provisions which permit aliens who were and are believers in nazism and fascism to enter the United States; and

Whereas Public Law 414 furnishes the Communists with a great deal of propaganda material and causes the United States to look absurd to the rest of the world when it claims to be, on the one hand, a democratic peace-loving nation, with justice for all and on the other hand it enacts discriminatory legislation containing severe injustices; and

Whereas the American Legion's support of Public Law 414 is inconsistent with the Legion's general program, its avowed esteem for fair play, and its moral purposes: Now, therefore, be it

Resolved, That the Orleans County American Legion, in convention assembled at the James P. Clark Post, No. 204, Medina, N. Y., on June 24, 1954, proclaims itself to favor legislation which would rewrite Public Law

414, the 82d Congress, commonly known as the McCarran-Walter Immigration Act, to the end that the injustices and discrimination contained therein would be removed; and be it further

Resolved, That the national organization of the American Legion is hereby petitioned and urgently requested to recede from its stand of being in opposition to any, or material, changes in the present immigration statute; and that the national organization desist from issuing further press releases stating that the Legion is opposed to any change in the statute; and that the national commander is petitioned and requested to appoint a committee to make an immediate and full study of the immigration problem in order that a report might be available during the early part of the 1st session of the 84th Congress; and be it further

Resolved, That the eighth New York district and the department of New York is hereby petitioned to use every honorable means to effectuate the purposes of this resolution; and be it further

Resolved, That copies of this resolution be sent to the eighth district, the department of New York, to the national commander, to Senators IRVING IVES and HERBERT LEHMAN, and to Congressman HAROLD C. OSTERTAG.

The above resolution was duly adopted by Orleans County American Legion at its annual convention held June 24, 1954, at the James P. Clark Post, No. 204, Medina, N. Y.

CLYDE C. DILLON,
Orleans County Commander,
EVERETT CADY,
Orleans County Adjutant, the American Legion.

SENATORS' DILEMMA IN THE McCARTHY DISPUTE—ARTICLE BY JAMES RESTON

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article published today in the New York Times.

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

DILEMMA IN POLITICS—SENATORS HAVE ONE EYE FOR PRINCIPLES, ANOTHER FOR VOTERS IN McCARTHY DISPUTE

(By James Reston)

WASHINGTON, August 2.—The debate in the Senate on Senator JOSEPH R. McCARTHY has proved one thing: that the Wisconsinite is still a very influential man in the United States Senate.

The polls may be right in suggesting that Senator McCARTHY lost support during the televised Army hearings, but he still has working for him one rule of politics, which all politicians hesitate to break.

That is that a politician never antagonizes any group of voters in an election year—if he can avoid it.

Last week many Senators on both sides of the aisle were trying to avoid a vote on the resolution to censure Senator McCARTHY's actions on the ground that the resolution lacked a bill of particulars.

Now the generalized Flanders resolution has been amended by Senator J. WILLIAM FULBRIGHT so that it has a most specific bill of particulars against the Senator from Wisconsin.

But many Senators are still hoping to find ways and means of avoiding a direct vote on the issue.

And though the question has been sent to a special committee for study, it is still not certain that the Senators will have to commit themselves before the Congress adjourns for the summer recess.

If the bipartisan committee, to which the censure motion has been referred, does force

the Senate to make a decision before adjournment, the chances still are that it will choose to vote for McCARTHY rather than against him.

Senator WILLIAM F. KNOWLAND of California, the leader of the Senate Republicans, would rather take a chance on antagonizing the anti-McCarthy Senators than the pro-McCarthy. Anti-McCarthy Republicans such as Senator RALPH FLANDERS; MARGARET CHASE SMITH, of Maine; and JOHN SHERMAN COOPER, of Kentucky; might forgive the majority leader for forsaking them, but the pro-McCarthy bloc would never forgive or forget.

Perhaps the most significant and certainly the boldest speech of the debate was made by Senator EVERETT DIRKSEN, of Illinois. It was significant because he is the chairman of the Senate Republican campaign committee, charged with responsibility for helping the Republican Senators up for election in November, and he seemed more than willing to make defense of Senator McCARTHY a major campaign issue.

Unlike many of his colleagues, he did not try to evade the vote. He was cocky. He demanded a vote on the censure motion. He challenged the Democrats to vote against Senator McCARTHY. He taunted and goaded the liberals, roundly condemning the Congress of Industrial Organizations, the Americans for Democratic Action, and even a most distinguished group of liberal Republicans who had called on the Senate to vote for the censure resolution.

The Senator from Illinois even produced a biblical text for his defense of the Wisconsin Senator: "Thou shalt not follow a multitude to do evil." His point was that since the Communist Party, the Daily Worker, and a host of liberal groups were for censuring Senator McCARTHY, all decent folk should be against such a resolution.

Senator DIRKSEN said he had heard this quotation in an invocation at the 1952 Republican National Convention, delivered by a very eminent rabbi. "Let us remember what the equities and the verities are," said the Illinois Senator: "Follow not a multitude to do evil."

THE BEST OF THE QUOTATION

This biblical theme seems to have impressed the orators, particularly on the Republican side. Senator HERMAN WELKER, of Idaho, picked it up again today and kept throwing it at the Democrats, but nobody apparently looked up what Senator DIRKSEN's very eminent rabbi really said in Chicago.

The invocation that impressed Senator DIRKSEN in that convention was made by Rabbi Louis L. Mann of the Sinai Temple of Chicago. He said several things that Senator DIRKSEN omitted.

"May freedom of assembly," he said, "not sink into the depths of mob action, but be utilized for high and noble purposes. Recalling the words of our Scriptures, 'thou shalt not follow a multitude to do evil.'"

"We thank Thee for the gift of righteous indignation, and we are humbled, aye humiliated, by the crime, corruption, the dishonesty and faithlessness of those who have brought shame to our country. * * *

"We pray:

"God give us men! A time like this demands Strong minds, great hearts, true faith and ready hands;

Men whom the lust of office does not kill;
Men whom the spoils of office cannot buy;
Men who possess opinions and a will;
Men who have honor; men who will not lie;
Men who can stand before a demagogue
And damn his treacherous flatteries without winking;

Tall men, sun-crowned, who live above the fog

In public duty and in private thinking.

God, give us men."

"Amen."

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I wish to make a brief announcement to the Senate relative to the legislative program on which I hope the Senate will be able to work during the coming week or 8 days.

After the morning hour has been concluded, the Senate will proceed to the consideration of the unfinished business, which is Calendar No. 1831, H. R. 9678, the foreign aid authorization bill. I hope the Senate will be able to complete its work on that bill within a reasonable time today. There are only a few pending amendments remaining. We have disposed of a number of them so far. Therefore it is my hope that we may be able to complete our work on that bill some time this afternoon.

I shall then move that the Senate proceed to the consideration of the supplemental appropriation bill, in the hope that we can complete work on that bill this evening. When consideration of the supplemental appropriation bill has been concluded, it shall be my purpose to make the farm bill the unfinished business of the Senate.

The Senate would then consider the farm bill beginning on Wednesday, when the Senate convenes on that day. I may say we expect to convene at 10 o'clock in the morning each day of this week. I am sure Senators recognize the fact that I can only make an estimate, but I assume consideration of the farm bill will take approximately 3 days—3 rather full days, to be sure. I hope the Senate may be able to complete its consideration of the Senate version of the farm bill within 3 days, which would bring us to Friday of this week.

On Saturday it will be my intention, after the Senate convenes at 10 o'clock in the morning, to have a call of the calendar for the consideration of bills to which there is no objection. I believe the call of the calendar will take all of Saturday. We would not want to hold a late session on Saturday evening.

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

Mr. KNOWLAND. I yield.

Mr. HENDRICKSON. I can assure the distinguished majority leader that the call of the calendar will occupy a full day.

Mr. KNOWLAND. I am sure it will. Therefore the Senators on both calendar committees will be on notice, as will Senators who have interest in bills on the calendar. The call will be from the beginning of the calendar. In that way we will clear the decks, so to speak, and we will know what is left on the calendar for further consideration.

On Monday we expect to take up the anti-Communist bills, including Calendar No. 1720, S. 3706, to amend the Subversive Activities Control Act of 1950, to provide for the determination of the identity of certain Communist-infiltrated organizations, and for other purposes; Calendar No. 1834, S. 3428, to authorize the Federal Government to guard strategic defense facilities against individuals believed to be disposed to commit acts of sabotage, espionage, or other subversion; Calendar No. 1833, H. R. 9580,

to revise and extend the laws relating to espionage and sabotage, and for other purposes.

The anti-Communist bills will be followed by the consideration of the social-security legislation. By that time I expect the foreign-aid appropriation bill will be ready for Senate action.

By that time, also, the Senate will be ready to take action on conference reports, which are privileged matters, and can be taken up during the course of the legislative program I have announced.

I have also previously announced that the Senate will take action on a number of other bills, not of such priority importance, perhaps, as the bills to which I have referred, but nevertheless of considerable importance. We expect to consider those bills also.

However, for the immediate future, I have stated the list of major measures which I hope the Senate will be able to dispose of during the next week or 8 days.

Mr. JOHNSON of Texas. Mr. President, will the distinguished majority leader yield?

Mr. KNOWLAND. I am glad to yield.

Mr. JOHNSON of Texas. How long does the distinguished Senator plan to have the Senate stay in session tonight?

Mr. KNOWLAND. In order to complete action on both the foreign-aid bill and on the supplemental appropriation bill, so that we can take up the farm bill tomorrow, I expect the Senate to remain in session until 10 o'clock tonight.

Mr. JOHNSON of Texas. I note that the majority leader has scheduled the supplemental appropriation bill prior to the farm bill. I want to make it abundantly clear that the minority has been ready for some time to proceed with the farm bill.

Mr. KNOWLAND. So has the majority leader, but we have had a few intervening problems to dispose of. I hope we may be able to dispose of the supplemental appropriation bill by this evening. If so, we will be able to begin consideration of the farm bill tomorrow.

Mr. JOHNSON of Texas. The scheduling of the supplemental appropriation bill ahead of the farm bill, while it is not displeasing to the minority, but agreeable, if it is the desire of the majority leader to do so, I assume is not being done because of any desire to postpone consideration of the farm bill.

Mr. KNOWLAND. I assume full responsibility for that. It is being done in accordance with the custom and usual procedure of the Senate, and in keeping with the rules, to give appropriation bills priority consideration.

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

Mr. KNOWLAND. I yield.

Mr. HOLLAND. I did not hear the distinguished majority leader mention the omnibus navigation and flood-control bill, which is on the calendar.

Mr. KNOWLAND. I will say to the Senator from Florida that there are quite a number of bills of importance which I did not mention. I did not mean the list I gave to be all-inclusive. I was merely trying to give a week's preview of proposed legislation which the Senate would handle on a priority basis. I am not un-

mindful of the fact that the Public Works Committee has reported the bill to which the Senator from Florida has referred. There have also been reported to the Senate an unemployment insurance bill, a school construction bill, and quite a number of other bills which have been previously mentioned. I was not trying to give an all-inclusive list. All I was trying to do was to give Senators an idea of the legislative program for the next week or 8 days, and the order in which bills would be called up.

Mr. HOLLAND. If the Senator from California will yield further, as I understand, the majority leader does expect to give the Senate a chance to pass upon the omnibus navigation and flood-control bill.

Mr. KNOWLAND. I will say to the Senator from Florida that although the bill to which he refers has not been scheduled for action by the policy committee, it will be very difficult to know how much proposed legislation will be disposed of on the call of the calendar and how much will be left over after the call of the calendar. I have some doubt that the bill to which the Senator has referred will be passed on the call of the calendar, although it might be passed. However, until we know what has been disposed of on the call of the calendar on Saturday, it will be very difficult to tell about the remaining legislative measures. I expect by Monday of next week to be able to make a further announcement to the Senate with respect to the remaining legislative program, depending on the progress we make on the measures I have listed. I recognize that the bill referred to by the Senator from Florida is an important piece of proposed legislation which is worthy of consideration.

Mr. JOHNSON of Texas. Mr. President, with reference to the omnibus public works bill, to which the Senator from Florida has referred, if we should be able to dispose of the bills on the calendar with reasonable dispatch, perhaps the majority leader could move to take up the omnibus navigation and flood-control bill following the call of the calendar on Saturday, because there is intense interest in that bill. I know of no deep opposition to it. It may require some discussion, but not prolonged discussion. I wonder whether the majority leader would bear that in mind in consulting with the policy committee, and perhaps we could work it out in that way.

Mr. KNOWLAND. I shall do that. Looking over the calendar, I think probably the calendar will occupy most of Saturday. It is a fairly long calendar now, and much has accumulated on it. In any event, I assume the public works bill will not require prolonged discussion. Whether it is scheduled for Saturday or the following week, we shall certainly give every consideration to it.

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

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

Mr. AIKEN. If consideration of the appropriation bill is concluded by 4:30 this afternoon, is it the intention of the

majority leader to call up the farm bill and immediately proceed with it, or call it up and then lay it aside?

Mr. KNOWLAND. Pursuant to my statement to the Senate, not only last night but on prior occasions, as soon as we have finished the consideration of the supplemental appropriation bill, we will proceed immediately to the consideration of the farm bill. I hope we may be able to open debate on it immediately. If we should finish the foreign-aid bill and the supplemental appropriation in the afternoon or early evening, I hope we will move along as far as we can in the voting on any amendments offered to the farm bill, and stay with that bill until we have completed it. It will not be laid aside for any other measures. We may consider conference reports which will not take a prolonged period of time, but I certainly shall not expect to lay the farm bill aside until we have disposed of it, because undoubtedly it must go to conference. I think the distinguished junior Senator from North Dakota [Mr. Young] has indicated that he thinks the conferees will need from 3 to 5 days in conference.

Mr. YOUNG. That is correct.

Mr. KNOWLAND. I am desirous of getting it to conference as rapidly as possible.

Mr. AIKEN. Then it is entirely possible that we may put in several hours' work on the farm bill before 10 o'clock tonight.

Mr. KNOWLAND. I am prayerfully hoping that our schedule will run along so as to permit that to be done.

Mr. AIKEN. I am hopeful the discussion on the farm bill will not occupy several days. In fact, I do not know of any long speeches which have been prepared by those who favor flexible supports.

Mr. KNOWLAND. Undoubtedly there will be a number of yea-and-nay votes, which of course require some time. Nevertheless, I am hopeful we can expedite the passage of the bill.

Mr. AIKEN. I should be surprised if it were necessary to spend from 3 to 5 days in conference. I believe we shall find very quickly whether or not the House and Senate conferees are to agree on the proposed legislation. I believe that it would be futile to drag out the conference for several days if it should become apparent at the start that agreement was not possible.

Mr. KNOWLAND. I hope the majority leader has been a little conservative in his estimate of 3 days' time for consideration of the bill on the floor and from 3 to 5 days in conference. I am a little gun shy now in making predictions, so I would rather estimate a little extra time than to shorten it too much.

Mr. AIKEN. I can well understand that.

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

Mr. KNOWLAND. I yield to the junior Senator from North Dakota.

Mr. YOUNG. I hope the Senator from Vermont did not mean to imply that the Senate conferees should say to the House conferees, "Take our bill or

leave it." I believe there is room for compromise on both sides.

Mr. AIKEN. There certainly is, because there are several imperfections in the House bill which should be corrected, either on the floor of the Senate or in conference. I think the House Members themselves realize that there must be some modifications of certain provisions.

Mr. YOUNG. We ourselves will probably have plenty of amendments.

Mr. KNOWLAND. There is always a little give and take in such conferences.

Mr. BUSH. Mr. President, will the Senator from California yield?

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

Mr. BUSH. Can the Senator suggest when he believes the Senate may vote on the foreign-aid bill?

Mr. KNOWLAND. I have high hope that we may be able to dispose of the foreign-aid bill by midafternoon.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The PRESIDING OFFICER. If there be no further morning business, the Chair lays before the Senate the unfinished business.

The bill is open to further amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Goldwater	McClellan
Bennett	Gore	Monroney
Bowring	Green	Payne
Burke	Hendrickson	Purtell
Bush	Holland	Reynolds
Butler	Johns, Tex.	Smith, N. J.
Byrd	Knowland	Sparkman
Ervin	Langer	Thye
Ferguson	Lehman	Welker
Flanders	Lennon	Wiley
Frear	Long	Williams
George	Mansfield	
Gillette	Martin	

The PRESIDING OFFICER. A quorum is not present.

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

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BARRETT, Mr. BEALL, Mr. BRICKER, Mr. BRIDGES, Mr. CAPEHART, Mr. CARLSON, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. COOPER, Mr. CORDON, Mr. CRIPPA, Mr. DANIEL, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DWORSHAK, Mr. ELLENDER, Mr. FULBRIGHT, Mr. HAYDEN, Mr. HENNINGS, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JENNER, Mr. JOHN-

SON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. KUCHEL, Mr. MAGNUSON, Mr. MALONE, Mr. MAYBANK, Mr. MCCARRAN, Mr. MCCARTHY, Mr. MILLIKIN, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. PASTORE, Mr. POTTER, Mr. ROBERTSON, Mr. RUSSELL, Mr. SALTONSTALL, Mr. SMATHERS, MRS. SMITH of Maine, Mr. STENNIS, Mr. SYMINGTON, Mr. UPTON, Mr. WATKINS, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present. The bill is open to further amendment.

Mr. LONG. Mr. President, I call up my amendment, designated "7-28-54-E."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 168, after line 21, it is proposed to add a new section as follows:

Sec. 547. Reduction of authorizations: Notwithstanding the foregoing provisions of this act, such provisions shall not be construed to authorize the appropriation, for the purposes of titles I, II, and IV of this act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of \$2,066,000,000.

Mr. LONG. Mr. President, I regret that it was necessary for me to insist that a quorum be called before I called up my amendment. However, it does seem to me we owe the country the responsibility of careful accounting for the money of the taxpayers that is to be expended under the bill.

The bill would authorize the expenditure of \$12,849,000,000. I say that because the bill is necessary in order to authorize the expenditure of funds that have already been appropriated. In addition, the bill is necessary to authorize another \$3,100,000,000 of expenditures.

I regret that although I have made every effort to have a quorum of Senators present on the floor, I do not see more than 30 Senators present. The fact is that there are committee meetings in progress, and Senators feel that they have certain responsibilities toward those committees. They want to do their best to discharge those responsibilities, and they feel other Senators can inform them as to what is going on on the floor of the Senate in the course of the debate.

This is an example of the loose accounting of the taxpayers' money. I say that because at the very moment we are discussing how much of the \$13 billion we should spend, the Appropriations Committee is already marking up the bill as to how much money should be appropriated even before the appropriation is authorized.

The House of Representatives has already passed the appropriation bill, with a reduction of only about \$100 million or \$150 million from the authorizations provided in this bill; and that has been done before the Congress has even authorized the expenditure of the funds.

Mr. President, the amendment I have offered proposes that there be a reduc-

tion of one-third of the new money in this fund, but that will be a reduction of only about 7.2 percent of the money which would be on hand when this money is appropriated.

I believe that Senators do not realize, however, that the maximum amount the foreign-aid administrators have been able to spend is only about \$5 billion in 1 year. With this appropriation, they will have on hand \$12,849,000,000, or enough money to carry the program, at the maximum rate at which they have been able to spend American money overseas, for another 2 years and 3 months.

Would not it be fine if those who are interested in the development of the resources of this Nation could have their money on hand 2½ years ahead of time? Would it not be a fine thing if those who are interested in flood control, navigation, soil conservation, rural electrification, and housing in the United States could have on hand enough money to carry them 2½ years, even if Congress did not appropriate another 5 cents?

But if we were to reach that situation in regard to our own resources, Senators would rise on this floor and say that it was an outrageous thing, and that it was wasteful of public funds, to pile money on top of money, 2½ years in advance of the time when the money would be spent. Senators would say that, instead, year by year we should establish that each one of the items was necessary.

By contrast, our Foreign Relations Committee and our Appropriations Committee rapidly approve the newly recommended expenditures, and recommend the passage of these money bills, far in advance of the time that the money is needed.

I was impressed by the economies made in the military budget of the new administration. In studying them, having previously served on the Armed Services Committee, I was most impressed by the fact that the greatest reductions in proposed appropriations arose from discoveries by the new administration that the previous administration had been piling billions of dollars on top of the billions of dollars left on hand from previous years—billions of dollars that the armed services could not possibly spend during the next 2, 3, or even 4 years in some instances.

Having been chairman of the Subcommittee on Military Bases, I noticed the Armed Forces had had money on hand more than 3 years in advance of the time when it was needed for expenditure in developing many of the military bases. The same situation exists with regard to the funds we now have under consideration.

What I am proposing is that we require those in charge of this program to go back over the program and study it to see where reductions can be made in the proposed \$12,849,500,000 worth of expenditures.

Last year I was on the floor, urging that we reduce this foreign, overseas giveaway program. I admit that much of it is a good giveaway program; much of it is in the interest of our Nation.

But I was urging that we reduce the program by \$500 million of the new money which was authorized in that connection. My amendment did not prevail, although I am pleased to say that a majority of the Republican Senators did vote for the amendment, and a goodly number of Democratic Senators also voted for it. The amendment failed by only a very small margin.

Mr. President, if my motion had prevailed last year, this year we would find that the Foreign Operations Administration would have on hand only \$9,249,500,000 of unspent appropriations—only enough to carry the program for another 2 years. As it is, thanks to the leadership of the distinguished chairman of the Foreign Relations Committee, the Foreign Operations Administration has on hand the great sum of \$9,749,500,000 of appropriations which have not been spent.

The previous year I also urged that we reduce some of the money that was being provided; I did so in the hope that we might get a better accounting of the taxpayers' funds. Once again I was unsuccessful, except I did succeed in shaving off a mere \$100,000,000. As a result, at the end of that fiscal year, and at the time when the corresponding bill was debated last year, we at that time had on hand, appropriated and unexpended, according to the Foreign Relations Committee, balances of \$10,061,000,000—only enough to carry on the program for a little more than 2 years with the money then on hand.

Mr. President, anyone who wishes to go overseas and see what happens to this money will find that this is the most loosely handled of any of the taxpayers' money, under any program of our Government. Let me state the reason why that is so. This money cannot be spent until some sort of agreement is reached with the foreign countries concerned. When Congress proceeded to appropriate the money in terms of lumps of \$5 billion, or \$4,500,000,000, at a time, our foreign administrators were not immediately able to obtain the agreements with the other countries they wanted for military aid.

In some instances they were not able to arrive at agreements for a long time. But that did not keep our administrators from coming back and requesting Congress for a second year's installment, although the first year's installment was still on hand. That made the overseas administrators feel that they should try to make up for lost time. The result was that they had on hand twice as much money as they could spend in that year.

What was the result in the foreign countries? Those administering the program felt they had a directive of Congress to find some way to spend the money in the foreign countries, although they had on hand twice as much money as they felt they could dispose of in 1 year. The result was that some of them were almost pleading that the foreign countries should accept the money. That is not a good way to give away money. If we propose to give away money, we should encourage those who

will receive it to believe they are as much interested in the program as are those who are spending the money.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield for a question?

Mr. LONG. I yield to the distinguished Senator from North Dakota.

Mr. LANGER. Is it not true that Sweden sent back to the United States \$20 million, and would not even accept it?

Mr. LONG. That is correct; and in instance after instance a foreign country has simply told us it was not interested in the program we had to offer, based upon the terms we were offering that country.

I had occasion to look at many of the instances in which foreign countries felt they were actually doing us a favor by taking our money and taking our arms. I once discussed this matter with an Englishman. I was discouraged to find how little this friend of mine was interested in the amount of foreign aid we were making available to his country. Finally I asked him, "If the worst comes, we Americans will save our country. The question in my mind is whether you Englishmen are interested in saving your country, because if you are not, from my point of view I am no more interested in saving you than you are interested in saving the liberty and freedom and sovereignty of your own nation." Oddly enough, he had never thought of it from that point of view, and it was rather strange to him to hear an American speak that way.

Mr. President, in the administration there are those who are interested in economy. But they get very little encouragement; and when they talk to representatives of foreign nations, the unfortunate thing about the program is that those representatives of foreign nations know that all they have to do is obtain a recommendation from the Foreign Operations Administration for additional funds, and then Congress will grant the funds. In some instances Congress will grant the funds even when they cannot be justified, and when the need for the funds cannot be fairly established.

Mr. REYNOLDS. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield to the distinguished Senator from Nebraska.

Mr. REYNOLDS. How does the Senator from Louisiana arrive at the proposed \$1 billion reduction called for by his amendment, which is one-third of the additional \$3 billion? Why does not the Senator provide in his amendment for eliminating the entire \$3 billion?

Mr. LONG. Frankly, I believe there is enough money without the \$3 billion. Certainly there is enough money on hand to carry on the program for 2 years, even if we were not to appropriate an additional 5 cents. That could be done simply by reprogramming some of the funds already on hand. However, as a practical matter, having tried to reduce this appropriation on the floor year in and year out, I am optimistic only to the extent of approximately \$1,033,000,000;

and when we come to vote on the amendment, the Senator from Nebraska will find that even that reduction will be a very difficult one to make.

Mr. LANGER. Mr. President, will the Senator from Louisiana yield further to me?

Mr. LONG. I am glad to yield to the distinguished Senator from North Dakota.

Mr. LANGER. Is it not true that only a few days ago we tried to get rid of the entire \$3 billion, but we were voted down? So now we are trying to do the next best thing, by making a reduction of approximately \$1,033,000,000.

Mr. LONG. The Senator is entirely correct.

Mr. President, I believe that there is merit to this program. I believe that we should help our allies to arm themselves and be prepared. But I submit to the Senators that no program financed with American tax money is more wasteful than the program we are discussing. One reason is that this program is out from under the scrutiny of the average Senator and the average Member of the House of Representatives. If there is waste in expenditures for programs in this country it comes to the attention of Senators and Representatives more readily than does waste in our overseas program.

Let me give an indication of how loosely some of this money is being proposed to be expended. On page 255 and page 256 of the hearings Senators will find a discussion of Indochina. To the best of my understanding, in that area approximately \$450 million worth of military equipment is stacked on the docksides still in crates in addition to billions of dollars of American money already spent in arming and paying the French and Vietnamese.

As Senators know the war in Indochina is over; a truce has been signed; and it has been agreed that there will be free elections in Indochina to see whether Vietnam goes Communist or whether the country is going to be free.

I regret to say that every American expert with whom I have discussed the matter has presumed that those elections will be lost to the Communists, and that all the billions of dollars worth of equipment we have sent to Indochina will go behind the Iron Curtain.

Nevertheless, there is more than \$450 million of military equipment on the docksides available to anyone in Indochina who would like to fight for the free world. Of course, the difficulty is that the people there do not seem to have the heart to fight with the free world on the democratic side of this issue.

In addition to that, it is my best understanding that between \$600 million and \$755 million of additional money are in the pipeline. That money was committed to the Indochina theater at a time when a "hot" war was being fought there. Yet this bill fails to reveal that any consideration at all has been given to the fact that at a time when we are appropriating money at the rate of \$800 million for Indochina to fight a "hot" war, there is no "hot" war. As a result

of the election to be held, there is serious danger that the Communists will win, and that the whole \$600 million already appropriated, plus the \$450 million of equipment will fall into the hands of our enemies rather than of our friends.

As though that were not bad enough, Mr. President, this bill contains another \$800 million for Indochina, in addition to the \$600 million in the pipeline, and the \$450 million worth of equipment already there, representing a grand total of far more than \$1 billion. The amount in this bill is about \$1,400,000 for a war that is no longer being waged, in an area where free elections are to be held, which, we are told, will probably result in the Ho Chi Minh forces winning rather than the free world winning. Yet according to this bill and report we are to pour another \$1,400,000,000 into that area.

Certainly that situation should be restudied. The committee should have said that we ought to hold up and see what is going to happen in Indochina before we send another \$800 million or another \$1,400,000,000 of additional equipment to Indochina.

Mr. President, Senators may say, "There is some flexibility in this program, and the money need not be sent to Indochina; some replanning can be done." But I will tell you that, with regard to the so-called replanning program of the proposed expenditures, the money for the other countries has already been provided for years in advance.

For example, let us look at the situation that exists in Europe. To countries in Europe we have already given away \$17 billion worth of arms and equipment, in addition to what those countries can do for themselves.

For Europe there is on hand unexpended, \$5,683,100,000, \$2,527,000,000 of which is uncommitted and unobligated.

Senators may ask why we have such an enormous amount of money, \$2,527,000,000, unobligated in the European phase of the program. I suspect that the reason we have so much uncommitted and unobligated in Europe is that we hope that one of these days the European Defense Community proposal will be ratified, and our administrators would like to have on hand billions of dollars appropriated, unexpended, and unobligated, which they could use for arming the Germans.

Mr. President, \$2,527,000,000 certainly is enough to have ahead of time in the event that program is ratified. We have no reason to believe that the EDC is going to be ratified, and we have no reason to believe that the Germans are going to insist on being or are even willing to be rearmed in the event that program is ratified.

I recall very well when the distinguished Senator from Ohio, the late Senator Taft, made a great argument on the floor of the Senate against this whole program. At that time he argued that it was a mistake for us to take the attitude that we were more interested in preserving the sovereignty and freedom of any nation than that nation was in fighting for and preserving its own free-

dom and its own sovereignty. He said that the initiative for this program should come from the other countries; that they should be the ones to request this assistance from us rather than we being the ones to ask them to take our arms and our equipment. He said we would get much better results for our expenditures in that way. I have always been impressed by the fact that the late Senator from Ohio was right in his argument that we should show no more zeal in saving others than they show in saving themselves.

We have on hand \$5,683,000,000 for European countries. Would it not be a good idea for us to insist on knowing what is going to happen to the EDC before we proceed to pile a third or fourth year's increment on top of the enormous amount of funds already available?

I point out to Senators that in addition to the \$5,683,000,000 unexpended for military aid, there is another \$360 million for military defense support. That is the kind of appropriation the Europeans most like, because that means jobs and employment are provided in their factories, producing equipment by their efforts, but paid for at the expense of the American taxpayers.

This bill provides another \$900 million in addition to the \$6 billion already on hand for Europe, and in addition to the \$17 billion we have already given them.

Mr. President, I should like to call attention to the fact that when no war is going on the equipment given to a foreign country is not used up or destroyed as in the case of war. Last year's rifle is just as good as this year's rifle. It is still a Garand rifle, and if it is properly maintained and properly kept and properly oiled and greased, it is just as good a rifle the second year as it was the first year. Rifles, tanks, airplanes, ships, and guns last for many, many years, and shells and mortars are still on hand; there is still left the \$17 billion we have given them already, in addition to the roughly \$6 billion on hand.

Mr. President, when this program was originally started we were told that the year 1954 was the year of greatest peril. We were told that this was the year in which we could expect the Russians to start a war, if they were going to start it, and we were told that we should build toward the year 1954.

We had about 5 years to do that. We have appropriated the amount of money this program originally contemplated when it was first put into effect, and we have roughly \$6 billion of that money still on hand.

In the opinion of the junior Senator from Louisiana, reducing this authorization \$1 billion will not prevent our allies from receiving 1 gun, 1 airplane, 1 knapsack that those nations have any need of during the next year.

There is flexibility in the program, so that the President can shift aid from one area to another. The committee's own report states that at the end of this fiscal year it is expected that \$7,368,800,000 will be on hand. That will be next year in 1955, when Congress will be in session.

If Senators wish to give all this money away, why give it away 2 years in advance? Why not wait until next year? We do not have to give it all away now. We shall be in session in January. Presumably in January there will have been spent only half of the \$5½ billion which could be given away during the next fiscal year. We would have on hand at that time approximately \$10 billion.

If we find at that time that we are not giving away our arms and equipment to our friends and allies fast enough, we can step up the expenditures and appropriations next year.

Therefore, it would be well for us to demand that a more careful accounting be made of this program, and that there be done with this program what was done with our own military program.

One of the most commendable actions taken by the Eisenhower administration was in January, when the Secretary of Defense, Charles Wilson, went over the whole program with respect to military bases. He had before him a request for \$4 billion. After studying the matter, he found he had enough money on hand to carry the program for another 2 years without the necessity of requesting new appropriations for military bases.

Thereupon he refused the request.

Likewise, he studied the plans for airplane procurement. As a result of his study, he found he had enough orders on hand and enough money on hand for airplane procurement to carry the program for another 4 or 5 years. He withdrew his request for additional appropriations. In other words, he found he had sufficient money on hand to carry that program for a long time, and he therefore withdrew his request for additional funds.

Mr. President, we have enough money on hand to carry the foreign aid program for another 2 years. Of course, some Senators will say there is another reason why we should hand out money 2 or 3 years in advance of its need.

They will say that long lead times are required to produce some of these weapons. That is not true with respect to the kind of weapons we are giving away under this program. We are not giving away our latest model jet airplanes. We are giving away the older-type equipment. We are not giving away our fastest and most modern high-climbing aircraft.

We are giving away our older equipment, for use in areas of the world where an older product is just as useful and effective for the type of local actions anticipated.

If the Foreign Operations Administration wants to have more goods on order, I point out that there is \$2 billion worth of waste or "fat" in the Army's budget. That money could be used by simply switching that program of procurement to foreign aid, when the need is established.

There is approximately \$2 billion worth of "fat" or unnecessary funds in the Army budget. That could be used for foreign aid by placing some of the

orders for tanks, for example, and simply transferring the equipment to foreign aid at a later date.

The orders could be placed, and it would be a simple matter to shift the money to foreign aid operations.

On July 9 I placed in the RECORD an article published in the Washington Post and Times Herald of June 21, 1954. It is entitled "Army Gets \$2 Billion Extra To Alay Fears." It was written by John W. Finney. The article is printed at page 10165 of the CONGRESSIONAL RECORD of July 9. It reads:

A Defense Department official has told Senators that \$2 billion in "fat" was left in the Army budget to allay public fears that America's ground forces were being cut too hard.

Lyle S. Garlock of the defense comptroller's office made the statement to members of the Senate Appropriations Committee recently in secret hearings on the administration's \$29 billion defense budget. The bill was approved by the Senate Thursday.

Garlock said the \$2 billion was appropriated in past years for Army procurement and production. It will not be used by the Army in fiscal 1955, but was left in the budget for public psychology, he said.

The administration's defense budget for the 12 months beginning July 1 is about \$5.5 billion below the funds provided by Congress for the current fiscal year. The Army would absorb about \$5.3 billion of the cut.

THE ARMY TO BE CUT

The administration's New Look military strategy calls for more reliance on air and new weapons retaliatory power and less on ground forces. Defense officials plan to cut Army strength from 20 to 17 divisions between now and June 30, 1955.

Testimony released by the Appropriations Committee shows that Senator LEVERETT SALTONSTALL, Republican, of Massachusetts, chairman of the Armed Services Committee, first hit on the Army surplus as an easy target for a quick savings.

The Senator from Massachusetts [Mr. SALTONSTALL] is to be commended for finding that there was \$2 billion of unnecessary "fat" in the Army's appropriations for this year.

SALTONSTALL noted that the Army presently has about \$5 billion in past appropriations for procurement and production, and that by June 1955 some \$2 billion of this still will remain unobligated or unused.

He asked why it would not be a good idea to transfer this to some other fund, such as maintenance and operation and thus save it in new appropriations for the Army in the coming fiscal year.

IDEA HELD FEASIBLE

Garlock admitted that SALTONSTALL's idea technically was feasible since the Army has no plans to spend or obligate this \$2 billion in fiscal 1955.

But Garlock said strictly a policy decision had been made in the executive branch that it would be advisable to leave the money in the Army's pockets.

Garlock agreed with SALTONSTALL that the policy decision was based on psychology.

All I can say is, "Is not that fine?" We are asked to appropriate \$2 billion—which some persons do not consider to be a great deal of money. It would cost each family in America \$50—for psychological purposes, so that the people will not be afraid that we will be cutting the Army too much if we do not give it more money than it can possibly use.

The Army has enough money on hand to place such orders, if they are really needed, and after the orders are placed they can be transferred to Foreign Operations.

Foreign Operations has enough funds on hand to carry it for more than 2 years. What the junior Senator from Louisiana is hoping to accomplish is to make those in charge of the program come back to Congress and show how they can make savings in that program.

I have suggested where we could save far more than a billion dollars on the program for Indochina alone, so long as there is a truce in that area and so long as there is a grave danger that the arms we have already sent there will fall into Communist hands. Therefore, what we should be doing with regard to Indochina is to take some precaution to insure that the billions of dollars of arms we have already sent there do not fall into Communist hands.

In addition, there is the possibility of reprogramming and thus saving billions of dollars in the program for Europe. My amendment does not touch the technical-aid program. Relatively speaking, that program is a very small part of the total program for giving away billions of dollars of wealth to our friends and allies around the world.

I had hoped that we would be successful in demonstrating to those in charge of the program that we are at least interested in economy in this program, as in all other programs.

I should like to point out also to Senators that in many instances we are giving away obsolete equipment. In the areas where we are doing that it is not possible to win a war—at least not a modern world war III type of war—with the kind of weapons we are giving those countries. Much of it is being done for psychological reasons, to encourage those countries to resist, and to make it clear that in the event Russia decides to attack it will have to commit a major force to the area, instead of a small group or a group of subversives. It would afford the United States the opportunity to consider its position and to be able to engage in warfare in that area in the event we should decide to become committed.

Mr. LENNON. Mr. President, I desire to comment on the amendment offered by the distinguished junior Senator from Louisiana [Mr. LONG] and to commend him for his action. I also wish to express my regret that all Members of the Senate were not present to hear the Senator's fine dissertation on what seems to be wrong with our foreign economic and military-aid program.

Mr. President, at the risk of being repetitious, I shall cite some of the figures which were given by the junior Senator from Louisiana. I think these figures are important. It is too bad that the Congress and the people of the Nation are not familiar with the figures and with the amount of money which has been spent during the past 12 or 14 years for both foreign military and foreign economic aid. I am told, Mr. President—and I am sure these figures can be verified, and in fact have been

documented—that those charged with the responsibility of administering foreign military and economic aid had on hand on June 30 of this year \$9,749,500,000. That is money unexpended, now on hand. Of this amount, there was on hand \$2,604,300,000 of unobligated funds. I think that figure is significant.

Of course, we recognize, properly and rightly so, the distinction between unobligated funds on hand and funds which are obligated but not yet expended. However, the significant figure to my mind is the \$2,604,000,000 which is on hand, unobligated for any particular purpose.

Congress is now asked to appropriate \$3,100,000,000 of new money. If the authorization of \$3,100,000,000 is approved, those charged with the responsibility of administering our foreign military and economic aid program will have on hand for this fiscal year \$12,849,500,000. I repeat that figure. I want Members of the Senate and the people of America to know what those who are charged with the responsibility of administering this fund will have available for expenditure during this fiscal year. I repeat the figure is \$12,849,000,000.

Of this amount it is said—and I believe the statement can be documented—that on the basis of past and future commitments we shall have on hand on June 30, 1955, the sum total of \$7,360,800,000.

Mr. President, I wish that all Members of the Senate and the people of America were familiar with the figures which have been used today on the Senate floor. It is inconceivable to me, as I believe it is to most of the people of our great land, that so much money can be spent beneficially or wisely during any 12 months' period for a program which apparently has failed to an appreciable degree for 12 years.

I recognize that in some areas both military assistance and economic assistance have been of great aid to the peoples and free nations of the world, but today I think we can count on our fingers, perhaps even on the fingers of one hand, the free nations of the world that have benefited by both our military and our economic foreign aid.

Furthermore, Mr. President, I think perhaps we can today count on our fingers—and again I say the fingers of one hand—those free nations of the world which have stood up and which are standing up to the onslaught of the communistic march.

I hope the amendment of the distinguished junior Senator from Louisiana will be adopted. I believe that if the people of America knew the amount of money which has been poured into what have been referred to time and time again as rat holes in far corners of the world, they would be here to petition their duly elected representatives in the Senate to call a halt to the continued spending for foreign economic aid.

As I said before, if the amendment of the distinguished Senator from Louisiana is adopted, there will still be on hand on June 30, 1955, 1 year from now,

or at the end of this fiscal year, the sum total of \$6,326,700,000.

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

Mr. LENNON. I am glad to yield to the distinguished Senator from Louisiana.

Mr. LONG. The Senator will see that the report states on page 12 that there will be even more than that. According to the committee's report there will be on hand an estimated \$7,360,000,000.

Mr. LENNON. When the Mutual Security Administrators begin to bandy around billions, they pay no attention to 1 billion; perhaps I am short 1 billion in my estimate of what they would have on hand.

Mr. LONG. Perhaps we are both talking about the same thing. If my amendment fails, there will be on hand \$7,360,000,000. If my amendment carries, there will be on hand at this time next year six-billion-three-hundred-and-thirty-some-odd-million dollars.

Mr. LENNON. I accept the correction from the junior Senator from Louisiana and say to the Senate that certainly, to my way of thinking—and I believe to the way of thinking of the majority of the people of the United States—those figures are an indication of the fact that we have appropriated tremendous sums for foreign aid and yet, as the Senator from Louisiana so ably pointed out, we continue piling up and putting into the hands of those charged with responsibility for this program enormous amounts of money which they cannot even anticipate spending any time in the near future.

Mr. President, I mentioned a while ago that on June 30 of this year those charged with the responsibility of administering the foreign-economic and military-aid program had on hand \$9,749,000,000. This means that the sum total of \$4,250,500,000 was spent from June 30, 1953, to June 30, 1954.

It is now said that we are cutting down on foreign aid, especially foreign-economic aid. Let us see if that is so. Actually, if the bill now before the Senate is passed without the Long amendment there will be \$5,704,300,000 of new money and carried over, unobligated funds for the present fiscal year. That means that there will be available for the present fiscal year \$1,443,000,000 more than was spent during the past fiscal year. Yet there are those who say that we are making an honest effort to cut down foreign economic-aid spending.

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

Mr. LENNON. Yes.

Mr. LONG. If the Senator will subtract from the gross amount of funds which the administration will have on hand, which is \$12,800,000,000, the amount that it is expected to remain at this time next year, which is \$7,360,000,000, the Senator will see that the difference is \$5,489,000,000, which represents the most rapid rate at which we have given away money in the history of the country in this type of program.

Mr. LENNON. The Senator is eminently correct. It is a far departure, Mr.

President, from a wise spending program for this purpose.

Mr. LONG. If the Senator will yield, I should correct my statement by saying that it is the most rapid rate at which we have given away money in the peacetime history of such a program.

Mr. LENNON. The Senator is correct. I think that statement is generally understood and accepted. It is a far departure from the statement of the present administration that it would lend its efforts toward economy in government, toward an honest effort to balance the budget, and ultimately, toward reducing the national debt.

I recall that during the last week of July, last year, the Senate debated for about 4 days the appropriation for the Mutual Security Act. There were Senators who took the position—and I think correctly—that an overall ceiling should be placed upon the amount of new funds which could be appropriated by Congress in the last session, in the amount of \$5,500,000,000. We who supported the amendment of the Senator from Louisiana [Mr. LONG] lost that fight. But it is significant that during the months of the late summer and fall of last year, according to the press of the United States, Members of the Senate and the House who had traveled in the far corners of the world returned to the United States and, almost uniformly, reported that economic conditions were good in the approximately 60 nations which the United States virtually has been carrying on its back for the past 10 or 12 years.

I was happy and delighted that I had had the pleasure of supporting amendments which would have substantially reduced foreign economic spending, especially after I had read the statements made by Members of Congress who had personally visited many of the countries which were receiving aid from the United States.

I was pleased, too, when the President of the United States, in his message on the state of the Union, made the statement that the time at last had come when the Government could substantially reduce spending for foreign economic aid. Yet the figures which have been produced in connection with the bill under consideration indicate that it will be necessary to spend in new money this year, in addition to the unobligated funds which were carried over from the past fiscal year, more than a billion dollars in excess of what was spent from June 30, 1953, to June 30, 1954.

I recognize the fact that the people of the United States are now ready to say "No" to a continuation of foreign economic spending. Let us consider how the administration is approaching the question of such spending. By the way, it is no longer called "foreign economic spending." Formerly it was referred to as military assistance and foreign economic assistance. But those terms are no longer used. Today there is military assistance. All of us know what that is. That means guns, tanks, planes, ammunition, material of war—the sinews of war.

But what formerly was called economic support is now called direct forces sup-

port. There is still another name for economic support. It is defense support. In addition, there is relief and rehabilitation. Another category is development assistance.

Frankly, if the people of America correctly understood the situation, I believe their sentiment would be such that they would be in Washington petitioning Members of Congress to curtail such spending.

I do not believe the people of America would agree to a continuation of foreign economic assistance if they knew that the administration is now providing such assistance under such terms as direct forces assistance, defense support, relief and rehabilitation, and development assistance. Frankly, there has never been in my mind any distinction between economic assistance and direct forces support, defense support, relief and rehabilitation, and development assistance.

I recall, as I am sure all other Members of the Senate must recall, that during the week of June 12, I believe, the Senate considered the National Defense Appropriation Act—the "big baby," if you please, to appropriations. I remember, too, the heated debate which was carried on by some Members of the Senate, led by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], in their efforts to restore to the national-defense appropriation bill a sufficient sum of money to provide for two divisions to be kept in the Far East, especially in Korea. I was not one of those who supported that amendment, because I had been informed that the Department of Defense actually had on hand \$75 billion to be expended for national defense. I am sure that the information was factual; as a matter of fact, it was given on the floor of the Senate by the distinguished senior Senator from Virginia [Mr. BYRD]. Having that figure in mind, I voted against the amendment of the distinguished Senator from Massachusetts, which would have restored to the bill a sufficient amount of money for the arming of two divisions, which otherwise, it had been said, would be eliminated.

Let us examine to see what happened. I remember that Members of the Senate were confused. I was confused; and certainly if other Members of the Senate were confused, the people of America had an excuse for being confused—and I believe they were confused. This is what I mean by that. Time and again one could have picked up the newspapers of America and have read in them or in some of the leading magazines statements made by the Joint Chiefs of Staff and by other persons who were charged with the responsibility of knowing what the defense needs of the United States were. The public announcements by those persons were to the effect that the United States was running behind Russia in the armament race.

Yet those same persons, to whom the people of America have a right to look for advice and counsel in all things pertaining to national defense, would appear before the Committee on Armed Services, and perhaps even before the

Committee on Foreign Relations, and state for the record that the appropriations recommended by the administration for national defense purposes were sufficient. Those statements were almost certainly, in my mind, and I believe in the minds of the American people, in direct conflict with what those same persons were saying about our defense needs publicly and to Members of Congress, who are charged, in the final analysis, with the responsibility of our national defense program.

So the amendment offered by the junior Senator from Massachusetts [Mr. KENNEDY] was defeated on, Thursday, June 17, if I recall correctly. It was rejected largely, in my opinion, because of the statement made by the senior Senator from Virginia [Mr. BYRD], when, in his colloquy with the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL] he said he understood that \$75 billion was available for national defense, including money provided for in the bill, along with obligated and unobligated funds which had been carried over.

On the following Monday, I believe, the Department of Defense, through the office of its Comptroller—I assume that is the technical name of the officer—made a statement to the press that the Army budget, which was included in the national defense budget, had a surplus of \$2 billion—in other words, \$2 billion worth of fat. Yet distinguished Members of the Senate had stood on the floor and assured the Senate that that budget had been cut to the bone. Were they sincere? Certainly they were sincere. The reason for such statements by Senators was that information had been withheld from the Members of the committee. I see no other explanation for the situation.

In like manner, I believe that there is a great deal of fat in the mutual security bill. I do not believe that the Senate should cut the bill to the bone, to the sinew, or to the marrow, but I believe the bill should be stripped of every unessential element. I think there is much fat in the bill.

I am also reminded of statements which were made about 2 weeks ago in the Senate by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] and the distinguished senior Senator from Virginia [Mr. BYRD]. Incidentally, I wish to say that, in my judgment, the senior Senator from Virginia probably has a greater knowledge of the fiscal affairs of the Nation than is possessed by the Secretary of the Treasury, and the Director of the Budget, combined.

The Senator from New Hampshire and the Senator from Virginia submitted a resolution which I thought should have claimed the attention of Members of this body, and I hope it has. The resolution called for a constitutional amendment which would have made the Congress of the United States face up to its responsibility—and I say it is a grave one, Mr. President—that some day it must balance the budget.

I am reminded, Mr. President—and I am sure all other Members of this body

are—that on the eve of adjournment last year, when many Members of Congress had obtained their plane and train reservations, there was laid on the desk of every Member of the Congress what amounted to an ultimatum from the President of the United States which called on the Congress to raise the national debt limit from \$275 billion to \$290 billion.

I am sure that request or ultimatum must have given Members of the Congress a great deal of concern, coming to us as it did while Congress was in the throes of the effort to bring about final adjournment. I am sure it caused a great many of us to do some research work in an attempt to ascertain just where this Nation stood with respect to its fiscal and financial obligations as compared with those of the 60 nations of the world which we have virtually carried on our back for a number of years. It was my desire to seek information on the question, because I believed that very likely I would be called upon to cast my vote for or against the proposal to raise the national debt limit from \$275 billion to \$290 billion.

I raise this question, Mr. President, because, as surely as we are in the Senate today, we shall be again faced with the question of whether or not we shall vote to increase the national debt limit, if not by \$15 billion, at least by \$5 billion.

When the request of the President to raise the national debt limit came to the Congress, the House of Representatives passed the proposal, after it was considered by the House Ways and Means Committee. I am glad to report to this body that the Members of the North Carolina delegation in the other House opposed raising the national debt limit. When the proposal came to the Senate, it was referred to the Committee on Finance. Because I knew I would be faced with the responsibility of voting "yea" or "nay" if the proposal came to a vote, I consulted the records. I learned that the national debt limit of our country today is \$100 billion more—and I repeat it for emphasis, \$100 billion more—than the national debt limit of all the countries of Europe, Russia and her satellites. That fact startled me, as I am sure it must have startled many persons who had sought and obtained the same information.

Again, Mr. President, in a matter of a few days I am advised the Senate will be called upon to raise the national debt limit. I for one shall oppose legislation which would authorize it, if such a proposal should come to the Senate from the Finance Committee. I could not support a mutual security program which calls for the expenditure of more than \$5 billion, either in new money or in unobligated money, and then in good conscience vote to increase the national debt limit.

I should like to have the opportunity, if possible, to vote for an amendment which would strip the mutual security bill to all except exclusively military aid. Frankly and honestly, I think that is the inner feeling of a majority of Members of the Senate. If an amendment to the

bill were offered which proposed to strip the authorization for the expenditure of funds for everything except pure, unadulterated military assistance, such as guns, planes, tanks, and all the materials and sinews of war, I believe the amendment would be adopted.

I hope the amendment offered by the junior Senator from Louisiana will meet with the honest appraisal and approval of Members of the Senate.

Last year, when the mutual security bill was enacted, the RECORD shows that those charged with the responsibility of administering the act had \$14 billion to spend in the fiscal year which has just ended. How much of that \$14 billion was spent? Just a little more than \$4 billion. Yet it is proposed that we continue to raise the ante, and that we increase the amount appropriated for that purpose. The proposal is not for the purpose of getting such materials into the pipelines. The pipelines are so full that, even with hydraulic pressure, no more materials could be forced through them. No more materials could be put into the pipelines than are presently there, and which will be there continuously. Why should we give those who are charged with the responsibility of administering the program a tremendous amount of money which will not be used, and which could be used for so many domestic needs which press upon our country today?

If the bill is passed in its present form, I am sure that at least Senators who vote for it—and I hope Members of the Senate will listen to me as I make my prediction—will be almost compelled to vote for an extension of the national debt limit. My conscience will be clear, because I intend to support, with all the vigor at my command, the amendment offered by the junior Senator from Louisiana. I only wish the Senator could devise a way to go farther than he now proposes to go and to include the stripping of everything from the bill except military assistance, and military assistance alone.

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

Mr. LENNON. I yield to the Senator from Louisiana.

Mr. LONG. Does the Senator agree with me that the effect of passing the bill, in view of the enormous backlog of more than \$9 billion already on hand, which is available to the Foreign Operations Administration, would be to admonish those handling the administration of the fund and to say in effect to them, "Why have you not spent the money more rapidly than you have?"

Mr. LENNON. I think the Senator is eminently correct. It seems to me that if a person is given \$1,000, which he does not spend judiciously, beneficially, or wisely, and yet \$1,000 bills continue to be forced upon him, that person is told in effect, "You must spend it. You had better get rid of it." That seems to be the idea of those charged with the administration of the fund. I cannot understand the reason for it, and I have not yet heard a statement on the floor of the Senate by any Senator regarding the

necessity for continuing to appropriate new funds.

It seems to me that the more than \$2 billion of unobligated funds are in themselves sufficient to be spent, along with the \$7 billion which is available. Of course, some of it is obligated. Nevertheless, it is unexpended; and these programs are changing and varying rapidly. The \$7 billion which the Foreign Operations Administration claim now is obligated, but unexpended, perhaps in substantial part may not be obligated a month from now, because the program is changing.

I understand these long-range programs for the construction of war implements contain provisions enabling the Department to void the contracts in the event of technical developments and technical changes—and properly so. So I take the position that perhaps only half of the \$7 billion is really unobligated.

Mr. LONG. Does the Senator from North Carolina realize that the allies have on hand upwards of \$20 billion worth of American arms which we have given them in previous years, in addition to the \$9 billion that the Foreign Operations Administration has on hand, to be sent to those countries?

Mr. LENNON. I certainly am aware of that. I am also aware of the fact that it is not possible to obtain friendship by spending money. This country has made an effort for 10 or 12 years to buy the personal friendship and the military friendship of many of the other peoples of the world. We have succeeded only in some faraway places.

I do not believe that the Members of the Senate agree or that the people of the United States agree with the present basic political philosophy of either of our great allies, the French or the British. If there are any countries in the world that have ever had the benefit of our generosity—and properly so in many instances, I believe—it is those two countries. Yet they differ with us basically on the recognition of Red China.

Mr. FREAR. Mr. President, will the Senator from North Carolina yield for a question?

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Does the Senator from North Carolina yield to the Senator from Delaware for a question?

Mr. LENNON. Mr. President, I yield the floor.

Mr. MORSE obtained the floor.

Mr. FREAR. Mr. President, will the Senator from Oregon yield to me, to permit me to ask a question of the Senator from Louisiana?

Mr. MORSE. I yield, provided it is understood that I shall not thereby lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FREAR. I thank the Senator from Oregon.

Mr. President, let me ask the Senator from Louisiana whether he knows the value of our military equipment that is now at Hanoi?

Mr. LONG. I do not have the actual figures, but I have heard estimates running as high as \$450 million in the case

of United States military equipment which has not even been uncrated, and is now in Indochina, on the docks—in addition to the more than \$1 billion of equipment we already have sent there.

Of course the Senator from Delaware knows that by this time the Communists are well armed. If they did not have any arms to begin with, certainly after the capture of Dien Bien Phu and other French posts, the Communists now are well equipped with American arms.

Mr. FREAR. Is it not also true that if we use proper precautions, we may salvage equipment valued at half the amount the Senator from Louisiana proposes as a reduction in the authorizations in the pending mutual-security bill?

Mr. LONG. That is entirely correct.

Mr. FREAR. Mr. President, if the Senator from Oregon will permit me to ask a further question of the Senator from Louisiana—

Mr. MORSE. Certainly, on the same basis as before.

Mr. FREAR. Then, on the point to which we have just referred, would it not be possible for us, by means of the salvage of such equipment, to save equipment valued at half the amount of the decrease in the authorization proposed by the amendment of the Senator from Louisiana? In fact, I have heard estimates considerably higher than that. However, Indochina is only one place where we have military equipment. So we would have only a little trouble in salvaging or regaining control of \$1 billion worth of equipment, and that would cover the entire amount of the amendment of the Senator from Louisiana.

Mr. LONG. My best understanding is that there is more than \$400 million worth of military equipment in Indochina now, on the docks, crated, in addition to a billion dollars' worth of equipment we have previously sent there; and there is also in the pipeline, programed to go to Indochina, more than \$700 million of last year's appropriation for Indochina.

Mr. FREAR. Yes.

Mr. LONG. In addition, this bill calls for another \$800 million worth for Indochina.

So it seems to me that if we wished to do first things first, the first thing we should try to do, is to save the billion dollar's worth of equipment we already have sent there; we should save it by preventing it from falling into Communist hands, for it makes good sense that a billion dollars' worth of our equipment falling into Communist hands will require another billion dollars of expenditure on our part to offset that much addition to the Communists' fighting power.

Mr. FREAR. I think that is a very good point—that in addition to the \$400 million or \$600 million of our equipment which is on the docks there now, crated, there is another \$700 million or \$800 million of equipment lying somewhere, which we might salvage; and that would mean that the Communists or the opposition would have to spend that much

more money of their own, in order to be that well prepared.

That reminds me of the fact that every Republican who votes for a Democrat means two votes for the Democrat. [Laughter.]

Mr. MORSE. Mr. President, I wish to make a few brief remarks in summing up the philosophy which I think is apparent in the bill, and also in registering a few exceptions to that philosophy.

At one time I considered offering an amendment to the bill providing for a \$50 million increase in the appropriation for aid to the one beachhead of freedom in the Middle East, namely, the State of Israel. But after consultation with my good friend, the Senator from Wisconsin [Mr. WILEY], the chairman of the Foreign Relations Committee, and with some other members of the Foreign Relations Committee and with certain officials of the State Department, I decided not to offer the amendment. I wish to make clear that if an informal count of votes here in the Senate indicated that the amendment would pass I would offer it. However, such a count shows it would be defeated.

However, Mr. President, I wish to make these comments in regard to what I consider to be the shortcomings of the bill in respect to the State of Israel.

When we go through the bill, it is very interesting to find that it has been drafted in such a way as to fail to earmark any specific sums of money for aid to specific countries in the Middle East. We read the bill in vain if we seek to find in it any specific item of aid in dollars to the State of Israel. I think that is regrettable, Mr. President.

I am advised by members of the committee that the bill contains language making it clear that the State of Israel will receive some aid. However, the bill does not say so specifically in terms of a given amount of money. Let me say that if I am in error about this matter, I wish the chairman of the committee to put me right, by documenting a citation to the section and line of the bill which corrects the statement I just made if my statement is not correct. I am advised that certain language in the bill means that approximately \$40 million will be available for the State of Israel. However, the language does not say so specifically. It gives the widest discretion to the State Department in this matter. There is no assurance that Israel will receive anything.

Mr. President, let us accept the assumption that Israel will get \$40 million although no such fund is so earmarked in the bill. But let us accept the assumption. If true, the fund is most inadequate. It is most inadequate when we consider the moral obligations of the United States and the people of the United States to Israel. It is most inadequate when we consider the meaning and the symbolism of Israel in the Middle East.

I wish to address myself briefly to these two points, and then to discuss briefly a third one, namely, the attitude of the United States in the years to come in connection with the entire problem

of colonialism in the world and the relationship of that problem to the foreign policy of the United States.

First, Mr. President, let me say that I do not think we have ever started to fulfill our moral obligations to the State of Israel. Let us consider the situation in the year 1946. In that year, we came to the end of World War II. We should always keep in mind the fact that one of the causes of our entering the Second World War in the first instance was the revulsion of feeling throughout the body politic in the United States over the atrocities and the persecutions by Nazi Germany of minority groups. It was in 1946, Mr. President, that I performed a confidential mission for the then Secretary of War, Mr. Robert Patterson. I inspected the displaced persons camps in Europe, and I returned and made my report to him. Later, as the CONGRESSIONAL RECORD will show, I made certain comments on the floor of the Senate.

I pointed out then that there was no question of the fact that we had a tremendous moral obligation to see to it that the masses of people in those concentration camps—because that is what they were in fact, although they were called displaced persons camps—should be distributed among the free nations of the world. I urged in a speech on the floor of the Senate at that time that the United States Government take the initiative in asking the Prime Ministers of the free nations of the world or their representatives to meet in a conference of foreign ministers for the purpose of seeing if an international understanding could not be reached whereby we would participate in distributing among the free nations of the world the people in the concentration camps.

I did not get anywhere with that suggestion, Mr. President. It was very interesting that as early as 1946 and 1947, we were falling back into the old American pattern of forgetting too quickly our responsibilities in regard to an international situation and the moral obligations involved therein.

I remember that in the cloakrooms of the Senate my suggestion was met by the comment on the part of some of my colleagues, "I would not go for that because most of them are Jews." Factually, those colleagues were wrong. It so happened that in 1946 and 1947 a majority of the inhabitants of the displaced persons camps of Europe were not Jews.

But I asked then, as I have asked many times since, suppose it were true? What does that have to do with America's moral obligations to human beings who have been persecuted, which persecutions formed a part of the reason for our going into World War II? There was still an obligation on the part of the United States to do something for the inhabitants of those displaced persons camps by assisting in bringing them to lands of freedom, even if it happened to be true—which it was not—that a majority of them were Jews.

A large number of them were Jews; and in respect to those, the State of Israel, at that time known as Palestine, came to the assistance of the so-called

Jewish refugees, and, in spite of strong British opposition—and let us not forget the role that Great Britain played in 1946 and 1947 in connection with this problem—in spite of British opposition and British attempts to prevent those refugees from landing on the shores of Palestine, thousands upon thousands of them sought Palestine as a source of refuge.

I think the people of Palestine wrote a glorious and thrilling chapter in the history of world humanitarianism by putting into effect the Biblical teaching that, after all, we human beings are our brother's keeper. A homeland was provided for those refugees; and, to the extent that the people of Palestine took care of those refugees, they assumed a burden of moral obligation which was also partly the burden of the United States and the burden of every other nation in the world that believed in personal freedom, human dignity, and human decency.

In my judgment, Mr. President, when we add up the aid that the United States has given to this little beachhead of freedom in the Middle East, it is but a mite, a pittance, in comparison with what I think our true obligation is to that republic of freedom in the Middle East.

Let us take a look at that republic. It cannot be denied that it is a republic which has been established with the sanction of the United Nations. It belongs to the family of free nations, and it has the stamp of approval of the United Nations upon it. Because it is a member of the family of free nations, I respectfully say that free men and women everywhere have a stake in the freedom of Israel. It is surrounded by economic feudalism. It is surrounded by many countries in which the principles of democratic processes do not exist.

Let me make very clear that the junior Senator from Oregon is perfectly willing to be of economic aid to the Arab States, if they have a willingness to help improve the economic plight of the masses of their population. I am very desirous, Mr. President, of being of aid to the Arab States by bringing to their people a standard of living under which economic freedom of choice for the individual can exist there, too. It does not now exist.

I have no intention, Mr. President, as a Member of the United States Senate, of ever following a course of action in this body which would add up to trading the freedom of Israel and right to liberty of the people of Israel for Arabian oil.

I hope I am realistic enough to recognize that if we get into a third holocaust, no nation will get the benefit of that oil. If we wish to talk about the problem of Arabian oil from the standpoint of the ugly realities incident to a possible third world war, let us face the fact that no nation will get the oil because it will be one of the prime targets. Every power involved will try to prevent the other powers from getting the oil. It will be destroyed, so far as accessibility for the duration of that war is concerned. There would be hardly any other target more vital than the derricks

and refineries connected with Arabian oil fields.

But, Mr. President, I do not argue this issue on the basis of Arabian oil. I argue on the basis of our moral obligation to be of assistance to a beachhead of freedom in an area of the world where the symbolism of freedom should be strengthened.

Although I expect to be criticized for it, the fact that I will be criticized in no sense deters me on this issue, and it has never deterred me in the past in connection with any other issue. If we do not give strength to the State of Israel, we shall be building a foreign policy which lets freedom down in the world.

Israel has made a great many mistakes. I do not condone any of Israel's mistakes. I do not condone the violation of the truce by Israel. In my judgment, the State of Israel must be charged with at least assuming responsibility for those violations. However, Israel has not been alone in violation of the truce.

I am not dealing with comparative statistics on violations. I make the assertion—and I am sure it can not be contradicted by the record—that violations of the truce have been at least as frequent—if not more frequent—by the Arab States as by Israel. I hope I am a good enough lawyer to know that, although provocations never justify a wrong, they often explain why the wrong occurred. Provocations often provide an explanation of the motivation and causation of wrongful conduct.

I have been heard to say many times—and I repeat it today—that if we believe in a system of international justice through law, the policy of the United States State Department always should be to seek to call to account before the United Nations, through an international judicial tribunal of the United Nations, both Israel and the Arab States for any violation of the truce. That is the position of the junior Senator from Oregon, and it will always be his position.

However, we cannot explain the State Department's attitude toward Israel over the past 14 months on the basis of that principle. In my judgment, ever since the visit of the Secretary of State to the Middle East a little more than a year ago, his course of conduct and his pronouncements have been subject to the clear criticism that apparently the policy of the State Department is in part to win the friendship of the Arab States at the expense of Israel. I am critical of that course of action on the part of the Secretary of State. I am critical because apparently every time there has been a violation of the truce by Israel a statement of condemnation has been issued by the Department of State; whereas too frequently when there has been a like violation on the part of the Arab States there has been no such severe censure by the State Department.

I repeat that, in my judgment, the obligation of the United States in its foreign policy in connection with that serious situation in the Middle East is to make it clear to all parties in those disputes that they must submit their differences to the United Nations, and through

the United Nations to its international judicial tribunal, for decision and determination by the application of the rules of reason applied to a record of evidence.

I have been very much disturbed about what, in my judgment, has been a lack of adequate support on the part of the United States Government of the Republic of Israel in the Middle East. I have been disturbed by the apparent readiness of the United States State Department to supply arms to the Arab States. One example is the situation in Iraq. Not so long ago the Department of State took the position that arms should be supplied to Iraq, and gave as its explanation that they were needed in order to take care of internal disorder in Iraq. I do not know whom our State Department officials thought they were fooling. In my judgment, they did not fool anyone who knows the facts with respect to the Middle East. I cannot overlook the fact that during World War II the Iraq army went over to the Nazis. They were on the side of the Nazis. It may be that there is justification for believing that in the future we can count upon Iraq as an ally. However, judging by the past, it is very dubious.

Furthermore, let me mention, in passing—because it deals with the third point I wish to mention in these brief remarks—that when we are dealing with the Arab States, we are, after all, not dealing with governments based upon democratic processes. We are not dealing with governments in which the people are the masters and the governments the servants, as is the case when we are dealing with the Republic of Israel. It is another case in which we are apparently giving way to our great fear of the expansion and aggressive intentions of Russia. Therefore, we are willing to give support to other forms of totalitarianism, which in my book are very little different from communistic totalitarianism.

The issue of totalitarianism must be directed to the rights of the individual citizen. Whether a citizen in any country lives under the totalitarianism of communism or fascism does not make very much difference so far as his personal liberty and personal dignity are concerned.

Therefore, I say that we had better give greater attention to the need for aiding freedom in the world, instead of to an American foreign policy based upon the doctrine of the expediency of encouraging and aiding totalitarianism in the world.

The next point I wish to make is that we had better recognize, before it is too late, that the greatest defense weapon the United States has and will have for the century ahead and longer is the economic productive power of men and women in other parts of the world who are willing to stand shoulder to shoulder with us in the contest between freedom and totalitarianism, a contest which will continue for a long time.

In the Middle East there is a little republic which, in my judgment, ought to be strengthened. Instead, its enemies

abroad and some powerful forces here at home would undermine the economically productive power of Israel by seeing to it that the maximum amount of her resources is devoted to military defense. Dollars spent for military defense are not economically productive. In my judgment, if we are to give military aid to the Arab States, as we have been doing, we have a moral obligation toward the Republic of Israel to do the same for Israel. I return to that point because I premise my speech on the basis of a moral obligation to the cause of freedom and the relationship of that cause to American foreign policy. If we are to give military aid to the Arab States—and we have been giving such aid even though they do not belong to NATO and even though the mutual obligations of NATO are not involved in such military aid, we have the clear moral obligation to see to it that adequate defense funds are made available to Israel, so that the economic life of Israel will not be sucked dry by forcing her to use a large percentage of her income and economic resources for defense purposes.

In my judgment we have the moral obligation to protect this state of freedom in the Middle East by making very clear that such aid as we give to the Arab States under the pretext of seeing that they have the equipment to keep down internal disorder should at least be counterbalanced and matched by adequate defenses in Israel so that the Arab States will not be tempted to prosecute a war against the state of freedom in the Middle East, namely, Israel.

In my judgment, if it is true that in this bill some \$40 million is available for Israel, it is but a pittance in view of the tremendous forces now being used in order to reduce to impotency the economic and military strength of this republic in the Middle East.

Mr. President, when I think of the treatment that Israel received not so many years ago from the British Empire, and of the treatment she is receiving today from the Arab States, I wonder what the attitude of the United States would be if Israel were in a position, for example, to apply to some other country the kind of boycott that has been applied to Israel in relation to the use of the Suez Canal. In my judgment it would be necessary to supply the Secretary of State with a piece of asbestos paper on which to write the kind of protest that would be sent to Israel if she invoked such a boycott. Yet in my judgment the part we have played in connection with the boycott of the Suez Canal and the effect of that boycott on the State of Israel has amounted to a very feeble slap-on-the-wrist approach, in the field of diplomacy, to the Middle East situation.

Knowing that there are those who think it would be a mistake to offer the amendment which I suggested I had originally contemplated, to increase aid to Israel by at least another \$50 million, and knowing also that in view of the attitude now prevailing in the Senate the amendment would not be adopted anyway, I felt at least a clear moral ob-

ligation to raise my voice today in protest against what I think has been the unfortunate policy followed by the Secretary of State during the past year or more in regard to the State of Israel. I raise my voice to urge that we recognize, before it is too late, that the greatest defense weapon we have is the economic productive power of free men and women everywhere in the world. The fight for freedom in the next century will be won only to the extent that we are able to build up a better standard of living, provide economic opportunity, and export the know-how of enlightened American capitalism to those sections of the world where the need for economic improvement is so pressing upon the people and on the basis of which need the vicious, lying Russian Communist propagandists make so much political hay.

Mr. President, when we come to consider economic aid, in my judgment such aid produces more security for the United States than all the guns, ammunition, and airplanes that may be shipped to foreign countries, important as armaments are.

I do not propose to curtail military aid, because I recognize that we must keep free peoples strong militarily for years to come if we are to hold in check the aggressive intentions of Russia. She certainly has demonstrated such intentions time and time again. Let a segment of the world become militarily weak to the extent that Soviet Russia thinks she can move in, and she will move in. That is why I am such a strong advocate, for example, not only of NATO, but of a corresponding organization in Asia, where the free nations together—not the United States on a go-it-alone policy—will stand shoulder-to-shoulder against the danger of an aggressive course of action on the part of Russian totalitarianism.

I plead today for aid to freedom, because that is what the fight is all about. The struggle for the century ahead will be a struggle to strengthen the cause of freedom against the enslavement of totalitarianism.

That brings me to the third and the last point of my speech. Much has been said on the floor of the Senate in recent weeks about a reexamination of American foreign policy. We should reexamine it, Mr. President. We should reexamine it from every angle. I am for such reexamination. I wish to suggest one angle from which we ought to reexamine it. We ought to reexamine it from the angle of the criticism which confronts us all over the world, in those areas of the world where masses of people are struggling for freedom against colonialism, against the economic imperialism—at least in their sight—of powerful colonial countries. We cannot ignore it. We must come to grips with it. We must be frank and honest with our colonial-minded allies. We must be frank and honest with Great Britain, France, Holland, and other nations.

Mr. President, we have no answer for this rising tide in the course of human events. There is nothing the United

States can do, and there is nothing that Great Britain, France, Holland, or any other power can do, to stem the trend of human events for the century ahead—a trend which is obvious if one will but read the handwriting on the wall. In every one of the so-called backward areas of the world the answer is the same. The trend exists, and can be seen if one will but open his eyes and look. In every backward area of the world where at present a policy of economic colonialism and imperialism exists, the people are rising up against it. The question is, Are we to follow an American course of action in the field of foreign policy which will cause those people to be on the side of freedom with us, or are we to continue to follow a course of action supporting colonialism, imperialism, and totalitarianism in the world, and drive free people behind the Communist Iron Curtain?

Mr. President, if we do not stand with them in their fight for human freedom, in their fight for emancipation from the colonialism of powerful western nations, they will go behind the Iron Curtain, because they will fall victims to the vicious, lying propaganda of the Russians that behind the Iron Curtain they can get more to eat, more with which to clothe their children, and better living conditions.

We know that such propaganda is not true, but we cannot convince our friends of that if at the same time we support a policy of colonialism.

Much has been said on the floor of the Senate about American mistakes in Asia, and there have been many. I am perfectly willing to stand on the record as to my position about those mistakes, referring to speeches I made on the floor of the Senate as early as 1945 and 1946 and 1947 and every intervening year between then and now.

One of the greatest mistakes we have made in Asia is that apparently we lacked the courage to tell our free allies we could not support their colonial policies in Asia. In my judgment, one of the reasons why the mess in Indochina developed was that we were not frank enough with France. We should have made clear to France that we were in favor of protecting the freedom of the Indochinese, but not at the price of maintenance of French colonialism in Indochina.

I have always said, and I repeat now, Mr. President, I think possibly the most important issue in the whole Indochina matter was an issue many Americans did not want to face—the issue of Morocco. In my judgment, Morocco had more to do with Indochina than any other single factor because I think it was perfectly clear the French were afraid that a complete withdrawal of their colonial policy in Indochina would jeopardize their colonial policy in Morocco, and Morocco happens to be a very, very valuable colonial asset to France.

Just as surely as that we are in the Senate today, Mr. President, in my judgment, any Senator who is 55 years of age or younger, if God permits him to have the normal longevity Americans enjoy, will live to see the end of French colonialism in Morocco. That is the hand-

writing on the wall. We should not stick our heads in the sand about it. I believe we have an obligation to our colonial-minded allies to make clear to them we are going to be of assistance to them in solving their economic problems, but that from the standpoint of their colonial policies and from the standpoint of what American freedom stands for, we can no longer give support to the suppression of peoples in the so-called backward areas of the world by the imposition upon them of a policy of colonialism.

I have been very frank about this issue, Mr. President, but, in my judgment, someone needs to be frank about it, because a failure to face the issue may involve in the future the lives of many American civilians, as well as many American boys who may find themselves in uniform. I do not think we can continue during the decades ahead to support a policy of economic domination of peoples in the backward areas of the world by other powerful nations and still have peace in the world.

Economic freedom in the backward areas of the world represents a cause for which millions of people are going to be willing to die until ultimate victory is theirs. This is the record, Mr. President, of what happens to people once they are imbued with a dedicated devotion to the concept of freedom. Read the history of the development of great social and economic movements in the history of civilization and such a story will unfold.

In this historic era we see the great human movement to attain freedom on the part of peoples who have been denied freedom heretofore; and they are going to achieve their objective.

I wish to see my country always on the side of freedom. That means, of course, we must carry on statesmanlike diplomacy. It means we have to face world economic problems from the standpoint of recognizing that no nation can live unto itself alone economically and survive on through the future—not even the United States. Oh, in our lifetime we can do it, of course; but we are a baby Nation. America has not lived long in the history of mankind. There have been other civilizations as great for their era as ours is for our era, which thought they could live unto themselves alone. Those civilizations thought they could enjoy standards of living in perpetuity so far superior to the standards of the peoples surrounding them that they need have no fear as to their survival; but they did not survive.

The "have not" nations have a way, we learn from history, of wearing down the so-called have nations which believe they can hold economic advantage unto themselves and live within themselves.

In these days voices must be raised in America pleading for an historic perspective and for a recognition of the importance of thinking in terms of historic time, in terms of the American boys and girls 300 years from now. That is the challenge of our generation, as I see it.

I think that challenge is involved in this aid bill, even though it is not written in such language, because the philosophy underlying this aid bill ought to be the

principle that, after all, the soundest foreign policy from a moral standpoint is one which recognizes we are our brother's keeper. We must recognize that the moral law is the soundest foreign policy a free people who believe in the dignity of the individual can follow in terms of history.

That is why, Mr. President, I say, in closing, we must be frank with our allies. We must not maneuver ourselves into the position our State Department allowed us to be maneuvered into when it took the position that it would not support a vote in the United Nations on Tunisia and Morocco. Why not support such a vote? Why should the people of Tunisia and Morocco not be heard in the United Nations on their case?

Mr. President, when we take the position we took on that issue, what do we do? We open ourselves to the charge that we are aiding and abetting the exploiting policies of colonialism.

I have been to the section of the world where colonialism prevails. If a person goes there he cannot be there long without recognizing the equities and the merits of the moral case of the natives of those colonial lands.

My attention has recently been called, Mr. President, to the Cyprus issue in the Middle East. Apparently, under the "head in the sand" attitude of the British Government, there is no issue in Cyprus. Let anyone who thinks the British are right about that go to Cyprus, look over the situation, and see for himself. If he goes there, he cannot deny the fact that the nationalistic spirit of the people of Cyprus for self-determination is unanswerable; yet the British Government is taking the position there is no Cyprus issue. The fact is that 80 percent of the people of Cyprus are Greeks. For years and years they have wanted to be united with Greece.

I note in this morning's New York Times, Mr. President, an article which says, "Britain will curb Cyprus agitation. She invokes old antisedition laws to silence advocates of union with Greece."

I ask unanimous consent, Mr. President, to have this article included in the RECORD at this point, as a part of my remarks.

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

BRITAIN WILL CURB CYPRUS AGITATION—SHE INVOKES OLD ANTISEDITION LAWS TO SILENCE ADVOCATES OF UNION WITH GREECE

NICOSIA, CYPRUS, August 2.—The Cyprus Government, in an effort to stamp out illegal agitation for a union of Cyprus with Greece has decided on strict enforcement of existing laws against sedition.

C. G. Tornaritis, attorney general, summoned a press conference today and read a proclamation that had been posted in towns and villages.

The right of citizens to candid, free, and full discussion of any public matter will not be interfered with, he explained, but writings and practices aimed at changing the sovereignty of the colony or at exciting discontent against the Government will not be tolerated.

The proclamation warned that criticism of Government policy in the future must not stray into the sphere of sedition, and

that henceforth the present law of sedition would be strictly enforced.

A person convicted of seditious conspiracy or publication with seditious intention is liable to 5 years' imprisonment.

Any organization advocating the carrying out of seditious intention is an illegal association whose officials are liable to 5 years' imprisonment and its members to 3 years, the proclamation added.

A newspaper in which a seditious libel is published may be suspended by the court for 3 years. A naturalized British subject who has shown himself disloyal toward Queen Elizabeth II may be deprived of British nationality.

Mr. MORSE. Great Britain can apply all the antisedition laws she cares to invoke. Yes; by the use of a greater force, Mr. President, she can put down for the time being this agitation on the part of the people of Cyprus for the advantages of self-determination and human rights and freedom, but this spirit of freedom will rise again to plague Great Britain, and to plague the United States if we aid and abet the policy of colonialism.

Certainly the people of Cyprus should be heard in the United Nations, Mr. President. I hold in my hand the New York Times for Thursday, July 29, 1954, which contains an article headed, "Britain Proposes a Cyprus Charter." I ask unanimous consent that the article be printed in the RECORD at this point as a part of my remarks.

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

BRITAIN PROPOSES A CYPRUS CHARTER—MOVE DENOUNCED BY LABORITES FOR NOT ALLOWING ISLAND TO QUIT COMMONWEALTH

LONDON, July 28.—The Government announced today it intended to give Cyprus a new constitution on the pattern of those of Britain's African and Asian colonies. The move ran into immediate criticism from Laborites.

The constitution would provide a legislature of which only a minority would be elected, the majority being composed of colonial officials and the governor's appointees. This is the same pattern applied in politically immature colonies as they begin to move toward self-government.

Unlike most such constitutions, this one has been prepared without consultation with the inhabitants of Cyprus themselves, who are so zealous for union with Greece that they refused to consider a similar constitution offered in 1948.

A debate arose over the fact that Cyprus, unlike other maturing colonies, will not be allowed to leave the Commonwealth if it wishes to. This restriction, announced by Henry L. Hopkinson, Minister of State in the Colonial Office, was called hypercritical by Tom Driberg, a leftwing Laborite. The speaker of the house required Mr. Driberg to withdraw the word.

Aneurin Bevan, leader of the Labor Party's leftwing, said the Government stand would be fiercely resented by the population of Cyprus.

He connected the offer with the pending British withdrawal of troops from Egypt, which had been anticipated by the removal of the Middle East command to Cyprus. He said the command was being established "in the middle of a hostile colony, made more hostile by the extremely unfortunate language used this afternoon."

Mr. Hopkinson had declared it always had been understood and agreed that certain

commonwealth territories could never be expected to be fully independent. He was backed up by the outgoing Colonial Secretary, Oliver Lyttelton, who told the House of Commons this might be the last occasion he would address it.

Mr. Lyttelton said Britain could not turn Cyprus over to Greece, as a large number of Cypriots desired, because all the experts agreed the island was essential to Mediterranean defense. To "hand it over to an unstable, though friendly, power at this moment," he said, "would undermine the eastern bastion" of the North Atlantic Treaty Organization.

ATHENS, July 28.—Foreign Minister Stephanos Stephanopoulos said tonight that Greece planned to bring the Cyprus question before the United Nations despite Britain's decision to grant a constitution to the Cypriots. He said the proposal was an improvement over that of 1948 but did not give Cypriots the right of self-determination.

Mr. MORSE. The article sets forth a typical British colonial policy. The policy seeks, by way of form, to recognize political rights in Cyprus, but gives the people of Cyprus no substantial control of their own political rights. The people of Cyprus will understand that. In the course of human events, the rest of the world will come to understand it, too.

I think the time is long overdue when the United States should stop supporting colonialism in this world as a part of its foreign policy. Likewise it should stop supporting the totalitarian practices of totalitarian states. It should answer the vicious, lying Russian propaganda by way of a clear demonstration of acts which would make clear to the world that we are not on the side of colonialism, and are not on the side of economic imperialism of any foreign power; but that we recognize that all human beings have a common denominator of human instincts, and that instinctively all people know that they are entitled to political freedom and self-determination.

Mr. President, I shall continue to be critical of any foreign policy of my Government whenever I see such specific acts as we have noted in recent years that would justify the criticism that this country is allied on the side of colonialism.

I have mentioned Indochina. To repeat, my position has been all along that the part this country should have played—and we failed to take advantage of a great opportunity of leadership in this matter, in my judgment—was to have urged from the very beginning the declaration of a United Nations trusteeship in Indochina, based upon independence now—not tomorrow, not next year, but now—and a guaranty by the United Nations to the people of Indochina of their political freedom now. What a rocking back on the heels that would have produced, so far as Russian propaganda in Asia is concerned. It would have been a clear demonstration that we meant it when we took our stand on the side of the self-determination principle as it was written into the San Francisco Charter which became the Charter of the United Nations. But apparently we were afraid to offend the French. Apparently in our foreign policy we were not willing to stand up against the mate-

rialistic aspirations of the French and take a clear and strong stand on the side of human rights. What a different situation would exist in Indochina if such a trusteeship had been supported by the free nations of the world. We would have had Russia on the defensive in the battle between freedom and enslavement in Asia. But that is not the course of action we followed; and I think we muffed the ball at Geneva.

There was an opportunity for the American Secretary of State to assume the offensive against Russian propaganda. That was not the course of action which the Secretary of State followed. In my judgment, as a result of his course of action at Geneva, we suffered one of the greatest major defeats in all the history of American diplomacy.

In the early stages of that controversy, apparently the course of action the United States State Department wanted to follow was one of armed intervention in Indochina—to protect what? From the standpoint of the Asians, it would have been looked upon as a program to protect French colonialism in Indochina. That policy should have been discarded first. With that policy abandoned, and with the free nations among the Allied group then standing to protect the territorial integrity of Indochina, under a United Nations trusteeship, until free elections could have been held, and until the people of Indochina could have taken over their Governments for themselves and operated them by themselves, Russia would have been put on the defensive in Asia.

In my judgment, Russia will never come forward and stand up against the free nations of the world when they are willing to stand for united action, and when they stand for the kind of moral law I am urging here today, and which should be the warp and woof of American foreign policy. But I regretfully say that, in my judgment, that is not the situation today.

I close by saying that if we mean it when we say we wish to be an ally of freedom, we had better follow a different course of action in respect to protecting the freedom of Israel than we have followed during the past 14 months. If we mean what we say, then we had better make clear to the world that we can be counted upon to come to the assistance of free nations, because, in my judgment, the maintenance of their freedom is essential in the century ahead if freedom is eventually to survive in the United States.

Mr. MARTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MARTIN. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

Mr. LONG. Mr. President, I object.

The PRESIDING OFFICER (Mr. BARRETT in the chair). Objection is heard.

The call of the roll will be continued.

The legislative clerk resumed and concluded the call of the roll, and the

following Senators answered to their names:

Alken	George	Monroney
Barrett	Green	Morse
Beall	Hayden	Murray
Bennett	Hickenlooper	Pastore
Bowring	Hill	Reynolds
Byrd	Holland	Robertson
Carlson	Johnson, Tex.	Smathers
Cooper	Knowland	Smith, N. J.
Dirksen	Kuchel	Sparkman
Douglas	Long	Symington
Ervin	Malone	Upton
Flanders	Mansfield	Wiley
Frear	Martin	Williams

The PRESIDING OFFICER. A quorum is not present.

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

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. ANDERSON, Mr. BRICKER, Mr. BRIDGES, Mr. BURKE, Mr. BUTLER, Mr. CAPEHART, Mr. CASE, Mr. CHAVEZ, Mr. CLEMENTS, Mr. CORDON, Mr. CRIPPA, Mr. DANIEL, Mr. DWORSHAK, Mr. ELLENDER, Mr. FERGUSON, Mr. FULBRIGHT, Mr. GILLETTE, Mr. GOLDWATER, Mr. GORE, Mr. HENDRICKSON, Mr. HENNINGSON, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JOHNSON of Colorado, Mr. JOHNSTON of South Carolina, Mr. KENNEDY, Mr. KERR, Mr. LANGER, Mr. LEHMAN, Mr. LENNON, Mr. MAGNUSON, Mr. MAYBANK, Mr. MCCARRAN, Mr. MCCARTHY, Mr. McCLELLAN, Mr. MILLIKIN, Mr. MUNDT, Mr. PAYNE, Mr. POTTER, Mr. PURTELL, Mr. RUSSELL, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. STENNIS, Mr. THYE, Mr. WATKINS, Mr. WELKER, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG].

Mr. LONG. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. LONG. Mr. President, I shall not detain the Senate more than a few moments. However, I wish to point out to the Senate what the amendment entails. It means a reduction of approximately \$1,033,000,000 in the overall authorization for this program.

Although that would appear to be a reduction of about one-third of the new money, I should like to point out to Senators that it is a reduction of only 7.2 percent, just a little over 7 percent, of the overall amount now in the program.

If we grant the full amount requested under the bill, there will be on hand \$12,849,500,000. Based on the report of the committee, and referring to page 12 of the committee report, even the Foreign Operations Administration does not believe it is capable of spending this money much more rapidly than at the rate of \$5,500,000,000 a year. Therefore, looking at page 12 of the report, based on the Foreign Operations Administra-

tion's own estimate, we find that at this time next year they would still have left over \$7,360,000,000. In other words, Mr. President, based on the report of the Foreign Relations Committee itself, they would have on hand enough money to carry the program on for 2 years and 3 months, if my amendment should carry.

Mr. President, there is no need having money on hand that much ahead of time, or, to illustrate it another way, if Senators would just look at the committee report before them, and if they will turn to page 13 in that committee report, they will see a chart. They will see on the bottom line of the chart figures indicating the rate at which the Foreign Operations Administration has been able to dispose of funds under this program.

They will see, Mr. President, that during the first year of the program Congress appropriated around \$5 billion, and they will further see that it was 3 years before the Foreign Operations Administration was successful in disposing of the first \$5 billion appropriated by the Congress. But during that same period of time the Congress appropriated twice that amount of money, so during the first 3 years the Congress appropriated three times as much money as the Foreign Operations Administration and its predecessor could dispose of during the first 3 years.

If Senators will look at last year's expenditure, which is shown at the end of the dotted line on page 13 of the report, they will see that we have already on hand enough money to carry the program for another 2 years. I insist that it is terribly wasteful to give any organization appropriations to the extent of \$9,749,000,000 more than it can spend in the next year. I am not saying that we should not give away those weapons to our friends and allies, but I do say that if we want to give arms away, there is no requirement that we appropriate the money as much as 3 years in advance.

The statement is made in the report that lead time is involved, and that the money is required to be on hand in advance, so as to make sure that the guns, tanks, and other weapons are constructed.

I say to Senators that the weapons we are giving away under this program are weapons which require the shortest possible lead time. A type of weapon which takes a long lead time is the latest type of jet aircraft. The latest type of jet aircraft requires several years from the time it is on the drawing board until it begins to roll off the production line. However, we are not giving away our latest type jet aircraft to our friends and allies.

Let us look at the kind of equipment we are giving to Chiang Kai-shek on Formosa. He does not even have the oldest model American jet airplane. We give our allies the older type of equipment, and weapons of a second rank. We give them the type of weapons that are not in the greatest need here, and it makes good sense to do it that way. We have such weapons available generally on much shorter notice.

I point out to Senators that this program has never been restudied and reconsidered. If that had been done, the same thing would have happened to this program that happened with regard to the military base construction program. Senators will recall that during the first year of the Eisenhower administration an enormous reduction was made in the Air Force requests for airplanes. We spent for airplanes during that year even more than we spent during the previous year. The spending for military construction was even more than it had been during the previous year. Nevertheless, the fact remains that there had been such an excess in appropriations remaining from prior years that the administration was in the position that it did not need to ask for as great an appropriation during that year, even though it actually spent more money on defense than its predecessor administration had spent.

Mr. President, I believe that some new Members of the Senate would be interested to know that since the end of World War II we have given to our friends and allies in the world a grand total of \$45,510,000,000. That amounts to approximately \$1,000 for every family in the United States.

Our debt today, in terms of purchasing power, is as great as that of all the nations of the world combined. Yet we shall be asked to raise the debt limit before this session of Congress ends.

I urge Senators to adopt the same philosophy with respect to spending money to help our allies that the Committee on Finance has very soundly adopted with regard to raising the national debt limit. What is that philosophy? It is the philosophy advanced by the distinguished senior Senator from Virginia [Mr. BYRD], who argued in that committee that we should not raise the debt limit until it had been proved it was necessary to raise it.

If my amendment were approved, according to the committee report, on page 12, the second from the last paragraph, there would be on hand \$6,360,000,000 of unexpended money at this time next year. I say that because on page 12 of the committee report there is an estimate that there will be on hand \$7,360,800,000 if the full amount is appropriated.

Why does the Foreign Operations Administration have this amount of money on hand? I believe I can tell Senators the reason. The reason is that we had a program which entailed obtaining agreements with our allies before we gave them arms and equipment paid for by the Treasury of the United States. However, our administrators had difficulty in negotiating such agreements with our allies. Therefore, if we look at the chart on page 13, we note that they were not successful in spending in the first year of the program 10 percent of the money given to them. It will be noted also that at the end of the second year they had not been successful in disposing of more than 30 percent of the money given them during the first year. However, that did not keep them from asking for money at an ever accelerated pace.

Why did they not, at the end of the first year, come to tell us that they could not get rid of the first \$5 billion, and that they still had \$4 billion on hand at the beginning of the second year? Why did they not come to us and tell us at the end of the second year that they were not able to get rid of the \$10 billion they had on hand, and that they had been able to get delivery of only a little more than \$2 billion?

It is because they advanced the philosophy that if they could not get rid of all the money in 1 year they should double up on the amount to be spent in the next year. They were faced with the fact that they were unable to make their program move as fast as they wanted, and to give away money at the rate of \$5 billion a year. At the same time, we have been continuing to appropriate money at an ever accelerated pace.

With regard to our own military program, the Secretary of Defense made the discovery that money had been requested too fast with regard to air bases. He reduced the appropriation for air bases, and we had a fight on that point on the floor of the Senate, and the Secretary was upheld.

The Secretary of Defense found that he had money far in advance of requirements for acquiring airplanes. Thereupon he reduced his request for new appropriations for that item.

Such reappraising has not been done in connection with this program. The committee has furnished a chart which proves that to be the fact. There will be on hand next year \$7 billion. There is no item in the program that we cannot acquire if we reduce the program by a billion dollars as of now.

What I should like to have done is to have the same savings and economies and replanning effected in connection with this program that we have seen applied to our own defense program. I should like to point to one example of the failure of replanning in connection with the expenditure of taxpayers' funds. That is in connection with Indochina. If Senators will look at pages 253 and 254 of the hearings, they will note that General Stewart told the Senator from Iowa [Mr. GILLETTE] that he had no idea how they could possibly dispose of the \$800 million provided in the bill for Indochina. He did not know what they would do with the money.

I do not have this information directly, but I do have it on good hearsay, and I will be interested to hear a statement on this item by the committee. The fact is that today we have on the docks in Indochina, still in the crates, approximately \$450 million worth of equipment which has never been taken from the crates in which it was shipped to Indochina. That is not to mention more than \$1 billion worth of equipment already in the hands of the French and Vietnamese, or the equipment that was funneled first to France and then into Indochina. In addition, there is \$600 million worth of equipment in the pipelines, on its way to Indochina. In addi-

tion, \$800 million is provided in the bill for Indochina.

No war is going on in Indochina now. A truce has been signed. The terms of the truce pledge both sides to free elections. I have yet to hear one American expert tell me that he expects us to win those free elections. Therefore we can anticipate that on this whole program we may lose all of our expenditures, and our enemies may receive the full benefit of our enormous investments in that war.

There was some consideration being given to the fact that we should not spend the \$600 million that has already been appropriated, and that we should not spend the \$800 million requested in the bill. By how much did the committee cut it? The committee cut the \$800 million by \$72 million. They should have taken out the whole \$800 million. They should have also asked for a reprogramming of the \$600 million that was left over.

Let us take a look at Europe. According to the chart on page 19 of the committee report we have already given Europe in direct defense assistance and defense support \$17 billion worth of arms. There is no war in Europe. European countries are not using the machine guns, rifles, tanks, and planes that we have given them. There is no fighting going on there at all. I have had occasion to visit some of the enormous ammunition depots in Europe, stocked up sufficient for months of heavy fighting. They already have on hand \$17 billion of American equipment.

That is not the end of it. There is \$5,683,000,000 unexpended and \$2,527,000,000 unobligated for Europe. Why would there be \$2,527,000,000 unobligated for Europe? My best guess is that funds have been held back in the hope that some day France would ratify the European Defense Community and then we could use some of the \$2,500,000,000 to arm the Germans. That would be a good project, but why should additional billions of dollars be authorized awaiting something that may never happen? If we are able to ratify the European Defense Community, that will be a good time to take a new look at the whole program and see what else we could give those people. I point out that already we have on hand enough to keep the program going for another 2 years at the maximum rate of expenditure that has ever been reached.

In addition to the \$5,683 million for Europe, there is also on hand for Europe \$360 million for defense support, making a total amount of money for Europe, unspent, of approximately \$6 billion already. This bill provides another \$900 million. Certainly the program can be restudied, and reductions can be made.

In this program approximately \$20 billion has been spent to the present date for arming our friends and allies. Most of those arms are still on hand. At the present time there is \$9,500 million still left on hand, and even if my amendment carries, there will be left almost \$12 billion of unexpended funds. Think of it, Mr. President. That is two-

thirds of the amount of money spent under the entire Marshall plan over a period of 5 years. If this bill is passed, even with my amendment, there will be on hand, unexpended, two-thirds of the entire amount of money provided under the Marshall plan for the reconstruction of all Europe.

Senators will recall that when we undertook the Marshall plan we would not put such enormous amounts of unobligated appropriations in the hands of any administrator. We required a careful year-by-year check to see how much money had been spent and how much money was still needed. That program was carefully reviewed and checked year by year.

I regret to say that Congress has lost control of the program. It is completely beyond our control. Yet Senators, in all good faith, not wanting to be criticized for reducing defense spending, have found themselves voting year in and year out for the highest possible figure for our allies.

Let us see what happened last year. An amendment offered by the junior Senator from Louisiana to reduce the program by \$500 million came within four votes of carrying. What do we find this year? The Administrator now has on hand \$9,749,500,000. If my amendment had carried last year, the administration would now have on hand \$9,249,500,000. Would not that be difficult? Think what a difficult task would be imposed on him to operate his agency with a surplus of only \$9½ billion, just enough to carry him for 2 years. Would not that be unfortunate?

Mr. President, that is the program we have before us. The administration has not been able to spend all the money. The wars have stopped. The situation has changed. There is a truce in Indochina. But does that cause our officials to slow down the rate of spending? No. They say, "Give us every possible bit."

The Appropriations Committee has examined some of these generals. They were asked, "What will you do with the \$800 million when the war ends in Indochina?" They said, "We can reprogram the money." Yet every program they have already has adequate funds for more than 2 years and 3 months. When they reprogram, all they can do is to project the program another year or two further in advance.

When enormous piles of dollars are made available to administrators, the effect on them is to chastise them for the fact that they could not get rid of the money any faster than they did. It is discouraging to anyone who is trying to economize and save the taxpayers' money.

It also places our allies in a very advantageous position. They know that our administrators are on the spot, because they have not been able to spend all the money. The result is that if our allies hold back and drag their feet a little, American officials will extend even more cooperation and let them have things even more their own way.

I recall that when I was in France there was a great furor because the

French had understood that they were to have a contract to produce approximately \$600 million of American military equipment each year. It seemed as though the Foreign Operations Administrator was not going to give them quite that favorable a contract for the employment of French labor. They were somewhat doubtful that they would accept any of our money if we did not extend the contract to produce more of the equipment in France. That is the sort of situation we get into.

I regret that the late Senator Taft of Ohio is not with us today, because I recall so well how many times he stood on this floor and eloquently argued for a reduction in the rate of foreign-aid expenditures. I recall that the junior Senator from Louisiana voted with the Senator from Ohio in every one of those attempts. Generally speaking, he was only trying to reduce the program by 10 percent year by year.

In those cases the Administrator was able to show that, if we did not give him that 10 percent, it would mean a slowdown of the program. There is no such showing here. There is money enough to operate the program for more than another year. If Congress wishes to step up the rate of expenditure, it can step it up next year. There need be no slowdown when there are more than 2 years' funds on hand.

One of Senator Taft's last statements to the press was that he felt we would either have to stop this program or to reduce it drastically, because he felt that the public would not stand for it much longer.

We have seen complaints about the cost of our farm program, and yet my understanding is that all the losses actually sustained in our farm program to this date do not amount to much more than \$1 billion.

If this amendment carries, a slowdown and a careful study of the amount of money that is being spent could mean the saving of as much money as the entire American farm program has cost the American taxpayers in 20 years.

If we are to reduce this program, I submit that the time to do it is before the Appropriations Committee reports to the Senate. It is contemplated under the law that when Congress authorizes these programs, the authorization bill should be passed before the Appropriations Committee acts. In the haste with which we must act, the Appropriations Committee has not been able to wait for the authorization. It has had to go ahead and act on the appropriation. At least we would be in position to instruct the committee that we believe it should insist upon some economies and upon a careful study of the whole program, particularly a study of what will be done with the hundreds of millions of dollars entailed for Indochina, amounting to a gross of more than a billion dollars, which now must be reprogrammed, to see whether we should appropriate all of that great amount of money.

Furthermore, Mr. President, I should like the Senators to remember that this is—

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

Mr. LONG. I yield to the Senator from Florida.

Mr. SMATHERS. The Senator will remember that the other day the Senate voted—I think 86 to 2—for an amendment which I offered, to increase the technical-assistance appropriation for Latin America. I wonder how the Senator's amendment would affect the amendment which was approved the other day, and how consistently one might support the Senator's amendment after having supported the amendment to increase technical assistance to Latin America.

Mr. LONG. My amendment does not at all affect the technical-assistance program. My amendment applies to titles I, II, and IV of the bill. The technical-assistance program is title III of the bill. I believe the technical-assistance program has been carefully studied. As the Senator well knows, there has been much criticism of the economic aid portion of the bill. Therefore, that portion has been carefully scrutinized and cut down.

On the other hand, everything under the military program has been rushed ahead, and billions of dollars have been provided in excess of that amount which would be spent in the next 2 years.

With regard to the amendment of the Senator from Florida that would not at all be affected by the amendment I am offering. My amendment applies only to titles I, II, and IV. The amendment offered by the Senator from Florida applies to title III, and provides for a mere \$10 million. I am talking about billions of dollars.

I wish to point out that this program will not save this Nation. Much of the program is of a psychological character, designed to encourage our allies to resist in the event they are attacked. The weapons we shall be providing will not be modern weapons or the latest weapons. In the main they will be weapons which our armed services do not have in short supply. There will be no need to cut back on the production of any weapons which any of our allies may want.

If Senators will turn to page 10165 of the RECORD, they will find that the Comptroller of the Department of Defense testified before the Committee on Appropriations that the Army already has on hand \$2 billion more than it needs. So if there is any worry in the mind of any Senator that we might produce tanks, guns, or aircraft more slowly than we should, I simply point out that the Army already has on hand \$2 billion more than it needs, according to the statement of the Comptroller of the Department of Defense.

Furthermore, there is more than a 2 years' supply of cash on hand ahead of time for this foreign-aid program.

In the main, the program is one which contemplates that any effort to subjugate or overcome a friendly power must be by a major Russian effort, instead of by internal subversion. No matter how much we give to our allies—including the \$20 billion already given, the \$9 billion now on the way, and the \$3 billion requested in the bill before the Senate—there will still be an overwhelming power

on the Russian side, in the event Russia chooses to start a war.

The type of armament to be provided under this program will only make it possible for our allies to put up some effective resistance, so as to make it necessary for the United States to consider its position before Russia could subjugate those powers.

This military program only makes it inevitable that if Russia starts world war III, it will start the war by a direct attack on the United States of America, rather than starting the war against some foreign power which could be quickly overcome, but only by raising the probability that the United States would go to war against the aggressor.

Any nation planning a major aggression against the free world must realize that it must destroy the productive and fighting power of the United States. If that could be done, the aggressor then could easily overcome and destroy all the other nations. In fact, many of them would not fight because they would know they would be quickly brought to their knees.

In the long run, it will be found that the only nation which will save the United States is the United States of America itself. This program does not reduce the essential expenditures necessary for the defense of this country. Our generals and admirals who testified for the program stated at the inception that the foreign-aid program would not reduce the defense requirements of this Nation. It is nice to have our allies armed; but in the last analysis no one but Americans are going to save the United States of America.

I hope the amendment will be agreed to. I am positive that it will not mean a slowdown in the rate at which we can supply arms to our allies. I believe it will result in a careful restudy of the program, and will result in a saving of money. I do not believe the amount of the saving can be foreseen at the moment, but I am certain that it will be in the interest of the taxpayers of the Nation.

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

Mr. LONG. I yield.

Mr. HAYDEN. I wish to make reference to a statement which I understood the Senator from Louisiana to make to the effect that the Committee on Appropriations was not diligent in checking up on the foreign-aid expenditures. Expenditures are what count and not appropriations or authorizations.

In the 1953 fiscal year, for all purposes, the United States spent \$5 billion for military and economic foreign aid. In the last fiscal year which has just ended, \$4,800,000,000 was spent. The present fiscal year rate of expenditures, as estimated by the Bureau of the Budget is \$5 billion.

The \$5 billion is made up of \$3,500,000,000 which is to be appropriated this year, and \$1,500,000,000 carried over from moneys which have been previously appropriated. This means that \$5 billion will be expended from the Treasury of the United States. What affects the American taxpayer is the actual amount of money being paid out of the Treasury.

There will be collected from the American taxpayers this fiscal year some \$60 billion. There will be expended on foreign aid, military and economic, in this fiscal year, \$5 billion or one-twelfth of the total collections.

This use of one-twelfth of the Treasury income insures that if the United States is engaged in a war, American soldiers will not have to do all the fighting, but that there will be men of the free nations fighting along side of them. In my opinion, the war will not begin in the United States as our good friend, the junior Senator from Louisiana, would imply. The United States may be attacked. I agree that the attack may be from the air. But as to the fighting on the ground, I want it to be as far away from the United States as it can be, and I want help to come from every free nation in the world.

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

Mr. HAYDEN. I yield.

Mr. LONG. First, may I say to the Senator that I make no reflection upon the members of the Committee on Appropriations; but I believe every Senator has some responsibility.

I ask the Senator from Arizona if it is not true that there is already on hand \$9,500,000,000 which in itself is almost enough to carry the program for another 2 years.

Mr. HAYDEN. No. That money, as the Senator knows, is not available for expenditure now. It is committed under a long-term program. I am speaking of money which will be paid in the next fiscal year from previously appropriated funds. That is \$1,500,000,000.

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

Mr. HAYDEN. I yield.

Mr. LONG. In the funds which we are discussing, is it not true that there is about \$2,700,000,000 which is not even committed as of this date, and that of the funds committed \$700 million is committed to Indochina—a proposal which should be restudied?

Mr. HAYDEN. There is no doubt about that. The Committee on Appropriations is now considering what to do about the money programed for Indochina.

But the junior Senator from Louisiana figures there is \$2,500,000,000 uncommitted. The Committee on Appropriations is considering estimates which provide that \$1,500,000,000 will be committed next year, and that requests for \$3,500,000,000 of new money be appropriated.

Mr. DOUGLAS. Mr. President, the Senate apparently is about to vote, but I have not heard from the distinguished leadership of the majority party as to what their basic position is on the amendment now being offered by the Senator from Louisiana, or what their reply is to the very cogent arguments which he has been making.

In times past, I have heard speeches similar to that which the Senator from Louisiana has just made, but they have, however, come from the other side of the aisle. It is interesting to see some reversals in the roles.

I am now wondering whether the other side of the aisle agrees with the amendment offered by the Senator from Louisiana, or whether they are opposed to the amendment.

I therefore rise to ask unanimous consent if I may be permitted to ask either the eminent majority leader or the distinguished chairman of the Committee on Foreign Relations as to what the position of the majority party is on the amendment offered by the Senator from Louisiana.

Mr. WILEY. Mr. President, I am very happy to respond to the inquiry. I heard the distinguished Senator from Louisiana speak this morning, and I heard him speak again this afternoon, quoting figures and debating the question to a considerable extent. I told him that I admired his energy, but I can assure the distinguished Senator from Illinois that the President of the United States has spoken very authoritatively against the amendment, as also have General Gruenther and Admiral Radford.

I quote the President:

For the new program I urge that the Congress authorize new appropriations to the President in the amount of approximately \$3,500,000,000. This amounts to approximately a 40-percent reduction in 2 years. Further reductions in the authorized program at this time, in view of the continuing threat to our national safety—

I emphasize that—

in view of the continuing threat to our national safety, would be unjustified and unsafe. Because the new program is in larger measure a continuation of existing programs, its success requires reauthorization for expenditure of funds that are still unexpended.

Mr. President, I heard this morning and I heard this afternoon about all the money which the Senator said was unexpended. I am sure the distinguished Senator from Louisiana realizes that when an airplane is built or when a warship is built it is not paid for, according to the contract, until the money is due.

The Senator called attention to the fact that while there was \$9,749,500,000 unexpended as of June 30, out of the total amount, there was only \$2,604,000,000 which had not been obligated. How much has been obligated in the last 30 days I do not know, but "all the world is a stage." We have certainly seen dynamic situations recently which called to our attention the importance of this matter.

When the President of the United States, who is a great general, and Admiral Radford and General Gruenther tell us that this program is necessary to be continued in the interest of the United States, who am I to hold back, especially after the Foreign Relations Committee voted almost unanimously, with only two dissenting votes, to sustain this program?

We did cut the program to some extent. We cut it from \$3.5 billion to \$3.1 billion.

I could repeat a number of the arguments which were made this morning, but that would only take time. I wish to state this amendment would add a new section imposing an overall ceiling

of \$2,066,000,000 on authorizations for title I, Mutual Defense Assistance, title II, Development assistance, and title IV, Miscellaneous Programs. As approved by the committee, for those three titles appropriations of \$3,196,772,000 are authorized. Of this amount \$228,300,000 is for items for which no appropriations are requested within this fiscal year, so that so far as fiscal year 1955 is concerned the authorization in the committee bill is \$2,968,472,000. The amendment of the Senator from Louisiana [Mr. Long], however, is not limited to fiscal year 1955. It would, therefore, make a reduction of \$1,130,772,000, or more than 30 percent. A reduction of this magnitude would result in a complete change in the character of this program. It would make impossible the carrying out of many of the activities specifically provided for.

Mr. President, something has been said about Indochina. I know the Senators many times do not listen to speeches of other Senators, but time and time again I did speak on this subject, and I referred to it when I opened this debate. In that speech I called attention specifically to a letter I received from the Secretary of State on the very issue of Indochina. Of course, the letter resulted from an evaluation of the world situation in the Far East. I shall read the letter again, so that the distinguished Senator from Louisiana may understand what I said before, and what the Secretary said.

This is a letter of July 22, 1954. I wish to say that what caused me to ask for this information was the changed situation in the Far East.

The Secretary addresses me as follows:

DEAR SENATOR WILEY: You have asked me whether in my judgment the signing of armistice agreements regarding Indochina diminishes the need for funds requested for the area of southeast Asia and the western Pacific in the mutual-security legislation now before the Congress.

I believe that the armistice does not diminish the need for these funds. If anything it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area.

Mr. President, let me say parenthetically that we have the executive branch of the Government speaking, which branch, under the Constitution, has the authority and the power to speak in terms of foreign relations. This is the Commander in Chief speaking through his servant, in relation to what is needed for the defense of this nation.

I continue:

When I appeared before the Foreign Relations Committee during the hearings on this legislation and discussed the need for funds in this area, the possibility of a settlement of the nature which has now taken place was already foreshadowed. As you will recall, when I testified as to the importance of having a flexible fund to build strength in this region, I emphasized the need for it even should such a settlement occur and I believe this was also held in mind by members of your committee. In my estimation, the gain which communism has now established in this area should be a warning to all the people of the region as well as to ourselves of a need for a determined effort to preserve their freedom. I believe no one can now foresee exactly how these funds will be used.

However, their availability will be essential for the success of plans now under way. In the event that unforeseen circumstances prevent the efficient expenditure of these funds for the purposes of strengthening the area against further Communist encroachment, they will of course be held unexpended for future disposition by the Congress.

For these reasons I believe it is a matter of grave importance to the national interest that these funds be available and I trust that the Congress will see fit to authorize and appropriate them.

In the discussion the other day, as was brought out by the distinguished Senator from Louisiana, several comments had been made in relation to equipment and materials, and so forth. I should like now to make a statement which I believe answers some of the hypothetical statements—which is all they are—made in relation to this matter.

Several questions have been asked on the floor during the debate on this mutual security bill about the equipment and materials which we have furnished in the Indochina war. I wish to give the best answers which I can to these questions. I have discussed these matters with representatives of the Defense Department and the State Department, and I feel sure that I can provide the Senate with satisfactory answers to all the questions which have been asked.

First, the question has been asked whether all possible steps are being taken to prevent the equipment which has been furnished by the United States to defend Indochina from falling into Communist hands? The answer to this question is "yes." I am informed that all further shipments of equipment to Indochina have now been stopped, and shipments on the high seas have been diverted elsewhere. With regard to equipment which is already in Indochina, the situation is this. General O'Daniel—"Iron Mike" O'Daniel—the chief of the United States Military Assistance Advisory Group in Indochina, is working very closely with General Ely, the commander of the French forces in Indochina. The French have assured us that they are determined to prevent military equipment from falling into the hands of the Communists, and that they will evacuate from northern Vietnam the maximum quantity of military matériel which it is physically possible to remove under the circumstances. General O'Daniel is satisfied that the measures which the French are taking and plan to take in the future will afford adequate protection. As you know, the terms of the armistice agreements in Indochina allow 10 months for evacuation of forces and their equipment from areas which will be eventually controlled by the Communists.

Now, the second question which has been asked has to do with the legal situation regarding military equipment which has been furnished by the United States. I am informed that the facts are as follows: Title to military equipment passes to the receiving country when we deliver it to the receiving country. That is, in the case of equipment for the French in Indochina, title passes when we deliver it in Saigon or when it is placed aboard a French ship for transport to Indochina. On the other hand,

even though the French have title to the equipment which has been delivered to them, that equipment was furnished to them for the purpose of defending against Communist aggression. They have signed an agreement with us that when the equipment is no longer needed by them for the purpose for which it was furnished they will offer to return it to us. Therefore, we have the right to work out with the French the disposition of the equipment which is now in Indochina. Negotiations with the French are now underway.

It should be pointed out that several possibilities are open with regard to the disposition of this equipment. Some items excess to continued French needs in that area may be returned to the United States for appropriate disposition by this Government. Some items may be turned over by the French, with the consent of the Government of the United States, for use by the Governments of Cambodia, Laos, and free Vietnam in the defense of their territories. The precise quantities of equipment and materials which will fall into these several categories remains to be worked out in the months ahead, as circumstances develop in that area.

Everyone should be aware that on many of these matters, answers more precise than the ones I have just given cannot be given. The situation in Indochina is a brandnew one. The ceasefire agreements are susceptible of various and sometimes conflicting interpretations. We do not know in detail what the plans of the independent Governments of Cambodia, Laos, and free Vietnam will be. We do not know what role the International Truce Commission will play.

What we do know is that the free nations of the world have suffered a setback in Indochina. It is true that the request for an emergency fund for Indochina was based on some assumptions which no longer are valid. But the vital thing to remember is that the situation is worse, not better, than it was then assumed to be. The President has asked for an emergency fund to deal with the whole problem of the defense of southeast Asia and the western Pacific. We should not deny him that means of coping with the dangers and problems which lie ahead in strengthening that area against any further advances by communism.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Wisconsin yield to the Senator from Illinois?

Mr. WILEY. Does the Senator from Illinois wish to ask a question?

Mr. DOUGLAS. Yes.

Mr. WILEY. I yield.

Mr. DOUGLAS. Let me ask the very eminent Senator from Wisconsin whether he agrees with the statement of the Senator from Louisiana [Mr. LONG] and the Senator from Arizona [Mr. HAYDEN] that the administration is planning to spend next year on foreign aid approximately the same amount as in

past years, namely, approximately \$5 billion?

Mr. WILEY. Let me say that of course when there is a pipeline, there is difficulty in getting deliveries started; but once the start is made, the volume of deliveries increases. For example, only today or yesterday I heard a statement that some of the jet planes we authorized in 1951 for delivery to Turkey are just now being delivered. In other words, once the authorization is made and once the pipeline is established, some time must pass before the deliveries are actually made—in this case to the Turks. We have to authorize the appropriations and make the appropriations well in advance of the delivery dates.

Having that situation in mind, and considering the approximately \$3 billion which we propose to authorize for appropriation at this time, we expect the balance will come out of appropriations we have heretofore made. I think the statement made by the distinguished Senator from Arizona [Mr. HAYDEN] is substantially a correct one.

Mr. LONG. Mr. President, if the Senator from Wisconsin will yield to me at this point, for a question—and if the Senator from Illinois will permit me to ask a question at this time—

Mr. DOUGLAS. Certainly, if the Senator from Louisiana wishes to ask a question.

Mr. WILEY. I yield.

Mr. LONG. Is it not true, based on the chart on page 15, that this administration is giving away money twice as rapidly as the Truman administration succeeded in giving away money in connection with the same program, in the last year it was in office? I ask that question because in the last part of the Truman administration, they succeeded in giving away \$2,500,000,000 under this program, whereas the present administration has, under this program, been giving away money at the rate of \$5 billion this year.

Mr. WILEY. I think—

Mr. DOUGLAS. Let me ask the Senator from Wisconsin whether that is a fact.

Mr. WILEY. Let me say that once a manufacturing operation has begun, there is greater efficiency as time passes and as greater experience is had in the operation.

In this case, it is possible to do a better job after the operation has been well begun. So the deliveries are now reaching the maximum, if that is what the Senator from Louisiana means.

Mr. DOUGLAS. Is what the Senator from Louisiana has said actually true?

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. DOUGLAS. I beg pardon, Mr. President.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield for a question?

Mr. WILEY. Yes, Mr. President, I yield for a question.

Mr. DOUGLAS. Does the Senator from Wisconsin agree that the Senator from Louisiana has made a correct statement in view of the fact that it seems to be borne out by the chart appearing

on page 15 of the hearings? I refer to the point made by the Senator from Louisiana, to wit, that whatever may be the authorizations, the present administration is now spending on foreign aid at a rate approximately twice that of the last year of the Truman administration.

Mr. WILEY. In making that statement, the Senator from Louisiana is not placing the matter on a fair basis. This administration is now paying for what the Government contracted for in the last years of the preceding administration. The articles are now being placed in the pipeline and delivered.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin yield for another question?

Mr. WILEY. I yield.

Mr. DOUGLAS. Do I correctly understand that the request for the present authorization is approved by the President of the United States, and that the White House is opposed to the amendment of the Senator from Louisiana [Mr. Long]?

Mr. WILEY. The Senator from Illinois has asked a double-barreled question. I would say the President is opposed to any substantial cuts.

Mr. DOUGLAS. The amendment of the Senator from Louisiana proposes a cut of \$1 billion. Therefore, is it correct to say that the President of the United States is opposed to the amendment of the Senator from Louisiana?

Mr. WILEY. That is correct.

Mr. DOUGLAS. Let me ask whether the Republican policy committee is opposed to the amendment of the distinguished junior Senator from Louisiana?

Mr. WILEY. I assume it is opposed, although I am not a member of the policy committee.

Mr. DOUGLAS. Will the Senator from Wisconsin permit me to state that in times past, as the Senator from Wisconsin is well aware, I have supported the foreign-aid program, both under the Truman administration and under the Eisenhower administration.

Mr. WILEY. Yes; and I honor the Senator from Illinois for it. I, too, have supported the foreign-aid program under both the Truman administration and the Eisenhower administration.

Mr. DOUGLAS. I know that, and I congratulate the Senator from Wisconsin for it.

I have given this support because I have believed we had to have allies; that in the case of Europe we needed to build up the economic health of those countries; and that in the case of certain countries, we needed to provide arms. Let me say that I also believe in the technical assistance program for the people between Cairo and Singapore as a practical way of demonstrating Christian friendship and in the process helping win friends among the neutral and uncommitted third of the world. However, I have been placed in a very peculiar situation in my own State of Illinois, in that after having supported the Eisenhower foreign-aid program last year, I was then attacked by virtually every Republican leader in my State and was denounced for my program of

supporting the Eisenhower foreign-aid program. The Republican leaders who denounced me for that include some of the leaders who now seem to be in great favor at the White House.

Mr. WILEY. Has the Senator from Illinois asked me a question?

Mr. DOUGLAS. So I wish to make certain, this afternoon, where the White House stands on the program. If the White House favors foreign aid, and is opposed to the amendment of the Senator from Louisiana [Mr. Long], I think the White House is taking a correct position—much as I love the Senator from Louisiana.

However, do you think it is quite fair for me to be put in the position of diving into the water to help save the child of the administration, and then, when I get to the shore, to have the administration and the Republican leaders say, "That is not our child, and you are wasting our money"?

Mr. WILEY. Mr. President, that is a wonderful question, and I agree with it. [Laughter.]

Mr. DOUGLAS. I was asking the question of the Senators on the other side of the aisle.

Mr. WILEY. In response to the question of the senior Senator from Illinois, let me say that, on the subject of the foreign-aid situation, the Senator from Illinois and I have seen a great many matters eye to eye. Let me also say that I have been condemned by some of my own Republican brethren for some of the same things for which the Senator from Illinois has been condemned. However, in that connection I may refer to the statement made about a famous Democrat: "We love him for the enemies he has made." I think that statement is applicable in the case of the Senator from Illinois.

Mr. DOUGLAS. I glory in those enemies. [Laughter.]

Mr. WILEY. Yes. So now we have on this floor a demonstration of the American way. We can disagree.

I wish to make a little clearer my position on this matter, because I respect the distinguished junior Senator from Louisiana [Mr. Long]. I realize that anyone who keeps his eye on the dollar at this time is very much honored in the United States; he is supposed to be one who thinks in terms of saving the ship of state. However, in my humble opinion, as was said earlier today by a distinguished Senator, the money we are spending on this program constitutes the best insurance-policy premium we can pay to save America. If we do not spend this money abroad, we probably shall have to spend 10 times as much in preparing our national defense within our own borders—although of course that is a matter of opinion. Yet that opinion is based upon the statement of one of our great leaders in the military field. His statement was made before our committee.

Mr. LONG. Mr. President, will the Senator from Wisconsin yield at this point, for a question?

Mr. WILEY. I yield for a question; but the Senator from Louisiana must admit that I have been very patient to-

day, for I have listened to him make the same speech twice. [Laughter.]

Mr. LONG. Will the Senator from Wisconsin agree that it is a good idea to know what our money is to be spent for, when we appropriate it by the hundreds of millions of dollars? Does not the Senator from Wisconsin think it is a good idea for us to know precisely what our money is to be spent for?

Mr. WILEY. Of course I do.

Mr. LONG. Does not the Senator from Wisconsin agree with me that in carrying out the program, \$600 million of appropriations have been made for Indochina, although the Senator's letter has explained that those funds or goods purchased with them will not be sent to Indochina; and \$800 million of new appropriations are now proposed to be authorized for Indochina, although in the Senator's letter it is explained that that money, or goods purchased with it, will not be sent to Indochina?

Mr. WILEY. I fully agree that we can get a bill of particulars. We got one last night. We can get a bill of particulars every time about the future. If we could look into the crystal ball and see what is going to happen here or there, we could tell exactly where we were going to spend the money. The Secretary's letter says that. We do not know what will happen in the Far East tomorrow, because the Kremlin is pulling the strings. We do not know what will happen anywhere, but we must be prepared, and appropriate money at the proper time.

Mr. DOUGLAS. Mr. President, will the Senator permit me to make a reply to the Senator from Louisiana [Mr. Long] in defense of the administration?

Mr. WILEY. I love the Senator for that.

Mr. DOUGLAS. Let me say to my good friend from Louisiana [Mr. Long] that although we have lost out in northern Indochina, and although the elections may turn against us in the rest of Indochina, we have not given up the struggle to keep southeastern Asia free; so we are trying to create an alliance of those people and other nations in that part of the world to keep communism out of Thailand, Burma, Malaya, Indonesia, the Philippines, and so forth. So I think it is proper that there should be an uncommitted authorization which can be used for these purposes if the administration is successful in negotiating such a treaty.

I am delighted to defend the administration on this point. I regret only that our good friend from Wisconsin [Mr. WILEY] has been left alone, as he so often has been, to defend the administration on the other side of the aisle. The good Senator from Wisconsin has carried the burden for the administration and for the cause of world peace, and he has had nothing but kicks and cuffs from his party for his pains.

I should like to say that the Senator is a great American and deserves the thanks not only of his country, but of his party; and if his party will not thank him, I, at least, will do so from this side of the aisle.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for an interruption? I wish to help my distinguished colleague [Mr. WILEY] for a moment, and answer what the distinguished Senator from Illinois has said.

Mr. WILEY. I yield.
Mr. SMITH of New Jersey. The entire membership of the Foreign Relations Committee supported the bill. Furthermore, the Republican policy committee is supporting the bill. The

Senator from New Jersey has been fighting for the bill for months.

At this point I ask unanimous consent to insert in the RECORD—

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

Mr. SMITH of New Jersey. Just a moment.

I ask unanimous consent for the insertion in the RECORD of pages 10, 11, and 12 of the committee report, with the

tables of balances that have been discussed so much.

There being no objection, the pages, together with the tables, were ordered to be printed in the RECORD, as follows:

5. UNOBLIGATED AND UNEXPENDED BALANCES

The committee thoroughly examined the amounts unobligated and unexpended from previous appropriations, which the bill carries over. The following table shows these balances as of June 30 last year, with estimates for June 30 this year and next year:

Unexpended and unobligated balances

[In thousands]

Category	June 30, 1953		June 30, 1954		June 30, 1955, unexpended balance (estimate)
	Unobligated balance	Unexpended balance	Unobligated balance (estimate)	Unexpended balance (estimate)	
Grand total.....	\$2, 115, 400	\$10, 061, 100	\$2, 604, 300	\$9, 749, 500	\$7, 360, 800
Title I—Mutual defense assistance:					
Chapter 1—Military assistance:					
Sec. 103. General authorization.....	(0)	(0)			
Sec. 106 (c):					
(1) Europe, includes facilities assistance.....	(0)	(0)	2, 043, 200	5, 683, 100	
(2) Near East.....	(0)	(0)	167, 600	761, 500	
(3) Far East.....	(0)	(0)	254, 500	1, 067, 700	
(4) Latin America.....	(0)	(0)	34, 700	58, 700	
Sec. 104. Infrastructure.....	(0)	(0)			
Sec. 105. Development of weapons of advanced design.....	(0)	(0)	27, 000	50, 000	
Total, chapter 1.....	(0)	(0)	2, 527, 000	7, 621, 000	5, 587, 400
Chapter 2—Southeast Asia, the western Pacific and direct forces support:					
Sec. 121. Southeast Asia and the western Pacific.....	(0)	(0)		590, 000	
Sec. 122. Production for forces support.....	(0)	(0)		165, 000	
Sec. 123. Common-use items.....	(0)	(0)			
Total, chapter 2.....	(0)	(0)		755, 000	701, 400
Chapter 3—Defense support:					
Sec. 131 (b):					
(1) Europe.....	(0)	(0)	37, 500	360, 060	
(2) Near East, Africa, and South Asia.....	(0)	(0)		124, 300	
(3) Far East and Pacific.....	(0)	(0)		130, 600	
Sec. 132:					
(a) Korean program.....	(0)	(0)		160, 000	
(c) United Nations Korean Reconstruction Agency.....	(0)	(0)	10, 700	10, 700	
Total, chapter 3.....	(0)	(0)	48, 200	786, 200	662, 600
Total, title I.....	(0)	(0)	2, 575, 000	9, 162, 200	6, 951, 400
Title II—Development assistance:					
Sec. 201 (a):					
(1) Near East and Africa.....	(0)	(0)		72, 200	
(2) South Asia.....	(0)	(0)		65, 000	
(3) Far East and Pacific.....	(0)	(0)		24, 700	
(3) American Republics.....	(0)	(0)		2, 000	
Europe (coal and steel loan).....	(0)	(0)		100, 000	
Total, title II.....	(0)	(0)		263, 900	224, 300
Title III—Technical cooperation:					
Sec. 304. Authorization.....	(0)	(0)		164, 500	
Sec. 306. Multilateral technical cooperation:					
(a) United Nations Technical Assistance.....	(0)	(0)		700	
(b) Organization of American States.....	(0)	(0)			
Total, title III.....	(0)	(0)		165, 200	136, 700
Title IV—Other programs:					
Sec. 403. Special assistance in joint control areas.....	(0)	(0)			
Sec. 405 (a). Movement of migrants and refugees.....	(0)	(0)		5, 900	
Sec. 405 (c). United Nations Refugee Emergency Fund.....	(0)	(0)			
Sec. 406. Children's welfare.....	(0)	(0)			
Sec. 407. United Nations Relief and Works Agency (authorization only).....	(0)	(0)	29, 100		
Sec. 408 (a). North Atlantic Treaty Organization.....	(0)	(0)			
Sec. 409. Ocean freight charges.....	(0)	(0)		700	
Sec. 410. Control Act expenses.....	(0)	(0)			
Sec. 411. Administrative expenses.....	(0)	(0)		6, 900	
Total, title IV.....	(0)	(0)	29, 100	13, 500	48, 400
No fiscal year 1955 request:					
Escapes.....	(0)	(0)		5, 100	
Basic materials.....	(0)	(0)		18, 900	
Sec. 550 sales.....	(0)	(0)		117, 000	
Special projects.....	(0)	(0)		2, 200	
East German food.....	(0)	(0)		1, 500	
Operation Reindeer.....	(0)	(0)			
Total.....	(0)	(0)		144, 700	
Recapitulation:					
Military assistance.....	1, 930, 500	8, 479, 000	2, 527, 000	7, 621, 000	5, 587, 400
Nonmilitary assistance.....	184, 900	1, 582, 100	77, 300	2, 128, 500	1, 773, 400
Grand total.....	2, 115, 400	10, 061, 100	2, 604, 300	9, 749, 500	7, 360, 800

* Breakdown not available due to different fiscal year 1954 appropriations structure.

The more significant figures in this table are not those of the unexpended balances, but those of the unobligated balances. The difference between the unobligated and the unexpended funds, which amounted to approximately \$7 billion on June 30, 1954, represents appropriations which have been obligated but not yet spent. The goods have been ordered, and they will have to be paid for when delivered. This balance of \$7 billion in obligated but unexpended funds, therefore, is not available for any other use.

The unobligated balance of \$2.6 billion represents funds not firmly set aside against a specific contract. Most of them, however, are definitely committed to specific programs, even though those programs have not yet advanced to the stage where the funds can be said to be obligated within the strict definition of that term insisted upon by the General Accounting Office.

In explaining the unobligated balances, Mr. Stassen stressed two factors which contribute to this situation. The Administration does not make firm programs until funds have been appropriated. After receiving its annual appropriation, programs are agreed upon with recipient countries and agreements negotiated to effectuate the programs. This process usually takes several months and sometimes longer. For example, before obligations for aircraft procurement for a recipient nation can be made, that nation must be prepared to receive the aircraft. This may involve technical training for its crews, lengthening of its runways, establishment of repair centers and similar advance work. Jet aircraft delivered to Turkey this year, for example, were paid for out of funds appropriated in 1950. These funds were at first unobligated and then unexpended, but if they had not been appropriated when they were and carried over from year to year, the Turkish jet air force planned in 1950 would not have come into being.

The Administration witnesses also pointed out that a certain level of unobligated balances would be desirable in any event to give flexibility in meeting new situations.

The great bulk of unobligated and unexpended amounts are in the funds for military assistance. This is the so-called pipeline created by time-consuming programing, contract negotiations, and long-lead items. For such complicated equipment as tanks, airplanes, and radar equipment, this production lead time runs as long as 2 or 3 years.

The Indochina situation, which required a considerable amount of transferring and re-programing during fiscal 1954, has also contributed to the amount of unobligated balances.

The chart on page 13 shows that expenditures are continuing to rise steadily while obligations are leveling off.

Particular attention is called to the inset which illustrates the fact that expenditures during 1953 far exceeded obligations, as more contracts became payable and fewer new contracts were let. This trend is expected to continue even stronger during 1954-55. The result is a shrinking of the unexpended balances. It will be noted that on June 30, 1953, the unexpended balances were \$10,061,100,000; on June 30, 1954, \$9,749,500,000; and on June 30, 1955, they will be an estimated \$7,360,800,000. As new appropriations and obligations are reduced, the pipeline in future years will become progressively less.

The committee felt, nevertheless, that a certain amount of water could be squeezed out of the unobligated balances and the requested new authorizations, taken together. After careful consideration of the varied factors involved, it reduced the total of new authorizations for which appropriations will be sought at this session of Congress from 3.4 to 3.1 billion dollars. The committee does not believe either the unobligated balances

or the new money can prudently be reduced further.

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

Mr. SMITH of New Jersey. Yes.

Mr. DOUGLAS. Now that the Senator has said that the Republican policy committee supports the bill, that the President supports the bill, that the Department of Defense supports the bill, and that the Foreign Relations Committee supports the bill, will the Senator come to Illinois and tell the Republicans there all about the facts of life.

Mr. SMITH of New Jersey. I shall be very glad to do so.

Mr. DOUGLAS. I will rent a hall for the Senator so that he may do it.

Mr. SMITH of New Jersey. I am ready to go there.

Mr. WILEY. Mr. President, as was stated, the President of the United States supported this program, and he said that it was essential to the efforts of the United States in the field of international relations and national defense.

I believe that reductions such as those proposed by the Senator from Louisiana [Mr. LONG] are unwise and unsafe. Such a serious reduction would serve notice to our friends abroad that the United States is not really interested in helping to build the joint defenses of the free world.

It is imperative that we hold the line now. This amendment would seriously cripple the MSA program. It would make it impossible to carry out many of the plans which the administration has developed.

I repeat, as President Eisenhower said:

We have chosen to build defenses with our allies rather than go it alone because we are convinced that this course is more effective and less costly.

The President then substantiates the statement of the great general that this is a less costly procedure.

Mr. President, I spoke for an hour at the opening of the debate of this program. It is very apparent that some folks did not hear my speech, nor did they read it. I made two points. One that I stressed particularly was that when we began this program the idea was to rebuild the morale and the economic structure of our allies. We have succeeded in doing that. But in doing so we stopped a depression from coming upon this country, a depression which had been prophesied by men in high places and by great economists, on the basis of the experience after the First World War, when a depression did come.

We hear talk about pouring money into ratholes. This is not money poured into ratholes. It provides credit, which creates a demand upon the production plant of this country. It creates a demand upon the labor of this country. It puts money into the hands of the laboring men so that they can create a demand again. That is what happened, to say nothing about the fact that we have stayed off a third world war.

I have heard a great many statistics given today. I shall not reply to all of them, but I invite attention to the fact that we are always talking about our allies falling down. The significant

thing is that since 1950 we have appropriated \$15.3 billion for our western allies. These funds, in combination with those put forward by other NATO countries, have led to the expansion of the NATO general forces.

What did the other countries put in? They put \$43 billion into their own defense, and we are talking about doing the whole job.

I am as much in favor of saving money as is anyone else.

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

Mr. WILEY. Just a moment.

I like to save money as much as does anyone, and I think I have as high a concept of trusteeship as anyone else.

When I came to the Senate I could not even continue my law partnership because I felt I could not serve two masters. I dissolved the law partnership. This job has had my full time.

Among the important functions of this job is the duty of seeing to it that when we spend a dollar belonging to this Government we should get value received. Value received does not consist merely of material value; it consists of preserving the great economic values, spiritual values, and political values of a nation.

Mr. President, that is what these programs are for, and in my humble opinion, despite all the closed-mind reasoning, in spite of all the isolationist tendencies, I cannot believe that we can close our eyes to the fact that this world has been shrunken by the ingenuity of man until it is a very small place.

Only the other day I used the illustration that when I was flying to Panama several months ago it required only 8 hours, but my previous trip to Panama required 5 days.

When my mother came to this country as an immigrant before the Civil War she was 6 weeks on the way. Yet only a few months ago a man crossed the ocean in a little more than 4 hours.

While I was flying to Panama, a man flew from Los Angeles to New York in less than 4 hours, indicating that this little globe of ours has been shrunken. With that has come, I trust, eyes that are open so that we can respond to that which is necessary to be done. So, Mr. President, I ask that this amendment be voted down.

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield?

Mr. WILEY. I yield.

Mr. HOLLAND. I heard a very scholarly discussion of world affairs on Sunday by Mr. Howard K. Smith, the head of the CBS news gathering service in Europe. Perhaps the distinguished Senator from Wisconsin also heard it. The theme of Mr. Smith's discussion was the great betterment in many conditions affecting friendly nations, which he thought had resulted in large measure from the help which we had given them.

I recite some of the things he mentioned. First, in Britain, he said, there was the highest level of prosperity that had been found there in many years. He said it was the first time in 14 years that Britain had been able to stop rationing.

Mr. WILEY. That is correct.

Mr. HOLLAND. With reference to France, he remarked on the cessation of hostilities in Indochina and the fact that that would greatly relieve the budgetary burden of the French and would at once bring about better feeling there.

He spoke, of course, more directly about Indochina and the fact that funds which we had destined for that faraway place would no longer be needed there.

He spoke of Iran and the fact that within the past few days a settlement had been agreed upon between the Iranian Government and the former British owners of the oil concessions there for the settlement of their troubles and for the renewed production of oil.

He spoke of the Suez settlement and of the fact that it would remove from the British the heaviest single burden they have carried in recent years. I believe he said that some eighty-thousand-odd British troops had been maintained in the Suez Canal fortress up to this time, and that such forces would be withdrawn beginning almost at once.

He spoke of the fact that it was an open secret that a settlement of the Trieste dispute awaited only the drafting of certain documents, and that such settlement would not only bring about relief from tension, but would reduce confusion and create greater economic stability.

He spoke of the fact that whereas Yugoslavia on the one hand, and Greece and Turkey on the other, had not been very friendly until recently, they are now at the point of executing a Balkan alliance which, he said, should be a highly stabilizing factor.

It seems to me that that statement points up the fact that the money we have been spending has been doing some good, and it may point up the fact also that it is now possible to begin to reduce, and reduce rather heavily, our spending.

Mr. WILEY. Which we have done in this bill.

Mr. HOLLAND. The Senator from Florida has not made up his mind what conclusion is the more logical at this time. Mr. Smith in his broadcast was merely reporting factually on the situation as he saw it.

I should like to ask the distinguished Senator from Wisconsin, the chairman of the committee which is handling the bill, to comment on these real betterments in world affairs which were so ably listed by Mr. Smith, and to comment on the effect of those betterments upon the program which is embodied in the pending authorization bill. Is it the opinion of the distinguished Senator from Wisconsin that we now have an opportunity to make a sizable reduction along the lines that have been suggested by the Senator from Louisiana [Mr. Long], or along some other lines; or is it the view of the distinguished Senator from Wisconsin that we should at least maintain the level of the foreign operations program which is embodied in the pending legislation in order that it may continue to be effective? I should very much appreciate an expression in some detail by the distinguished Senator from

Wisconsin upon the question to which I have invited his attention.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WILEY. I shall be very happy to respond to the challenging question. First I wish to thank the Senator from Florida for a very fine résumé of what might be called the constructive steps that we have taken.

Very often, in evaluating what is taking place, we have a tendency to look on the negative side, and very often we have the tendency to complicate our thinking, instead of simplifying it. The Senator from Florida has given a résumé of the many fine results which have been accomplished.

Mr. MAYBANK and Mr. JOHNSTON of South Carolina addressed the Chair.

Mr. WILEY. I should like to continue with my answer to the question of the Senator from Florida. First let me say, with respect to the help that has been given by us, that the program was started with \$7.6 billion in 1951. It was then reduced to \$6 billion, then to \$5 billion, and then to \$3 billion.

That gives an indication of the fact that, as Europe builds up its military defenses, the military part of the program can be reduced. There is no question that the economic part of the program is also being reduced.

I am satisfied—and again I must say that I cannot look into a crystal ball—that unless there appears on the world stage some eruption of a very serious nature which would take Europe into the maelstrom of war, next year we can make an additional reduction, as we have done this year. We have curtailed the program by 40 percent during the past 2 years. That is a great reduction, from a total of \$8 billion to less than \$3 billion.

I am satisfied that unless the Kremlin executes another of its so-called tactical utilizations of satellites, we can probably reduce the program again next year. Eventually—because to a large extent many of these countries are really becoming self-sustaining—it will mean that the opening up of trade among themselves, enabling Europeans to get rid of their tariff barriers, will result in an improvement in their health. Of course, those are dreams which depend on the attitudes of a great many people, and no one can foresee the future. However, I am sure the Senator from Florida entertains the hope that we shall see a little brighter sunlight than we see now.

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

Mr. WILEY. I yield.

Mr. HOLLAND. The Senator from Florida has been hoping, with his friend from Wisconsin, not only that we would see more sunlight, but that we would be able to reduce the burden of the program in the very near future. I understand the Senator to say that some reduction as compared with last year is embraced in the authorization bill now pending before the Senate.

However, what has disturbed the Senator from Florida has been the apparent fact that approximately \$1,400,000,000

is admitted to be unallocated in this authorization measure. Although it was designed for use in the Indochina area, it is apparently being held in reserve for any need that may arise in that area. Is the Senator from Florida correct in that understanding?

Mr. WILEY. I am informed that the major portion of it is programed, but not obligated.

Mr. MAYBANK. Mr. President, \$2½ billion has not been allocated. The Senator from Florida knows it, and the Senator from Wisconsin knows it.

Mr. WILEY. It is all programed.

Mr. MAYBANK. It has not been obligated.

Mr. WILEY. What is that?

Mr. MAYBANK. It has not been obligated.

Mr. WILEY. That is correct.

Mr. MAYBANK. It has not been obligated for anything. It is now being programed. They are programing a university for Ethiopia. If the Senator from Wisconsin does not know it, I know it.

Mr. THYE. Mr. President, that is not in the bill before us.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. THYE. Mr. President, will the Senator from Wisconsin yield so that I may reply to the statement of the Senator from South Carolina?

Mr. WILEY. I yield.

Mr. THYE. Mr. President, the \$2½ billion to which the Senator from South Carolina [Mr. MAYBANK] just referred is in a bill lying on the table. I do not think we are discussing that item in connection with this bill.

Mr. MAYBANK. This is the authorization bill to carry on the building in Ethiopia, and the Senator from Minnesota knows that there is \$2½ billion that has not even been obligated. We are adding by this bill some \$3 billion to the \$2½ billion that has not been obligated, making an additional \$7½ billion that has not been spent. Is that correct?

Mr. THYE. However, that is an entirely different item from what we are discussing here.

Mr. MAYBANK. I agree with the Senator from Minnesota that it is not in this bill, because, of course, this has not been obligated. It has not even been passed.

Mr. THYE. Mr. President, we are discussing this bill, and if the Senator from Wisconsin will yield to me further—

Mr. MAYBANK. I wish to keep the record straight. This bill adds to that which has not been obligated and which is now before the Appropriations Committee, on which we held a hearing this morning.

Mr. THYE. However, that is technical assistance, an entirely different program from that which we are discussing in connection with the mutual security bill.

Mr. President, I have sat here this afternoon and listened to various figures being referred to in connection with different programs. I can only rise in defense of the Appropriations Committee,

on which both the Senator from South Carolina and I serve.

Mr. MAYBANK. I am not saying an unkind thing against the Appropriations Committee. I am only giving the figures which the staff of the Appropriations Committee compiled for me, from which it appears that \$7½ billion has not as yet been spent.

Mr. THYE. That is true.

Mr. MAYBANK. There is \$2½ billion which it is planned to spend, for which planning has not been completed. This program is in addition.

Mr. THYE. The program to which the Senator and I were giving consideration this morning in the Appropriations Committee is technical assistance. This is mutual security.

Mr. President, we must take into consideration that mutual security includes orders for tanks and airplanes of various types.

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

Mr. THYE. I yield.

Mr. MAYBANK. But the administration has not even obligated all the money we appropriated 2 years ago. I agree with what the distinguished Senator from Wisconsin said about the good we have done, but I must agree with the Senator from Florida it is about time to do some good for our taxpayers. There is \$10 billion which we have not spent.

Mr. THYE. Mr. President, will the Senator yield further to me?

Mr. WILEY. I yield.

Mr. THYE. In all fairness to the particular program embodied in the bill before us, if we are to have military equipment, we must first plan it, program it, obligate the funds, and then wait for the completion of construction of the equipment, whether it be a plane, an atomic weapon, a tank, a battleship, or a submarine. We cannot place an order today and expect delivery tonight.

Mr. MAYBANK. I understand that.

Mr. THYE. An order placed in 1951 is delivered in 1954.

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

Mr. THYE. I yield.

Mr. MAYBANK. I never suggested that the distinguished Senator from Minnesota was wrong about the obligation of funds. The point I wished to bring out was that we have \$2½ billion in another bill which we have not obligated.

Mr. THYE. That is in the technical assistance program and the general program which encompasses that type of assistance—welfare, health, and so forth.

Mr. MAYBANK. What is the difference?

Mr. THYE. This is the military program, and the other is technical assistance. The Senator can confuse me or even himself if he tries to combine these two programs in his thinking.

Mr. MAYBANK. I have been a member of the Appropriations Committee—

Mr. THYE. Longer than I have.

Mr. MAYBANK. No; I would not say that, but I am confused because there we find that \$7½ billion has not been

spent, \$2½ billion of which has not been obligated. Now we have another bill for \$3,400,000,000, and the President has the right to transfer these funds.

Mr. THYE. Mr. President, I read from page 14 of the report, which is the most concise and specific source to which we could possibly turn to try to obtain clarification of the question which has become so confused in the debate:

The total amount requested by the administration this year is the least of any year since the military-assistance program began in fiscal 1950, and is considerably less than half of the peak year of 1951 when appropriations reached \$7.6 billion. Since then, there has been a steady decline to \$7.3 billion in 1952, \$6 billion in 1953, and \$4.5 billion in 1954, with \$3.4 billion requested and \$3.1 billion authorized for 1955.

Let us take a look at the drop since 1950. At that time the figure stood at \$7,600,000,000, and now it is down to \$3,100,000,000.

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

Mr. THYE. I am happy to yield.

Mr. MAYBANK. Of course the Senator is absolutely correct. During the years for which he read figures, we were in the Korean war. Then we were in the Indochina war. We spent over a billion dollars on goods. The Senator knows that. General Van Fleet was before the committee the other day in executive session. I remember that he said on the record that he thought the \$800 million provided in the bill for Indochina ought to be used in a pool for other countries.

Mr. THYE. Mr. President, the Senator from South Carolina knows the appropriations question very well, because he is one of the most able members of the Appropriations Committee.

Mr. MAYBANK. I appreciate what the Senator has said.

Mr. THYE. The Senator knows that during the height of the Korean crisis we were borrowing from the account which had been made available to the European theater in order to fight the war in Korea; and today we are fulfilling the obligations which the Korean war imposed upon this Nation because we borrowed from the European theater to fight the Korean war.

Mr. MAYBANK. The Senator is correct.

Mr. THYE. Of course I am.

Mr. MAYBANK. I raised the point in the Appropriations Committee at that time that we were fooling the people by fighting the Korean war and not paying for it.

Mr. THYE. Exactly.

Mr. MAYBANK. Are we going to be fooled with respect to Indochina?

Mr. THYE. We borrowed from the European commitments to fight the Korean war, and we are today paying it back, just the same as if a housewife went to a neighbor and said, "Give me a bowl of sugar," and the next week she returned the sugar.

Mr. MAYBANK. The Senator is correct, but two wrongs do not make a right. Now we are borrowing from the Indochina fund. The Senator knows that, too.

Mr. THYE. The Senator and I know the appropriations question because we

have lived with it for several years. I did not want the record to be confused to the extent that we did not clarify the point that we are today paying back some borrowed war merchandise which we took out of the European theater with which to fight the Korean war.

Mr. MAYBANK. The Senator is correct. I raised the point in the committee at the time, and I think the Senator did, also. In this bill are we going to borrow for Thailand and Burma from the Indochina \$800 million?

Mr. THYE. Today we are paying the bills that have been accumulating for 3½ years. That is one reason we see the authorizations dropping, but the financial cash outlay going up.

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

Mr. THYE. I yield.

Mr. MAYBANK. Only yesterday afternoon the Senator from South Dakota [Mr. MUNDT] offered an amendment to the bill providing for the payment of all the obligations in certain areas, as the Senator knows, so far as appropriations are concerned.

Mr. JOHNSTON of South Carolina. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. WILEY. I yield.

Mr. JOHNSTON of South Carolina. Is it not also true that we have an unused surplus of approximately \$9,500,000,000 at the present time, and that of that amount, approximately \$2½ billion is entirely unallocated or unobligated? In this bill is there not an additional \$3,100,000,000 which will make approximately \$12,800,000,000?

I listened a few minutes ago to the Senator from Florida [Mr. HOLLAND], who spoke about a Mr. Smith broadcasting over the radio. Did the Senator hear that man say anything about our spending or giving away to other nations \$122 billion during the past 10 or 12 years? Did he hear him say anything to the effect that the United States has gone into debt by that much, and that we have increased our taxes by that much? Was there anything said at that time about that?

I should like to hear the Senator from Wisconsin explain the indebtedness which is being incurred at present, by giving our money away when we do not have it. We are going further and further into debt. Our national debt has become greater year after year.

So let someone speak sometimes about the United States, how it is going into debt, and how it owes twice as much as all the rest of the nations together. I should like to hear a little discussion along the line of our Nation's finances.

Mr. WILEY. The Senator from Florida [Mr. HOLLAND] can reply to that point when I have finished, if he wishes to. So far as I personally am concerned, I must say that the unexpended balance—

Mr. JOHNSTON of South Carolina. I did not think the Senator would care to discuss it. He does not care to discuss anything about the tax increases in the United States and about the debt this

Nation owes. Those questions are always dodged when Senators are speaking about giving money away. But they do not tell us how or where we are to get the money.

Mr. WILEY. I do not wish to be interrupted by the distinguished Senator, unless he desires to ask a question. However, I shall discuss the subject, since he has challenged me to do so.

The Senator has said we are going into debt. Yes; we are. But he did not mention the fact that the United States now has an annual output in manufactured goods of approximately \$380 billion. There was a time when the United States had a \$60 billion or a \$80 billion annual national income. Now the income of the United States is more than \$200 billion.

There is no need to become so wrought up, if we do recognize the facts as they exist. If I thought a marauder was about to attack my home, I would not hesitate to buy some pretty good ammunition and weapons with which to protect my home.

The mutual-aid program is a protective program. The Senator can talk all he likes about giving money away. But the distinguished senior Senator from Florida [Mr. HOLLAND] showed the fruits which have been borne when he commented upon what he had heard broadcast over the radio by Mr. Smith, who described those fine results.

The peace which exists in the world today—it is not exactly peace, but at least what there is of it—is largely the result of the effort our country has made. I shall refer to statements to that effect made to me by two distinguished citizens of the world.

Some months ago a Japanese who held a high position in his government visited me in my office. I relate this incident because it corroborates what the distinguished Senator from Florida has said. He asked if I was the chairman of the Committee on Foreign Relations. I told him I was. I offered him a chair, and we sat down and had a conversation. He spoke very good English.

He said, "I have come to thank the American people through you. You know, when MacArthur went through the streets of Tokyo as a conqueror, millions of our people turned their backs on him. Why? Because they thought they had coming to them what our nation had always imposed upon a conquered people. We always applied the rule which the West applied: To the conqueror belongs the spoils."

"Weeks, months and years went by. But there was no spoliation. Instead, your country helped us to rehabilitate our people and our nation. You gave us faith. You brought us new ideas. You spent money upon us."

Mr. President, at about the same time I had a conversation with Chancellor Adenauer, who spoke in practically the same language.

He said, "When the Americans marched into Germany, we felt that they would apply the rule we had always applied: To the conqueror belong the spoils. But you did not commit spoliation. You encouraged us. You rebuilt our nation. You brought us a new view

of life and a new conception of the function of a conqueror."

Senators can discount this attitude all they wish to, but when history is written a thousand years from now, it may be that the people of that era will look back to this time and say that it was then that humanity finally turned the corner and started up the road toward peace. Perhaps this is the beginning.

Mr. President, one cannot tell from the amendment offered by the Senator from Louisiana what portions of the program would be eliminated or curtailed. Would the Senator from Louisiana reduce the amount of military assistance by a billion dollars? Would he stop the flow of arms to Greece and Turkey? Would he make it impossible to carry out the projected building of the defenses of Japan? Would he stop arms aid to our allies in southeast Asia, at the very moment when a southeast Asian defense pact is in process of negotiation, as has been stated by the distinguished Senator from Illinois?

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

Mr. WILEY. Let me finish; then I shall be glad to yield.

Or would the Senator from Louisiana make the reduction in other parts of the bill? Would he eliminate the item for direct forces and greater support in southeast Asia, thereby having the United States withdraw from the most critical area of the world?

Would he stop relief and rehabilitation assistance to Korea?

There is no way of telling which of these vital programs would be affected by the amendment, but there is a certainty that some of them would be affected; and to do so would be to lessen the security of and increase the danger to the United States.

I appeal to Senators to reject the amendment.

Mr. LONG. Does not the Senator understand that the purpose of my amendment is to require the Committee on Appropriations to make recommendations for a reduction of the overall program? The committee should examine into the \$1,400,000,000 allocated for Indochina. That program has been canceled.

Mr. WILEY. Again, my answer to the Senator's question is very clearly set forth in the letter of the Secretary of State and by the executive branch of the Government, which say, "No."

The executive branch of the Government is spearheading the United States foreign policy. Many of us would like to be justices of the Supreme Court; many of us would like to be Cabinet secretaries—perhaps Secretary of Commerce or the Secretary of State. But we are legislators. I recognize the responsibility of a legislator, but that responsibility is not to spearhead the foreign policy of our Nation.

Mr. DOUGLAS. Mr. President, will the Senator from Wisconsin permit me to rise again in defense of administration policy?

Mr. WILEY. I bow to the Senator from Illinois.

Mr. DOUGLAS. Is it not true that northern Indochina was merely the immediate place where the struggle for southeast Asia was occurring; and that while the battle in northern Indochina has been lost, would it not be very mistaken for us, who have lost that individual encounter, to give up our own general policy? If we close southeast Asia, do we not lose India, because all essential rice would be shut off from India? If we lose southeast Asia, do we not probably also lose Japan, with Australia being threatened? Therefore, is it not rather fainthearted to "throw in the sponge" at so early a date, and to write off the entire effort?

Mr. WILEY. I think the answer to the Senator's question is a decided, "Yes." At least, I may say that I have been informed, as has the committee, that negotiations are now in progress to effectuate the security pact which the Senator has mentioned on several occasions; recognizing, of course, that if all of southeast Asia is lost, and with it India, also, approximately 500 million more human souls will be placed within the Russian orbit.

We cannot close our eyes to the potentialities of that situation. Consequently, again I say that the Senator from Illinois is precisely correct in supporting the administration.

Mr. DOUGLAS. May I invite the distinguished senior Senator from Wisconsin to journey southward to the State of Illinois this fall, and make similar statements in my State?

Mr. WILEY. I thank the Senator from Illinois.

Mr. HOLLAND. Mr. President, first I wish to say that I wholeheartedly approve of this much of the statement of the distinguished Senator from Wisconsin: The program has produced good results. There is no question in the world about that.

But it seems to me that with a budget framed last fall and winter, and with all the improvements in the international picture which have occurred since that time, a few of which were mentioned by me a while ago, certainly there should be some approach to a reduction of authorizations in this bill; and that any failure to recognize the possibility of such reductions closes our eyes to the fact that there have been great changes in the world, which enable such reductions to be fairly made. I am not at all sure that the figure incorporated in the amendment of the Senator from Louisiana has been accurately evolved, or that it correctly states the exact amount by which the authorization should be reduced; but I am not willing to, nor will I, vote for a bill which was predicated upon a budget drawn months ago, and one which does not reflect in the slightest the great improvements which have taken place in the international picture, and the fact that large blocks of the proposed authorization were designed to be spent in a place where such expenditure can no longer be spent. It seems to me it is unrealistic not to recognize the fact that certain reductions can appropriately be made. I was hoping the distinguished Senator from Wisconsin

would give us some aid by suggesting what amount could be properly subtracted from the amount embraced in the authorization bill.

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

Mr. HOLLAND. I yield to the Senator from Wisconsin.

Mr. WILEY. The committee did cut the amount by \$350 million. The Senator from Georgia [Mr. GEORGE] went along with that recommendation, recognizing the situation about which the Senator has spoken. I thought the Senator from Florida was discussing a short time ago what the idea of the Senator from Wisconsin was about the future years. As I said, I cannot look into a crystal ball, but I think, if conditions continue, we shall be able to continue reductions. When it is realized that the authorization has been cut about 60 percent from the amount recommended when the program was started, it will be realized that a tremendous reduction has taken place. This year the committee cut the amount much below the figure recommended by the President. It seems to me that action alone would entitle the bill to Senate support.

Mr. HOLLAND. The committee cut the new amount about 10 percent. Meantime, since the cut was made, there has been a cessation of hostilities in Indochina.

Mr. WILEY. Yes; and according to the best advice the committee could obtain, that event has precipitated a dynamic situation. I might say the proposal involves only an authorization. I understand the House of Representatives has cut the recommended authorization and the appropriation. That is my information. The committee decreased the recommended amount. It seems to me the action of the committee represented the action of men working hard and seeking to ascertain facts on which to base their action.

Mr. HOLLAND. It seems to me the action of the House of Representatives in cutting the requested appropriation heavily below the authorization which reached the Senate is realistic and justified, and I only hope I may have the opportunity to vote for some such reduction in the present proposed authorization. I think the reduction of \$1 billion suggested in the amendment of the Senator from Louisiana is too large a cut. I should prefer not to support so large a cut. But it does seem to me that a continuation of the authorization of a figure which was arrived at months ago, since which time the Indochinese war has come to an end, since which time the Iranian dispute has been settled, since which time the British withdrawal from the Suez has been arranged, since which time the settlement of the Trieste situation has been arranged, and since which time so many things have been done which tend to reduce the backlog of matters on which we must help, would be a failure to recognize those improvements in the world situation, and would not be realistic. I hope there will be some opportunity to vote for a reduction of the authorization which will be some-

what in line with improved conditions in many parts of the world.

Mr. LONG and Mr. KNOWLAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I yield first to the Senator from Louisiana. Then I shall yield to the Senator from California.

Mr. LONG. Does the Senator from Florida realize, when he speaks about the percentage of reduction, that if one looked at the gross appropriation provided for in the bill, which includes reappropriation of funds as well as new appropriations, the reduction made by the committee is less than 3 percent, or about 2½ percent, instead of 10 percent? When one looks at the overall picture, the recommendation of the Senator from Louisiana amounts to only about 7.2 percent of the overall program.

Mr. HOLLAND. I understand that. I understand that we are reappropriating appropriations made in the past which have not been spent, some of which have been committed, and some of which have not been committed. I understand that in all probability all old appropriations are expected to be spent, and that the amount of the new authorization is based upon the full amount of the old appropriations being available. But it seems to the Senator from Florida that the \$1 billion cut suggested by the Senator from Louisiana is not justified, and he could not support so large a reduction.

Mr. LONG. Is the Senator from Florida aware of the fact that during the entire Truman administration, based on the aid mentioned on page 13 of the bill, there was only about \$5 billion actually expended from 1950 up to January 1953, and that the present administration is now spending money in 1 year at a rate in excess of what was spent in 3 years under the Truman administration?

Mr. KNOWLAND. Mr. President, will the Senator yield at that point, because I think the RECORD—

Mr. HOLLAND. I shall be glad to yield to the Senator from California in a moment. I invite the attention of my distinguished friend from Louisiana to the fact that the program is a bipartisan one. I have supported it under both Presidents. I think most of us who have supported the program have done so. I realize perfectly well that most of the supplies and materials bought and contracted for under the program were not supplied in the same year in which they were contracted for or agreed to be supplied. I understand a long pipeline is involved. So I do not prefer to measure it out in the way suggested by the Senator from Louisiana. Of course, I also realize that we are spending more money now because we have come to the point of liquidation of a great many orders placed, and commitments made in the past. However, the point I am trying to make is that it does not seem to me it is realistic to retain the authorization at the specific figure which was calculated months before important changes in the international situation took place.

I am not happy about the fact that the distinguished chairman of the committee, who has so ably handled the argument on the floor of the Senate, does not recognize the fact that this is an invitation to a reduction. The Senator from Florida would rather be led by someone who knows more of the details than he does, and who wants to see the program carried through by attempting to make an intelligent detailed reduction rather than a broadax reduction.

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

Mr. HOLLAND. I yield to the majority leader.

Mr. KNOWLAND. In the first place, I think the Senator has pointed out, in response to the argument of the Senator from Louisiana, that this is not a partisan question. Actually, the reason why the expenditures have increased is that the orders for materiel placed under the prior administration are now bills which are becoming due. When one goes to a department store and charges certain items, on the first of the next month he will get the bill. We are now getting the bill for materiel which has been in the pipelines of production. The tanks and guns and the planes are now being delivered. So that is the reason why the rate of expenditure has gone up.

As to the statement made by my good friend from Florida that conditions are improved, I disagree with that statement. I do not think conditions are improved in the Far East. Ten million more people have just gone beyond the Communist Iron Curtain. To me that is not an improvement. I think the situation is that while, for the moment, the Communists may have to digest their new gains, in southeast Asia they have taken over the Tonkin Delta area, one of the great rice bowls of the world, which will give them the weapon of food to use against the free nations of Asia. The fact of the matter is that the victory the Communists have won in the northern part of Vietnam will give them a springboard which, if the Communists decide to do so, will permit them to move on into Thailand, Burma, lower Vietnam, Cambodia, Laos, or Malaya, and on the way to India.

So when the Senator from Florida says conditions have improved, I do not believe conditions generally have improved. The fact of the matter is that since the close of World War II, over 600 million people have passed behind the Communist Iron Curtain. That represents a rate of almost 100 million people a year. Certainly that is not an improvement in the situation vis a vis the Soviet world.

So when the Senator from Florida comes to the floor and says the committee did not give consideration to these changed conditions, I say that simply is not the fact. This matter was discussed for many hours. The same questions were raised in the Committee on Foreign Relations, a committee of which I am a member. I am sure the same questions were raised in the Committee on Armed Services, which also considered this bill, as to the funds which had been originally

allocated by the administration to Indochina.

Obviously the situation in Indochina has changed. That situation has worsened. But at least there still remain southern Viet Nam, Cambodia, Laos, Thailand, Burma, the Philippines, the free government of China on Formosa, the Republic of Korea, and Japan, all of which are in the danger sphere.

It has been testified time and time again before the committees of the Congress that if we look at this problem as one of collective security—which I believe we must do, because we are a nation of only 160 million people; and already, so far as the free world is concerned, the balance of power, so far as manpower is concerned, has passed into Communist hands. The only way we can hope to meet this threat is to have the other free nations of the world in Asia, Europe, and the Americas prepare to stand with us.

The testimony has made clear that the cost of maintaining approximately 10 divisions of native troops in South Korea, in Japan, in Formosa, or in Southeast Asia is only equal to the cost of maintaining one American division; just as in Turkey it is probably possible to equip perhaps 2 or 3 divisions for the cost of equipping 1 American division.

I am not proposing the idea that we shall have our allies alone prepared to stand up and oppose communism if communism decides to move again, but rather the idea that we, with our 160 million people, cannot bear the entire brunt of the defense of the free world.

Therefore, it is important, I believe, to encourage our allies in Asia and Europe and the Americas as well as to help defend themselves and, collectively, defend the free world, and to assist them in that undertaking.

I merely rose to say most respectfully, that I differ with the statement of the Senator from Florida, that the picture has improved in that great area of the world.

Mr. HOLLAND. I appreciate the comments of the distinguished majority leader. I am sorry he was not here when I made my original comments. Had the majority leader been here, I do not believe he would have made the statement he has just made.

I stated, for instance, that one of the improvements was that the British had just concluded their arrangement with the Egyptians, under which they were withdrawing some eighty-thousand-odd military personnel and many thousand civilian and technical personnel from the Suez area. That operation is stated to be one of the largest, if not the largest, drains now upon the finances of the British Empire. In that respect the necessity for that great financial drain will cease to exist.

I mentioned the fact that in Iran it has just been announced there has been a settlement worked out between the former owners of the oil concessions in Iran and the Government, and that such concessions are being put into actual operation. The production of oil is again taking place. That is certainly an improvement.

I notice here in this report that substantial funds are included for expenditure in Iran, with the statement that the expenditure must be continued until the oil dispute with the British has moved near solution, and I quote:

Until oil revenues actually become available, further needs for assistance of this type may develop.

That goal has been reached.

I mentioned also the announcement by the broadcaster whom I quoted—and I have found him to be the best informed on European affairs whom I have heard for years—that in Trieste the settlement had been arranged, that the papers were being drawn, and that the disputed territory was to be divided in a way reasonably agreeable to the Italians and the Yugoslavs, which means that the necessity for our maintaining heavy expenditures there soon will be concluded.

Of course, as to Indochina, whatever the distinguished Senator may say, there is no way for us to now reach those 10 million good people who are behind the Iron Curtain, who formerly were not behind it. There is no way for us to give them anything now.

Certainly it has been admitted on the floor here today by the distinguished chairman of the committee that there is a substantial sum—as I understand it, \$600 million of the new authorization, and \$800 million in the carryover—which was destined for expenditure, and which is to be held as a reserve. The statement that the Senator from Florida made was that there is a bettering financial situation, under which we are given every opportunity to make a reduction. It does not seem to me realistic to go ahead and pass on authorization on the basis of a request made many months ago, before these things developed, and moving out of a committee before these things actually developed.

I am disappointed that we do not have from the leadership some indication of the fact that the time has come when we can begin to reduce the load on our own people here in America.

I am the first to agree that in the event we work out a Southeastern Asia pact similar to NATO we may then have to embark upon a heavy series of expenditures, something like we experienced with reference to the NATO nations. But the fact that there is a reserve just held here in suspense of \$1.4 billion—which is what it will be—plus other funds which do not need to be expended for the various activities which I have mentioned, as well as more which could be mentioned, makes me believe we should realistically reappraise the situation and make some reduction in the authorization.

Up to now I have heard not the slightest intimation from anyone charged with the responsibility of carrying this bill or anyone speaking for the administration that this could be done. Again, I am not making this a political matter, for I stand with this administration on whatever is necessary in this field. I am disappointed that the administration has not come here with the statement that this changed situation does allow us to make a reduction.

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

Mr. HOLLAND. I yield.

Mr. KNOWLAND. We had Admiral Radford before the committee. We had General Gruenther, who is in charge of the EDC, before the committee, we had representatives of both the Department of State and the Department of Defense before the committee, to give the appraisal they had made of the situation. They of course recognized that the program they originally had for Vietnam, before the conference which led to the loss of the Tonkin Delta, was changed by that situation.

Nevertheless, I think that also underscores the delicate nature of the situation and requires an acceleration of the aid to the free people of Thailand, who are prepared to defend themselves and will need help to do so.

Burma, if she ultimately comes into the southeast Asian pact, will need help in order to help defend herself and to participate in collective defense.

The Philippines will need additional help, for they are on the route of the possible or potential Communist advance.

There is an opportunity to build up the forces in Japan, so that she can at least defend her home islands, and make it unnecessary to have American divisions there to defend Hokkaido and the other home islands of Japan.

The Republic of Korea can build up her forces so that the American divisions which are there may be withdrawn ultimately, and replaced, if necessary, by a mobile reserve.

The Republic of China on Formosa could accelerate its program, which is considerably behind its original schedule, and build up there a non-Communist force which, in the event of further Communist aggression, might ultimately be important not only to the security of ourselves but to the security of the entire free world.

All of these matters have been testified to by the responsible military authorities of the country and by the responsible representatives of the executive branch.

The chairman of the committee has already pointed out that over a period of years the reductions proposed are approximately 40 percent, compared to the amounts formerly allowed. Certainly the administration, as rapidly as it can diminish the expenditures, will be prepared to do so.

That is the best judgment and the best testimony of those who are charged with the responsibility of this program, who live with it day by day. Each morning they have to read the cables from Thailand and Cambodia and Laos and Vietnam and China and Japan. They are confronted with the problems which arise in the world. Those men, who deal with those problems hour by hour and day by day, feel that this authorization is necessary for the common defense.

Mr. HOLLAND. Mr. President, I do not care to debate the subject further. I thank the majority leader for his comments.

I close by again expressing the feeling that it is not sound fiscal management

to proceed upon the basis of a bill framed upon hearings beginning in April, and a budget made last winter, in the face of known changes in the situation, without any apparent realization on the part of those steering the bill of the fact that there have been great changes in the situation.

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

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

Mr. GEORGE. Mr. President—

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I think I should make a brief statement on this particular amendment. I have great sympathy for the amendment. In fact, Mr. President, I announced last year that I was almost through with economic aid in this whole program. Economic aid has been very greatly reduced.

I invite attention to a fact which I think is of importance, namely, that under the Senate version of the pending bill \$2,897,982,000 is authorized almost exclusively for military purposes to aid our allies in Europe and elsewhere.

The total item under title II is in the nature of economic aid, but it also has a military effect so far as our allies are concerned.

Then in title III, which we used to call title IV, there is a much smaller item of \$131,528,000 for so-called technical cooperation.

I announced that in view of the fact that some \$9.6 billion was available—I believe the Senator from Louisiana [Mr. LONG] correctly quoted the figure—and in view of the fact that between \$2.5 billion and \$2.6 billion of that amount had not been obligated, we ought to cut back this appropriation by about \$1.5 billion or at least a reduction of approximately \$1 billion more than was made by the committee.

I held that view very strongly. But when I began to look into this question to see what was involved, I confess that the cost of the military program, even with the NATO countries, ran far ahead of what, in our judgment, we thought it would be. In fact, the ink had not become dry on the treaty before we were asked to appropriate in money and in end items, defense items—surplus items as they were then called—more than \$2 billion. It was called surplus, but it was good material, put into good condition by our own money.

There was no plan made for NATO. There was no blueprint. It was only a dream in the minds of some of the military men, and some of the men on this side who called themselves statesmen. But we voted to enter into it. I did not vote for it. The appropriation for NATO was the only big one that looked as though it was even aimed to strengthen our defense and to add to the defense of what we call the free nations of the earth that I voted against, because I knew it was foolish. It was a foolish program because no one had any plan, no one had any blueprints, no one had anything except a wild disposition to go

forth and spend a great amount of money, make friends for our country, and scare the very life out of all our enemies in the world. So I thought the time had come to refuse an appropriation. I went into the matter fully, as I have said, Mr. President, expecting to offer to cut the appropriation somewhere between \$600 million and \$1 billion below the cuts which were actually made.

I found that we had been asked by the President and, of course, by all the departments that were interested, for a total appropriation for the current fiscal year of some \$3,676,000,000, in round numbers, of new money. The House had authorized about \$3,566,000,000, the House having acted first on the authorization bill.

I reached a certain conclusion. It may not be sound. I confess to much frustration in my own thinking in connection with the entire program, but I reached my conclusion, in view of the conditions that exist in Europe now—not next year but now—in view of the fact that France had not come into the EDC, that Italy had not come into the EDC, and, perhaps, could not politically take the necessary steps to ratify the treaty, in view of the fact also, Mr. President, that things were not going too well in Indochina, and that, although all our military experts told us that the so-called Navarre plan could not fail, because it was almost foolproof, it did fail. There is no need to debate why it failed, or whose fault it was. Perhaps it was ours in part, but I hardly think so. In any event, it would do no good to discuss it. Actually things did not go well in Indochina. Things are not going well in the Far East. They look a little better in the Near East, but they are not by any means secure. There is trouble in portions of the Near East which may flare up any day. It does not matter to me how many times we are told by the Department of State or by any other department of Government—and I am not critical of the State Department in this statement—that conditions are becoming better and that great progress has been made, the fact remains that world conditions, so far as peace and security are concerned, have not grown appreciably better, and we might as well face the facts as they are, because world conditions are precarious and most uncertain. In view of the conditions existing in the world I reached the conclusion that to have reduced the authorization by a billion and a half dollars would have served notice not only upon Europe, but upon all the world, that the United States was withdrawing from all we had done in the Far East, all we had done in Europe, and all we had attempted to do elsewhere in the world. It seemed to me we could not afford to take that chance. It seemed to me that to do so would be taking a gambler's chance, which the United States could not afford to take, whatever our misgivings may be and no matter how strongly we feel that we could appropriate a much smaller sum of money.

Therefore I said to the committee, as I said to the representative of the executive branch of the Government, that if we cut the authorization bill to not ex-

ceeding approximately \$3 billion in new money, I felt I could go along with it.

We did cut it. The House authorized \$3,566,908,000. We cut it down to \$3,100,000,000; \$10 million has been added on the floor for Latin American countries. I think that was a very wise decision by the Senate. Therefore we reduced substantially the amount of new money in the bill. That is what we are now asked to authorize.

It is true that there are two other items in the bill for which no appropriation is asked, which items are continued in the present authorization bill, one involving the Palestine refugees in the Near East, and the other the so-called infrastructure program, totaling \$228,300,000.

The new money being asked for in the pending bill as it stands at the moment is \$3,110,000,000.

If we cut the amount by another half billion dollars, perhaps we could get by, but if we cut it by a billion dollars, as I first thought we should cut it, we would serve notice upon the world that the United States at least was withdrawing so far as our NATO program is concerned, so far as all our efforts in southeast Asia are concerned, and so far as any protection in the Far East, in the Middle East, and in all of Europe is concerned.

Is anyone so confident that the world has suddenly become peaceful and secure as to justify the taking of that great chance?

I could not do so. I was unable to justify it in my own thinking. I said that if we cut the present authorization of new money to substantially \$3 billion for this year, which is about 40 percent less than it was 2 years ago, almost all of it being money for military purposes, I would go along with the program. I will go along with it, in the hope that we may at least give some encouragement to the world until we can see if our efforts are availing.

There was another very important consideration in connection with the bill. I am not critical of anyone operating the special new agency, because it does not make any difference to me who it is, but so long as there is a special new agency which operates all over the world and tries to find out how much money we can afford to spend in every country on the globe, we shall expend an enormous sum of money.

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

Mr. GEORGE. I shall be glad to yield in a moment.

The junior Senator from Montana [Mr. MANSFIELD], a man of great ability and of great vision and wide experience in international affairs, as he served in the House on the Foreign Affairs Committee before he came to the Senate, and although a junior Senator, was placed on the Foreign Relations Committee, in agreement with many of his confreres on the Democratic side of the aisle, insisted upon placing in the bill another cutoff date for the new agency. Without such an amendment, I would not have been willing to go along with the authorization bill now before the Senate.

Let me repeat, so long as this new agency exists, so long will this bill involve

enormous sums. I say that because anyone can find a place on this globe to spend money.

Therefore, we said, as we said last year, that this new agency would go out of business on June 30, 1955; that 1 year would remain in which to liquidate the unexpended balances credited to the economic side of the ledger in the program; and that an additional year would be given to permit the liquidation of the military program authorized in prior appropriations and in this authorization bill.

We did it in the 1953 bill, but the House conferees objected. They may object again, but there will be an end to this program even if their objection prevails.

We did not propose to say that there should be no further military aid given to NATO or to any part of Europe or to any area of the world, but we did say that the military part of the program should be taken over by the Defense Department. We said also that all the point 4 program and other aspects of the economic program should be taken over by the State Department.

The State Department does not like that. Understandably, the State Department does not want to undertake an operating program. Nevertheless, we make the policies. The Congress writes the policies. Whatever the House conferees may now insist on, they are nevertheless writing an end to this program, if we cannot bring it to an end by June 1955, as this bill proposes. There is no doubt about the sentiment in the Senate to end this program.

Perhaps this program will not be greatly reduced, but when whatever it is placed in the regular departments of Government, such as the Defense and State Departments, those Departments will not be out looking for more places to give away money. They will have their own programs to care for, and they will present reasonable requests for the foreign-aid program.

Mr. President, I have stated why I have felt that, in the present disturbed and uncertain conditions in world affairs, we could not afford to say to our friends abroad, if we have friends, or to say to our allies, if we have dependable allies—and I hope we have—that the United States is serving notice upon them that we are withdrawing from this program, that we are quitting. A further billion-dollar cut in this program will be nothing less than a fire alarm which every country in the world will hear.

Mr. President, I have briefly indicated how I feel on this question. I find myself in the greatest sympathy with every effort to reduce this vast expenditure. Great progress has been made, and great progress is being made. With the policymaking power in the Senate and in the House of Representatives, if we say that regular establishments of Government must take this program over, whether the State Department altogether likes it or not, we shall really make it possible to cut the program down to a reasonable size.

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

Mr. GEORGE. I yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator has made an excellent speech. He spoke the truth when he said that agencies of the Government, regardless of what they may be—and I cast no aspersions on anyone—look to see how they can spend money. I understood the Senator to say that.

Mr. GEORGE. Exactly.

Mr. MAYBANK. Now they are trying to find out what to do with the unexpended balance of this \$2½ billion.

I ask the Senator to do me a favor and to make my conscience clear. Is the Senator certain that the program will be cut off in 1955? The Senator says the House is expected to cut it off.

Mr. GEORGE. I said the Senate proposed last year that it was to be cut off June 30 of this year.

Mr. MAYBANK. I know that.

Mr. GEORGE. But it has not been cut off.

Mr. MAYBANK. Has the Senator any assurance that it will be cut off? There is available \$2½ billion, and the members of the Appropriations Committee are trying to find out how the agency intends to spend it.

Mr. GEORGE. We have the assurance that its termination is provided for in this bill.

Mr. MAYBANK. My fear is that the program will not be cut off, and I do not hesitate to say so.

Mr. GEORGE. I can see the Senator's point of view.

Mr. MAYBANK. I hope the Senator appreciates my sincerity.

Mr. GEORGE. Mr. President, there is one other feature in the bill with which I wish to deal. A considerable sum of money is authorized for the Far East. Originally a big item was earmarked for Indochina. I do not know what other Senators think about it, but I do not believe there is much opportunity left to do too much good in Indochina itself. The bill gives to the President a large discretion in the handling of a considerable sum of money, and it does not require the President to expend that money in Indochina. It may be spent, as the majority leader has said, in Japan, the Philippines, Formosa, Korea, or Indochina. I have a great deal of faith that the President of the United States will not expend recklessly and needlessly a large sum of money in the Far East or in Indochina unless he is convinced that the conditions amply justify such an expenditure. The President has demonstrated that he is concerned with the size of our expenditures, our appropriations, and our whole budget. I have enough confidence in the President to leave in his hands the sum of money provided in the bill, although it is large. I believe that he will conserve that asset unless it can be used in the far eastern area to the advantage of the United States.

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

Mr. GEORGE. I am glad to yield to the Senator from Louisiana for a question.

Mr. LONG. As I understand, the Senator is concerned about the psychological effect on our allies of reducing the

appropriation. Is it not true that our allies themselves actually created the necessity for this reduction when they signed the truce in Indochina, inasmuch as the bill, as reported from the committee, contained more than \$600 million of old money and \$800 million of new money for Indochina, which will not now be spent there?

Mr. GEORGE. I am disposed to agree with the Senator. I think there is more than a psychological effect involved. I say with the utmost confidence that I do not think we can take a billion dollars out of this appropriation without destroying the hope of the world that we are any longer to "play ball" with the programs which we have undertaken. I do not know what the consequences would be. I agree that it might be that the agency could, with the unpledged balance in prior appropriations, operate with a lesser sum than the \$3 billion which this bill authorizes.

I hope the Appropriations Committee will scrutinize the appropriation bill with the utmost care, because every item making up the \$3 billion is authorization for not exceeding "X" dollars. So the Appropriations Committee is at liberty, and has the power, to reduce the appropriation even below the amount of the authorization. Indeed, the Appropriations Committee of the House reduced it below the \$3 billion which we are authorizing, and considerably below the amount authorized in the House bill. I assume that the Appropriations Committee will make some further reduction in this bill. Reasonable reductions, properly placed in the bill, cannot serve to frighten our friends abroad, and around the world, into believing that such reductions are intended to signify our disposition to withdraw from the security effort which we have been making in the interest of preserving peace.

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

Mr. GEORGE. I yield.

Mr. LONG. Is it not true that the failure of our allies to cooperate in rearming in the manner which we should have liked them to do may prevent us from spending as much money as we would otherwise spend? I have in mind the refusal of France and Italy to cooperate in the rearming of Germany, and the reluctance of Japan to raise an armed force of more than 150,000 men.

Mr. GEORGE. I do not wish to quarrel with the position of the Senator from Louisiana. He knows how I feel about the matter. He knows that I feel that Congress should make all the reductions which can be made. I know the weaknesses in our foreign-aid program—or at least I fear I do. But we are now facing the fiscal year 1954-55 and we are facing a world in which conditions are anything but stable and anything but reassuring. I do not believe it would be wise upon our part to take so deep a bite into the present appropriation, or to make so deep a cut as to indicate that we are withdrawing. What the Committee on Appropriations may see fit to do under the authority which will be provided in this bill will not, I think, have the effect which I have indicated.

What I have tried to say to the Senate is that the provisions of the bill for the liquidation of the new agencies, and for the transfer to the Department of Defense of certain defense items and to the Department of State of economic assistance and such other items as we find proper to transfer in the future, would really be the first long step toward a final reduction of this vast program—and it has been a vast program, in my judgment. This will really make it possible to cut the appropriations again next year.

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

Mr. GEORGE. I yield.

Mr. HOLLAND. The Senator from Georgia knows of the very great respect which I have for him. It goes without saying that that respect pertains to his opinion on this particular subject, on which he has so very much information and so great a background.

Is it my understanding that the distinguished Senator from Georgia feels at this time that the \$1 billion additional reduction in authorization would be extremely unwise?

Mr. GEORGE. I do feel that way, in all sincerity. I first had the same views as have been expressed by my good friend, the distinguished junior Senator from Louisiana. I myself had the purpose of trying to reduce the amount of new money by about \$1,400,000,000 or \$1,500,000,000, in order to bring the amount of new money down to approximately \$2 billion. But I reached the conclusion that it would be too hazardous to do so, under world conditions as they actually exist.

Mr. HOLLAND. I should like to ask one more question, if I may do so.

Do I correctly understand the opinion of the distinguished Senator from Georgia to be that rather than attempt to make any reduction in the authorization bill, the Senator feels that any effort toward reduction should occur in the Committee on Appropriations, based on the facts available at the time?

Mr. GEORGE. I do think so. I have felt that way; and I feel also that the whole defense program should go under the Department of Defense.

Congress has told the American people year after year that the money which has been appropriated for NATO, for the Far East, and for our friends everywhere else in the world, was money expended for our safety, for our defense, for our security, particularly. Let us live up to that statement made to the American people, and make certain that the defense program will be placed under the Department of Defense and other established agencies.

Those agencies will have in view their own needs and necessities every time they come to Congress, and they will not be disposed to increase their requests for appropriations merely for the sake of giving them away. Rather, they will seek to conserve.

I have every belief that that is the view of the President. I have talked with him about the problem. I have every belief that though large power is given him, and a very large blank check is given him by the bill, it will not be

wasted in the Far East, but will be used only, as I have said, if conditions seem to him and his military advisers to justify the expenditure of that blank check, or any great portion of it, for the safety and security of the United States.

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

Mr. GEORGE. I am glad to yield to the Senator from Montana.

Mr. MANSFIELD. As always, it is a pleasure to listen to the distinguished and able senior Senator from Georgia, not only on this bill, but on other matters as well.

I wish to ask the distinguished Senator, who is the ranking Democratic member of the Committee on Foreign Relations, if he does not believe it is the intent of the Senate, and of Congress, that, come next June 30, the Foreign Operations Administration shall be abolished, and that any aid programs of a military or economic nature shall be carried on through the Department of Defense and the Department of State, at the specific request of the President of the United States, and on a limited basis in line with the objectives of the foreign policy of the United States?

Mr. GEORGE. I do. I sincerely believe that the Senator from Montana has made an exact and accurate statement. Furthermore, I believe that had the fight been made this year, it would have been possible to transfer such expenditures as were approved to the regular established agencies of the Government.

But rapidly changing world conditions, having ominous portent, at least in my mind, led me to believe that we should be content with the amendment which the distinguished Senator from Montana himself offered, which I supported, and which I shall heartily support as a conferee if I am named as a conferee on the bill.

Mr. MANSFIELD. Mr. President, will the Senator yield for one more question?

Mr. GEORGE. I am happy to yield.

Mr. MANSFIELD. Is it not true that while the bill now before the Senate extends the authorization for the Foreign Operations Administration to June 30, 1955, in effect it carries out the unanimous sentiment of the Senate expressed last year that the military-aid program would be liquidated within 2 years after 1955, namely, June 30, 1957, and the economic-aid program would be liquidated 1 year after 1955, namely, on June 30, 1956, so that in effect, whereas last year 3 years were allowed in which to liquidate the military program, and 2 years to liquidate the economic program, we are doing the same thing this year, but the process is a little more costly?

Mr. GEORGE. The Senator is entirely correct.

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

Mr. GEORGE. I yield.

Mr. MAYBANK. The Senator has no assurance that they will be liquidated, has he?

Mr. GEORGE. Provision is being made in the bill that they will be liquidated.

Mr. MAYBANK. We have so provided time and time again.

Mr. GEORGE. No. We provided for it last year, but we are now carrying out what was written into the law last year, recognizing that perhaps conditions did not warrant such action at that time.

Mr. MAYBANK. We did not provide for a liquidation of the program in 1957, and it is the same Senate. The same Senate turned down the request of the Air Force, and the former distinguished Chief of the Air Force.

Mr. GEORGE. The Senator is quite right. I do not wish to get into another field.

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

Mr. GEORGE. I yield.

Mr. LONG. Did I understand correctly the distinguished Senator from Georgia to say that he felt the program could perhaps be reduced by an additional \$500 million below the committee figure?

Mr. GEORGE. Perhaps without hurting it greatly, but I do not want to take a chance on it. However, I am willing to support the Committee on Appropriations if, upon a careful review, it is found that it would be wise to reduce the program further by any reasonable amount, which would not indicate that we were withdrawing our support from our allies, and if such reduction would not jeopardize our own national security.

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

Mr. GEORGE. I yield.

Mr. MAYBANK. I do not intend to delay the Senate, because I know Senators have their minds made up. But, according to the discussion in the Committee on Appropriations, there is available a large sum of unobligated funds. The Senator from Nevada [Mr. McCARRAN] called attention to that. Why cannot some of the unobligated funds be used in lieu of the \$2,500 million authorized by the bill? Is there anything to prevent that?

Mr. GEORGE. Nothing at all.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. GILLETTE (when his name was called). Having announced in the Senate that I shall vote against the bill on final passage, I now vote "present."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPEL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. DUFF] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

On this vote the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote

"nay" and the Senator from Delaware [Mr. FREAR] would vote "yea."

If present and voting, the Senator from Pennsylvania [Mr. DUFF] would vote "nay" and the Senator from Kansas [Mr. SCHOEPEL] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further that the Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "yea" and the Senator from Connecticut would vote "nay."

The result was announced—yeas 33, nays 48, as follows:

YEAS—38

Anderson	Eliender	McClellan
Barrett	Ervin	Monroney
Beall	Goldwater	Mundt
Bennett	Gore	Potter
Bricker	Johnson, Colo.	Reynolds
Butler	Johnson, Tex.	Russell
Byrd	Johnston, S. C.	Smathers
Capehart	Langer	Stennis
Case	Lennon	Watkins
Clements	Long	Welker
Crippa	Malone	Williams
Daniel	Maybank	Young
Dworshak	McCarthy	

NAYS—48

Aiken	Hendrickson	McCarran
Bowling	Hennings	Millikin
Bridges	Hickenlooper	Morse
Burke	Hill	Murray
Carlson	Holland	Pastore
Chavez	Humphrey	Payne
Cooper	Ives	Purtell
Cordon	Jackson	Robertson
Dirksen	Kennedy	Saltonstall
Douglas	Kerr	Smith, Maine
Ferguson	Knowland	Smith, N. J.
Flanders	Kuchel	Sparkman
Fulbright	Lehman	Symington
George	Magnuson	Thye
Green	Mansfield	Upton
Hayden	Martin	Wiley

ANSWERED "PRESENT"—1

Gillette

NOT VOTING—9

Bush	Frear	Kilgore
Duff	Jenner	Neely
Eastland	Kefauver	Schoeppel

So Mr. Long's amendment was rejected.

Mr. LONG. Mr. President, to the committee amendment, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Louisiana to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 168, after line 21, it is proposed to add a new section, as follows:

SEC. 547. Reduction of authorizations: Notwithstanding the foregoing provisions of this act, such provisions shall not be construed to authorize the appropriation, for the purposes of titles I, II, and IV of this act, of amounts (exclusive of unexpended balances of prior appropriations authorized to be continued available under such provisions) aggregating in excess of \$2,599,000,000.

Mr. LONG. Mr. President, I can explain the amendment very briefly; I do not care to labor this matter with the Senate.

This amendment would reduce the overall authorization by \$500 million.

I should like to point out that if the bill is passed without the amendment, there will be on hand in the Foreign Operations Administration \$12,849,000,000. It is estimated by the Foreign Operations Administration that it cannot spend that much money next year, and that it will then have on hand \$7,360,000,000.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield to me? Mr. LONG. I yield.

Mr. MAYBANK. The FOA cannot even spend the money it has now. It already has \$7,500 million which has not been spent. The FOA has \$2,500 million which it has not even obligated.

Mr. LONG. The Senator from South Carolina is entirely correct.

Mr. MAYBANK. The FOA is now going around the world, trying to find how to spend the \$2,500 million.

Mr. LONG. That is correct. Mr. President, I know that some Members of the Senate have not had the frustration I have experienced in trying to have reductions made in the funds authorized and appropriated for the foreign-aid program. For the benefit of those Senators, let me explain what usually happens. When the authorization bill is considered on the floor, the members of the Foreign Relations Committee usually stick together, and say, in response to all suggestions for reductions in the amounts of the authorizations, "Leave it up to the Appropriations Committee." So one who favors making reductions in the authorizations thus usually has 15 Members of the Senate against him in the very beginning.

Subsequently, when the Appropriations Committee reports the appropriation bill on the same subject, the 23 members of that committee usually agree to stick together on the appropriations that committee recommends. So one who favors making reductions in the amounts is, from the very first, opposed by a total of 38 Senators.

Mr. President, I know that Senators are beginning to hear about these programs from their constituents. It may be that we are approaching a turn of the tide, a time when the people will wish to have Mr. Stassen instructed to reduce his program of expenditures.

It seems to me that when Mr. Stassen and other representatives of his organization appear before the various congressional committees and seek to have billions of dollars added to the funds already available for their program, it would be a good idea if Mr. Stassen were told to determine where reductions could be made, instead of having the Appropriations Committee recommend all the appropriations requested, without receiving from the FOA any advice in regard to the making of reductions.

Mr. MAYBANK. Mr. President, will the Senator from Louisiana yield further to me?

Mr. LONG. I yield.

Mr. MAYBANK. I see the distinguished Senator from South Dakota [Mr. MUNDT] on the floor. Let me say that in the committee some of us fought with him all yesterday afternoon, in an attempt to have a slight reduction made in

the appropriations under the authorizations provided by the pending bill. However, the FOA seeks to have an additional \$800 million added to the fund for next year. Is not that correct?

Mr. MUNDT. Yes, that is correct.

Mr. MAYBANK. Yet the FOA already has \$2,500,000,000 which it does not know how to spend, although the expenditure of that money has been authorized by the Congress.

Mr. MUNDT. Mr. President, will the Senator from Louisiana yield to me?

Mr. LONG. I yield to the Senator from South Dakota.

Mr. MUNDT. I think the logic and the English of the distinguished Senator from Louisiana are better than his arithmetic, for I wish to point out that a number of the members of the Appropriations Committee already have voted in favor of his amendment proposing a cut of \$1 billion; and I am sure that a number of the members of the Appropriations Committee will vote in favor of his pending amendment, which proposes a cut of \$500 million in the authorization. So, instead of having all 38 members of the 2 committees—the Foreign Relations Committee and the Appropriations Committee—oppose his proposal, he will find that a great many of the members will vote with him on this question.

Furthermore, let me point out that if the Senator from Louisiana is unsuccessful in the fight he is making for reductions in the authorizations carried in the pending bill, I am sure that cuts will subsequently be made in the appropriation bill, anyway.

Mr. LONG. My point is that among the membership of those two committees, there are a number of Senators who normally oppose any reductions proposed in the amounts recommended by those committees. So I was glad to see that the Senator from South Dakota was among those who voted in favor of the reduction proposed by my amendment which was voted on just a few minutes ago.

Nevertheless, Mr. President, the members of those two committees—even though they may favor making such reductions—are oftentimes bound, as a matter of committee procedure, to go along with the amounts agreed to by a majority of those committees.

Mr. MUNDT. I may say that in the Appropriations Committee we have such friendly relations with one another that the members are not prohibited by any protocol or other restriction from voting in favor of reductions, if they believe reductions should be made.

Mr. LONG. Mr. President, let me assure the Senate that if my remarks were understood as being in any way critical of the Appropriations Committee, I certainly did not so intend them.

I desire to state that the pending bill carries actual authorizations of appropriations which everyone has now agreed will not be made. For example, the bill authorizes an appropriation of \$800 million for Indochina. The distinguished chairman of the Foreign Relations Committee wrote to us a letter in which he clearly stated that the \$800 million will not be spent, in view of the truce in Indochina and, I suppose, because free elections there may result in

having the Communists acquire the arms we have there already. In addition, the fact that \$600 million already appropriated for arms for Indochina will not be spent for that purpose, means that a total saving of \$1,400,000,000 can be made in the items authorized in the pending bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Louisiana to the committee amendment, on page 168, after line 21.

Mr. LONG. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WILEY. Mr. President, I cannot let some of the statements made by the Senator from Louisiana go unanswered. In the first place, he said the Foreign Operations Administration now has on hand \$7,360,000,000 in cash. It is true that as of June 30, that amount was unexpended. But it is obligated and contracted for; and as the merchandise is contracted for, as has been said many times before this afternoon, it sometimes takes 2, 3, or 4 years before it is delivered.

The Senator from Georgia [Mr. GEORGE] made a wonderful statement in opposition to the proposed reductions in the authorizations, and regarding why he is standing by the bill.

Mr. President, the criticisms made of the Foreign Relations Committee are absolutely unfounded, in my opinion. In referring to the work of the committee, I do not speak of the work done by its chairman; but I say without fear of contradiction that all the other members of the Foreign Relations Committee are most sincere and honest in going very thoroughly into all the matters which come before the committee. In that respect, the work of the committee is outstanding.

Let me say that in answer to the argument of the Senator from Louisiana [Mr. LONG], I produced data supplied by the Government. He says, "\$800 million is available for Indochina and we are authorizing some \$600 million more."

I produced a letter from the Secretary of State, and I think it was entirely substantiated by the statement of the Senator from Georgia [Mr. GEORGE], when he told about the serious situation in the world today.

We have cut the program some 60 percent from what it was when it was initiated, and in the last 2 years we have cut it 40 percent, and this year we have cut it \$350 million, which cut occurred after the Indochina incident.

Yet the Secretary of State says in his letter:

I believe that the armistice does not diminish the need for these funds. If anything, it increases the need to have available funds with which to build the defensive capabilities and strengthen the resistance of the free nations in the area.

So I say, Mr. President, that when the President of the United States, when General Gruenther, the Secretary of State, and Admiral Radford, say that the amount included in the bill is needed—and, after all, the President of the United States through these officials, spearheads the foreign relations, and they know something about the world

situation—when they ask for it, and say that it is needed, I, for one, shall vote against the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. LONG].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll. Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPEL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. DUFF] and the Senator from Nebraska [Mr. REYNOLDS] are necessarily absent.

On this vote the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "nay," and the Senator from Delaware [Mr. FREAR] would vote "yea."

If present and voting the Senator from Pennsylvania [Mr. DUFF] would vote "nay," and the Senator from Kansas [Mr. SCHOEPEL] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further that the Senator from Delaware [Mr. FREAR] is paired on this vote with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 45, nays 41, voting "present" 1, as follows:

YEAS—45

Anderson	Goldwater	Maybank
Barrett	Gore	McCarran
Bennett	Holland	McCarthy
Bricker	Jackson	McClellan
Butler	Jenner	Monroney
Byrd	Johnson, Colo.	Mundt
Capehart	Johnson, Tex.	Murray
Case	Johnston, S. C.	Potter
Chavez	Kennedy	Russell
Clements	Kerr	Smathers
Crippa	Langer	Stennis
Daniel	Lennon	Watkins
Dworshak	Long	Welker
Ellender	Magnuson	Williams
Ervin	Malone	Young

NAYS—41

Aiken	Green	Morse
Beall	Hayden	Pastore
Bowring	Hendrickson	Payne
Bridges	Hennings	Purtell
Burke	Hickenlooper	Robertson
Carlson	Hill	Saltonstall
Cooper	Humphrey	Smith, Maine
Cordon	Ives	Smith, N. J.
Dirksen	Knowland	Sparkman
Douglas	Kuchel	Symington
Ferguson	Lehman	Thye
Flanders	Mansfield	Upton
Fulbright	Martin	Wiley
George	Millikin	

VOTING "PRESENT"—1

Gillette

NOT VOTING—9

Bush	Frear	Neely
Duff	Kefauver	Reynolds
Eastland	Kilgore	Schoeppel

So, Mr. Long's amendment was agreed to.

Mr. LONG. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ANDERSON. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

The motion to lay on the table was agreed to.

GREETINGS TO MR. AND MRS. KAPUS

Mr. JOHNSON of Texas. Mr. President, I should like to call attention to the fact that we have as our guests in the gallery today some very important visitors. They are Mr. and Mrs. Geza Kapus and their 8-year-old daughter, Eva. They are the first escapees from the Iron Curtain who have received visas under the Refugee Relief Act.

Mr. and Mrs. Kapus, who escaped from Communist Hungary under incredible difficulties, are now on their way to Midland, Tex., where they will begin life anew. The heart of Texas will surround these fine people, and I know America will be better for their presence in our country.

Mr. President, I hope they will stand. [Mr. and Mrs. Kapus and their daughter, Eva, rose from their seats in the gallery, and were greeted with applause, Senators rising.]

Mr. DANIEL. Mr. President, I wish to join my colleague, the senior Senator from Texas [Mr. JOHNSON], in welcoming the Kapus family to America and to our State of Texas.

MUTUAL SECURITY ACT OF 1954

The Senate resumed the consideration of the bill (H. R. 9678) to promote the security and foreign policy of the United States by furnishing assistance to friendly nations, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

CEASE FINANCING NATIONS RECOGNIZING COMMUNIST CHINA

Mr. MALONE. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. At the end of the bill add a new section, as follows:

SEC. 547. Notwithstanding any other provision of this act, none of the funds authorized to be appropriated or continued available pursuant to this act shall be used to furnish assistance under any such provision to any nation which has formally recognized, or has established diplomatic relations with, the Chinese Communist regime, until such nation furnishes assurances satisfactory to the President that it no longer recognizes, or maintains diplomatic relations with, such regime.

Mr. McCARRAN. Mr. President, will the Senator yield for a motion?

Mr. MALONE. I would be happy to yield to the distinguished senior Senator from Nevada for that purpose.

Mr. McCARRAN. Mr. President, may I have the attention of the Senator from New Jersey [Mr. SMITH]?

Mr. President, some days ago I filed a notice of motion to reconsider with reference to an amendment which the Senator from New Jersey put into this bill.

I now ask unanimous consent that the motion for reconsideration may be withdrawn.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The motion is withdrawn.

Mr. MALONE. Mr. President, the purpose of this amendment is to deny further foreign-aid funds to those governments which have formally recognized Red China.

May we have order, Mr. President?

The PRESIDING OFFICER. The Chair trusts that the Senate will be in order, so that we may proceed with the business of the Senate.

Mr. MALONE. Now, Mr. President, the non-Communist nations which have recognized Red China are the United Kingdom, Norway, Denmark, Israel, Afghanistan, Finland, Sweden, Switzerland, the Netherlands, Indonesia, Burma, India, and Pakistan.

The Communist nations which have recognized Red China are the U. S. S. R., Bulgaria, Rumania, Czechoslovakia, Poland, North Korea, Yugoslavia, Outer Mongolia, Hungary, and Albania.

**FOREIGN AID TO FRIENDS OF RED CHINA
INDIRECTLY AIDS AMERICA'S ENEMIES**

Nations that recognize Red China are giving aid, comfort, strength, and prestige to our enemies.

When the United States gives direct aid to any of these Communist-loving nations it is, in fact, giving indirect aid to Red China itself.

For example, we gave Great Britain billions. Britain poured some of this wealth into her jet-engine industry. The industry sold jet engines to Russia. Russia gave jet planes to Red China. And the jets our dollars bought shot down Americans. That actually happened, as the junior Senator from Nevada previously reported on the Senate floor.

RED CHINA MURDER VICTIMS INCLUDE AMERICAN CHILDREN

So our aid comes back in wooden coffins with an American flag draped over them.

Mr. President, only a few days ago Red Chinese airmen murdered three American citizens riding in a British plane over the high seas off the coast of Asia.

There is reason to believe that the Communist gunmen thought that this plane was carrying a distinguished American ambassador, but in that they were mistaken.

Whatever their motive, they shot down the unarmed British aircraft, killing several Britons in addition to an American adult and two American children, one 4 and the other 2 years old.

The Communist gunmen then attacked American rescue missions, but without success.

Britain made very little fuss about it, although they did make some representations to the Red Chinese, representations which the junior Senator from Nevada considered rather mild.

They also conveyed our strong protest to Red Chinese officials, which drew Communist sneers—not at Britain but at the United States.

FOREIGN-AID DOLLARS HELP BRITAIN BUILD BIG BUSINESS WITH COMMUNISTS

Britain is in business with Red China—big business—and wants to avoid any semblance of a family tiff, even though the tiff involves killing British subjects in addition to killing Americans.

Other nations fattened on American tax dollars are in business with Red China.

American-aid dollars have helped put these nations in shape to be in business with Red China.

More American dollars to these nations as proposed in the pending foreign aid bill will put them in better shape to do business with Red China.

Perhaps these dollars will enable them to do so much business with Red China that Red China will feel able to carry on further aggressions, and will be better equipped to murder American citizens on the high seas.

Mr. President, I would not want to give a gun to an enemy who planned to shoot me, nor would I choose to give a gun to an acquaintance who, I knew, would promptly turn the gun over to an enemy.

**FOREIGN NATIONS BACK RED CHINA'S U. N. BID
AFTER FATTENING ON UNITED STATES FOREIGN AID**

Since World War II Great Britain has received \$6,838,000,000 in foreign-aid grants and credits from the United States, and approximately \$1 billion more has been laid aside for her out of previous appropriations which she has not had time yet to collect.

Britain recognizes Red China and is possibly the most aggressive sponsor of Red China's application for membership in the big Manhattan club called the United Nations.

India not only recognizes Red China but has become her big Asiatic playmate. India has received slightly more than a quarter billion dollars in postwar foreign grants and credits from the United States.

Pakistan is into us for \$100 million in foreign aid and expects more. She recognizes Red China.

Tiny Denmark has received \$283 million in foreign aid, but she was quick to recognize the Communist Government of Red China, despite this largess from the American taxpayers.

Norway hopped on the Red Chinese recognition bandwagon, although we helped put Norway back on her feet after the war and have given her \$306 million in foreign-aid grants and credits contributed by our hard-pressed taxpayers.

Sweden recognizes Red China, but Sweden recognizes and does business with everybody, and we have given Sweden only \$106 million in foreign aid.

The Netherlands have received 1,077,000,000 foreign aid dollars. Like Britain, she also recognizes Red China.

So does Indonesia, the Netherlands' former southeast Asia colony, to which we have given 216 million foreign aid dollars.

These dollars exclude grants in military aid, which are not broken down by country. Military aid for Western Europe as of March 31 totaled \$8,411,000,000; for Asia and the Pacific, \$2,468,000,000.

**NATIONS WHICH DO NOT RECOGNIZE RED CHINA
GET SHORT END OF FOREIGN AID ALLOCATIONS**

The American Republics, which have not recognized Red China, have received only \$169 million in military grants, so

apparently a foreign nation that wants to dig deep into the United States Treasury would recognize Red China.

This amendment would end indirect American aid to Red China by ending direct aid to foreign nations that have established diplomatic and friendly relations with our Communist enemies.

It would not affect foreign aid to nations which, like ourselves, refuse to deal with Red murderers and aggressors.

Those who are dedicated to giving away America's wealth to foreign governments would still have ample countries into which American dollars could be poured.

**CUTOFF OF AID TO RED CHINA'S FRIENDS WOULD
PERMIT MORE AID TO OUR TRUE ALLIES**

We could still aid those nations that are not aiding Red China.

As a matter of fact, limiting our foreign aid—assuming that this administration-Dulles-Stassen backed bill will ultimately pass—to nations who do not give aid and comfort to our enemies would increase the aid America's true friends receive and in effect reward them for not rushing to Red China's slimy embrace.

Nations receiving foreign aid which have not teamed up with Red China include France, Germany, Greece, Ireland, Italy, Portugal, Spain, Turkey, Egypt, Iran, Iraq, Japan, the Republic of Korea, and the Philippines.

**"FREE WORLD" A MISNOMER WHEN APPLIED TO
NATIONS RECOGNIZING RED CHINA**

That is about the extent of the "free world" today.

Mr. President, the expression "free world" has been used very loosely in recent years by our foreign trade and aid advocates.

It has been used to include the United Kingdom and other nations that by their own actions are not entitled to be considered part of the free world.

**BRITAIN'S DOUBLEDEALING INCLUDES SECURITY
PACT WITH RUSSIA**

Mr. President, on Friday the junior Senator from Nevada read into the RECORD part of a mutual security pact that England has with Russia and that France has with Russia, mutual security pacts entirely independent of the pact that they have with us, with paragraphs reading almost exactly the same. In other words, they are signed up with both teams. Like the Giants and the Yankees, whichever one wins, they are in the money.

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

Mr. MALONE. I am happy to yield for a question.

Mr. SMITH of New Jersey. Without naming all the countries, I gather that the Senator is advocating cutting off all trade with them.

Mr. MALONE. Why not? Yes, that is correct. Cut off all grants of aid and assistance.

Mr. SMITH of New Jersey. And all trade with Great Britain?

RED CHINA'S CHIEF U. N. SPONSOR—BRITAIN

Mr. MALONE. That is right, cut off all monetary and other grants as long as she recognizes Red China and is the chief sponsor of Red China in the United Nations.

Mr. SMITH of New Jersey. I just wanted to get the purpose of the Senator's amendment.

Mr. MALONE. You have it. Cut off all grants of aid as long as they are in effect arming our potential enemy.

These nations have tied themselves with Red China and, therefore, do not have diplomatic freedom to participate in free world efforts for peace and security.

They have linked themselves with Soviet Russia and all of Soviet Russia's satellites in recognition of Red China, a branded aggressor, enslaver, and murderer.

NATIONS RECOGNIZING RED CHINA LISTED

Mr. President, I ask unanimous consent that at this point in my remarks I may place in the RECORD a list of the governments which have recognized Red China's Communist regime.

I shall divide it into two groups, one comprising those nations which have formally espoused communism, and the other consisting of those which are friendly with it, or are flirting with it economically and diplomatically.

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

GOVERNMENTS RECOGNIZING RED CHINA

Communist: U. S. S. R., Bulgaria, Rumania, Czechoslovakia, Poland, North Korea, Yugoslavia, Outer Mongolia, Hungary, Albania.

Non-Communist: United Kingdom, Norway, Denmark, Israel, Afghanistan, Finland, Sweden, Switzerland, Netherlands, Indonesia, Burma, India, Pakistan.

Mr. MALONE. Mr. President, my amendment, if adopted, would cut off foreign aid to the nations listed directly above.

There is not one iota of benefit a continuance of that aid can buy us.

It cannot buy us strength if the effort to resist Red China's expansion because these countries are in cahoots with the Red Chinese.

All that any expenditure of further foreign aid funds in these countries can buy is further troubles, further public debt, further humiliations, further air murders over the high seas, and increased probability of a fourth world war.

FOURTH WORLD WAR MAY FIND MOST AIDED NATIONS ON SIDELINES

Whether it is called a fourth world war or a third world war depends on whether the war in Korea was a third world war. One hundred and fifty thousand American boys took part in that war. If it is not considered a world war, it will do until one comes along.

Such a war, Mr. President, I fear would find us without the support of those countries which have been the greatest beneficiaries of our billions in foreign aid.

They have been among the first to "buddy up" with our enemies, the Communists.

England has virtually crawled in bed with them.

Mr. President, last year Britain's Chancellor of the Exchequer R. A. Butler invented a cunning slogan. The slogan was "Trade, not aid."

ONE-WORLDEERS RALLY TO BRITISH SLOGANS

Most of those slogans are invented by the beneficiaries of our aid. "Dollar shortage" was a slogan which came out of London. Dollar shortage is the fixing of the price of our dollars so that nobody but a silly Congress will buy them at higher than the market price. It was promptly seized upon by all our one-worlders and professional do-gooders at taxpayers' expense to promote more British trade with Communists, Communist Russia, Communist satellites, Communists everywhere.

BRITAIN ENTHUSIASTIC OVER RED TRADE PROSPECTS

Britain is getting her trade with the Communists and expects more. I ask unanimous consent to have printed at this point in the RECORD a press dispatch from London which was published in the July 27, 1954, issue of the New York Journal of Commerce under the head "United Kingdom Sees Big Rise in Sales to Soviet Bloc," and "August 16 Cut in Controls to Free Many Goods, Trade Official States."

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

UNITED KINGDOM SEES BIG RISE IN SALES TO SOVIET BLOC—AUGUST 16 CUT IN CONTROLS TO FREE MANY GOODS, TRADE OFFICIAL STATES

LONDON, July 26.—Britain's trade boss, Peter Thorneycroft, today predicted "a substantial increase" in trade with the Soviet bloc as a result of slashing cuts now made in strategic controls on such trade.

The cuts, agreed between Britain, the United States and other interested non-Communist nations, do not affect continuing controls on trade with Red China.

SEES SECURITY INTACT

Mr. Thorneycroft told the House of Commons the increased trade would not be at the expense of national security. He said talks still continued about controls on the export of ships. He declined to give details about goods which could now be exported more freely, but "some machine tools were included."

British and Iron Curtain country negotiators have been active for months trying to settle multimillion trade deals. Pending agreement on relaxed controls, many of these negotiations resulted only in paper agreements.

In his statement to Parliament, Mr. Thorneycroft said:

"We have reached unanimous agreement on a considerable reduction on the control lists."

EFFECTIVE AUGUST 16

"We have agreed that as from August 16 the present embargo list will be reduced by one-third from about 250 to 170 items, and the quantitative control list will be drastically cut from 90 to 20 items.

"A further 60 items will be kept on a watch list so that we can follow the trend of these exports.

"The overall result will be a substantial increase in the area of permitted trade which will at the same time be fully compatible with the needs of national security."

Mr. Thorneycroft said it had been agreed that those countries which had until now allowed goods to go freely to the Soviet bloc would now introduce controls in line with the transshipment controls Britain has operated since 1951.

A board of trade official said tonight Soviet bloc orders worth 20 million pounds (\$26 million) had been held up in Britain pending the decision on relaxed controls.

Of this total, 5 million pounds (\$14 million) worth would now be cleared for export. The remaining 15 million pounds (\$42 million) worth come under quantitative restrictions, and no quotas have yet been set.

UNEMPLOYMENT LINES IN UNITED STATES GROW AS AID Poured OUT TO FOREIGN NATIONS

Mr. MALONE. I also note an A. P. dispatch of July 11, headed "Shutdowns Boost Jobless Claims":

SHUTDOWNS BOOST JOBLESS CLAIMS

WASHINGTON, July 11.—The Labor Department reported over the weekend initial worker claims for State unemployment compensation payments rose by 50,000 to 315,000 during the week ended July 3.

The Department's Bureau of Employment said the increase was expected as plants closed down for vacation periods and workers not eligible for vacation pay filed unemployment claims.

Half the increase, or 25,000, came in three States, New York, Michigan, and New Jersey. The increase for the corresponding week a year ago was 73,000.

The volume of State-insured unemployment dropped by 40,200 to 1,873,000 during the week ended June 26, the third successive weekly decrease. Since mid-April, the number of persons drawing benefits has declined by 227,800. The total a year ago was 807,347.

The Bureau said the decline in number of workers drawing benefits was due partly to improved employment conditions in construction and other outdoor activities and scattered industries, and partly because additional workers were exhausting their entitlement to benefits.

Mr. President, we take Mr. Butler's slogan at its face value—trade, not aid. Britain is trading with the millions of dollars which are being provided by Mr. Stassen and his crew in the Foreign Operations Administration, and also has her hands out for more American aid dollars.

DOLLARS FROM UNITED STATES TAXPAYERS FATTEN BRITAIN'S AIRCRAFT INDUSTRY

Mr. President, the Columbia Broadcasting System Monday night carried a news report from Seattle, Wash., headquarters of the Boeing Aircraft Co.

The broadcast reported the concern of that city over the fact that foreign aid funds are financing Britain's jet transport program in Britain's drive to beat America's aircraft industry to the gun in the jet air commerce race.

Boeing Aircraft Co., it was reported, has had to spend some \$15 million of its own money in design and construction of its new commercial jet.

Britain, on the other hand, spends money contributed by the American taxpayers through foreign aid, to build its jets, the jets it expects to rule the skies in world trade, much of it with the Communists.

The junior Senator from Nevada stood on the floor of the Senate in 1948, when there was under discussion the first giveaway program, the first world WPA to hit the Senate. That was the big one. That was the Marshall plan.

EXPOSURE OF BRITAIN'S JET ENGINE SHIPMENTS TO RUSSIA RECALLED

The junior Senator from Nevada said on the floor of the Senate that Great Britain already had sent jet engines to Russia. Great Britain had done just that. It was denied by the War Department at first, but later was admitted.

That was where the jet engines for Russian MIG's came from. No one denies it now.

Mr. President, we have been and are financing Britain's intended dominance over our own aircraft industry, and are subsidizing Britain's aircraft builders, while our own industry must rely on money from its private stockholders.

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

Mr. MALONE. I yield.

Mr. LANGER. Is it not true that Great Britain is building a great many airplanes, and the aid which is being used is coming through Mr. Stassen and his mutual-security program? Are not the planes being built with British labor at the expense of the American taxpayers?

UNITED STATES TAXPAYERS PAYING FOR BRITAIN'S AIR EXPANSION

Mr. MALONE. That is absolutely true. Of course, the business of Mr. Stassen is

the giving away of money, so he would not understand the significance of the situation.

The bill now under consideration proposes an additional \$70 million in foreign aid to British airplane builders. Supposedly this money would go to construct military aircraft by British workers in British factories.

Whether these funds go into commercial aircraft or not, there will be profits to the British aircraft industry, and Britain can put those profits into its race to rule the skies, as Britain once ruled the seas.

I want it distinctly understood, Mr. President, that I do not blame Great Britain for anything she is doing with American dollars. I blame the Congress of the United States, composed of Senators and Representatives from every precinct in the Nation. We know where this money is going. If we do not, it is time different arrangements were made.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD contracts awarded to the United Kingdom for aircraft and equipment during the fiscal years 1952 and 1953.

CONTRACTS GIVEN BRITAIN FOR AIRCRAFT AND EQUIPMENT LISTED

Mr. LANGER. Mr. President, reserving the right to object, will not the Senator give us the total amounts of those contracts?

Mr. MALONE. The totals of the contracts which I am now placing in the RECORD equal \$154 million excluding 1954 contracts of more than \$80 million for new made-in-Britain planes alone. That brings a total of over \$237,200,000 United States taxpayers are pouring into British aircraft factories.

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

U. S. Air Force, fiscal year 1952

ENGLAND

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-31	Sterling Cable Co., Ltd.	Berkshire, Aldermaston	Polychloroprene cable	\$12,075.00
AF 61 (514)-33	Rolls Royce, Ltd.	Derby	Engine cylinder heads	115,010.00
AF 61 (514)-63	R. F. D. Co., Ltd.	Godalming, Surrey	Tow targets	683,215.30
AF 61 (514)-64	Sangam C. Weston, Ltd.	Middlesex, Enfield	Portable ammeter	621.60
AF 61 (514)-67	Goodyear Tire & Rubber Co.	Wolverhampton	Aircraft casings and tubes	248,468.84
AF 61 (514)-72	Dunlop Rubber Co., Ltd., Aviation	Coventry	do.	193,030.88
AF 61 (514)-79	British Vacuum Cleaner & Engineering Co.	Leatherhead, Surrey	Vacuum cleaners	3,819.78
AF 61 (514)-85	Kodak, Ltd.	London	Film readers	11,087.56
AF 61 (514)-95	Hilmor, Ltd.	do.	Tube benders	12,393.08
AF 61 (514)-165	Air Trainers, Ltd.	Aylesbury	Link trainer and spares	819,961.00
AF 61 (514)-187	Rolls Royce, Ltd.	Derby	V-1650 engine spares	1,112,999.70
AF 61 (514)-200	Marconi Wireless Telegraph Co., Ltd.	London	Oscillators	54,843.75
AF 61 (514)-214	General Electric Co.	do.	Radio receiving equipment	647,207.50
AF 61 (514)-220	Dunlop Rubber Co., Ltd., aviation	do.	Anti-G suits	351,072.00
AF 61 (514)-225	General Electric Co., Ltd.	do.	Rectifiers	63,251.31
AF 61 (514)-246	Casella & Co., Ltd.	do.	Monometers	7,822.50
Total				4,336,919.80
ELECTRONICS				
AF 61 (514)-228	Thorn Electrical Industries	London	AN/ARC-3, radio parts	2,409,381.98
ENGINEERING EQUIPMENT				
AF 61 (514)-232	Birtley Co., Ltd.	Birtley	Road scrapers	852,281.50
Total, England				7,598,583.28

U. S. Air Force, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61(514)-217	Sangamo Weston, Ltd.	Enfield/Middlesex	Portable ammeter	\$164.70
AF 61(514)-330	Dunlop Rubber Co., Ltd.	Coventry	Tube, aircraft, inner, high pressure	14,368.86
AF 61(514)-332	Her Majesty's Government	London	Hawker Hunter airplanes	140,074,200.00
AF 61(514)-339	Fields Aircraft Services	Surrey	Removal aircraft from storage and preparation for flight	210,102.90
AF 61(514)-365	Her Majesty's Government	London	Westland Dragonfly HC Mark IV helicopters (less engine)	936,800.00
AF 61(514)-446	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, low profile	7,962.90
AF 61(514)-451	Dunlop Rubber Co.	Coventry	Aero wheel and brake assembly	396,279.12
AF 61(514)-452	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, extra high pressure	11,661.84
AF 61(514)-495	G. H. Burgess & Co., Ltd.	Middlesex	Aerial banner tow targets and spares	327,704.79
AF 61(514)-501	Avery-Hardell, Ltd.	Surbiton, Surrey	Aircraft fuel-servicing pressure-type nozzles	80,542.00
AF 61(514)-564	North British Rubber Co., Ltd., Castle Mills	Edinburgh 39, Scotland	Aircraft casings	55,861.72
AF 61(514)-566	Goodyear Tire & Rubber Co., Ltd.	Wolverhampton	do.	396,441.29
AF 61(514)-576	Thorn Electrical Industries, Ltd.	London, W. C. 1	Reverse current cutout	39,805.89
AF 61(514)-584	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel and brake assembly	1,930,267.16
AF 61(514)-594	Kelvin & Hughes, Ltd.	London, S. W. 1	Machmeters, altimeters, and spare parts	235,084.35
Total				144,717,247.52

U. S. Air Force, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
ELECTRONICS				
AF 61 (514)-214	General Electric Co., Ltd.	London, W. C. 2	Radio receiving equipment	\$748,287.00
AF 61 (514)-228	Thorn Electrical Industries, Ltd.	London, W. C. 1	Radio receiver, R-77A/ARC-3; radio transmitter, T-67/ARC-3.	1,117,486.78
AF 61 (514)-562	do.	Middlesex	Engineering radio sets	118,864.12
Total				1,984,636.90
ENGINEERING EQUIPMENT				
AF 61 (514)-304	T. S. Harrison & Sons, Ltd.	Yorks.	Lathe, bench type, geared	13,027.57
MISCELLANEOUS				
AF 61(514)-416	Her Majesty's Government	London	Inspection (aeronautical)	150,000.00
Total United Kingdom				146,864,911.99

BRITISH AIRCRAFT INDUSTRY GAINS HALF BILLION FROM UNITED STATES TAXPAYERS

Mr. MALONE. Offshore aircraft procurement contracts for the fiscal year 1954 went entirely to the United Kingdom. The total amount is \$80,770,000.

Unfortunately, I do not have a breakdown of aircraft equipment procurement in Great Britain during 1954.

I do have, however, a listing of all offshore procurement in the United King-

dom for fiscal 1952 and fiscal 1953 other than those placed by the United States Air Force, which are given above.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a listing of United States Army and United States Navy offshore procurement contracts placed with the United Kingdom during those 2 fiscal years which with the Air Force con-

tracts, total more than \$450 million. Add the \$80 million that we know about in 1954, this makes more than a half billion dollars shipped over to Britain's aircraft industry at the expense of United States taxpayers and the American aircraft industry.

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

U. S. Navy, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
N625588-47	Admiralty	London	Ammunition	\$110,000.00
N625588-65	do.	do.	do.	664,000.00
N625588-66	do.	do.	Torpedoes	488,400.00
N625588-134	do.	do.	Ammunition	29,350.00
N625588-135	do.	do.	Grenades, cartridges, projectiles	12,000.00
N625588-136	Vickers Armstrong		Projectiles and cartridges	10,000.00
N625588-137	Admiralty	London	Projectiles, ammunition	22,500.00
N625588-138	Vickers Armstrong		Cartridges	117,000.00
UK-8-151	Admiralty	London	Semi-armor-piercing ammunition	60,842.00
				1,514,092.00
ARTILLERY				
N625588-64	do.	do.	40 millimeter guns	350,000.00
ELECTRONICS				
N625588-41	Decca Radar, Ltd.		Radar sets	121,389.00
N625588-52	do.		do.	77,940.00
N625588-72	do.		do.	25,154.00
N625588-73	do.		do.	97,900.00
N625588-74	do.		do.	14,761.00
N625588-75	do.		do.	204,254.00
N625588-72	Murphy Radio		Receivers	132,766.00
N625588-103	McMichael Radio		do.	1,189,000.00
N625588-116	Bush Radio		do.	51,300.00
N625588-118	Pye, Ltd.		Trans/receiver	225,000.00
N625588-147	Decca Radar Ltd.		Radar sets	58,249.00
NOBFR-59498			Solenoid sets	3,848,000.00
Total				6,055,713.00
SHIPS AND EQUIPMENT				
N625588-22 (P)	Admiralty	London	Inlet valves, cylinder heads, blocks	1,500.00
N625588-23 (P)	do.	do.	Connecting rods, crankshafts	1,850.00
N625588-29 (P)	do.	do.	High-pressure air bottles	3,200.00
N625588-30 (P)	do.	do.	Testmeters, regulators, etc.	1,210.00
N625588-31 (P)	do.	do.	Inversion units	1,115.00
N625588-32 (P)	do.	do.	Generators	4,660.00
N625588-36 (P)	do.	do.	Welders, starters	1,625.00
N625588-49	Lincoln Electric, Ltd.		Calibrators	1,935.00
N625588-53	Marconi Wireless Co.		Forklift trucks	15,747.00
N625588-63	A. Hirst & Sons		Minesweeping gear, cutters	26,000.00
N625588-66	Admiralty	London	Smoke candles	6,250.00
N625588-68	do.	do.	Base spares PPI	7,500.00
N625588-100 (P)	do.	do.	Base spares, ship spares	1,600.00
N625588-108	Wm. Denny Bros.		Spares	5,000.00
N625588-121	Crossley		Diesel spares	8,335.00
N625588-126	Norris Henty & Gardner		do.	13,387.00
N625588-127	Admiralty	London	Mounts, generators, and diesel-engine oscillator, sweep	68,800.00
N625588-129	B. Elliott		Milling machine, milling attachments, etc.	5,987.00
N625588-132	Admiralty	London	Base spares, ship spares	7,000.00
N625588-133	do.	do.	Base spares	15,000.00
N625588-140	Fairfield Shipbuilding	do.	Diesel-engine spares	16,000.00

U. S. Navy, fiscal year 1952—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
SHIPS AND EQUIPMENT—Continued				
N625588-141	Admiralty	London	Cable	\$38,500.00
N625588-150	British Polar Engines		Diesel spares	8,000.00
N625588-151(P)	Admiralty	London	Fire bricks	1,670.00
N625588-154	British Emulsifiers		Cutters, stop wedges	92,668.00
N625588-155(P)	Admiralty	London	Assembling machine, gages	4,100.00
UK-8-51	do	do	Drill mines	14,720.00
Total				373,359.00
ENGINEERING EQUIPMENT				
N625588-97	David Brown Tractors		Diesel tractors	85,120.00
N625588-104	Conveyancer Fork Trucks		Fork trucks	5,895.00
N625588-105	do		do	9,779.00
N625588-107	Conveyancer Fork Trucks, Ltd.		Fork trucks, spare parts	242,202.00
				342,996.00
WEAPONS AND SMALL ARMS				
N625588-58	Admiralty	London	Oerlikon mounting	7,800.00
MISCELLANEOUS				
N625588-113	Creed & Co.		Teleprinter	18,568.00
Informal purchase orders from United Kingdom				14,579.70
Total				33,147.70
Total United Kingdom				8,677,107.70

U. S. Navy, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
N625588-66	Admiralty	London	Torpedoes "21"	\$41,600.00
N625588-134	do	do	Ammunition, 4.7-inch	29,346.80
N625588-284	do	do	do	20,109.90
N625588-285	do	do	do	16,474.50
N625588-291	do	do	Smoke candles and grenades	21,606.00
N625588-340	do	do	Depth charges	78,424.00
N625588-341	do	do	Ammunition	28,847.00
N625588-366	Ministry of Supply	do	do	268,223.00
N625588-367	Admiralty	do	Starshell ammunition	12,778.00
Total				517,409.20
AIRCRAFT				
N625588-211	Ministry of Supply	London	Aircraft	12,810,040.00
ARTILLERY				
N625588-301	Admiralty	London	40-millimeter guns w/spares	135,613.00
ELECTRONICS				
N625588-102	Murphy Radio, Ltd.	Hertfordshire	Sonobuoy receivers	96,631.07
N625588-118	Pye, Ltd. (addition to 1952 contract)	London	Transmitters and receivers	53,282.34
N625588-200	Decca Radar, Ltd.	do	Radar remote PPI	33,824.00
N625588-201	do	do	Navigational radar	138,718.00
N625588-204	do	do	Radar remote PPI	13,836.00
N625588-205	do	do	Decca marine and radar units	108,924.20
N625588-212	Michael Radio, Ltd.	Slugh	Sonobuoy transmitters	459,893.28
N625588-213	Decca Navigator Co.	London	Decca M K 5 marine receivers	285,432.00
N625588-300	Marconi Wireless Telegraph		Electronics test set	32,423.69
N625588-334	Cinema Telephone, Ltd.		Electronics equipment	7,560.00
N625588-336	Marconi Wireless Telegraph		do	6,934.13
N625588-345	Recall Engineering, Ltd.		Electric receivers	227,997.00
N625588-347	Admiralty	London	Radio receiving equipment	6,919.00
N625588-366	do	do	Radio direction finders	10,998.00
N625588-381	Swiss Radio Busch	do	Receivers	12,699.00
Nobs-59595	Hazeltine Electric Corp.		Radar	6,756,000.00
Total				8,252,071.71
ENGINEERING EQUIPMENT				
N625588-346	Lansing Bagnall, Ltd.		Gasoline power tractor	734.86
SHIPS EQUIPMENT				
N625588-121	Crossley Bros., Ltd.	Manchester	Spares for Crossley engines	29,607.53
N625588-150	British Polar Engines, Ltd.	Glasgow	Spares for British Polar engines	26,965.60
N625588-179	Secretary of the Admiralty	London	Submarine battery	130,000.00
N625588-180	do	do	Apparatus for checking torpedo tails	10,000.00
N625588-190	do	do	Fire-control system	154,000.00
N625588-198	Norris, Henty & Gardners	Lancashire	Spares for British Gardner engines	13,636.11
N625588-296	Perkins	Peterboro	Diesel engines	30,112.00
N625588-299			Submarine batteries	126,765.00
N625588-310			Squid projectors	167,329.00
N625588-331			Squids	194,926.00

U. S. Navy, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
SHIPS EQUIPMENT—continued				
N625588-332	Admiralty	London	Astic equipment	\$214,182.00
N625588-335	do	do	Minesweeping equipment	47,554.00
N625588-344	do	do	Plotting table	83,614.00
N625588-362(LI)	do	do	Minesweeping equipment	239,700.00
N625588-377	do	do	Wire sweeps	157,920.00
Total				1,626,311.24
SHIPS (BUSHIPS)				
Nobs-4032	Secretary of the Admiralty	London	Inshore minesweepers	11,676,000.00
MISCELLANEOUS				
N-625588-302	Admiralty	do	Inspection services	4,225.50
Total, United Kingdom.				35,022,405.51

U. S. Army, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
DA-91-557-EUC-75	Her Majesty's Government	London	Shell, 20 pdr smoke; 20 pdr blank; 7.92-millimeter; hand grenade	\$18,161,104.83
DA-91-557-EUC-114	do	do	Shell, HE, M107, 155-millimeter	20,675,187.00
DA-91-557-EUC-130	do	do	Shell, 90-millimeter	29,021,250.00
DA-91-557-EUC-140	Imperial Chemical Industries, Ltd	Birmingham	Cartridge, Caliber .50	1,799,513.36
DA-91-557-EUC-147	Her Majesty's Government	London	Shell, 90-millimeter smoke; shell, 155-millimeter smoke	11,859,246.80
DA-91-557-EUC-178	Ministry of Supply	do	Shot, 90-millimeter, T&A T gun	12,221,000.00
DA-91-557-EUC-181	Her Majesty's Government	do	Rocket, HEAT, 3.5-inch	6,320,000.00
DA-91-557-EUC-182	do	do	Shell, 105-millimeter	1,372,500.00
Total				101,429,802.04
ELECTRONICS				
DA-91-557-EUC-88	Thorn Elec. Industries, Ltd	London	Radio set AN/GRR-5 and spares	1,438,650.00
DA-91-557-EUC-122	The British Thomson-Houston Co., Ltd	Rugby	Radar, British No. 3 MK 7 and spares	4,177,488.00
DA-91-557-EUC-165	R. A. Lister & Co., Ltd	Gloucester	do	794,358.88
DA-91-557-EUC-168	British Ministry of Supply	London	Predictor AA No. 11A, Mk3	6,880,020.00
Total				13,290,516.88
WEAPONS AND SMALL ARMS				
DA-91-557-EUC-75	Her Majesty's Government	London	Spare parts for B. E. S. A. machinegun	5,699.52
DA-91-557-EUC-160	do	do	Armament spares	900,000.00
Total				906,699.52
COMBAT VEHICLES				
DA-91-557-EUC-75	Her Majesty's Government	London	{Centurion tanks	80,029,663.74
DA-91-557-EUC-75	do	do	{Petrol trailers	
Total			Spare parts for Centurion tanks		2,533,505.39
TRANSPORT VEHICLES				
DA-91-557-EUC-145	J. A. Phillips & Co., Ltd	Birmingham	Bicycle, men's military	37,424.14
MISCELLANEOUS				
DA-91-557-EUC-149	Her Majesty's Government	London	Inspection of ammunition	15,000.00
DA-91-557-EUC-254	do	do	Greek aid, signal items	480,675.75
DA-91-557-EUC-203	do	do	Greek aid, ordnance and medical items	600,479.54
Total				1,096,155.29
Total, United Kingdom.				199,323,767.00

U. S. Air Force, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-217	Sangamo Weston, Ltd	Enfield/Middlesex	Portable ammeter	\$164.70
AF 61 (514)-330	Dunlop Rubber Co., Ltd	Coventry	Tube, aircraft, inner high pressure	14,368.86
AF 61 (514)-332	Her Majesty's Government	London	Hawker Hunter airplanes	140,074,200.00
AF 61 (514)-339	Fields Aircraft Services	Surrey	Removal aircraft from storage and preparation for flight	210,102.90
AF 61 (514)-365	Her Majesty's Government	London	Westland Dragonfly HC, Mark IV helicopters (less engine)	936,800.00

U. S. Air Force, fiscal year 1953—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT—continued				
AF 61 (514)-446	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, low profile	\$7,962.90
AF 61 (514)-451	Dunlop Rubber Co.	Coventry	Aerno wheel and brake assembly	396,279.12
AF 61 (514)-452	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel assembly, nose, extra high pressure	11,661.84
AF 61 (514)-495	G. H. Burgess & Co., Ltd.	Middlesex	Aerial banner tow targets and spares	327,704.79
AF 61 (514)-501	Avery-Hardoll, Ltd.	Surbiton, Surrey	Aircraft fuel servicing, pressure-type nozzles	80,542.00
AF 61 (514)-564	North British Rubber Co., Ltd., Castle Mills	Edinburgh 39, Scotland	Aircraft casings	55,861.72
AF 61 (514)-566	Goodyear Tire & Rubber Co., Ltd.	Wolverhampton	do	396,441.29
AF 61 (514)-576	Thorn Electrical Industries, Ltd.	London, W. C. 1	Reverse current cutout	39,805.89
AF 61 (514)-584	Goodyear Tire & Rubber Co. (Great Britain), Ltd.	Wolverhampton	Wheel and brake assembly	1,930,267.16
AF 61 (514)-594	Kelvin & Hughes, Ltd.	London, S. W. 1	Machmeters, altimeters and spare parts	235,084.35
Total				144,717,247.52
ELECTRONICS				
AF 61 (514)-214	General Electric Co., Ltd.	London, W. C. 2	Radio receiving equipment	748,287.00
AF 61 (514)-228	Thorn Electrical Industries, Ltd.	London, W. C. 1	Radio receiver, R-77A/ARC-3; radio transmitter, T-67/ARC-3	1,117,485.78
AF 61 (514)-562	do	Middlesex	Engineering radio sets	118,864.12
Total				1,984,636.90
ENGINEERING EQUIPMENT				
AF 61 (514)-304	T. S. Harrison & Sons, Ltd.	Yorks	Lathe, bench-type, geared	13,027.57
MISCELLANEOUS				
AF 61 (514)-416	Her Majesty's Government	London	Inspection (aeronautical)	150,000.00
Total, United Kingdom				146,864,911.99

OFFSHORE PROCUREMENT CONTRACTS PLACED BY UNITED STATES

U. S. Army, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
DA-91-557-EUC-17	Imperial Chemical Industries, Ltd.	Birmingham	Cartridges, 30-caliber, in cartons	\$6,840,100.00
DA-91-557-EUC-59	Her Majesty's Government	London	Shell, 90-millimeter, HE E71	21,830,221.80
DA-91-557-EUC-60	do	do	Shell, 155-millimeter howitzer 1	8,252,731.49
DA-91-557-EUC-61	do	do	Rocket HEAT 35-inch	9,910,000.00
DA-91-557-EUC-65	do	do	Inspection of EUC 17 cartridge, 30-caliber	71,720.00
Total				46,904,773.29
ELECTRONICS				
DA-91-557-EUC-1	Murphy Radio, Ltd.	Welwyn Garden City, Herfordshire	Radio, SCR 300	819,565.63
DA-91-557-EUC-3	do	do	Inspection of above	16,373.65
DA-91-557-EUC-8	British Thompson	Rugby	Radar mark 7 and generator	4,879,959.00
Total				5,715,898.28
MISCELLANEOUS				
DA-91-557-EUC-40	Oliver Typewriting	Croydon	Typewriters	1,820.32
DA-91-557-EUC-41	Olivetti	Glasgow	do	990.00
Total, United Kingdom				2,810.32
Total, United Kingdom				52,623,481.89

U. S. Air Force, fiscal year 1952

ENGLAND

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT				
AF 61 (514)-31	Sterling Cable Co., Ltd.	Berkshire, Aldermaston	Polychloroprene cable	\$12,075.00
AF 61 (514)-33	Rolls Royce, Ltd.	Derby	Engine cylinder heads	115,010.00
AF 61 (514)-63	R. F. D. Co., Ltd.	Godalming, Surrey	Tow targets	683,215.30
AF 61 (514)-64	Sangam C. Weston, Ltd.	Middlesex, Enfield	Portable ammeter	621.60
AF 61 (514)-67	Goodyear Tire & Rubber Co.	Wolverhampton	Aircraft casings and tubes	248,498.84
AF 61 (514)-72	Dunlop Rubber Co., Ltd. Aviation	Coventry	do	193,030.88
AF 61 (514)-79	British Vacuum Cleaner & Engineering Co.	Leatherhead, Surrey	Vacuum cleaners	3,819.78
AF 61 (514)-85	Kodak, Ltd.	London	Film readers	11,097.56
AF 61 (514)-95	Hilmor, Ltd.	do	Tube benders	12,393.08
AF 61 (514)-165	Air Trainers, Ltd.	Aylesbury	Link trainer and spares	819,961.00
AF 61 (514)-187	Rolls Royce, Ltd.	Derby	V-1650 engine spares	1,112,999.70
AF 61 (514)-200	Marconi Wireless Telegraph Co., Ltd.	London	Oscillators	54,843.75

U. S. Air Force, fiscal year 1952—Continued

ENGLAND—Continued

Contract No.	Contractor	City	Item	Amount
AIRCRAFT AND EQUIPMENT—continued				
AF 61 (514)-214	General Electric Co.	London	Radio receiving equipment	\$647,207.50
AF 61 (514)-220	Dunlop Rubber Co., Ltd., aviation	do	Anti-G suits	351,072.00
AF 61 (514)-225	General Electric Co., Ltd.	do	Rectifiers	63,251.31
AF 61 (514)-246	Casella & Co., Ltd.	do	Monometers	7,822.50
Total				4,336,919.80
ELECTRONICS				
AF 61 (514)-228	Thorn Electrical Industries, Ltd.	London	AN/ARC-3, radio parts	2,409,381.98
ENGINEERING EQUIPMENT				
AF 61 (514)-232	Birtley Co., Ltd.	Birtley	Road scrapers	852,281.50
Total England				7,598,583.28

U. S. Navy, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
N62558S-47	Admiralty	London	Ammunition	\$110,000.00
N62558S-65	do	do	do	664,000.00
N62558S-66	do	do	Torpedoes	488,400.00
N62558S-134	do	do	Ammunition	29,350.00
N62558S-135	do	do	Grenades, cartridges, projectiles	12,000.00
N62558S-136	Vickers Armstrong	do	Projectiles and cartridges	10,000.00
N62558S-137	Admiralty	London	Projectiles, ammunition	22,500.00
N62558S-138	Vickers Armstrong	do	Cartridges	117,000.00
UK-8-151	Admiralty	London	Semi-armor-piercing ammunition	60,842.00
Total				1,514,092.00
ARTILLERY				
N62558S-64	Admiralty	London	40 millimeter guns	350,000.00
ELECTRONICS				
N62558S-41	Decca Radar, Ltd.		Radar sets	121,389.00
N62558S-52	do		do	77,940.00
N62558S-72	do		do	\$35,154.00
N62558S-73	do		do	97,900.00
N62558S-74	do		do	14,761.00
N62558S-75	do		do	204,254.00
N62558S-102	Murphy Radio		Receivers	132,766.00
N62558S-103	McMichael Radio		do	1,189,000.00
N62558S-116	Bush Radio		do	51,300.00
N62558S-118	Pye, Ltd.		Transmitter/receiver	225,000.00
N62558S-147	Decca Radar, Ltd.		Radar sets	58,249.00
NOBFR-59498			Solenoid sets	3,848,000.00
				6,055,713.00
SHIPS AND EQUIPMENT				
N62558S-22 (P)	Admiralty	London	Inlet valves, cylinder heads, blocks	1,500.00
N62558S-23 (P)	do	do	Connecting rods, crankshafts	1,850.00
N62558S-29 (P)	do	do	High pressure air bottles	3,200.00
N62558S-30 (P)	do	do	Testmeters, regulators, etc.	1,210.00
N62558S-31 (P)	do	do	Inversion units	1,115.00
N62558S-32 (P)	do	do	Generators	4,660.00
N62558S-36 (P)	Lincoln Electric, Ltd.		Welders, starters	1,625.00
N62558S-49	Marconi Wireless Co.		Calibrators	1,935.00
N62558S-53	A. Hirst & Sons		Forklift trucks	15,747.00
N62558S-63	Admiralty	London	Minesweeping gear, cutters	26,000.00
N62558S-96	do	do	Smoke candles	6,250.00
N62558S-98	do	do	Base spares PPI	7,500.00
N62558S-100 (P)	do	do	Base spares, ship spares	1,600.00
N62558S-108	Wm. Denny Bros.		Spares	5,000.00
N62558S-121	Crossley		Diesel spares	8,335.00
N62558S-126	Norris Henty & Gardner		do	13,387.00
N62558S-127	Admiralty	London	Mounts, generators and diesel engine oscillator, sweep	68,800.00
N62558S-129	B. Elliott		Milling machine, milling attachments, etc.	5,987.00
N62558S-132	Admiralty	London	Base spares, ship spares	7,000.00
N62558S-133	do	do	Base spares	15,000.00
N62558S-140	Fairfield Shipbuilding		Diesel engine spares	16,000.00
N62558S-141	Admiralty	London	Cable	38,500.00
N62558S-150	British Polar Engines		Diesel spares	8,000.00
N62558S-151 (P)	Admiralty	London	Fire bricks	1,670.00
N62558S-154	British Emulsifiers		Cutters, stop wedges	92,668.00
N62558S-155 (P)	Admiralty	London	Assembling machine, gages	4,100.00
UK-8-51	do	do	Drill mines	14,720.00
				373,359.00
ENGINEERING EQUIPMENT				
N62558S-97	David Brown Tractors		Diesel tractors	85,120.00
N62558S-104	Conveyancer Fork Trucks		Fork trucks	5,895.00
N62558S-105	do		do	9,779.00
N62558S-107	Conveyancer Fork Trucks, Ltd.		Fork trucks, spare parts	242,202.00
				342,996.00

U. S. Navy, fiscal year 1952—Continued

UNITED KINGDOM—Continued

Contract No.	Contractor	City	Item	Amount
WEAPONS AND SMALL ARMS				
N625588-58	Admiralty	London	Oerlikon mountings	\$7,800.00
MISCELLANEOUS				
N625588-113	Creed & Co.		Teleprinter	18,568.00
Informal purchase orders from United Kingdom.				14,579.70
Total United Kingdom.				33,147.70
				8,677,107.70

U. S. Navy, fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
N625588-66	Admiralty	London	Torpedoes "21"	\$41,600.00
N625588-134	do	do	Ammunition, 4.7-inch	29,346.80
N625588-284	do	do	do	20,109.90
N625588-285	do	do	do	16,474.50
N625588-291	do	do	Smoke candles and grenades	21,606.00
N625588-340	do	do	Depth charges	78,424.00
N625588-341	do	do	Ammunition	28,847.00
N625588-366	Ministry of Supply	do	do	268,223.00
N625588-367	Admiralty	do	Starshell ammunition	12,778.00
Total				517,409.20
AIRCRAFT				
N625588-211	Ministry of Supply	London	Aircraft	12,810,040.00
ARTILLERY				
N625588-301	Admiralty	do	40-millimeter guns w/spares	135,613.00
ELECTRONICS				
N625588-102	Murphy Radio, Ltd.	Hertfordshire	Sonobuoy receivers	96,631.07
N625588-118	Pye, Ltd. (addition to 1952 contract)	London	Transmitters and receivers	53,282.34
N625588-200	Decca Radar, Ltd.	do	Radar remote PPI	53,824.00
N625588-201	do	do	Navigational radar	13,856.00
N625588-204	do	do	Radar remote PPI	138,718.00
N625588-205	do	do	Decca marine and radar units	108,924.20
N625588-212	do	do	Decca MK 5 marine receivers	459,893.28
N625588-213	Michael Radio, Ltd.	Slugh	Sonobuoy transmitters	285,432.00
N625588-300	Decca Navigator Co.	London	Decca MK 5 marine receivers	32,423.69
N625588-334	Marconi Wireless Telegraph		Electronics test set	7,560.00
N625588-336	Cinema Telephone, Ltd.		Electronics equipment	6,934.13
N625588-345	Marconi Wireless Telegraph		do	227,997.00
N625588-347	Recall Engineering, Ltd.		Electric receivers	6,919.00
N625588-366	Admiralty	London	Radio receiving equipment	10,998.00
N625588-381	do	do	Radio direction finders	12,699.00
N625588-381	Swiss Radio Busch	do	Receivers	6,756,000.00
Nobs-59595	Hazeltine Electric Corp.		Radar	
Total				8,252,071.71
ENGINEERING EQUIPMENT				
N625588-346	Lansing Bagnall, Ltd.		Gasoline power tractor	734.86
SHIPS EQUIPMENT				
N625588-121	Crossley Bros., Ltd.	Manchester	Spares for Crossley engines	29,607.53
N625588-150	British Polar Engines, Ltd.	Glasgow	Spares for British Polar engines	26,965.60
N625588-179	Secretary of the Admiralty	London	Submarine battery	130,000.00
N625588-180	do	do	Apparatus for checking torpedo tails	10,000.00
N625588-190	do	do	Fire-control system	154,000.00
N625588-198	Norris, Henty & Gardner	Lancashire	Spares for British Gardner engines	13,656.11
N625588-299	Perkins	Peterboro	Diesel engines	30,112.00
N625588-310			Submarine batteries	167,329.00
N625588-331			Squid projectors	194,926.00
N625588-332	Admiralty	London	Squids	214,182.00
N625588-335	do	do	Astic equipment	47,554.00
N625588-344	do	do	Minesweeping equipment	83,614.00
N625588-362(LI)	do	do	Plotting table	239,700.00
N625588-377	do	do	Minesweeping equipment	157,920.00
Total				1,626,311.24
SHIPS (BUSHIPS)				
Nobs-4032	Secretary of the Admiralty	London	Inshore minesweepers	11,676,000.00
MISCELLANEOUS				
N-625588-302	Admiralty	do	Inspection services	4,225.50
Total, United Kingdom.				35,022,405.51

OFFSHORE PROCUREMENT CONTRACTS PLACED BY UNITED STATES

U. S. Army, fiscal year 1952

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION				
DA-91-557-EUC-17	Imperial Chemical Industries, Ltd.	Birmingham	Cartridge, 30-caliber, in cartons	\$6,840,100.00
DA-91-557-EUC-59	Her Majesty's Government	London	Shell, 90-millimeter, EE E71	21,830,221.80
DA-91-557-EUC-60	do	do	Shell, 155-millimeter howitzer M1	8,252,731.49
DA-91-557-EUC-61	do	do	Rocket HEAT 85-inch	9,910,000.00
DA-91-557-EUC-65	do	do	Inspection of EUC 17 Cartridge, 30-caliber	71,720.00
Total				46,904,773.29
ELECTRONICS				
DA-91-557-EUC-1	Murphy Radio, Ltd.	Welwyn Garden City, Hertfordshire	Radio SCR-300	819,565.63
DA-91-557-EUC-3	do	do	Inspection of above	16,373.65
DA-91-557-EUC-8	British Thompson	Rugby	Radar mark 7 and generator	4,879,959.00
Total				5,715,898.28
MISCELLANEOUS				
DA-91-557-EUC-40	Oliver Typewriting	Croydon	Typewriters	1,820.32
DA-91-557-EUC-41	Olivetti	Glasgow	do	960.00
Total				2,810.32
Total, United Kingdom				52,623,481.89

U. S. Army fiscal year 1953

UNITED KINGDOM

Contract No.	Contractor	City	Item	Amount
AMMUNITION AND EXPLOSIVES				
DA-91-557-EUC-75	Her Majesty's Government	London	Shell, 20 pounder, smoke; 20 pounder, blank; 7.92 millimeter; hand grenade	\$18,161,104.88
DA-91-557-EUC-114	do	do	Shell, HE, M107, 155 millimeter	20,675,187.00
DA-91-557-EUC-130	do	do	Shell, 90 millimeter	29,021,250.00
DA-91-557-EUC-140	Imperial Chemical Industries, Ltd.	Birmingham	Cartridge, caliber .50	1,799,513.36
DA-91-557-EUC-147	Her Majesty's Government	London	Shell, 90 millimeter, smoke; shell, 155 millimeter, smoke	11,859,246.80
DA-91-557-EUC-178	Ministry of Supply	do	Shot, 90 millimeter, T & AT gun	12,221,000.00
DA-91-557-EUC-181	Her Majesty's Government	do	Rocket, HEAT, 3.5 inch	6,320,000.00
DA-91-557-EUC-182	do	do	Shell, 105 millimeter	1,372,500.00
Total				101,429,802.04
ELECTRONICS				
DA-91-557-EUC-88	Thorn Electrical Industries, Ltd.	London	Radio set, AN/GRR-5, and spares	1,438,650.00
DA-91-557-EUC-122	The British Thomson-Houston Co., Ltd.	Rugby	Radar, British No. 3, mark 7 and spares	4,177,488.00
DA-91-557-EUC-165	R. A. Lister & Co., Ltd.	Gloucester	do	794,358.88
DA-91-557-EUC-168	British Ministry of Supply	London	Predictor AA No. 11A, mark 3	6,880,020.00
Total				13,290,516.88
WEAPONS AND SMALL ARMS				
DA-91-557-EUC-75	Her Majesty's Government	London	Spare parts for B.E.S.A. machine gun	5,699.52
DA-91-557-EUC-75	do	do	Armament spares	900,000.00
Total				906,699.52
COMBAT VEHICLES				
DA-91-557-EUC-75	Her Majesty's Government	London	Centurion tanks, petrol trailers	80,029,663.74
DA-91-557-EUC-75	do	do	Spare parts for Centurion tanks	2,533,505.39
Total				82,563,169.13
TRANSPORT VEHICLES				
DA-91-557-EUC-145	J. A. Phillips & Co., Ltd.	Birmingham	Bicycle, men's military	37,424.14
MISCELLANEOUS				
DA-91-557-EUC-149	Her Majesty's Government	London	Inspection of ammunition	15,000.00
DA-91-557-EUC-254	do	do	Greek aid, signal items	480,675.75
DA-91-557-EUC-203	do	do	Greek aid, ordnance and medical items	600,479.54
Total				1,096,155.29
Total United Kingdom				199,323,767.00

WORLDWIDE UNITED STATES FOREIGN PROCUREMENT TOTAL EXCEEDS \$2,200,000,000

Mr. MALONE. Mr. President, the contracts listed above are only the contracts awarded to the United Kingdom. For Europe as a whole over \$2,200,000,000

in offshore procurement contracts were placed in the fiscal years 1952 and 1953. The fiscal year 1954 offshore procurement worldwide totals over \$900 million, of which about 90 percent is planned for Europe.

I ask unanimous consent to have printed in the Record at this point in my remarks the record of value of military assistance programs chargeable to appropriations, in millions of dollars, with the fiscal years headlined.

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

Department of Defense, MDAP as of Mar. 31, 1954—Europe

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950-54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950-55
Total.....	13,449.5	1,646.6	745.2	14,194.6
Materiel.....	12,327.6	1,227.6	430.9	12,758.4
Equipment and supplies.....	(12,007.3)	(1,217.6)	(420.9)	(12,428.1)
Other materiel charges.....	(320.3)	(10.0)	(10.0)	(330.3)
Training.....	265.2	84.9	46.2	311.4
Other (specify).....	416.5	129.0	120.4	536.9
Other P. C. H. & T.....	440.2	205.1	147.7	587.9
Other (regional and special projects).....				

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal year 1950-54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped		Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
	Charged to appropriation	Excess	Chargeable to appropriation	Excess				
Total.....	5,752.9	478.8	6,254.4	21.5	1,217.6	3.8	420.9	
Army.....	4,122.3	152.2	2,404.6	3.6	431.6		126.3	
Navy.....	553.6	218.0	1,044.4	13.1	250.8	3.8	72.4	
Air Force.....	1,077.0	108.6	2,805.4	4.8	535.3		222.2	

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950-54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training.....	39,203	241,739.1	25,552	79,634.3	3,808	20,575	36,699.0
Other training.....		23,482.7		11,144.5			9,508.1
Army:							
Formal training.....	7,089	6,097.1	5,848	4,420.4	211	2,427	3,033.9
Other training.....		3,779.7		2,381.0			4,784.2
Navy:							
Formal training.....	13,602	46,440.5	9,219	19,624.7	2,044	1,730	8,281.6
Other training.....		4,706.2		1,998.1			1,425.4
Air Force:							
Formal training.....	18,512	189,201.5	10,485	55,589.2	1,553	16,418	25,383.5
Other training.....		14,996.8		6,765.4			3,298.5

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

Department of Defense, MDAP as of Mar. 31, 1954—Latin America

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950-54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950-55
Total.....	104.2	23.7	13.0	117.2
Materiel.....	93.8	16.1	5.1	98.9
Equipment and supplies.....	(87.2)	(14.7)	(3.8)	(91.0)
Other materiel charges.....	(6.6)	(1.4)	(1.3)	(7.8)
Training.....	5.5	3.7	2.9	8.4
Other (specify).....	4.9	3.9	5.1	10.0
Other P. C. H. and T.....				

Department of Defense, MDAP as of Mar. 31, 1954—Latin America—Continued

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal years 1950-54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped		Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
	Charged to appropriation	Excess	Chargeable to appropriation	Excess				
Total.....	30.1	62.9	57.1	6.4	14.7	2.6	3.8	3.0
Army.....	21.2	1.1	26.7	1.8	1.8	.2	1.0	.....
Navy.....	4.7	52.8	13.1	.....	6.5	.....	1.2	.....
Air Force.....	4.2	9.0	17.3	4.6	6.4	2.4	1.6	3.0

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950-54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training.....		55.0		30.0		488	666.6
Other training.....		5,410.1		1,333.6			2,231.0
Army:							
Formal training.....						488	666.6
Other training.....		377.2		8.3			1,333.4
Navy:							
Formal training.....		55.0		30.0			
Other training.....		4,720.9		1,325.3			897.6
Air Force:							
Formal training.....							
Other training.....		312.0					

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

Department of Defense, MDAP as of Mar. 31, 1954—Far East and Pacific

VALUE OF MILITARY ASSISTANCE PROGRAMS CHARGEABLE TO APPROPRIATIONS

[Millions of dollars]

	Fiscal year 1950-54	Fiscal year 1954	Proposed fiscal year 1955	Fiscal year 1950-55
Total.....	2,489.6	838.5	583.6	3,073.2
Materiel.....	2,331.8	765.2	521.1	2,852.9
Equipment and supplies.....	(2,281.5)	(760.4)	(511.0)	(2,792.5)
Other materiel charges.....	(50.3)	(4.9)	(10.1)	(60.4)
Training.....	40.7	22.3	20.7	61.4
Other (specify).....				
Other P. C. H. and T.....	117.1	51.0	41.8	159.0

VALUE OF PROGRAMS FOR EQUIPMENT AND SUPPLIES

[Millions of dollars]

	Fiscal year 1950-54 program				Fiscal year 1954 program		Proposed fiscal year 1955 program	
	Shipped		To be shipped		Chargeable to appropriation	Excess	Chargeable to appropriation	Excess
	Charged to appropriation	Excess	Chargeable to appropriation	Excess				
Total.....	1,219.3	107.6	1,062.3	26.8	760.4	24.0	511.0	9.9
Army.....	857.1	57.7	625.5	1.4	477.4	.....	292.9	.....
Navy.....	157.1	15.2	118.9	14.3	70.8	15.4	87.5	9.9
Air Force.....	205.1	34.7	317.9	11.1	212.2	8.6	130.6	.....

Department of Defense, MDAP as of Mar. 31, 1954—Far East and Pacific—Continued

TRAINING PROGRAMS—UNITED STATES AND OVERSEAS

[Value in thousands of dollars]

	Fiscal year 1950-54 program					Proposed fiscal year 1955 program	
	Spaces programed	Value	Spaces completed	Value	Spaces in training	Spaces programed	Value
Total:							
Formal training.....	8,488	124,940.8	6,405	16,246.9	1,460	13,105	13,838.2
Other training.....		11,838.2		5,649.2			6,898.0
Army:							
Formal training.....	4,393	14,885.1	3,099	9,904.8	658	1,865	6,629.1
Other training.....		6,901.4		3,528.4			4,066.1
Navy:							
Formal training.....	2,308	2,052.7	1,821	1,201.1	629	2,070	3,291.3
Other training.....		2,175.8		857.7			1,074.7
Air Force:							
Formal training.....	1,787	8,003.0	1,485	5,141.0	173	9,170	3,917.8
Other training.....		2,761.0		1,263.1			1,757.2

¹ Excludes \$3.9 million proposed program for 1 country.

NOTE.—Totals based on unrounded figures hence may vary from totals of rounded amounts.

TIME TO CALL ROLL ON FOREIGN-AID RECIPIENTS

Mr. MALONE. Mr. President, in the judgment of the junior Senator from Nevada, it is time that this Nation called the roll on the recipients of its taxpayers' money, and ceased once and for all financing potential foes through intermediaries that we fondly call our allies.

Mr. KNOWLAND. Vote!

Mr. MALONE. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KNOWLAND. Vote!

The PRESIDING OFFICER (Mr. BEALL in the chair). The question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MALONE].

The amendment was rejected.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

If there be no further amendment to be proposed, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays. The yeas and nays were ordered.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

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

Aiken	Case	Ferguson
Anderson	Chavez	Flanders
Barrett	Clements	Fulbright
Beall	Cooper	George
Bennett	Cordon	Gillette
Bowring	Crippa	Goldwater
Bricker	Daniel	Gore
Bridges	Dirksen	Green
Burke	Douglas	Hayden
Butler	Dworshak	Hendrickson
Capehart	Ellender	Hennings
Carlson	Ervin	Hickenlooper

Hill	Magnuson	Reynolds
Holland	Malone	Robertson
Humphrey	Mansfield	Russell
Ives	Martin	Saltonstall
Jackson	Maybank	Smathers
Jenner	McCarran	Smith, Maine
Johnson, Colo.	McCarthy	Smith, N. J.
Johnson, Tex.	McClellan	Sparkman
Johnston, S. C.	Millikin	Stennis
Kennedy	Monroney	Symington
Kerr	Morse	Thye
Knowland	Mundt	Upton
Kuchel	Murray	Watkins
Langer	Pastore	Welker
Lehman	Payne	Wiley
Lennon	Potter	Young
Long	Purtell	

The PRESIDING OFFICER. A quorum is present.

The question is, Shall the bill pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPEL] are absent by leave of the Senate. The Senator from Pennsylvania [Mr. DUFF] and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. BUSH] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "yea," and the Senator from Delaware [Mr. FREAR] would vote "nay."

If present and voting, the Senator from Pennsylvania [Mr. DUFF] would vote "yea," and the Senator from Kansas [Mr. SCHOEPEL] would vote "nay."

If present and voting, the Senator from Delaware [Mr. WILLIAMS] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Tennessee [Mr. KEFAUVER], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official business.

I announce further than on this vote the Senator from Delaware [Mr. FREAR] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Delaware would vote "nay," and the Senator from Connecticut would vote "yea."

The result was announced—yeas 67, nays 19, as follows:

YEAS—67

Aiken	Green	McClellan
Anderson	Hayden	Millikin
Beall	Hendrickson	Monroney
Bowring	Hennings	Morse
Bridges	Hickenlooper	Mundt
Burke	Hill	Murray
Butler	Holland	Pastore
Carlson	Humphrey	Payne
Chavez	Ives	Potter
Clements	Jackson	Purtell
Cooper	Johnson, Tex.	Robertson
Cordon	Kennedy	Saltonstall
Crippa	Kerr	Smathers
Daniel	Knowland	Smith, Maine
Dirksen	Kuchel	Smith, N. J.
Douglas	Lehman	Sparkman
Ellender	Lennon	Stennis
Ervin	Long	Symington
Ferguson	Magnuson	Thye
Flanders	Mansfield	Upton
Fulbright	Martin	Wiley
George	Maybank	
Gore	McCarran	

NAYS—19

Barrett	Goldwater	Reynolds
Bennett	Jenner	Russell
Bricker	Johnson, Colo.	Watkins
Capehart	Johnston, S. C.	Welker
Case	Langer	Young
Dworshak	Malone	
Gillette	McCarthy	

NOT VOTING—10

Bush	Frear	Schoeppel
Byrd	Kefauver	Williams
Duff	Kilgore	
Eastland	Neely	

So the bill (H. R. 9678) was passed.

Mr. WILEY. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California to lay on the table the motion to reconsider.

The motion to reconsider was laid on the table.

Mr. WILEY. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WILEY, Mr. SMITH of New Jersey, Mr. HICKENLOOPER, Mr. GEORGE, and Mr. GREEN conferees on the part of the Senate.

Mr. WATKINS subsequently said: Mr. President, I had intended to make a short statement prior to the vote on the measure just passed by the Senate, but I was temporarily out of the chamber, and the vote came sooner than I anticipated, and for that reason I desire to make the statement I had prepared.

Mr. President, I regret that I could not with good conscience vote for the Mutual Security Act of 1954. In previous years, I have voted for both the military and the economic assistance acts. It is evident that nearly \$10 billion of previous appropriations for assistance have not been expended and are now available for use in connection with these two programs. There is ample authority for expenditures where most needed, and this bill is not needed for the purpose of giving additional authority.

The history of the last few years demonstrates that we are not winning friends and allies with the expenditure of moneys in their behalf. The collective defense program has already failed in two important instances. In Korea our allies left us practically alone in defending that country, and when the chips were down in Indochina, there were no volunteers from our allies to aid in holding that area. There is mounting evidence that should a showdown come in Europe between the Communists and the free world, most of our important allies will remain neutral rather than take up arms against the foe.

In Indochina we will be lucky if we retrieve 10 percent of the military supplies that we have given to the forces fighting the Communists. We are simply not winning with our program of giving to our allies. At home we are carrying almost intolerable burdens to rearm ourselves and provide for the defense of the nations who are allied with us. It is about time we took stock; it is about time we should make "that agonizing reappraisal" that Secretary Dulles has spoken of.

There are many items in the present bill that I can support, but there are many others that I believe are indefensible in view of our present economic situation. I could elaborate at great length on my reasons for voting against this measure. I could describe the situation as I found it in Europe in a 3-month visit last year. The rosy promises for NATO are not being fulfilled. The trend is all the other way. In Asia we have been fighting nothing but rearguard actions ever since the infamous Yalta agreement. As a protest, Mr. President, against the utter waste of our taxpayers' money I felt compelled to vote against this bill.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills and joint resolutions of the Senate:

S. 1244. An act relating to the renewal of star-route and screen vehicle service contracts;

S. 2027. An act authorizing the Secretary of the Interior to issue quitclaim deeds to the States for certain lands;

S. 2389. An act to amend the act of December 3, 1942;

S. 2453. An act to amend the Communications Act of 1934, as amended, with respect to implementing the International Convention for the Safety of Life at Sea relating to radio equipment and radio operators on board ship;

S. 2864. An act to approve an amendatory repayment contract negotiated with the North Unit irrigation district, to authorize construction of Haystack Reservoir on the Deschutes Federal reclamation project, and for other purposes;

S. 3464. An act to amend the Communications Act of 1934 in order to make certain provision for the carrying out of the Agreement for the Promotion of Safety on the Great Lakes by Means of Radio;

S. 3681. An act to authorize the Civil Service Commission to make available group life insurance for civilian officers and employees in the Federal service, and for other purposes;

S. 3697. An act to amend the act of April 6, 1937, as amended, to include cooperation with the Governments of Canada or Mexico or local Canadian or Mexican authorities for the control of incipient or emergency outbreaks of insect pests or plant diseases;

S. 3699. An act granting the consent of Congress to a compact entered into by the States of Louisiana and Texas and relating to the waters of the Sabine River;

S. J. Res. 67. Joint resolution to repeal certain World War II laws relating to return of fishing vessels, and for other purposes; and

S. J. Res. 149. Joint resolution designating the month of September 1955 as John Marshall Bicentennial Month, and creating a commission to supervise and direct the observance of such month.

The message also announced that the House had agreed to the amendments of the Senate to the amendments of the House numbered 1 and 3 to the bill (S. 3137) to make the provisions of the act of August 28, 1937, relating to the conservation of water resources in the arid and semiarid areas of the United States, applicable to the entire United States, and to increase and revise the limitation on aid available under the provisions of the said Act, and for other purposes.

The message further announced that the House had insisted upon its amendments to the bill (S. 3546) to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, 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. TOLLEFSON, Mr. ALLEN of California, Mr. RAY, Mr. BONNER, and Mr. SHELLEY were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 6310) to amend the Civil Aeronautics Act of 1938 to exempt operations in the transportation of livestock, fish, and agricultural, floricultural, and horticultural commodities from the act and from regulation by the Civil Aeronautics Board thereunder, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 3344) to amend the mineral leasing laws and the mining laws

to provide for multiple mineral development of the same tracts of the public lands, and for other purposes, and it was signed by the Vice President.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, August 3, 1954, he presented to the President of the United States the following enrolled bills:

S. 3344. An act to amend the mineral leasing laws and the mining laws to provide for multiple mineral development of the same tracts of the public lands, and for other purposes; and

S. 3683. An act to amend the District of Columbia Credit Unions Act.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 6310. An act to amend the Civil Aeronautics Act of 1938 to exempt operations in the transportation of livestock, fish, and agricultural, floricultural, and horticultural commodities from the act and from regulation by the Civil Aeronautics Board thereunder; to the Committee on Interstate and Foreign Commerce.

H. R. 9712. An act granting the consent of Congress to certain New England States to enter into a compact relating to higher education in the New England States and establishing the New England Board of Higher Education; placed on the calendar.

COMPENSATION OF CERTAIN PERSONS WHOSE LANDS HAVE BEEN DAMAGED BY FLUCTUATIONS IN LEVEL OF LAKE OF THE WOODS, MINN.—CONFERENCE REPORT

Mr. MARTIN. Mr. President, on behalf of the Senator from Connecticut [Mr. BUSH], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minn. I ask unanimous consent for the present consideration of the report.

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

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2098) to provide for determining the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods, Minn., having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments and agree to the same.

PRESCOTT BUSH,
J. GLENN BEALL,
SPESSARD L. HOLLAND,
Managers on the Part of the Senate.
EDGAR A. JONAS,
USHER L. BURDICK,
THOMAS J. LANE,

Managers on the Part of the House.

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

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

NATIONAL DEFENSE RESERVE OF TANKERS—CONFERENCE REPORT

Mr. BUTLER. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2408) to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes. I ask unanimous consent for the present consideration of the report. It is a unanimous report. I have cleared it with both the majority and minority leaders.

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

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2408) to amend the Merchant Marine Act, 1936, to provide a national defense reserve of tankers and to promote the construction of new tankers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment, as follows:

After the words "The Secretary of Commerce is authorized to pay the cost of national defense features incorporated in any such new tanker" strike out the words "and which are not used by the owner or operator".

And the House agree to the same.

JOHN M. BUTLER,
CHARLES E. POTTER,
FREDERICK G. PAYNE,
WARREN G. MAGNUSON,
GEORGE A. SMATHERS,

Managers on the Part of the Senate.

THOR C. TOLLEFSON,
JOHN J. ALLEN, JR.,
HORACE SEELY-BROWN, JR.,
HERBERT C. BONNER,
JOHN F. SHELLEY,

Managers on the Part of the House.

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

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

PROTECTION OF THE NAME OF THE FEDERAL BUREAU OF INVESTIGATION FROM COMMERCIAL EXPLOITATION

Mr. KNOWLAND obtained the floor.

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

Mr. KNOWLAND. Mr. President, I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, would the Senator consider taking up a very noncontroversial matter pertaining to the FBI?

Mr. KNOWLAND. I prefer not to have the bill he is interested in taken up for two reasons. First, I have given a commitment that there would be no

legislation moved in between the consideration of the mutual security bill and the farm bill, with the exception of the supplemental appropriation bill, which I hope we can complete tonight.

I will say to the Senator from Nevada that we will give a priority consideration to his bill once the farm bill is disposed of, but I do not want to open the door to other proposed legislation. I think personally that the bill in which the Senator is interested is a good measure, from what I know about it. I think it will pass on the unanimous-consent calendar on Saturday. But I do not want to start now to take bills up by unanimous consent for fear of delaying the farm bill.

Mr. McCARRAN. Mr. President, this will not take over 2 minutes. If it does, I will withdraw it. It will take 2 minutes.

Mr. KNOWLAND. I would prefer if the Senator would permit us to proceed with the supplemental appropriation bill.

Mr. McCARRAN. Very well.

SUPPLEMENTAL APPROPRIATIONS, 1955

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 2055, the supplemental appropriation bill for 1955, H. R. 9936.

The motion was agreed to; and the Senate proceeded to consider the bill H. R. 9936, making supplemental appropriations for the fiscal year ending June 30, 1955, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). The clerk will state the first amendment of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, at the top of page 2, to insert:

CHAPTER I DISTRICT OF COLUMBIA Operating expenses

The amendment was agreed to.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. I inquire whether we are to have a statement regarding the bill, or are we merely proceeding item by item?

Mr. BRIDGES. Mr. President, I was about to ask that the amendments of the committee be agreed to en bloc, and that the bill as amended be considered as the original text for the purpose of further amendment, and that all points of order against committee amendments be reserved to any Senator having a desire to make a point of order.

Mr. DOUGLAS. Mr. President, before we proceed to the subject I should like to be recognized so that I may speak on the bill itself. Naturally, if the chairman wishes to lead off the discussion, I am perfectly willing to have him speak first.

Mr. BRIDGES. The Senator from New Hampshire has no reason to prolong the debate on the bill. Perhaps the

speech of the Senator from Illinois might better come after he hears what is contained in the bill. However, if he wishes to speak first, that is agreeable to me.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. BRIDGES. This is the last supplemental appropriation bill to come before Congress. The bill contains a substantial increase over the House figure. I shall explain why that is so.

To begin with, approximately \$525 million of the increase is for the military program; \$350 million is for the Air Force and the Navy. That amount is explained in this way: The House wrote into the bill a provision that the money should be taken from unobligated funds. However, there are no funds that are unobligated and unprogramed for particular programs which are essential to the defense of the country. That item amounts to approximately \$350 million.

One hundred and seventy-five million dollars is for the construction of military housing. If there is any problem which is serious in our camps and on our bases, not only in this country but all over the world, it is the problem of housing for both officers and enlisted men in the armed services. Some housing is privately constructed under the provisions of the Wherry Act. Also there is some public housing. Nevertheless, this country, in order to keep men in its armed services, maintain enlistments, and retain its younger commissioned officers in the services as well as its non-commissioned officers and enlisted men, must make provision for military housing.

Therefore, a very substantial part of the increase in the Senate bill over the House bill is accounted for by the appropriation of new funds for housing and of new funds, rather than unobligated funds, for military construction.

One of the other large items is \$37,500,000, for construction of tankers. That item was not considered by the House. There is also an item of \$27 million for the Housing and Home Finance Agency, which was not considered by the House.

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

Mr. BRIDGES. I yield.

Mr. MAYBANK. The testimony showed that the construction of military housing would save money to the taxpayers, because a certain amount of money is paid to officers in the form of a quarters allowance. If the officers can live in Government-provided houses, they are not paid an allowance for quarters. In other words, the program will amortize itself in 10 years, and from then on the taxpayers will save money. Is that correct?

Mr. BRIDGES. The Senator is absolutely correct.

Another large item in the bill is \$35 million for hospital construction, to which the Senate committee added \$19,300,000. For this purpose the House provided \$15,700,000.

Another large item is \$25,400,000 for grants to States for unemployment compensation and employment service ad-

ministration. I have mentioned these large items, all of which I believe are essential, and with respect to which the Senate committee has added funds to the House figures.

In some instances the committee action resulted in figures lower than the House figures, while in other instances this action resulted in higher amounts than the House figures.

It is a big bill. There are hundreds of items in it. As any question arises with reference to a particular amendment, the Senator from New Hampshire will attempt to explain and justify it.

I now ask unanimous consent that the committee amendments to the bill be agreed to en bloc—

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

Mr. BRIDGES. I yield to the Senator from Maryland.

Mr. BEALL. I make the point of order that on page 25, beginning at line 14, the amendment of the committee is legislation on an appropriation bill.

The PRESIDING OFFICER. The Chair requests the Senator from Maryland to withhold his point of order momentarily.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be considered as the original text for the purpose of further amendment, but that all points of order against the committee amendments be reserved.

Mr. DOUGLAS. Mr. President, reserving my right to object, this is a very extraordinary bill which the Committee on Appropriations has reported to the Senate. We have just finished consideration of all the regular appropriation bills for the fiscal year 1955. Now the Committee on Appropriations brings in a bill for an additional \$2,015,000,000.

Looking over some of these items, it seems to me that they should have been included in the regular budget, and that the administration, and the officials of the Bureau of the Budget, and those in the executive offices of the President should have made up their minds about them at the time the regular budget was submitted.

I invite attention to the fact that on page 40 of the report, for example, there is a request for \$380 million for strategic and critical materials. That item may be highly desirable, but why could it not have been foreseen at the time the regular budget was submitted?

We also find, on page 41 of the report, a request for \$18 million for public facility loans.

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

Mr. DOUGLAS. I yield.

Mr. MAYBANK. I invite the Senator's attention to the fact that the authorization for the \$18 million was contained in an amendment which was adopted by the Senate to the public housing bill, which the President signed only yesterday. That is why it could not have been brought up previously.

Mr. DOUGLAS. That may well be. On page 29 there is an item for \$6½ million for forest roads and trails.

On page 13 there is an item for about \$8 million for a census of business, manufactures, and mineral industries. Then there are large appropriations for military housing, running into hundreds of millions of dollars.

There is naturally raised the question as to whether these items were withheld when the budget was submitted in order that we might have a low figure before us, so that it could be said that economies were being effected, in comparison with past budgets and appropriations, and then, when everyone's guard was down, and the regular appropriation bills had been passed, the administration could submit a supplemental appropriation bill amounting to \$2 billion.

Mr. President, I think these items should be scrutinized with some care. The administration has been guilty of very bad fiscal practice in withholding these items and then pushing them through at the end of the session. These costs could have been foreseen and the requests could have been submitted previously. Now, at the last minute, when our guard is down, the \$2 billion appropriation bill comes rushing through. I think we should scrutinize these items very carefully.

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

Mr. DOUGLAS. I shall be glad to yield to the Senator from Massachusetts when I have finished my statement. An administration that prides itself on its budgeting procedure should not be guilty of this type of performance.

I now yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to refer to two instances. One of them is the Housing and Home Finance Agency. No money was provided for this Agency in the regular Independent Offices appropriation bill—and I so stated when the bill was under debate in the Senate—because there was a bill pending in the Committee on Banking and Currency, which was a new bill—

Mr. DOUGLAS. May I ask whether the Senator is referring to the item covered on page 32 of the report?

Mr. SALTONSTALL. Page 39 of the bill.

Mr. DOUGLAS. At page 42 of the report?

Mr. SALTONSTALL. Page 42 of the report; yes.

Mr. DOUGLAS. That is chickenfeed. That is only \$6½ million.

Mr. SALTONSTALL. May I add one further item—the one relating to ship construction? That is another new item which was brought into the bill. It was not provided for in the regular appropriation bill, because the entire ship-construction program was then being considered. There is quite a comprehensive merchant-marine program involved. Those are only two items about which I know.

There are also a number of items of new legislation with relation to the Department of Health, Education, and Welfare, but I would rather not go into those, because they are outside my province.

Mr. DOUGLAS. Apparently the chairman of the committee and the Senator from Massachusetts do not agree,

because the chairman is defending the supplemental budget despite the criticism which his own committee advanced. I invite the attention of the Senator from Massachusetts to the following statement on page 3 of the committee report:

The committee wishes to state emphatically that it does not look with favor upon this large number of supplemental and deficiency requests made by the departments and agencies of the Government. The committee recognizes the necessity under certain emergency conditions for supplemental appropriations, but is at a loss to understand why the establishments of the Federal Government cannot present most supplemental items during the consideration of the regular bills.

The lateness of these presentations places a heavy burden on the committee in its attempt to examine carefully and fully the requests submitted. Therefore, it is the hope of the committee that the agencies involved will discourage this practice without further admonition from the Congress.

I submit that that is a slap on the wrist, and a very mild one indeed. What I really would like to point out is the gross negligence, to put it mildly, of the administrative agencies in withholding these items from the regular budget and then putting them in a supplemental budget. Everyone knows that not much attention is paid to the supplemental budget. Headlines are made on the basis of the regular budget. The administration claims economies in the regular budget, and then puts back with the left hand what it claims it was taking away with the right hand. That is a violation of every sound procedure in developing the Federal budget.

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

Mr. DOUGLAS. I yield.

Mr. SALTONSTALL. I point out two other items which come within my personal knowledge to a considerable extent. One is military construction. The Senator is aware that when the Defense Department appropriation bill was passed, all military construction items were distinctly left out because the military construction bill had not been passed on, and that fact was emphasized at that time. That is more than half the present bill. It amounts to about a billion dollars in a \$2-billion bill.

Mr. DOUGLAS. Why could not the military budget have been submitted at the usual time? Why was that held out and pushed in at the end of the last session? It is well known that there are scandals in the construction of military housing and that costs for military housing are extremely high.

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

Mr. DOUGLAS. Certainly.

Mr. SALTONSTALL. Because the authorization bill was before the House, the items were being scrutinized with care. The Senator from South Dakota [Mr. CASE] and his subcommittee—the Senator from Mississippi [Mr. STENNIS] and the Senator from Pennsylvania [Mr. DURF]—took more than 2 months to go through the authorization bill and cut it down very substantially. I mention those items to the Senator from Illinois

because I think he will find, if he examines the bill carefully and in detail, that almost all these items are new items, new legislation. It was stated unequivocally on the floor of the Senate when the regular appropriation bills were passed that these items would be considered later.

Mr. DOUGLAS. May I ask why they were not considered at the time the regular budget was submitted? Why is it that we have this last-minute move, involving items of a billion dollars, \$380 million, \$175 million, and so on? Certainly the great business brains that have been drawn into the service of the Government should be able to submit their estimates on time.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more statement or question?

Mr. DOUGLAS. Certainly.

Mr. SALTONSTALL. I have just been informed that the \$1,100,000,000 for housing was submitted in January.

Mr. DOUGLAS. Was it included in the regular budget?

Mr. SALTONSTALL. It was submitted as an authorization bill in January. The House spent several months going over it. The Senator from South Dakota can inform the Senator from Illinois how many months his committee took. That was the authorization bill. We could not put the appropriations in the regular bill because the authorization bill had not been passed.

Mr. DOUGLAS. It could have been included on a tentative basis in the appropriation bill.

Mr. SALTONSTALL. So far as I know, we have not done that. Actually, the authorization bill for housing is on the Senate Calendar today in the same amount as is included in the appropriation bill. I point those things out because I know the Senator wants to be fair.

Mr. DOUGLAS. Yes, I do.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Does the Senator from Illinois know whether or not the administration, when speaking of the deficit for this year, gave consideration to this \$2 billion?

Mr. DOUGLAS. When they compared their budget figures with the budget estimates of President Truman, they took the budget estimate of President Truman for 1953-54, of \$77 billion, and compared their estimate for 1954-55 with the Truman budget, and then said, "We are cutting it down by this amount." Now they come in with a \$2 billion supplemental appropriation which diminishes the difference by \$2 billion; and there will be still more supplemental appropriations. If a supplemental appropriation bill is submitted before the regular session ends, let us see what will happen when the next Congress convenes. There will be still more supplemental appropriations.

Mr. President, I have fought for economy on the floor of this body when my party was in power, and I think I am entitled to fight for economy when the other party is in power, particularly

when such an extraordinary budget as the present one is submitted.

Mr. President, in terms of expenditures, if my figures are correct, in the year 1951-52 the Federal Government spent approximately \$65.2 billion. That was the last full year of the Truman administration. In the first full year of the Eisenhower administration, if my information is correct, the Government spent approximately \$67.3 billion, or \$2 billion more.

Some of these claims for economy are hokum, and I do not believe in hokum. I hate hypocrisy worse than anything else in the world, and I do not believe in letting the hokum pass as economy.

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

Mr. DOUGLAS. I yield to the Senator from South Dakota.

Mr. CASE. Is the Senator aware of the fact that when the present administration took over about \$80 billion of appropriations expenditures were authorized and that to a large extent the military construction program is being financed by the reapplication of prior appropriations? In large part the expenditures for military construction in the Army, Navy, and Air Force are being financed by reprogramming or reapplication of old appropriations.

Mr. DOUGLAS. That always happens.

Mr. CASE. Not to the extent that it is happening now.

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

Mr. DOUGLAS. I am very glad to yield.

Mr. HUMPHREY. Does not the very fact the Senator from South Dakota brings out reveal some of the discrepancies between figures? The truth is that in the early days of the Korean war the Congress, with the assistance of the Truman administration, appropriated billions and billions of dollars, and that much of that money could not be expended in that period of time, and had to be programed, as we were told here this afternoon, under the foreign-aid bill. It seems to me that the administration is very much like the son of the rich man—living off the old man's wealth. They are sort of sucking it out of the pipeline. I emphasize the point made in the question asked by the Senator from South Carolina [Mr. JOHNSTON]. Does the deficit include the \$2,100,000,000?

Mr. DOUGLAS. No. The deficit which has been published is for the past fiscal year, July 1, 1953, to July 1, 1954.

What I am saying, however, is that the administration has taken credit for reducing appropriations for 1954-55 as compared to the Truman budget for 1953-54, and they showed a very respectable reduction in terms of the budget which they submitted in January. However, we now find a \$2 billion "joker" suddenly appearing.

I suppose this body will pass the "joker." There are so many items in the bill which the people want that we shall have to pass the bill. But I think it ought to be exposed for what it is.

Mr. CASE. Mr. President, will the Senator from Illinois yield again?

Mr. DOUGLAS. Certainly.

Mr. CASE. My understanding is that the actual expenditures for the fiscal year ending June 30, 1954, showed a deficit of \$3,025,000,000.

Mr. DOUGLAS. I think that is correct.

Mr. CASE. As compared with a prospective deficit under the Truman program of \$6,890,000,000. The deficit was approximately \$4 billion less than the Truman forecast.

Mr. DOUGLAS. The budget of \$77 billion which President Truman submitted we all knew had a lot of water in it. We all knew it would be cut down by the Appropriations Committee.

Therefore, the comparison which is made between the budget submitted and the deficit projected and the deficit actually incurred is a very disingenuous comparison.

I point out that the budget was not balanced; there was a deficit of \$3 billion. However, I am not addressing myself to the year 1953-54 at the moment. I am only saying that for the year 1954-55 it now looks as though a highly imperfect budget was submitted in January, because items were held out which should have been put in the budget, and they now reappear in the supplemental bill, when it is thought people will not notice them.

Mr. CASE. Mr. President, will the Senator from Illinois further yield?

Mr. DOUGLAS. Yes.

Mr. CASE. In view of the fact that there was so much water in the Truman budget, would not the Senator have been delighted had he been able to wring out some of it?

Mr. DOUGLAS. There is a great deal of water in this budget. The H₂O content is extremely high.

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

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. It seems to me they threw out part of the sink, too. I think if a person were to go back over the defense budget of the previous fiscal year he would find that the administration had reversed itself, particularly in connection with airpower. We had to correct that action this year; but it is no correction at all, because the lag time in that connection cannot be reclaimed. Some of these days we shall wake up to learn that our schedule of airplane production is on the descent rather than the ascent.

Some time ago I read a report showing that our plane production position was directly opposite from that of the Soviets; and as the Soviet production goes up our production starts coming down.

Mr. DOUGLAS. It is undoubtedly true that the administration, in cutting the Air Force program last year and then restoring it this year, lost at least a year of time, and possibly, in the training of men, 2 years of time. Now they are doing the same thing, of course, with the ground forces. A large part of the alleged saving, which appeared in January in the regular budget, resulted from cutting the number of divisions and in general curtailing the physical strength of the Army.

But all that is beside the point. What I am trying to say is that there were false and fictitious claims of economy, not wholly based on fact.

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

Mr. DOUGLAS. Certainly.

Mr. HUMPHREY. Several days ago on this floor the Senator from South Carolina [Mr. JOHNSTON] presented some interesting statistical evidence on the budget of the Post Office Department, which I think is typical of a departmental budget as compared to an overall budget. Much of the economy which has been claimed for the Post Office Department is an economy which has been made available by clever sleight-of-hand performance by accountants in the respective agencies of Government.

In other words, the airline subsidy is no longer being paid by the Post Office Department. The franking privileges, which were frequently bookkeeping transactions before, are now being charged against various departments.

The Senator from South Carolina pointed out, if I am not mistaken—and the Senator is here and can correct me if I am—that actually there was no saving at all. Despite the increased revenue, despite the so-called efficiency, and despite all the efforts to bring into the administration the great new science of business-management principles, we were no better off than we had been before; and everyone knows that the Post Office Department was worse off. Everybody knows that the mail service is worse.

Mr. DOUGLAS. Mr. President, it is also true that in connection with the regular budgets which have been submitted, claims of economy have been made. No appropriations have been made for the purpose of paying ultimate obligations, notably in connection with the pension fund; so the obligation continues, but the financial provision for it has been omitted.

Mr. HUMPHREY. Is that not true with regard to the social-security fund?

Mr. DOUGLAS. I think that is true.

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

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. Let me say to the Senator from Illinois, in all fairness, since I am a member of the Appropriations Committee, that many members of that committee feel exactly the same as does the Senator from Illinois on this question.

Mr. DOUGLAS. I am delighted to hear that. In other words, the Senator from Washington does not thoroughly agree with the Senator from Massachusetts in saying—

God's in His heaven—
All's right with the world.

Mr. MAGNUSON. No; we do not feel that way in connection with this particular fiscal policy. But we did find, regardless of how these items were presented—and I think many of them should have been presented in the regular budget—that they are items which must be taken care of.

I thought, as did the Senator from Illinois, that this was a thoroughly un-businesslike transaction, when it was announced to the people of this country on July 1, with great fanfare, that the deficit was only three billion-so-many-million dollars when, as a matter of fact, sooner or later, there must be added to that figure the \$2 billion due to book-keeping, and when there must be added \$3 billion in connection with foreign aid. Those two items total \$5 billion. Also there must be added an item to cover the postponement of payments, which item does not appear in the budget.

Mr. DOUGLAS. That is correct. That is what I said.

Mr. MAGNUSON. There is almost \$2 billion in the social-security program. Adding that sum, the total is \$7 billion, which must be added to the \$3 billion.

Actually, in the overall picture, if there is not a cutoff date of July 1, the overall deficit will be closer to \$8 billion or \$10 billion than \$3 billion.

Mr. DOUGLAS. That is for the coming year.

Mr. MAGNUSON. For the coming year.

Mr. DOUGLAS. I thank the Senator.

Mr. MAGNUSON. I think many members of the Appropriations Committee did not like this procedure. Nevertheless, there are many items in the bill which require appropriations. They are items which should have been in the regular budget. With respect to some of them, it is true, there was no opportunity to present them.

The Senator from Massachusetts, I believe, spoke about the ship item. That item could have been presented in the regular budget. Again that was a case of government by postponement, with continual study of this, that, and the other thing.

When this results in a figure of \$3 billion, it is much too low. I saw a cartoon of George Humphrey climbing up a precipice which was named "Balanced Budget," and the wording was "Keep going, George; you are about to make it." After he is through with these figures, he will be down at the bottom again.

I do not know who is at fault, but I resented, as did many other members of the Appropriations Committee, the fanfare and hullabaloo about how businesslike all this was. We hear about the "terrible spendthrift Democrats." We are told, "Look at us; we are within \$3 billion of balancing the budget," when that is not true.

I think in fairness to the Appropriations Committee—

Mr. DOUGLAS. I am not blaming the Appropriations Committee. I am blaming the Bureau of the Budget and the executive office of the President.

Mr. MAGNUSON. I have only one further comment. I intended to say about the same thing the Senator from Illinois is saying. However, we were presented with a problem about which we could not do much. I think it was wrongly handled, but we had to appropriate the money.

When we start figuring it up, the deficit will be closer to \$8 billion or \$10 billion.

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

Mr. DOUGLAS. I yield to the Senator from New York.

Mr. LEHMAN. As was so well stated by the distinguished Senator from Illinois, in my opinion the budget as it was presented to the Congress in the first place was misleading; and in the second place, the additional items totaling more than \$2 billion should have been foreseen and could have been foreseen.

If the Senator from Illinois will permit, I should like to cite one instance which I think very clearly illustrates what has happened. This is a small item, but nonetheless it is significant as showing exactly what has been done.

The 1954 appropriation for salaries and expenses of the Immigration and Naturalization Service was \$42,250,000. The 1955 appropriation was \$39 million, or a decrease of \$3,250,000.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], and I am sure many of my other colleagues, may remember that on the floor of the Senate I pointed out what would happen because of this decrease, and I pleaded for an additional \$3,250,000, which would have brought the appropriation merely up to the point where it had been the year before. I pointed out that unless we made such an appropriation, the work of apprehending and deporting "wetbacks" illegally entering the United States would be impossible of consummation. But, no; it was maintained that all they wanted was \$39 million. They had examined the situation carefully, and that \$39 million was sufficient to take care of the needs. Today in the supplementary appropriation bill I find that there has been included an item of \$3 million, which was exactly the amount I asked for; and pointed out was the amount necessary, months ago. Those in authority should have known about that. They could have known about it, but they did not. In my opinion, they wanted to make a show of economy; and it was merely a show. No real economy was involved in this item and many other items with which we are dealing in the supplemental appropriation bill.

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

Mr. DOUGLAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. I merely wish to join in what the Senator from Illinois has said. I want the RECORD to be clear that until the present bill came before the Senate, we had reduced appropriations a billion and a half dollars below the budget estimates. I am sure my good friend, the Senator from Illinois, will remember that I offered an amendment to increase the authorization for the Air Force. The Senator from Massachusetts [Mr. KENNEDY] and other Senators offered amendments to increase authorizations for the Army. I stated at that time on the floor of the Senate that we might as well be prepared for a deficit. There is a deficit of a billion dollars represented in the bill. I do not say it is right, but what else could the committee do? The program has been delayed.

The Senate had an opportunity this afternoon to decrease the authorization for foreign aid expenditures by \$1 billion, but it voted against such a decrease. So we are to have a deficit as a result of the foreign aid bill. There will be a deficit of \$7 billion as a result of the farm program, and surplus farm commodities will be shipped to Europe. When an authorization bill is brought to the floor of the Senate, we are urged to vote for it.

Thank God, I voted this afternoon to reduce the authorization for the foreign aid program by \$1 billion. I have been a member of the Committee on Appropriations for some time. The only Senator on the other side of the aisle who has been a member of the Appropriations Committee as long as I have is the distinguished chairman [Mr. BRIDGES]. I know he does not believe in this sort of procedure. Neither do I. Authorizations were made for ships to be built, and for wetbacks to be taken back to the Mexican border. There is no use in sending wetbacks back to the border, because they will be back in Texas the next morning. Senators voted for various bills, such as authorizations for the building of merchant ships, air bases, and other activities. Then when an appropriation bill is brought before the Senate for action, the Committee on Appropriations is severely criticized. That is all I wish to say. I thank the Senator from Illinois for yielding to me.

The PRESIDING OFFICER. The Senator from Illinois prefaced his remarks by reserving the right to object. Is there objection to the unanimous consent request of the Senator from New Hampshire?

Mr. BRIDGES. Mr. President, if objection is made, the only procedure left is to take up the amendments one by one. I should like to point out to my colleagues that the Committee on Appropriations has spent hour after hour, day after day, and week after week on the bill. The members of the committee and the staff have worked 14 or 16 hours a day. We have gone into all the items. The Senator from New Hampshire himself wrote the summary of the report which is on page 3, wherein he admonished the departments of Government that he felt it was too late to get many of these items before the committee. The Senator from New Hampshire was well aware of that. Nevertheless, the Government of the United States must function. When the construction authorization bill, which provided for the lifeline of the United States, was not acted on and was not authorized, and when the housing-construction bill for military personnel who defend this country, was not acted on, the only thing the Senator from New Hampshire and the committee could do was to hear the evidence as it was presented. That is what the committee did, and the report was written. Statements have been made which, to say the least, were not called for.

Mr. President, I call for the regular order, and call up the committee amendments, beginning with the first one.

Several Senators addressed the Chair.

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

Mr. SMITH of New Jersey. Mr. President, I wish to state for the RECORD that I consider that the Committee on Appropriations, under the distinguished leadership of the Senator from New Hampshire, this year has done one of the most outstanding jobs in the legislative history of Congress. That statement has been made heretofore. Appropriation bills were disposed of expeditiously. There is now before the Senate a supplemental appropriation bill because certain items were not previously authorized. The Senate was not able to act until today on the foreign-aid bill. Nevertheless, the committee worked on that bill because the Senator from New Hampshire anticipated what had to be done.

As chairman of the Committee on Labor and Public Welfare, I should like to make a very brief statement regarding my attitude on certain important items which were, unfortunately, overlooked by the House. A number of items in the bill breathe life into programs which were considered and reported by the Senate Committee on Labor and Public Welfare, and which have become law during this session of Congress. Some of these items were overlooked by the House. The bill contains grants to States to hold conferences of educators and lay citizens to discuss educational problems and make recommendations for appropriate action at local, State, and Federal levels in regard to our school problems. The bill also contains a grant for administrative expenses of the White House Conference on Education, which the President urged so strongly. It also contains an appropriation for a National Advisory Committee on Education.

The bill provides \$6 million to finance the beginning of the expanded vocational rehabilitation program recommended by the President, which was signed today. I had the honor to be present when the bill was signed. It is one of the most important bills in the field of health and rehabilitation of our disabled people that has ever been passed. The Senator from Connecticut [Mr. PURTELL] who had a great part in obtaining passage of the bill is present at this time.

The bill contains an additional \$1,831,000 for grants for vocational rehabilitation training and traineeships, and \$400,000 to finance the expansion of the Office of Vocational Rehabilitation.

The demand throughout the country for the rehabilitation program has been pressing all year. The bill has been controversial. Differences with the House of Representatives were finally resolved and the bill was signed today.

The items in the bill represent an overall total of \$8,231,000 to carry forward the expanded vocational rehabilitation program recommended by the Eisenhower administration. This is the first expansion of the program undertaken in recent years, and it is planned to expand it further in the future.

The bill also contains an authorization of \$35 million of additional funds for the United States Public Health Service

to cover the expanded hospital construction program recommended by the President and recently authorized by the Congress. These funds will be available for the construction of diagnostic and treatment centers, chronic disease hospitals, rehabilitation facilities, and nursing homes. They are needed in the United States, and yet action on such items was withheld in the House. The Senator from New Hampshire and his committee saw the importance of such legislation and added those items to the bill.

Earmarked Federal assistance for the construction of such health facilities has not heretofore been available. The \$35 million item, an additional \$300,000 item to cover administrative expenses, and \$2 million item for State surveys, provide one of the cornerstones in President Eisenhower's health program.

I regret to note that the bill does not appropriate funds for cooperative research in education.

The committee states, however, that funds for this aspect of the President's program in regard to education can await presentation in the next annual budget. It is my hope that such funds will be provided in the next Congress.

Mr. President, the funds provided by this bill for the items I have mentioned are necessary if we are to carry forward the President's program. In that respect, this appropriation bill is as much a part of the program of the President as is the substantive legislation which authorized the various items to which I have referred.

Again, Mr. President, I commend the action of the Appropriations Committee; and I congratulate the chairman of the committee, the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. The Senate and, in fact, the entire country are greatly indebted to him for the extremely difficult work he and his committee have performed. They have worked tirelessly and most effectively, and I desire to express to him and to the other members of the committee the profound thanks of all of us.

Mr. BRIDGES. Mr. President, I thank the Senator from New Jersey for that pat on the back. All the members of the committee, Democrats and Republicans alike, have worked very hard. Few persons realize the long hours, days, weeks, and months the members of the committee devote to this work. It is a public service that is outstanding.

Mr. MAYBANK. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. MAYBANK. Let me say that no one appreciates more than I do what the chairman of the Appropriations Committee and the chairmen of the subcommittees of that committee have done. But I must say that the negligence on the part of the administration is what has brought about the \$2 billion supplemental appropriation bill which is before us tonight.

I admire tremendously the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. However, long ago I recognized what would develop. I said to the distinguished senior Senator from Michigan [Mr. FERGUSON] that it would

be necessary to have supplemental appropriation bill items for the Air Force. I said that, in fact, a way back in February, in speaking on the floor of the Senate.

However, I must point out that the bill has been reported unanimously by the committee. I appreciate the excellent work the committee has done, and the long hours the committee has spent on its task, in the performance of its duty.

On the other hand, I regret that the administration has put off this matter, even though it knew that additional appropriations would be required.

For instance, Mrs. Hobby well knew what appropriations were needed for her Department; and Secretary Talbott well knew what appropriations were needed for the Air Force; and so did other Department heads. The fault is with the administration.

I realize full well that the administration will have to run for reelection. I myself have to run for office in November. So I do not blame them for being afraid.

The truth is that the chairman of the committee and the chairmen of the subcommittees appointed by the distinguished senior Senator from New Hampshire [Mr. BRIDGES] have worked long and hard. It is equally true that every member of the committee on this side of the aisle voted in the committee for every one of these appropriation items. I say most respectfully that the members of the committee who sit on this side of the aisle appreciate full well the splendid work the chairman of the committee has done.

Mr. BRIDGES. I thank the Senator from South Carolina.

The PRESIDING OFFICER. Does the Senator from New Hampshire renew the request he previously made?

Mr. BRIDGES. Yes, Mr. President; I renew my request.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, reserving the right to object—

Mr. HUMPHREY. Mr. President, will the Senator from Illinois defer for a moment his reservation of the right to object?

Mr. DOUGLAS. Yes.

Mr. HUMPHREY. Mr. President, I wish to associate myself with the remarks of the Senator from South Carolina [Mr. MAYBANK], particularly as regards the work done by the Appropriations Committee. We often fall into the habit of abusing one another in connection with some of these measures; but my comments were not in that vein at all. I think the record is quite clear that the chairman of the Appropriations Committee has brought out the appropriation bills on a time schedule that is really quite phenomenal. The committee has made it possible for the Senate to have opportunity to consider the bills and to debate and amend them. Certainly the facts bear out that statement.

Let me emphasize that any comment I have made in regard to the supplemental appropriation bill was not directed toward the tireless efforts of the chairman and the other members of the

Appropriations Committee. I pay my respects particularly to the chairman of the committee. I recall asking him, weeks ago, "Where have you been? You must have been in the catacombs or the salt mines." I said that because I realized full well that the chairman of the Appropriations Committee is literally tied to the committee sessions day in and day out. I sympathize greatly with him.

Nevertheless, I think the Senator from South Carolina is giving us rather substantial information on a number of these appropriation items.

Let me say to the Senator from New Jersey [Mr. SMITH] that a number of the items sound very New Dealish. Of course, I rather like that. [Laughter.] I was wondering whether the spirit of the New Deal was walking through this Chamber again.

Mr. SMITH of New Jersey. Mr. President, does the Senator from Minnesota think that the only ones who have an interest in education and health are the New Dealers?

Mr. HUMPHREY. Not at all. As a matter of fact, I welcome the Senator from New Jersey into our social fraternity. It seems to me that the committee has reported some very splendid provisions dealing with items for which I myself have voted.

As a matter of fact, the proposed appropriation of \$6 million for vocational rehabilitation is a beginning; and I am pleased with the small tidbits which indicate compassion and concern with human welfare.

So I congratulate the Senator from New Jersey [Mr. SMITH] for moving even farther forward in the field of human endeavor.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement submitted by the Senator from New Hampshire?

Mr. DOUGLAS. Mr. President reserving the right to object, I think the Senator from New Hampshire has been working very hard during the session, and undoubtedly the heat has made him extremely sensitive on this point, because I did not intend my remarks as a reflection upon my good friend, the senior Senator from New Hampshire, and I do not think it was necessary to make obeisances in his direction, to indicate my esteem and affection for him. I believe we should consider these matters on their merits. When any Senator raises a question about the procedure in the Executive Office of the President, I do not believe the Senator from New Hampshire should fly into a temper and indicate that his ego has been adversely affected.

I assure the Senator from New Hampshire that I have great respect for his ability and endeavor. But in connection with this bill we happen to be dealing with appropriations totaling \$2 billion; and I know that once the committee amendments are agreed to en bloc, it will be extremely difficult to delete any of them.

I regret that I have not had time to examine this bill, which my good friend, the senior Senator from New Hampshire and the other members of the committee have spent days and nights in

studying. However, as I proceeded to consider the bill, I found in it a few items which I am extremely reluctant to approve.

So will the Senator from New Hampshire agree that if the committee amendments are approved en bloc, that will not foreclose any Member from moving to strike out certain of the items? Would the Senator from New Hampshire regard it as a reflection upon his ability if the Senate of the United States were to say it should have some right of decision on the question of how \$2 billion should be appropriated and spent? Would that be regarded as a personal attack upon the chairman of the committee and the other members of the committee?

The PRESIDING OFFICER. It is the understanding of the Chair that, in accordance with the proposed unanimous-consent agreement, any Senator will have the right to submit an amendment at any time.

Mr. HUMPHREY. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield; certainly.

Mr. HUMPHREY. I notice that in the case of a number of items in the supplemental appropriation bill, the Senator from New Hampshire was kind enough to give us advance notice as under rule XL of the standing rules of the Senate. I refer particularly to an item relating to the Assistant Secretary of Labor. I understand we shall deal with that item on the basis of the requirement for a two-thirds vote in favor of suspension of the rule, inasmuch as that item proposes the addition of legislation to an appropriation bill.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none.

Mr. MORSE. Mr. President, reserving the right to object, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. Will the Chair restate the proposed unanimous-consent agreement?

The PRESIDING OFFICER. The Chair asks the Senator from New Hampshire to restate the proposed agreement.

Mr. BRIDGES. Mr. President, I ask that the proposed agreement be read again by the clerk.

First, let me say to the Senator from Oregon that the proposed agreement provides for exactly what the Senator from Illinois has indicated he desires. I am sure that if he had listened earlier to the proposed agreement, he would not have had to raise any question about it.

Mr. DOUGLAS. Mr. President, let me say to my good friend the Senator from New Hampshire that he read the proposed agreement with such rapidity that it was very difficult for us to tell what he was saying. I still reserve the right to object, because I made that reservation for bargaining purposes.

Mr. BRIDGES. I thought the mind of the Senator from Illinois worked so rapidly that he certainly would grasp anything I might say.

Mr. DOUGLAS. No; my mind is not particularly rapid, and it is not anywhere near so rapid as the speech of the senior Senator from New Hampshire, particularly when he is trying to put through an appropriation bill at 6 o'clock in the evening.

The PRESIDING OFFICER. Without objection, the proposed unanimous-consent agreement will be read again.

The Chief Clerk read as follows:

I ask unanimous consent that the committee amendments to the bill be agreed to en bloc and that the bill as thus amended be considered as original text for the purpose of further amendments, but that all points of order against the committee amendments be reserved.

Mr. MORSE. Mr. President, reserving the right to object, the agreement, as I understand it, is perfectly satisfactory. It affords me an opportunity to offer some amendments to the bill.

The PRESIDING OFFICER. That is correct.

Mr. MORSE. My amendments are related to the amendments reported by the committee; but with the committee amendments agreed to en bloc and being considered as the original text of the bill, my amendments, even though they affect the amendments of the committee, will be in order.

The PRESIDING OFFICER. The Senator is quite right.

Is there objection to the request of the Senator from New Hampshire [Mr. BRIDGES] as modified? The Chair hears none, and the committee amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, after line 3, to insert:

"REGULATORY AGENCIES

"For an additional amount for 'Regulatory agencies,' \$30,000, and the amount available under this head may be used to carry out the provisions of the District of Columbia Business Corporation Act (Public Law 389, 83d Cong.), approved June 8, 1954."

On page 2, after line 9, to insert:

"SETTLEMENT OF CLAIMS AND SUITS

"For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$13,967."

On page 2, after line 14, to insert:

"JUDGMENTS

"For the payment of final judgments rendered against the District of Columbia, as set forth in Senate Document No. 145 (83d Cong.), \$15,132, together with such further sums as may be necessary to pay the interest at not exceeding 4 percent on such judgments as provided by law, from the date the same became due until the date of payment."

On page 2, after line 22, to insert:

"AUDITED CLAIMS

"For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1952 and prior fiscal years, as set forth in Senate Document No. 145 (83d Cong.), \$14,624, together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 percent per annum as provided by law

(act of July 10, 1952, 66 Stat. 546, sec. 14d)."

On page 3, after line 10, to insert:

"DIVISION OF EXPENSES

"The sums appropriated in this act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved."

On page 3, line 17, in the heading, to change the chapter number from "I" to "II."

On page 3, after line 18, to insert:

"SENATE

On page 3, after line 19, to insert:

"For payment to the estate of Hugh Butler, late a Senator from the State of Nebraska, \$12,500."

On page 3, after line 21, to insert:

"For payment to Clyde Roark Hoey, Jr., and Charles Aycock Hoey, sons, and Isabel Hoey Paul, daughter of Clyde R. Hoey, late a Senator from the State of North Carolina, \$12,500."

At the top of page 4, to insert:

"For payment to Emily Nathalie Hunt, widow of Lester C. Hunt, late a Senator from the State of Wyoming, \$12,500."

On page 4, after line 3, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"OFFICE OF THE SECRETARY

"Office of the Secretary: For an additional amount for fiscal year 1955, \$11,725: *Provided*, That effective August 1, 1954, the basic annual compensation of the following positions shall be: Financial clerk \$7,320 in lieu of \$7,000; printing clerk \$5,400 in lieu of \$5,160; executive clerk \$4,380 in lieu of \$4,100; assistant to the majority and assistant to the minority at \$8,000 each in lieu of assistant to the minority at \$8,000."

On page 4, after line 13, to insert:

"OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

"Office of the Sergeant at Arms and Doorkeeper: For an additional amount for fiscal year 1955, \$21,750: *Provided*, That effective August 1, 1954, the basic annual compensation of the following positions shall be: Assistant doorkeeper \$3,420 in lieu of \$3,040; messenger at card door \$3,420 in lieu of \$3,040; messenger acting as assistant doorkeeper \$2,760 and 2 messengers acting as assistant doorkeepers at \$2,580 each in lieu of 3 messengers acting as assistant doorkeepers at \$2,580 each; clerk, press gallery, \$1,800; chief janitor, \$3,540 in lieu of \$3,200; assistant chief janitor \$2,400 in lieu of \$2,220; foreman of duplicating department \$2,940 in lieu of clerk \$2,280; 3 cabinetmakers at \$2,520 each in lieu of 2 cabinetmakers at \$2,520 each and 1 cabinetmaker at \$2,460; file clerk \$1,980; 3 addressograph operators at \$2,220 each, 4 clerks at \$2,160 each and 12 machine operators at \$1,740 each in lieu of 5 clerks at \$2,160 each and 13 machine operators at \$1,740 each; 2 mimeograph operators at \$1,800 each and 29 laborers at \$1,620 each in lieu of 30 laborers at \$1,620 each; repairman \$2,460."

On page 5, after line 10, to insert:

"OFFICES OF THE SECRETARIES FOR THE MAJORITY AND THE MINORITY

"Offices of the secretary for the majority and the secretary for the minority: For an additional amount, \$1,405: *Provided*, That effective August 1, 1954, the basic annual compensation of the clerk to the secretary for the majority and the clerk to the secretary for the minority shall be at a rate to be fixed by the respective secretaries, but not exceeding \$3,480 each."

On page 5, after line 19, to insert:

"OFFICES OF THE MAJORITY AND MINORITY WHIPS

"For two clerical assistants, one for the majority whip and one for the minority whip, at \$2,520 basic each, \$9,140."

On page 5, after line 22, to insert:

"CONTINGENT EXPENSES OF THE SENATE

"Legislative reorganization: For an additional amount for 'Legislative reorganization', \$25,000."

At the top of page 6, to insert:

"Reporting Senate proceedings: For an additional amount for 'Reporting Senate proceedings', \$4,000."

On page 6, after line 2, to insert:

"Inquiries and Investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1954, \$60,000."

On page 6, after line 5, to insert:

"Miscellaneous items: For an additional amount for 'Miscellaneous items', exclusive of labor, fiscal year 1954, \$45,000."

Under the subhead "House of Representatives," on page 6, after line 12, to insert:

"For payment to Sarah F. Camp, widow of Albert S. Camp, late a Representative from the State of Georgia, \$12,500."

On page 6, after line 15, to strike out:

"CAPITOL POLICE

"SALARIES, CAPITOL POLICE FORCE

"For salaries of the United States Capitol Police Force, as authorized by H. R. 9413, Eighty-third Congress, \$175,000: *Provided*, That funds appropriated for salaries of Capitol Police, United States Senate and House of Representatives, respectively, in the Legislative Appropriation Act, 1955, shall be transferred to and merged with funds provided hereunder and administered as one fund."

At the top of page 7, to strike out:

"GENERAL EXPENSES

"For an additional amount for 'General expenses', including the purchase of one police motor vehicle, \$79,785."

Under the subhead "Architect of the Capitol," on page 7, after line 4, to insert:

"Salaries: For an additional amount for 'Salaries', \$320: *Provided*, That effective August 1, 1954, the following position shall be placed in the following General Schedule grade of the Classification Act of 1949, as amended, and the compensation therefor be fixed accordingly: Administrative officer, grade GS-13."

At the top of page 8, to insert:

"Senate Office Building: For an additional amount for 'Senate Office Building', \$4,100: *Provided*, That, hereafter, the following positions under the Architect of the Capitol at the Senate Office Building shall be placed in the following General Schedule or Craft, Protective, and Custodial Schedule grades of the Classification Act of 1949, as amended, and the compensation therefor be fixed accordingly: Custodian, grade GS-12; assistant custodian and chief clerk, grade GS-10; principal procurement clerk and storekeeper, grade GS-8; assistant procurement clerk and storekeeper, grade GS-6; 2 desk clerks, grade GS-7; 1 desk clerk, grade GS-6; 1 desk clerk, grade GS-5; 3 attendants, grade GS-6; 1 attendant, grade CPC-7."

On page 8, after line 13, to insert:

"ADDITIONAL OFFICE BUILDING FOR THE UNITED STATES SENATE

"Construction and equipment of additional Senate Office Building: To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), \$6 million: *Provided*, That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission."

Under the heading "The Judiciary", on page 9, after line 14, to insert:

"SUPREME COURT OF THE UNITED STATES

"Automobile for the Chief Justice: For purchase, exchange, lease, driving, maintenance, and operation of an automobile for the Chief Justice of the United States Supreme Court, \$5,835."

At the top of page 10, to insert:

"SALARIES OF REFEREES

"For an additional amount for 'Salaries of referees', \$18,500 to be derived from the referees' salary fund established in pursuance of the act of June 28, 1946, as amended (11 U. S. C. 68)."

On page 10, line 6, to change the chapter number from "II" to "III."

Under the heading "Department of State," on page 10, after line 10, to insert:

"INTERNATIONAL EDUCATIONAL EXCHANGE ACTIVITIES

"For an additional amount of 'International Education Exchange Activities,' \$900,000."

On page 10, after line 17, to insert:

"PAYMENT TO FEDERAL REPUBLIC OF GERMANY

"For payment to the Federal Republic of Germany for the acquisition or construction of an Embassy in the District of Columbia, \$300,000: *Provided*, That this appropriation shall be effective only upon enactment of legislation set forth in either H. R. 9988 or S. 1573, 83d Congress."

Under the heading "Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Legal Activities," on page 11, line 5, after the word "activities", to strike out "\$275,000" and insert "\$350,000."

Under the subhead "Salaries and Expenses, United States Attorneys and Marshals," on page 11, line 9, after the word "marshals," to strike out "\$400,000" and insert "\$525,000."

Under the heading "Department of Commerce", on page 12, after line 5, to insert:

"BUREAU OF THE CENSUS

"CENSUSES OF BUSINESS, MANUFACTURES, AND MINERAL INDUSTRIES

"For expenses necessary for taking, compiling, and publishing the census of business, manufactures, and mineral industries as authorized by law, including personal services by contract or otherwise at rates to be fixed by the Secretary of Commerce without regard to the Classification Act of 1949, as amended; and additional compensation of Federal employees temporarily detailed for fieldwork under this appropriation; \$8,430,000, to remain available until December 31, 1957."

Under the subhead "Civil Aeronautics Administration", on page 12, after line 18, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$860,000."

On page 14, after line 8, to insert:

"WASHINGTON NATIONAL AIRPORT

"Maintenance and operation, Washington National Airport: For expenses incident to the care, operation, maintenance, and protection of the Washington National Airport, including purchase, cleaning, and repair of uniforms; and arms and ammunition; \$1,350,000."

On page 14, after line 14, to insert:

"Construction, Washington National Airport: For an additional amount for 'Construction, Washington National Airport,' including additional loading gate positions and related paving; and expansion of gasoline and baggage facilities; \$635,000, to remain available until expended."

Under the subhead "Maritime Activities—Ship Construction", on page 15, line 8, after the figures "\$82,600,000", to strike out the colon and "Provided", and insert "to

remain available until expended: *Provided*, That transfers may be made to the appropriation for the current fiscal year for 'Salaries and expenses' for administrative expenses (not to exceed \$500,000) and for reserve fleet expenses and such amounts as may be required, and any such transfers shall be without regard to the limitations under that appropriation on the amounts available for such expenses."

On page 16, after line 8, to insert:

"BUSINESS AND DEFENSE SERVICES ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$600,000."

Under the subhead "Bureau of Public Roads—Inter-American Highway", on page 16, line 16, after the word "Highway", to strike out "\$4,750,000" and insert "\$5,000,000."

On page 16, after line 17, to insert:

"REIMBURSEMENT TO DISTRICT OF COLUMBIA

"For reimbursement to the Highway Fund, District of Columbia, for part cost of construction of highway-railroad grade separation structure in the District of Columbia on New York Avenue in the vicinity of South Dakota Avenue NE, \$290,000: *Provided*, That this appropriation shall become effective only upon the enactment into law of H. R. 6080, 83d Congress."

At the top of page 17, to insert:

"WEATHER BUREAU

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$175,000."

On page 17, line 5, to change the chapter number from "III" to "IV."

Under the heading "Treasury Department," on page 17, after line 6, to insert:

"BUREAU OF ACCOUNTS

"SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT

"For an additional amount for 'Salaries and expenses,' \$500,000: *Provided*, That this paragraph shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the Eighty-third Congress."

Under the subhead "Internal Revenue Service", on page 17, at the beginning of line 15, to strike out "\$8,750,000" and insert "\$7,750,000."

On page 18, line 19, to change the chapter number from "IV" to "V."

Under the heading "Department of Labor", on page 18, after line 20, to insert:

"BUREAU OF LABOR STANDARDS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$25,000; and the amount made available under this head in the Department of Labor Appropriation Act, 1955, for the work of the President's Committee on National Employ the Physically Handicapped Week, is increased from \$75,000 to \$100,000: *Provided*, That this paragraph shall be effective only upon the enactment during the Eighty-third Congress of legislation increasing the authorization for appropriations for such purpose."

On page 19, after line 6, to insert:

"BUREAU OF VETERANS REEMPLOYMENT RIGHTS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$100,000."

Under the subhead "Bureau of Employment Security," on page 19, after line 11, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$145,000."

Under the subhead "Grants to States for Unemployment Compensation and Employment Service Administration," on page 19, line 19, after the word "administration", to

strike out "\$4,600,000" and insert "\$30,000,000."

Under the subhead "Unemployment Compensation for Veterans," on page 20, line 5, after the word "veterans", to strike out "\$88,400,000" and insert "\$70,400,000."

On page 20, after line 5, to insert:

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES

"For payments to unemployed Federal employees, either directly or through payments to States, as authorized by title XV of the Social Security Act, as amended, \$10,000,000, to remain available until expended."

On page 20, after line 10, insert:

"UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, payments to States, as authorized by title XV of the Social Security Act, as amended, such amounts as may be required for payment to unemployed Federal employees for the first quarter of the next succeeding fiscal year, and the obligations and expenditures thereunder shall be charged to the appropriation therefor for that fiscal year."

On page 20, after line 19, to insert: "The two immediately preceding paragraphs in this act under the head 'Bureau of Employment Security' shall be effective only upon enactment into law of H. R. 9709, 83d Congress, except that \$896,000 of the appropriation for 'grants to States for Unemployment Compensation and Employment Service Administration' shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

On page 21, after line 2, to insert:

"SALARIES AND EXPENSES, MEXICAN FARM LABOR PROGRAM

"For an additional amount for 'Salaries and expenses, Mexican farm labor program,' \$350,000."

On page 21, after line 6, to insert:

"BUREAU OF LABOR STATISTICS

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expense,' \$110,000."

Under the heading "Department of Health, Education, and Welfare," on page 21, after line 12, to insert:

"FOOD AND DRUG ADMINISTRATION

"SALARIES AND EXPENSES, CERTIFICATION AND INSPECTION SERVICES

"The paragraph under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, is amended to read as follows:

"Salaries and expenses, certification and inspection services: For expenses necessary for the certification or inspection of certain products in accordance with sections 406, 408, 504, 506, 507, 604, 702A, and 706 of the Federal Food, Drug, and Cosmetic Act, as amended (21 U. S. C. 346, 348, 354, 356, 357, 364, 372a, and 375), the aggregate of the advance deposits during the current fiscal year to cover payments of fees by applicants for certification or inspection of such products, to remain available until expended. The total amount herein appropriated shall be available for personal services; purchase of chemicals, apparatus, and scientific equipment; expenses of advisory committees; and the refund of advance deposits for which no service has been rendered."

On page 22, after line 7, to insert:

"OFFICE OF EDUCATION

"PAYMENTS TO SCHOOL DISTRICTS

"Notwithstanding the provisions of section 3 (c) (1) of Public Law 874, 81st Congress, as amended, the amount payable to a local educational agency for the fiscal year ending June 30, 1955, with respect to

the number of children determined under subsection (a) or (b) of section 3 thereof shall be computed on the same basis as was used during the fiscal year ending June 30, 1954, under subsections (a), (b), (c), and (d) of section 3 of said law."

On page 22, after line 17, to insert:

"WHITE HOUSE CONFERENCE ON EDUCATION

"Salaries, expenses, and grants: For carrying out the act of July 26, 1954 (Public Law 530), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), \$1,250,000, of which \$1 million shall be for grants to the States in accordance with section 2 of such act: *Provided*, That a Conference Director may be appointed by the Secretary at a salary of \$15,000 per annum."

At the top of page 23, to insert:

"OFFICE OF VOCATIONAL REHABILITATION

"GRANTS TO STATES AND OTHER AGENCIES

"For grants to States and other agencies in accordance with the Vocational Rehabilitation Act, as amended, \$6 million, of which \$1,500,000 is for vocational rehabilitation services under section 2 of said act; \$1,500,000 is for extension and improvement projects under section 3 of said act; and \$3 million is for special projects under section 4 of said act: *Provided*, That the amounts appropriated for the Office of Vocational Rehabilitation under the heads 'Payments to States' in the Department of Health, Education, and Welfare Appropriation Act, 1955, shall be available, without regard to the limitations set forth therein, for the purposes of section 2 of the Vocational Rehabilitation Act, as amended: *Provided further*, That the paragraphs under the head 'Office of Vocational Rehabilitation' in this act shall be effective only upon enactment into law of H. R. 9640 or S. 2759, 83d Congress."

On page 23, after line 18, to insert:

"TRAINING AND TRAINEESHIPS

"For grants for training and traineeships pursuant to section 4 of the Vocational Rehabilitation Act, as amended, and for carrying out the training functions provided for in section 7 of said act, \$1,831,000."

At the top of page 24, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$400,000, of which \$8,800 shall be transferred to the appropriation 'Salaries and expenses, Office of the General Counsel': *Provided*, That the limitation under this head in the Department of Health, Education, and Welfare Appropriation Act, 1955, on the amount available for production, purchase, and distribution of educational films, is hereby repealed."

Under the subhead "Public Health Service—Grants for Hospital Construction," on page 24, line 17, after the word "expended", to strike out "\$15,700,000" and insert "\$35,000,000"; in line 20, after the word "centers", to strike out "\$5,225,000" and insert "\$10,000,000"; in line 21, after the word "impaired", to strike out "\$5,225,000" and insert "\$10,000,000"; in line 22, after the word "facilities", to strike out "\$2,625,000" and insert "\$10,000,000"; and in line 23, after the word "homes", to strike out "\$2,625,000" and insert "\$5,000,000."

Under the subhead "Salaries and Expenses, Hospital Construction Services," on page 25, line 6, after the word "services", to strike out "\$200,000" and insert "\$300,000."

Under the subhead "Social Security Administration—Bureau of Old-Age and Survivors Insurance", on page 25, after line 8, to strike out:

"None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C."

On page 25, after line 13, to insert:

"SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"The amounts made available under this head for the fiscal year 1955 shall be available for the payment of special allowances to those employees of the Department whose headquarters are relocated from Baltimore, Md., to Washington, D. C., at \$9 per day after arrival at Washington, D. C., for 6 days for employees, plus \$4.50 per day additional for 6 days for each member of immediate families of employees."

At the top of page 26, to insert:

"For an additional amount for 'salaries and expenses,' \$6 million, to be derived by transfer from the Federal old-age and survivors insurance trust fund, of which not more than \$59,300 may be transferred to 'Salaries and expenses, offices of field services' for expenses of activities relating to the old-age and survivors insurance program."

On page 26, after line 6, to insert:

"ADVANCES TO STATES, NEXT SUCCEEDING FISCAL YEAR

"For making, after May 31 of the current fiscal year, advances to States under section 221 (e) of the Social Security Act, as amended, for the first quarter of the next succeeding fiscal year, such sums as may be necessary from the above authorization may be expended from the Federal old-age and survivors insurance trust fund."

On page 26, after line 13, to insert:

"The two immediately preceding paragraphs under the head 'Bureau of Old-Age and Survivors Insurance' in this act shall be effective only upon enactment into law of H. R. 9366 or similar legislation of the 83d Congress."

On page 26, after line 18, to insert:

"CONSTRUCTION, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

"For construction of an office building and appurtenant facilities for the Bureau of Old-Age and Survivors Insurance, including equipment, acquisition of land (including donations thereof), and preparation of plans and specifications, \$22,290,000, to be derived from the Federal old-age and survivors insurance trust fund and to remain available until expended."

On page 27, after line 2, to insert:

"SALARIES AND EXPENSES, CHILDREN'S BUREAU

"For an additional amount for 'Salaries and expenses, Children's Bureau,' \$165,000."

On page 27, after line 5, to insert:

"OFFICE OF THE SECRETARY

"SALARIES AND EXPENSES, OFFICE OF THE SECRETARY

"For an additional amount for 'Salaries and expenses, Office of the Secretary,' \$75,000, of which \$52,000 shall be available only for administrative and operational studies."

On page 27, after line 10, to insert:

"NATIONAL ADVISORY COMMITTEE ON EDUCATION

"For expenses necessary for the National Advisory Committee on Education and the conduct of studies of national concern in the field of education recommended by the Committee as authorized by the act of July 26, 1954 (Public Law 532), and studies of the educational problems of the Indian population, \$100,000."

On page 27, after line 17, to insert:

"CIVIL DEFENSE ACTIVITIES

"For expenses necessary to enable the Department of Health, Education, and Welfare to carry out functions delegated to it pursuant to the Federal Civil Defense Act of 1950, as amended, including expenses of attendance at meetings concerned with the purposes of this appropriation, \$1,800,000."

At the top of page 28, to insert:

"GENERAL PROVISIONS

"Sec. 502. There shall be hereafter in the Department of Labor, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Labor, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of April 17, 1946 (60 Stat. 91), as amended (5 U. S. C. 611b), relating to Assistant Secretaries of Labor. Section 3 of Reorganization Plan No. 6 of 1950, as amended (64 Stat. 1263; 66 Stat. 121), is hereby repealed: *Provided*, That the present incumbent of the position of Administrative Assistant Secretary may be re-assigned to an appropriate position in the Department without reduction in the rate of basic compensation."

On page 28, line 16, to change the chapter number from "V" to "VI."

Under the heading "Department of Agriculture—Forest Service," on page 28, after line 18, to insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' for national forest protection and management, \$375,000."

"For an additional amount for 'Salaries and expenses,' for forest research, \$515,000."

On page 29, after line 3, to insert:

"SOIL CONSERVATION SERVICE

"WATERSHED PROTECTION

"For an additional amount for 'Watershed protection,' to remain available until expended, \$2,425,000, of which not to exceed \$50,000 shall be transferred to and made a part of the appropriation 'Office of the Solicitor,' 1955: *Provided*, That funds appropriated under this head shall be available for carrying out the purposes of the act of (Public Law , 83d Cong.): *Provided further*, That this paragraph shall be effective only upon enactment into law of H. R. 6788, 83d Congress."

On page 29, after line 14, to insert:

"FOREIGN AGRICULTURAL SERVICE

"For an additional amount for 'Foreign Agricultural Service,' including not to exceed \$15,000 for representation allowances, \$1,500,000, of which \$1 million shall be derived from such appropriation or appropriations available to the Department of State as the Director of the Bureau of the Budget may determine: *Provided*, That transfers shall be made under this authorization in lieu of any similar transfers which may be authorized under the Agricultural Act of 1954 (H. R. 9680, 83d Cong.): *Provided further*, That this paragraph shall be effective only upon the enactment into law of H. R. 9680, 83d Congress."

On page 30, after line 2, to insert:

"COMMODITY EXCHANGE AUTHORITY

"For an additional amount for 'Commodity Exchange Authority,' \$93,000: *Provided*, That \$39,000 of this appropriation shall be effective only upon enactment of legislation which would add 'coffee' under the definition of the word 'commodities' as defined in section 2 (a) of the Commodity Exchange Act, as amended (7 U. S. C. 1-17a); \$34,000 shall be effective only upon enactment into law of H. R. 6435, 83d Congress; and \$20,000 shall be effective only upon enactment into law of S. 2313, 83d Congress."

On page 30, after line 12, to insert:

"FARMERS HOME ADMINISTRATION

"LOAN AUTHORIZATIONS

"For loans under the act of August 28, 1937, as amended, \$3,500,000: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act,

1955: *Provided further*, That this appropriation shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

On page 30, after line 22, to insert:

"OFFICE OF THE SOLICITOR

"For an additional amount for 'Office of the Solicitor,' \$54,000: *Provided*, That \$40,000 shall be effective only upon enactment into law of either H. R. 8386 or S. 3137, 83d Congress."

On page 31, line 3, to change the chapter number from "VI" to "VII."

Under the heading "Department of the Interior—Bureau of Indian Affairs—Construction," on page 31, line 15, after the word "Construction", to strike out "\$3,900,000" and insert "\$6,931,000"; in line 16, after the word "expended", to strike out the comma and "and the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services is increased by '\$1,000,000'" and insert "*Provided*, That \$3,000,000 of the foregoing amount shall be available to provide financial assistance to public school districts for the construction and equipment of public school facilities for Navaho Indian children from reservation areas not included in such districts; and \$31,000 shall be for the payment of the excess value of land, water rights, and irrigation structures to be received by the Pyramid Lake Paiute Tribe of Indians of the Pyramid Lake Indian Reservation in exchange for tribal lands of said tribe located in the State of Nevada."

On page 32, at the beginning of line 4, to insert "*Provided*, That title to the land to be acquired for said tribe described as southeast quarter of section 22, township 21 north, range 24 east, Mount Diablo base and meridian, containing 160 acres, more or less, and structures shall be taken in the name of the United States in trust for said tribe."

On page 32, line 9, after the amendment just above stated, to insert: "*Provided further*, That the prohibition against the use of funds appropriated under this heading in the Interior Department Appropriation Act, 1955, for the acquisition of land or water rights within the State of Nevada, either inside or outside the boundaries of existing reservations shall not apply to this transaction."

On page 32, line 14, after the amendment just above stated, to insert: "*Provided further*, That the limitation under this heading in the Interior Department Appropriation Act, 1955, on the amount available for personal services is increased by \$1,000,000."

On page 32, after line 17, to insert:

"RELOCATION OF THE YANKTON SIOUX TRIBE

"For necessary expenses of relocating the Yankton Sioux Tribe, South Dakota, in accordance with section 8 of Public Law No. 478, 83d Congress, to remain available until expended, \$106,500: *Provided*, That said amount shall be assessed against the costs of the Fort Randall Dam and Reservoir, Missouri River Development."

Under the subhead "Bureau of Reclamation", on page 33, after line 1, to insert:

"GENERAL INVESTIGATIONS

"For an additional amount for 'General Investigations', \$500,000, to be derived from the reclamation fund."

Under the subhead "Construction and Rehabilitation", on page 33, line 7, after the word "rehabilitation" to strike out "\$1,707,000" and insert "\$8,120,000"; in line 8, after the word "expended" to insert "of which \$2,320,000 shall be derived from the reclamation fund"; in line 12, after the word "by" to strike out "\$2,500,000" and insert "\$4,840,968", and in line 15, after the word "executed", to insert a colon and "*Provided further*, That \$375,000 of the unobligated funds

heretofore appropriated for the Missouri River Basin project shall be available for additional investigations on the Garrison diversion unit, including the Sheyenne Farm and the Oakes Development tract in North Dakota, and for the White River and Willow Creek Dam in South Dakota."

Under the subhead "Bureau of Mines—Construction", on page 34, line 3, after the word "Construction", to strike out "\$5,000,000" and insert "\$6,000,000."

On page 34, after line 14, to strike out:

"OFFICE OF TERRITORIES

"ADMINISTRATION OF TERRITORIES

"For an additional amount for 'Administration of Territories', \$47,000."

On page 34, after line 18, to insert:

"GENERAL PROVISIONS

"Sec. 702. Limitations on amounts to be expended for personal services under appropriations in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), shall not apply to lump-sum leave payments pursuant to the act of December 21, 1944 (5 U. S. C. 611b-d)."

On page 35, after line 2, to insert:

"Sec. 703. The limitation for personal services under the heading 'Construction, Bonneville Power Administration,' contained in the Interior Department Appropriation Act, 1955 (Public Law 465, 83d Cong.), is hereby increased from \$6,250,000 to \$7,450,000."

On page 35, after line 7, to insert:

"Sec. 704. Funds appropriated under the heading, 'Administration of Territories' in the Interior Department Appropriation Act, 1955 (Public Law No. 465, 83d Cong.) shall be available to carry out the provisions of the Revised Organic Act of the Virgin Islands (Public Law No. 517, 83d Cong.)."

On page 35, line 14, to change the chapter number from "VII" to "VIII."

Under the heading "Independent Offices—Commission on Organization of the Executive Branch of the Government—Salaries and Expenses," on page 36, at the beginning of line 5, to strike out "\$497,835" and insert "\$753,150", and in line 7, after the word "by", to strike out "\$62,700" and insert "\$137,700."

Under the subhead "General Services Administration—Additional Court Facilities", on page 36, line 15, after the word "buildings", to strike out "\$2,820,600" and insert "\$2,970,600", and in line 16, after the numerals "1956", to strike out the colon and "*Provided*, That none of the funds herein appropriated shall be used for providing facilities at Flint, Michigan."

On page 36, after line 18, to insert:

"PLANS AND SPECIFICATIONS, LEASE-PURCHASE CONTRACTS

"The unobligated balances of the funds made available by section 1 (a) of the act of June 14, 1946 (60 Stat. 257), the Second Supplemental Appropriation Act, 1950, and the General Appropriation Act, 1951, for the acquisition of sites and the preparation of drawings and specifications for Federal public building projects outside the District of Columbia, as authorized by title I of the act of June 16, 1949 (63 Stat. 176), as amended, and by the act of May 25, 1926 (44 Stat. 630), as amended, shall be available also for expenses of preparation of drawings and specifications, by contract or otherwise, and administrative expenses, for carrying out the purposes of the Public Buildings Purchase Contract Act of 1954 (Public Law 519, 83d Cong.), approved July 22, 1954."

Under the subhead "Expenses, General Supply Fund", on page 37, line 22, after the word "proceeds" to strike out "shall be covered into the Treasury as miscellaneous receipts" and insert "credited to the fund from which rental payments are made."

At the top of page 38, to insert:

"SURVEY OF GOVERNMENT RECORDS, RECORDS MANAGEMENT, AND DISPOSAL PRACTICES

"For necessary expenses, including not to exceed \$25,000 for administrative expenses, in connection with conducting surveys of Government records, and records creation, maintenance, management and disposal practices in Federal agencies, pursuant to sections 505 and 506 of the Federal Property and Administrative Services Act of 1949, as amended, \$500,000: *Provided*, That notwithstanding any other provision of said act, the Administrator shall have final authority in all matters involving the conduct of surveys and the implementation of recommendations based on such surveys: *Provided further*, That the General Services Administration is authorized to procure services in accordance with section 15 of the act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That a detailed quarterly report on the progress of each survey conducted hereunder shall be made to the Appropriations Committees of the Congress."

At the top of page 39, to insert:

"HOUSING AND HOME FINANCE AGENCY

"OFFICE OF THE ADMINISTRATOR

"Salaries and expenses

"For an additional amount for 'Salaries and expenses', \$1 million; and the limitation under this head in the Independent Offices Appropriation Act, 1955, on the amount available for expenses of travel, is increased from '\$169,325' to '\$260,825': *Provided*, That the authority contained under this head in the Third Supplemental Appropriation Act, 1954 (Public Law 357) for transfer of funds to this appropriation is continued through December 31, 1954, but additional amounts transferred pursuant to this extension shall not exceed \$250,000, including not to exceed \$25,000 for expenses of travel."

On page 39, after line 14, to insert:

"REIMBURSEMENT TO FEDERAL BUREAU OF INVESTIGATION

"For reimbursing the Federal Bureau of Investigation for expenses incident to investigation of matters in connection with programs authorized by the National Housing Act, as amended (12 U. S. C. 1701), \$560,000."

On page 39, after line 19, to insert:

"RESERVE OF PLANNED PUBLIC WORKS

"For advances to public agencies and for surveys to carry out the purposes of section 702 of the Housing Act of 1954, \$5 million."

At the top of page 40, to insert:

"PUBLIC FACILITY LOANS

"Public facility loans, payment to revolving fund: For payment to the revolving fund pursuant to section 108 of the Reconstruction Finance Corporation Liquidation Act as amended (40 U. S. C. 459), \$18 million: *Provided*, That the provisions of the first proviso under the head 'Office of the Administrator, salaries and expenses' in the Independent Offices Appropriation Act, 1955 (Public Law 428) with respect to expenses of inspections and of providing representatives at project sites shall apply to projects or facilities financed by loans from the revolving fund hereby established, and the limitation on such nonadministrative expenses in said proviso is increased from '\$500,000' to '\$525,000'."

On page 40, after line 13, to insert:

"URBAN PLANNING GRANTS

"For grants to State, regional and metropolitan area planning bodies in accordance with the provisions of section 701 of the Housing Act of 1954, \$2,500,000."

On page 40, after line 17, to insert:

"PUBLIC HOUSING ADMINISTRATION

"ADMINISTRATIVE EXPENSES

"For an additional amount for 'Administrative expenses,' \$800,000."

On page 40, after line 21, to insert:

"CORPORATIONS

"Federal National Mortgage Association: The limitation on the amount available for administrative expenses under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), shall be exclusive of expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of obligations as authorized by title II of the Housing Act of 1954."

On page 41, after line 5, to insert:

"Office of the Administrator, public facility loans: Not to exceed \$210,000 of funds in the revolving fund established pursuant to section 108 of the Reconstruction Finance Corporation Liquidation Act, as amended (40 U. S. C. 459), shall be available for administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the act creating the Federal Deposit Insurance Corporation (act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States."

On page 41, after line 18, to insert:

"Federal Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses, is increased from '\$5,150,000' to '\$6,500,000' and the limitation on the amount available for expenses of travel is increased from '\$175,000' to '\$355,000'; *Provided*, That the limitation under said head on the amount available for certain non-administrative expenses of said Administration is increased from '\$25,000,000' to '\$28,000,000'."

On page 42, after line 5, to insert:

"Public Housing Administration: The amount made available under this head in title II of the Independent Offices Appropriation Act, 1955 (Public Law 428), for administrative expenses of the Public Housing Administration in carrying out duties imposed by law, is increased from '\$6,950,000' to '\$7,750,000'; and the limitation under said head on the amount available for expenses of travel is increased from '\$500,000' to '\$580,000'."

On page 42, after line 13, to insert:

"NATIONAL CAPITAL PLANNING COMMISSION

"LAND ACQUISITION, NATIONAL CAPITAL PARK, PARKWAY, AND PLAYGROUND SYSTEM

"For an additional amount for 'Land acquisition, National Capital park, parkway, and playground system,' \$60,000, to remain available until expended, to be used for carrying out the provisions of section 1 (a) of the act of May 29, 1930 (46 Stat. 482), as amended."

Under the subhead "National Science Foundation—International Geophysical Year," on page 43, at the beginning of line 3, to strike out "\$1,500,000" and insert "\$2,500,000."

At the top of page 44, to insert:

"SMALL BUSINESS ADMINISTRATION

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses,' \$350,000."

On page 45, line 1, to change the chapter number from "VIII" to "IX."

Under the heading "Military Construction—Department of Defense," on page 43, after line 13, to insert:

"FAMILY HOUSING

"For family housing authorized by the enactment into law of H. R. 9924, 83d Congress, not to exceed \$175 million to be made available to the respective military departments in such amounts as may be determined by the Secretary of Defense, to remain available until expended: *Provided*, That funds appropriated under this heading shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impracticable to construct family housing under the provisions of title VIII of the National Housing Act, and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation, and (3) it is impracticable to acquire suitable housing under other existing provisions of law."

Under the subhead "Department of the Army—Alaska Communications System, Construction," on page 46, line 10, after the word "the" to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534."

On page 46, after line 15, to insert:

"ARMY NATIONAL GUARD

"The Secretary of the Army may transfer not to exceed \$3 million, to the appropriation 'Army National Guard, 1955' for additional State National Guard civilian employees from any appropriation available to the Department of the Army when such transfers are determined by the Secretary of the Army to be in the national interest."

Under the subhead "Department of the Navy—Public Works, Navy," on page 47, line 6, after the word "the", to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534"; in line 8, after the word "exceed", to strike out "\$2,500,000" and insert "\$5,000,000"; and line line 15, after "(34 U. S. C. 556)", to strike out "\$73,517,000" and insert "\$114,000,000."

Under the subhead "Department of the Air Force—Acquisition and Construction of Real Property," on page 48, line 3, after the word "the", to strike out "act of , 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534"; and in line 7, after the word "vehicles", to strike out "\$484,080,000" and insert "\$796,000,000."

Under the subhead "General Provisions," on page 48, line 10, to change the section number from "802" to "902", in line 13, after the word "the" to strike out "act of 1954 (Public Law , H. R. 9242" and insert "act of July 27, 1954 (Public Law 534."

On page 48, line 21, to change the section number from "803" to "903."

On page 49, line 3, to change the section number from "804" to "904."

On page 49, line 11, to change the section number from "805" to "905."

On page 49, after line 18, to insert:

"Sec. 906. Subsection (b) of section 404 of the Civil Aeronautics Act of 1938 (52 Stat. 993; 49 U. S. C. 484 (b)) is hereby amended by inserting at the end thereof the following: '*Provided*, That nothing in this or any other act shall prevent the carriage, storage, or handling of property free or at reduced rates for the Department of Defense, or the transportation of persons free or at reduced rates for the Department of Defense on a space available basis on scheduled service.'"

On page 50, after line 2, to insert:

"Sec. 907. (a) The Department of Defense is authorized to acquire by purchase, or by lease or otherwise for a period not to exceed 7 years, not to exceed six vessels capable of transporting, loading and unloading railroad rolling stock, on rails by the roll-on, roll-off method, as well as wheeled and tracked military equipment to be loaded and discharged under their own power."

"(b) Any appropriation of the Department of Defense shall be available for the purposes of this act."

On page 50, after line 11, to insert:

"Sec. 908. The Secretary of the Army is authorized to convey, subject to such terms, conditions, and restrictions as are required by this act and the public interest, to the Los Angeles City High School District of Los Angeles County, Calif., all right, title, and interest of the United States to the Birmingham General Hospital tract consisting of 117³¹/₁₀₀ acres of land, more or less, and all improvements thereon located at Van Nuys, Calif. In addition to other consideration required by this section for the conveyance authorized hereunder, such school district shall be required to pay to the Secretary of the Army the sum of \$500,000. Upon receipt by the Secretary of the Army such sum shall be credited to the appropriation, 'Military Construction, Army,' and shall be available for (1) the construction and other costs involved in moving to a suitable Government-owned site the buildings to be reconveyed to the Secretary under the provisions of this section, and (2) the construction of additional supporting facilities at such site as may be required for authorized defense construction."

On page 51, after line 6, to insert:

"In addition to other terms, conditions, and restrictions contained in the deed whereby the Birmingham General Hospital is conveyed to such school district, the school district shall agree, as a part of the consideration for the conveyance, (1) to reconvey to the Secretary of the Army, immediately upon acceptance of the deed, and without consideration, title to the buildings which are located at the Birmingham General Hospital and which are occupied by troops on the date of enactment of this act, and (2) to permit such buildings to remain in place for continued occupancy by troops until substitute facilities are constructed by the Secretary of the Army, and such buildings are removed."

On page 51, after line 18, to insert:

"CHAPTER X

"DEPARTMENT OF DEFENSE

"DEPARTMENT OF THE ARMY

"Rivers and harbors and flood control

"Construction, General

"For an additional amount for 'Construction, general,' \$8,275,000 to remain available until expended, of which \$1,600,000 shall be available for advanced engineering and design by the Corps of Engineers for projects which have been authorized for development with participation by State, local government or private groups and for authorized projects which are under consideration for participation by such agencies: *Provided*, That not to exceed \$2 million of unexpended funds appropriated for the current or any previous fiscal year to the Department of the Army for Construction, General, Rivers and Harbors, shall be available until expended for use on such authorized river and harbor projects as may be determined by the Secretary of Defense to be essential to the national defense program."

On page 52, after line 12, to insert:

"For contribution to the city of Muskogee, toward the construction of a water supply pipeline from the existing city water supply intake on the Grand River near its junction with the Arkansas River to Fort Gibson Dam, in settlement for all damages to the water supply of the city of Muskogee, on account of the construction and operation of Fort Gibson Reservoir, \$200,000 out of funds previously appropriated."

On page 52, after line 19, to insert:

"The project for bank protection on the Missouri River from Kenslers Bend, Nebr., to Sioux City, Iowa, authorized by the act approved August 18, 1941, and modified and extended upstream to include Miners Bend

and vicinity, South Dakota and Nebraska, by the act of June 30, 1948, is hereby further modified to include dredging McCook Lake at an estimated Federal cost of not to exceed \$500,000."

On page 53, after line 2, to insert:

"OPERATION AND MAINTENANCE, GENERAL

"For an additional amount for 'Operation and maintenance, general', \$840,000 to remain available until expended."

On page 53, after line 6, to insert:

"FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES

"For an additional amount for 'Flood control, Mississippi River and tributaries', \$1,000,000 to remain available until expended."

On page 53, line 11, to change the chapter number from "IX" to "XI."

Under the heading "Emergency Programs and Activities, Department of State—Government in Occupied Areas," on page 55, line 2, after the word "exceed", to strike out "\$35,000" and insert "\$50,000"; and in line 7, after (50 U. S. C. App. 1641 (b)), to strike out "\$14,000,000" and insert "\$14,500,000."

Under the subhead "Funds Appropriated to the President," on page 56, after line 21, to insert:

"EMERGENCY FUND FOR INTERNATIONAL AFFAIRS

"For expenses necessary to enable the President to take such measures as he deems appropriate to meet extraordinary or unusual circumstances arising in the international affairs of the Government, \$5,000,000, to remain available until expended, for use in the President's discretion and without regard to such provisions of law as he may specify: *Provided*, That the President shall transmit to the Committees on Appropriations of the Senate and of the House of Representatives, not less often than quarterly, a full report of expenditures under this appropriation."

Under the subhead "Refugee Relief," on page 57, line 20, after the word "exceed", to strike out "\$80,000" and insert "\$174,000"; in line 23, after the word "exceed", to strike out "\$600,000" and insert "\$1,500,000"; in line 24, after the word "loans", to strike out "\$7,000,000" and insert "\$9,025,000", and on page 58, line 3, after the word "allocated", to insert a colon and "*Provided further*, That the entire amount herein appropriated may, if found necessary by the Bureau of the Budget for effective administration of the program, be apportioned for use during the first 9 months of the fiscal year."

On page 58, after line 7, to insert:

"CONSTRUCTION OF TANKERS

"For construction of tankers as authorized by the act of 1954, Public Law , \$37,500,000 to remain available until expended: *Provided*, That this appropriation may be transferred to such appropriation as the President may designate."

Under the subhead "Federal Civil Defense Administration—Operations", on page 62, line 22, after the word "conclusive", to strike out "\$8,525,000" and insert "\$11,000,000"; and in the same line, after the amendment just above stated, to insert a colon and "*Provided*, That not to exceed \$350,000 of the unobligated balance of the 1954 appropriation for this purpose shall remain available until June 30, 1955."

Under the subhead "Federal Contributions", on page 63, line 5, after the word "funds", to strike out "\$10,500,000" and insert "\$14,750,000."

Under the subhead "Emergency Supplies and Equipment", on page 63, at the beginning of line 14, to strike out "\$25,000,000" and insert "\$32,100,000."

Under the subhead "Jamestown-Williamsburg-Yorktown Celebration Commission", on page 63, line 23, after the word "compensation", to strike out "\$25,000" and insert "purchase of not to exceed two passenger motor vehicles; and entertainment; \$170,000."

On page 66, line 4, to change the chapter number from "X" to "XII."

Under the heading "Claims for Damages, Audited Claims, and Judgments", on page 66, line 12, after the word "in", to insert "Senate Documents Nos. 144 and 146 and"; and in line 14, after the word "Congress", to strike out "\$9,296,561" and insert "\$11,472,202."

On page 67, line 3, to change the chapter number from "XI" to "XIII."

Under the heading "General Provisions—Departments, Agencies, and Corporations", on page 67, line 6, to change the section number from "1101" to "1301"; and in line 13, after the word "acts", to insert "except cars for Chiefs of Missions abroad."

On page 67, line 16, to change the section number from "1102" to "1302."

On page 68, line 22, to change the section number from "1103" to "1303."

On page 69, line 12, to change the section number from "1104" to "1304."

On page 69, line 17, to change the section number from "1105" to "1305."

On page 70, line 1, to change the section number from "1106" to "1306."

On page 70, line 16, to change the section number from "1107" to "1307."

On page 70, line 23, to change the section number from "1108" to "1308."

On page 71, line 7, to change the section number from "1109" to "1309."

On page 71, line 24, to change the section number from "1110" to "1310."

On page 73, beginning on line 1, strike out the following:

"Sec. 1111. (a) After the date of enactment hereof no amount shall be recorded as an obligation of the Government of the United States unless it is supported by documentary evidence of—

"(1) a binding agreement in writing between the parties thereto, in a manner and form and for a purpose authorized by law, executed before the expiration of the period of availability for obligation of the appropriation or fund concerned for specific goods to be delivered, real property to be purchased or leased, or work or services to be performed; or

"(2) a valid loan agreement, showing the amount of the loan to be made and the terms of repayment thereof; or

"(3) an order required by law to be placed with a Government agency; or

"(4) an order issued pursuant to a law authorizing purchases without advertising when necessitated by public exigency or for perishable subsistence supplies or within specific monetary limitations; or

"(5) a grant or subsidy payable (1) from appropriations made for payment of or contributions toward, sums required to be paid in specific amounts fixed by law or in accord with formulae prescribed by law, or (ii) pursuant to agreement authorized by, or plans approved in accord with and authorized by, law; or

"(6) a liability which may result from pending litigation brought under authority of law; or

"(7) employment or services of persons or expenses of travel in accord with law, and services performed by public utilities; or

"(8) any other legal liability of the United States against an appropriation or fund legally available therefor.

"(b) Not later than September 30 of each year, the head of each Federal agency shall certify, as to each appropriation or fund under the control of such agency, the amount thereof remaining obligated but unexpended and the amount thereof remaining unobligated on June 30 of such year and copies of such certification shall be forwarded by him to the chairmen of the Committees on Appropriations of the Senate and the House of Representatives, to the Comptroller General of the United States, and to the Director of the Bureau of the Budget. Notwithstanding any other provision of law, the duty of

making certifications as required by this subsection shall not be delegated: *Provided*, That such certification for the fiscal year ending June 30, 1954, shall be made not later than October 31, 1954, and shall include only such obligations as could have been recorded under the provisions of subsection (a) hereof.

"(c) Each certification made pursuant to subsection (b) shall be supported by records evidencing the amounts which are certified therein as having been obligated and such records shall be retained in the agency in such form as to facilitate audit and reconciliation for such period as may be necessary for such purposes.

"(d) No appropriation or fund which is limited for obligation purposes to a definite period of time shall be available for expenditure after the expiration of such period except for liquidation of amounts obligated in accord with subsection (a) hereof; but no such appropriation or fund shall remain available for expenditure for any period beyond that otherwise authorized by law.

"(e) Any statement of obligation of funds furnished by any agency of the Government to the Congress or any committee thereof shall include only such amounts as may be valid obligations as defined in subsection (a) hereof."

On page 75, line 20, to change the section number from "1112" to "1311."

On page 77, after line 3, to insert:

"Sec. 1312. The appropriations, authorizations, and authority with respect thereto in this act shall be available from July 1, 1954, for the purposes provided in such appropriations, authorizations, and authority. All obligations incurred during the period between June 30, 1954, and the date of enactment of this act in anticipation of such appropriations, authorizations, and authority are hereby ratified and confirmed if in accordance with the terms hereof and the terms of Public Law 475, 83d Congress."

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I was interested in what the Senator from South Carolina [Mr. MAYBANK] stated in relation to the appropriation for the Air Force. Is it not a fact that the appropriation in this bill is not the military appropriation for the Air Force, but merely an appropriation for construction work so far as the military is concerned?

Mr. BRIDGES. That is correct.

Mr. MAYBANK. I did not suggest otherwise.

Mr. FERGUSON. No; but I think the RECORD ought to be very clear on that matter.

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

Mr. FERGUSON. Is it not a fact that other items for construction in relation to the other services are also included in this bill?

Mr. BRIDGES. Yes.

Mr. FERGUSON. Is it not a fact that the authorizations for these items were passed within the past 2 or 3 weeks?

Mr. MAYBANK. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. Yes; I yield.

Mr. MAYBANK. To keep the RECORD straight, because I do not want to make an erroneous statement, my information is that the authorization has not as yet passed, but it is still in conference. I was defending the Appropriations Committee with respect to recommending appropriations on the basis of authorizations which had not even been passed.

If the Air Force wishes to expand to 137 wings, they will have to have additional appropriations. They will have to have the money. No authorization bill has been passed and sent to the President.

Mr. FERGUSON. I thought it had been passed.

Mr. MAYBANK. No, it is in conference.

Mr. BRIDGES. The housing bill has passed, but the military housing construction bill has not passed.

Mr. MAYBANK. It is in conference.

Mr. BRIDGES. Yes.

Mr. MAYBANK. That is what I meant to say. The fact is that we are considering a deficiency bill, which I do not like, and which the chairman does not like, when all the authorization bills have not passed as yet.

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

Mr. BRIDGES. I yield.

Mr. FERGUSON. Much of this bill is not in the nature of a deficiency; it is a supplemental bill covering items which were authorized during the current session.

Mr. BRIDGES. A great many of the items in this bill are made necessary entirely because of new legislation.

Mr. FERGUSON. That is correct.

Mr. BRIDGES. They are parts of the program of the administration, and this is the first appropriation bill which could provide for them.

Mr. FERGUSON. So they were not and could not be anticipated by the Bureau of the Budget in the previous appropriation bills because they had not been authorized.

Mr. BRIDGES. That is correct. The Bureau of the Budget spelled them out, and indicated that when and if they were authorized they would be recommended.

Mr. FERGUSON. Yes.

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

Mr. BRIDGES. I yield.

Mr. MAYBANK. The distinguished Senator knows that the Bureau of the Budget makes up the budget in October. If we keep talking on this bill as long as we have talked on some other bills, we will probably be here in October, and the Bureau will be making up the budget for next year. In October the Budget Bureau decides upon its recommendations for the appropriation bills for the next fiscal year. Is that not correct?

Mr. BRIDGES. That is correct.

Mr. CHAVEZ. Mr. President—

Mr. BRIDGES. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I should like to submit an amendment.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. Was the unanimous-consent request of the Senator from New Hampshire, as modified, accepted?

The PRESIDING OFFICER. It was.

Mr. DOUGLAS. Is the bill open to amendment?

The PRESIDING OFFICER. The bill is open to amendment.

Mr. DOUGLAS. And for elimination?

The PRESIDING OFFICER. The Senator can make any motion he desires to strike out or further amend.

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

Mr. BRIDGES. I yield to the Senator from South Dakota. However, the Senator from New Mexico has an amendment which he is ready to offer.

Mr. CASE. Mr. President, the Senator from South Dakota would like to ask the distinguished Senator from New Hampshire with respect to a portion of the committee report accompanying this bill. The committee report embraces a table of projects for the construction by application of previously appropriated funds. In that table I do not see one of the items which was requested by the Military Department but which had not been enacted into law prior to the time the compilation was made. I have reference to the item for the Black Hills Ordnance Depot, with which the Senator is familiar.

Since that is merely a part of the committee report and requires agreement with the House committee, I am wondering if the Senator could assure me that in the conference with the House this ordnance depot item will be taken into consideration in an effort to secure concurrence in the application of previously appropriated funds consistent with the authorization which has since been approved by the House.

Mr. BRIDGES. The Senator from New Hampshire understands that item, and while this is not in the bill and is not an item mentioned in the report on page 46—

Mr. CASE. The general program is based on page 46.

Mr. BRIDGES. The Senator from New Hampshire would be glad to add in the report and present to the conference the Black Hills Ordnance Depot.

Mr. CASE. That is mentioned in the hearings at page 1005.

Mr. BRIDGES. I remember that it is. This is not new funds. This is merely putting it in the program for previously appropriated funds, in line with a series of other programs which we have outlined on page 46 of the report.

Mr. CASE. It is consistent with the request of the Army as shown at page 1005 of the hearings.

Mr. BRIDGES. The Senator from New Hampshire is aware of that and believes that we can include it in the report.

Mr. CASE. I thank the Senator.

Mr. CHAVEZ. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 37, after line 9, it is proposed to insert the following:

HOSPITAL FACILITIES IN THE DISTRICT OF COLUMBIA

The appropriation item under the heading "General Services Administration, hospital facilities in the District of Columbia" contained in the act approved July 15, 1952 (66 Stat. 637), as amended, is hereby amended by inserting after the word "asylum" at the end of the first proviso, as amended, and before the colon, the phrase "and Georgetown University Hospital."

Mr. BRIDGES. Mr. President, I understand the amendment will not increase the amount. It will merely add Georgetown University Hospital, as a

facility in the District of Columbia, to the list of institutions which might apply and operate under the overall act.

Mr. CHAVEZ. There are now five institutions in the District of Columbia that avail themselves of the provisions of the act. It is desired to get Georgetown University Hospital on the list. No extra money is required.

Mr. BRIDGES. As I understand it, the amendment merely puts Georgetown Hospital on the same basis as the other hospitals within the District of Columbia.

Mr. CHAVEZ. That is correct.

Mr. BRIDGES. The Senator from New Hampshire has no objection to that. He thinks the hospital institutions of the District of Columbia, certainly the outstanding ones, should be treated on a similar basis, and he has no objection to taking the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. CHAVEZ].

The amendment was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor.

Mr. BRIDGES. Mr. President, I yield to the Senator from Maryland.

Mr. BUTLER. Mr. President, I sent forward an amendment—

Mr. DOUGLAS. Mr. President, a parliamentary inquiry. Does the chairman of the committee have the power to farm out the time so that he can determine which amendment can be brought up and which cannot?

The PRESIDING OFFICER. He has no such power.

Mr. DOUGLAS. Cannot all Senators seek recognition directly from the Chair?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOUGLAS. Therefore, should not the Senator from Maryland have sought recognition from the Chair, rather than having the Senator from New Hampshire yield to him?

Mr. BUTLER. The Senator from Maryland advises the Senator from Illinois that he sought recognition on four different occasions.

Mr. DOUGLAS. I say to the Senator from Maryland that he should have sought recognition from the Presiding Officer rather than to have the Senator from New Hampshire yield to him.

Mr. BUTLER. I would rather not get into the protocol of the situation.

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland. The clerk will state the amendment offered by him.

The CHIEF CLERK. On page 16, after line 8, it is proposed to insert:

DEPARTMENT OF COMMERCE MARITIME ACTIVITIES

Repair of reserve fleet vessels (liquidation of contract authorization)

For the payment of obligations incurred pursuant to authority granted under the "Emergency Ship Repair Act of 1954," \$18 million to remain available until December 31, 1956: *Provided*, That advances may be made from this appropriation to "Salaries and expenses, maritime activities," for administrative expenses (not to exceed \$500,000), and for reserve fleet expenses (in such amounts as may be required), and such

advances shall be in addition to amounts otherwise made available for such expenses: *Provided further*, That this paragraph shall be effective only upon enactment into law during the 83d Congress of S. 3546.

Mr. BUTLER. Mr. President, on July 8 the Senate passed an authorization bill involving \$45 million for the purpose of repairing and modernizing 205 vessels in the reserve or laid-up fleet. These vessels would be designated by the Department of Commerce and the Department of Defense as being needful in the event of emergency. Some will be converted into naval auxiliaries, others which would be needed immediately in the event of an emergency will be repaired and made ready to sail within days rather than within months after the happening of that emergency.

The authorization bill then went to the House of Representatives and was reduced by the House from \$45 million to \$25 million. The House action was predicated upon the fact that the authorization in its entirety was not needed over the balance of this year.

After looking into the matter, the committee in conference today acceded to the House amendment, and the amount in the bill is now \$25 million. The appropriation to carry out the action of the Senate on July 8 would be provided by my amendment.

Mr. President, a summary of the estimated amount of money or \$25 million is as follows:

Repair of 90 of these vessels will cost an estimated \$15,905,000; the repair and conversion of 15 of these vessels will cost approximately \$5,600,000, or a total of \$21,505,000; incidental costs will involve \$2,100,000; reserve fleet expenses approximately \$900,000; administrative expenses, \$500,000; making a total of about \$25 million.

This money is needed now if the program is to be a success. The ships must be removed from mothballs immediately and started on their way to the yards. A number of immediate short-term contracts will be necessary, and payments will be required under the contracts. I therefore ask that the chairman of the committee accept the amendment.

Mr. BRIDGES. Mr. President, this is an item on which there has been some discussion before. However, it never came to the Committee on Appropriations for hearings or examination. It arrived yesterday after the bill had been reported by the committee to the Senate. The explanation given to the Senator from New Hampshire and to the other members of the Committee on Appropriations, as to the reason for its not coming up before, was that only as of today the conferees agreed on the authorization bill.

Mr. BUTLER. That is correct.

Mr. BRIDGES. Since there had been no agreement before, the Bureau of the Budget had failed to send up an estimate, and the President had not submitted the program for the same reason.

Mr. BUTLER. I may say to the Senator from New Hampshire, when I talked to the President recently concerning this program he expressed the opinion that it was a most essential item; something

which should be undertaken in the interest of national defense.

Mr. BRIDGES. I will say to the Senator from Maryland that that was in general the information conveyed to the Senator from New Hampshire. However, I think the passage of the legislation is important to the country, particularly from the standpoint of our national defense. It is also a fact that the conferees have come to agreement, even though the conference report has not yet been agreed to by either House. I assume it will be agreed to, because the conferees unanimously agreed to the report. The Senator from New Hampshire has had no opportunity to contact the members of his committee. However, on my own responsibility I would be willing to take the amendment to conference.

The Senator from New Hampshire would not feel, without testimony, and so forth, that he could accept the full amount of \$25 million. However, the Senator from New Hampshire would be willing to take enough money to start operating the program, which has been enacted by Congress and recommended by the President, although he would not be willing to take the whole amount.

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

Mr. BUTLER. I yield.

Mr. DOUGLAS. This is only the first supplemental appropriation bill. Undoubtedly there will be additional supplemental appropriation bills during the coming year. Why should we appropriate \$25 million at the last minute when the committee has not been able to take testimony or to appraise the matter? Why cannot this item be left over until January, when there will certainly be a second supplemental appropriation bill.

Mr. BUTLER. I would say to the Senator from Illinois that the purpose of the bill stands very high in the estimation of the President of the United States, from the standpoint of national defense, and he feels that these vessels, which would be vitally needed in the event of war, should now be removed from mothballs and repaired and converted immediately. He also feels that, in addition to the usefulness of the ships themselves in the event of an emergency, we must also necessarily maintain, for our defense and protection, certain minimum skilled labor in our ship repair yards.

The Senator can point his finger all he wants, to attempt to indicate that he has now hit the jackpot, but let me tell him that he has not. These ships are essential to our national defense. Our shipbuilding and ship repair yards are likewise essential to our national defense in the event of an emergency, and must be kept in existence.

Mr. DOUGLAS. Mr. President, I believe the Senator from Maryland has pinpointed the purpose of the amendment, which is to keep the shipyards busy. Although that may be a very estimable purpose, it is obviously in the nature of a subsidy. Perhaps we should do it. It may well be that we should, but I am a

little suspicious about ship construction and ship repair and ship operation subsidies, which come to Congress year after year under the guidance of big lobbies. I am a little suspicious, and therefore I believe we should scrutinize very carefully items of that kind before we grant appropriations.

Mr. BUTLER. Mr. President, I am not normally disposed to cut the Senator from Illinois off, even though I have the floor, but I should like to emphasize that this program was passed by the Senate by a very large vote. It had been previously unanimously approved by our committee because it was considered to be essential to the national defense of our country. If the Senator wants to stand astride in opposition to the program, he may do so. I ask for a vote on the amendment.

Mr. DOUGLAS. I would suggest that the matter could be held off until the next supplemental appropriation bill comes along.

Mr. BUTLER. I suggest that the Senate adopt the amendment in the interest of national defense.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. BUTLER]. Without objection—

Mr. DOUGLAS. Mr. President, I wish to register my objection.

Mr. BRIDGES. I wish to say in connection with the amendment that one of the questions in which the Senator from New Hampshire was interested was whether or not awards of contracts could be made without competitive bidding. The Senator from New Hampshire felt that competitive bidding was essential in connection with any item of this type.

Mr. BUTLER. Mr. President, I can answer that question. The conference committee has agreed to strike out the objectionable language to which the Senator is addressing himself.

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

Mr. BUTLER. I am glad to yield.

Mr. MAGNUSON. I think it is a very necessary amendment. If the chairman of the committee takes the amendment to conference, the RECORD ought to be clear that the money will not be available until the authorization bill is signed by the President. It should be understood that the money will be available when the authorization bill is passed.

Mr. BUTLER. The amendment provides further that "this paragraph shall be effective only upon enactment of S. 3546, the authorization bill, into law during the 83d Congress."

Mr. MAGNUSON. I thank the Senator from Maryland.

Mr. BUTLER. Therefore we are protected in that respect.

Mr. BRIDGES. The Senator from New Hampshire will say to the Senator from Maryland that he would not be willing to assume the responsibility for his committee by accepting the full amount of the amendment without first taking testimony in connection with the item. The Senator from New Hampshire does feel that it is essential that

the work shall proceed, now that the authorization has been agreed upon in conference between the two Houses. Therefore, the Senator from New Hampshire would be willing to accept the amendment providing \$18 million or \$19 million, which, according to the staff, certainly should be sufficient to permit the awarding of initial contracts, so as to start construction. Then requests can be made for additional funds either in the regular appropriation bill or in a supplemental appropriation bill, when a full justification can be made. I would accept \$18 million on that basis.

Mr. BUTLER. I will accede to the request of the Senator from New Hampshire, because I strongly believe this program should be put into effect immediately, for two reasons: First, we need these ships very badly; and secondly, we must keep a nucleus of skilled labor intact and keep the yards intact, all of which, in my opinion, will be closed by next January if this is not done.

Mr. MAGNUSON. I think the Senator from Maryland will agree that what the chairman has suggested will be enough to get this started.

Mr. BUTLER. I do.

Mr. MAGNUSON. We will see what we can do with that.

Mr. BUTLER. I accede to the amendment offered by the Senator from New Hampshire, and I hope the Senator from Illinois will go along with us on it.

Mr. DOUGLAS. I press my objection, but I am merely one Member of the Senate.

The PRESIDING OFFICER. Does the Senator from Maryland modify his amendment?

Mr. BUTLER. I modify my amendment in accordance with the suggestion of the Senator from New Hampshire.

The PRESIDING OFFICER. Will the Senator from New Hampshire send the modification to the desk so that the clerk may read it.

Mr. BRIDGES. I do not have it in writing. I would change the figure \$25 million to \$18 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maryland, as modified.

The amendment was agreed to.

Mr. MORSE. Mr. President, I offer the amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 36, line 5, it is proposed to strike out \$753,150 and insert in lieu thereof \$497,835.

Mr. MORSE. Mr. President, before I speak on the merits of that amendment; I wish to address myself to some general observations on this supplemental appropriations bill, and would like to have the attention of the Senator from New Hampshire. I respectfully suggest that he rest himself by sitting down while I do so.

Mr. President, the Senate committee's recommendations for planning funds for the John Day, Green Peter, and Cougar projects are very gratifying to me, as I am sure they are to the two Sena-

tors from Washington and the two Senators from Montana who have cooperated with me, as I have cooperated with them in our attempt to obtain some planning funds for some of our Northwest projects. I have been urging such action for many months.

At the outset of this session of Congress I advocated an aggressive program of public works in the Pacific Northwest to counteract the serious economic slump and to meet the electric power needs in the area. On January 18, in a Senate speech, I urged that money be made available for John Day Dam and other projects.

In March, in a statement to the Appropriations Committee, I recommended funds for many needed projects in Oregon and stressed the special merits of the John Day, Green Peter, and Cougar projects.

In April Senators MAGNUSON, JACKSON, MURRAY, MANSFIELD, and I submitted an amendment to the civil functions appropriations bill so as to add, among other things, \$700,000 in planning funds for the John Day project.

Appropriation of funds for this multipurpose dam is of particular importance because some 2 to 3 years of final planning are needed before the project can be brought to the construction stage.

The Appropriations Committee and the Senate adopted a provision for \$500,000 for this purpose. Unfortunately that amount was eliminated in conference.

Senators MAGNUSON, JACKSON, and I protested that action. And we renewed our efforts for planning funds when consideration of the supplemental appropriations bill was begun. On the very first day of hearings, I urged the committee to provide \$1,500,000 for John Day planning for an accelerated program. Senators MAGNUSON, JACKSON, MURRAY, MANSFIELD, and I submitted an amendment for that purpose.

The committee has recommended \$700,000. While I would prefer that an accelerated program be followed, this committee action is a decided improvement over its original action and that of the Senate.

It would be undesirable and unwise to use this higher figure only for bargaining purposes in conference. I wish to stress this in my comment, particularly for the benefit of the chairman of the committee. The Army engineers have advised me—and I have made this material available to the committee and to the Senate—that \$700,000 represents the funds needed to do a full year's work. This should remain the minimum amount below which the Senate will not go. I sincerely hope the Senator from New Hampshire, in whom I have great confidence, as he knows, will hold firm in conference for the \$700,000 figure and will not consider it a figure on the basis of which any compromise can be made, particularly in view of the fact that earlier this year the \$500,000 figure for John Day planning was stricken out in conference. It was the only figure for planning that was presented to the conference and stricken out.

I certainly hope that this time the figure will be considered an absolute es-

sential on the part of Senate conferees, and that we will not be confronted again, when the bill returns from conference, with the striking out of this figure. There is no question about the fact that, on the basis of the merits, the \$700,000 for a full year's work by the Army engineers in planning for the dam, irrespective of who finally builds the electric generating features of the dam, is a figure which is needed in the interest of the most economical use of the money by the Army engineers.

As I have made clear to the Committee on Appropriations, that is the report made by the Army engineers to me, and there is no question that this figure has the approval of the Army engineers.

It would be undesirable and unwise to use this higher figure only for bargaining purposes in conference. The Army engineers have advised me—and I have made this material available to the committee and to the Senate—that \$700,000 represents the funds needed to do a full year's work. This should remain the minimum amount below which the Senate will not go.

In similar fashion, the Green Peter and Cougar projects require a considerable amount of planning and project design before they would be ready for construction. Their flood-control features are imperatively needed in the Willamette River Basin. Power-generating facilities should be added to their plans and built when the basic projects are constructed. If the omnibus rivers and harbors bill is passed this year, that needed modification will be provided.

This is what I wish to direct to the attention of the chairman of the committee:

Both the committee report and the bill include funds for these projects along with those "which have been authorized for development with participation by State, local government, or private groups and for authorized projects which are under consideration for participation by such agencies."

It should be stressed that John Day, Green Peter, and Cougar are presently authorized as wholly Federal projects. So-called partnership proposals for them are at various stages of consideration. It is quite obvious that the necessary preliminary work can be accomplished for these important multipurpose dams without modifying the existing plans for them as Federal projects on a hurry-up basis. Any such proposed modifications require careful and deliberate study.

I wish to make it very clear that irrespective of what the committee may provide by way of language in the report, the language does not make them partnership projects. Approval for the partnership project, if it is to be approved, still awaits the action of the Senate. I wish to make it very clear that it is the appropriation which is controlling, and the provision for the planning is based upon the only authorization which heretofore has been approved by Congress, namely, by way of authorization for Federal projects, and not for partnership projects.

I wish to say a word about Yaquina Bay Harbor, Oreg.

It is also gratifying that the Appropriations Committee has recommended a supplemental appropriation of \$600,000 for repairs to the north jetty at Yaquina Bay Harbor, Oreg. This project is extremely important and the repair work is long overdue. For several months I have been in communication with residents of the Yaquina Bay area and they have described in detail the impediments to shipping resulting from sand and silt that is washed into the main ship channel from the deteriorated jetty. A great deal of shipping from ports on Yaquina Bay is connected with Government purchases for defense purposes. Repair of the jetty will be of tremendous benefit to the economy of the area.

I sincerely hope that not only will the amount provided pass the Senate in this bill, but that the committee will stand firm on the amount in conference.

Now a word in regard to Priest Rapids, and planning funds therefor.

The bill as reported would provide \$350,000 for planning funds for this project. Within the past few weeks a modification of the Priest Rapids authorization was enacted to provide for construction of the project wholly with funds to be raised privately by the Grant County and associated PUD's or alternate public agencies. Other non-reimbursable features might be added by the Federal Government at some future time.

I opposed the Priest Rapids bill because it would, in my judgment, cause delay and disruption to the plan for comprehensive development of the Columbia River Basin. In the debate, I pointed out that there was no provision for effective power integration and public body preference. It was also noted that the possibilities for delay were manifold. It was my prediction that the PUD's would probably not succeed in making the necessary arrangements for constructing the dam and that there was a strong possibility that the vast quantities of electric power from the project would go to the benefit of private utilities, if we began to depart from the idea of having this a Federal project, built with Federal funds.

In just a few short weeks these unfortunate possibilities have increased.

When the bill was passed only the public utility district license application had been filed with the Federal Power Commission. Since, the Washington State Power Commission has filed an application.

It is interesting that under Washington State law the public utility districts must provide preference in sales to public bodies, but the State power commission is not required to do so. Public utility district contracts for power sales to private utilities are limited to 3 years. The State commission is not subject to a similar limitation.

This new filing will cause considerable delay. It will cause considerable controversy in the State of Washington and, in my judgment, considerable confusion also. The end result will be a further delay in the building of the dam.

If the State commission is successful, the private utilities will move closer to appropriating the benefits of this great power producer. I wish to make it very clear—and I want the two Senators from Washington to understand it—that I am in favor of appropriating funds for the Army engineers' planning on the project. This project should be returned to the status of a Federal multipurpose dam; and Federal efforts, such as this, to ready it for construction are all to the good. The money for planning by the engineers will be needed, no matter who builds the generating features of the dam. The planning will have to be done, even under the Priest Rapids bill that has been passed, by the Army engineers.

I am an enthusiastic supporter of the \$350,000 for the purpose of planning by the Army engineers. I respectfully urge the chairman of the committee to stand firm in conference, to see to it that the \$350,000 is retained in the bill when it comes from conference.

But again I issue the warning which I first issued during the debate on the Priest Rapids bill. We see already that forces are at work in the State of Washington, which I fear will succeed in not having the public utility district build the dam, but to have the State of Washington Water Power Commission build the dam or sponsor the dam, which means that behind the power commission the private utilities will get control of the dam, because that is the record of the State Commission in Washington.

The Public Works Committee has approved additional authorization of this project in the omnibus rivers and harbors bill reported last week.

This project has been described by some as a partnership project because provision is made for local expenditures on power facilities. However, it should be clear, as the House report—No. 2247 on H. R. 9859—indicates, that the Army engineers report:

(a) That the provision of hydroelectric power does not meet current criteria and should not be carried out at this time by the Federal Government.

These power facilities are not economic by Federal standards and local participation in that aspect of the project would not amount to handling over a proper Federal function.

Now a word with respect to the Coosa River project, in Alabama, which is covered in the bill. The appropriation bill, as reported, provides \$100,000 for Coosa River, Ala., planning. This is another so-called partnership project which I oppose. It should be explained what reimbursement the United States will receive.

As the record of the Committee on Public Works clearly shows, I opposed the Coosa River bill when it was before the Public Works Committee. The only reason that I am not on record as opposing it on the floor of the Senate is for reasons previously stated in a speech I made on the floor of the Senate. Illness in my family made it impossible for me to be on the floor of the Senate at the time the bill was being considered in the Senate. But had I been here, my

objections to it would have been the same as my objections expressed in the Public Works Committee, where I voted against the bill.

Mr. President, this Coosa River, Ala., project is another of the so-called partnership projects which I am opposed to. It should be explained what reimbursement the United States will receive under this bill.

This bill is exceptionally interesting in that the so-called partnership program is being undertaken at the very outset with Federal funds. It has yet to be demonstrated when the partners will begin to carry some—let alone a fair share—of the financial burden.

I have made these statements on the bill, Mr. President, because I do not want this RECORD ever to contain the slightest misunderstanding as to the position of the Senator from Oregon with regard to the development of the power resources of this country by the Federal Government.

In my judgment, except, as I have previously said, in those specific cases where a site is one which calls for the building of a low-head dam for generating purposes and not for multiple purposes, there should be Federal development. I think the multipurpose dam sites in this country should be developed by the Federal Government, and not on a so-called partnership basis.

However, where the site is particularly adaptable to the building of a private utility low-head dam, the private utilities can count on me for support.

I now turn to my amendment, which goes to the section of the bill on page 36, line 5, in regard to the Hoover Commission task force. It is proposed to increase the amount approved by the House from \$497,835 to \$753,150.

I think we should not increase the House figure. My amendment proposes to reduce the figure recommended by the Senate committee to the figure approved by the House for the reasons which I shall set out.

I regret, Mr. President, that this will be a speech of some length, but in my judgment in this innocent-looking little section of this bill we are dealing with a matter of great public concern to this country. We are dealing with a great division of opinion in the Senate as to what public policy should be in the whole field of electric power.

(At this point Mr. MORSE yielded for action on amendments, which appear at the conclusion of Mr. MORSE's speech.)

Mr. MORSE. Mr. President, I shall return to my amendment, and I shall not yield further.

THE PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oregon.

THE LEGISLATIVE CLERK. On page 36, line 5, it is proposed to strike out the figure "\$753,150" and substitute in lieu thereof the figure "\$497,835."

PRIVATE UTILITY BIAS OF HOOVER COMMISSION TASK FORCE

Mr. MORSE. I shall discuss this amendment under the title of "Private Utility Bias of Hoover Commission Task Force."

The supplemental appropriation bill contains provisions for substantial additional funds for the Commission on Organization of the Executive Branch of the Government—the Hoover Commission.

As the bill passed the House, there was provision for \$497,835 for salaries and expenses. The Senate committee recommends that these amounts be increased to \$753,150.

The committee report makes no justification for this amount beyond the statement that it is the amount requested in House Document No. 440, plus \$200,000 "to provide funds for additional duties assigned to the Commission."

Certainly the Commission's most publicized operation and an area of great activity has been Federal power policy.

It has been on the road for months, ostensibly taking testimony from local citizens.

At each stop there has been the same pattern. Private utility spokesmen have testified first with generous allotments of time. Co-op, PUD, municipal system, farm, labor, and small-business groups have been hurried through in the closing hours of sessions. The task force members have not hesitated to argue with public power yardstick advocates.

In Portland, Oreg., their bias was so obvious that even the Oregonian editorialized on the obvious private-utility bias of the task force.

It is pertinent to trace the origins of the group and the background of its membership and expected policy recommendations.

The electric-power policy which the administration is following has been carefully blueprinted and publicly advocated. There should be no confusion or fog about it. It is a liquidation policy. Its author stated:

The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing power as soon as possible.

In the face of this flat pronouncement about the objective, there have been continuing efforts to mislead the people. As the administration surrenders power projects like Hells Canyon, Priest Rapids—the best sites—to the private interests, it generally announces that planning is going to start on a big project like giant Libby Dam—projects which are so far out in the future they cannot possibly be started during the present administration.

No one should be misled. There is no intention of adding any new power facilities. The Federal Government is to be liquidated out of the power field entirely if it can be done, and that includes the projects now existing, as well as the great hydro and atomic projects which might be built in the future.

"EISENHOWER" POWER-GIVEAWAY POLICY

Because every citizen should be advised of the real objective of real administration's power policy—the "Eisenhower" power policy—I shall go into it in some detail and point out how it has been carefully followed during the first 18 months of the Cadillac crusade.

The "Eisenhower" power policy was enunciated by Ex-President Hoover almost exactly a year ago, on April 11, 1953, in an address to the diamond jubilee of the Case Institute of Technology in Cleveland, Ohio. The address was broadcast nationally and received considerable attention. But it was not then realized that Mr. Hoover was returning to power in the Federal Government. His program was then regarded as the viewpoint of the private utility interests. Only as administration policy has unfolded, and Mr. Hoover was brought into a high policymaking position in the new administration, has it become clear that his Cleveland speech was an enunciation of what the "Eisenhower" team was planning to do in the electric-power field.

Mr. Hoover preceded his statement of policy at Cleveland with the usual private utility slogans. Mr. Hoover said:

In the field of Federal electric power we have an example of 20 years of creeping socialism with a demonstration of its results.

The highly critical report made by the first Hoover Commission's staff of accountants and engineers amply illuminated the results of this Socialist invasion, Mr. Hoover said. He did not detail those findings. Instead, the ex-President then indulged in a little more of the sort of labeling which the electric companies' advertising program had previously recommended in a confidential report to power company executives. ECAP in 1949 advised private power companies to tie the Socialist tag on Federal power policy. Four years later, Mr. Hoover said:

Before I go into more detail I wish to say something as to what the American way of freemen really is.

The Socialists, with their ideas imported from Europe, totally misconstrue the unique structure of American life. They envisage it in terms of European societies * * *

Tonight I shall appraise the aspects of creeping socialism in the electric power industry by the Federal Government only.

For the benefit of those who are interested, this was before President Eisenhower tied the "creeping socialism" label on the TVA.

After 15 or 20 minutes of putting the label on public power, Mr. Hoover came to his proposed remedy. I shall read that portion of his text in full for it constitutes the blueprint of the power policy being followed today. I now quote Mr. Hoover:

However, I do not believe in criticism without remedies.

Over 20 years ago I recommended to Congress the transformation of an ex officio commission into a full Federal Power Commission with regulations that had teeth in them.

The purpose was to control the oppressive empires then growing in the private electric utilities. The transformation was made but without the teeth. My successor set up the Securities Exchange Commission to do this de-empiring. Now, however, it is the Federal Government itself that urgently needs the same de-empiring.

The first steps should be:

1. The Congress should cease to make appropriations for more steam plants or hydroelectric plants solely for power. If they are justified, private enterprise will build them and pay taxes on them.

2. The Congress should follow the precedent of the Colorado (Boulder Dam) project and make no more appropriations for new multiple-purpose projects unless the electric power is first leased on terms, the standards of which I shall describe in a moment.

3. The Congress should, jointly, with the President set up a temporary Commission on reorganization of this whole Federal venture, with resources to employ technical assistance.

(a) This Commission should investigate and recommend proper methods of accounting and a revision of the division of Federal investment in these projects between electric power and other purposes, and recommend proper practices for the future;

(b) The Commission should report on the actual cost of, and the prospective returns from, each of these major enterprises;

(c) The Commission should formulate the methods and standard terms for leasing generating plants, transmission lines, and the electrical energy to private enterprise or to the municipalities or to the States or to regional authorities that may be set up and managed by the States. These standard terms should provide for payment of interest and amortization of the Federal investment, the refunding of arrears in these items and also contributions in lieu of taxes. The latter would not need apply in the cases of private enterprise as they pay their own taxes.

(d) The Commission should develop methods by which non-Federal agencies can share cooperatively in the cost of future capital outlays on the electrical part of multiple-purpose dams.

Some of these projects could be disposed of so as to return these standard terms to the Federal Government. Others, due to excessive cost, may need concessions, and the Federal Government would need to cut its losses.

Others of them, pending disposal, will need to continue to be operated by the Federal Government. In these cases the Commission should recommend what rates they should charge their customers so as to make standard returns. They should recommend methods to compel such payments to the Federal Treasury instead of their diversion to other purposes. Such action would test the value of these enterprises and, in some cases, indicate what losses may need to be cut.

The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing power as soon as possible.

That was the blue print. That constitutes the Eisenhower-Hoover power policy. Mr. Hoover closed his address with another of the sort of characterizations approved by the electric companies' publicity men. He said:

Above all, we should rescue freemen from this variety of creeping socialism. The American people have fought off socialized medicine, but there is a hole in the dike of freemen that is bringing in a flood.

There are those who shy away from the use of the term "socialism," or the name of Karl Marx, in connection with what is going on in the power field. But excepting for those who desire socialization, they are blind to the facts. Socialism has become the world's nightmare. It is not the American dream.

Mr. President, on previous occasions the Senate has been told how the technique of smearing public power agencies with the Socialist label was developed. The private utilities had a poll taken which showed that 2 out of 3 citizens approve of the Tennessee Valley Authority. The poll also showed that a ma-

majority of citizens oppose socialism. So ECAP, which is the electric companies' advertising program, advised the private utility managers to quit fighting the TVA and instead to call publicly owned electric services socialistic.

The only contribution Mr. Hoover made was to add the name of Karl Marx to the formula and make him appear to be the ideological father of public power.

The Hoover formula to get the Federal Government out of the business of generating and distributing power as soon as possible has been followed step by step from the beginning down through the atomic energy bill.

Hoover's step No. 1 was that there should be no more appropriations for steam plants or hydroelectric plants solely for power.

That step has been carried out with a vengeance.

Future power shortages in the Pacific Northwest and the Tennessee Valley have been brought on by the elimination of Ice Harbor Dam and TVA steam plants from construction schedules. Even the Dixon-Yates deal, the \$90 million throw-away of taxpayers' money—cannot get power to TVA in time to avert shortages.

The obligations of this great Nation were dishonored in the Southwest both by the repudiation of the REA generating and transmission contracts, and by stopping work on Table Rock Dam. I know that a small sum has been appropriated to start work at Table Rock again—but there is no assurance that REA's will get the power as originally planned. It appears more likely to go to power companies for a markup before it reaches any REA co-op.

New starts were first eliminated by the Bureau of the Budget in its revision of the Truman budget requests. The eliminations were then sustained last year by this Republican Congress with a single exception in South Dakota, Oahe Dam.

The people of this Nation may be more or less immune to repudiation of campaign promises. But I do not believe that they approve such dishonorable disregard of the contracts and the stated obligations of their Government as occurred in the Southwest. But that was the manner in which the new regime started the liquidation of public power in the Southwest—by the repudiation of national obligations. The administration did whatever was necessary—just as the President has started ordering independent agencies around—to halt Federal power projects, as we saw in the Dixon-Yates matter.

Step No. 2 in the Hoover blueprint, which became the Eisenhower power policy, was to halt all multipurpose projects until the power could be peddled or given away to private interests.

This is the step that the House Appropriations Committee attempted to promulgate as a rule in its committee report on Interior funds last year when it proclaimed there would be no appropriations for dams or transmission facilities which private utilities could build. It is a step that has been followed both by the administration and the majority in this Congress in appropriations actions. It is the rule that the Budget Bureau has

openly laid down to delegations seeking the Bureau's approval of projects for the electric power features of any proposed dam.

The third step in the Hoover blueprint was put into motion when this Congress approved the second Commission on Reorganization of the Government, as proposed by the administration.

Mr. Hoover said that Congress, jointly with the President, should establish a temporary commission to develop formula for leasing or otherwise disposing of existing Federal power properties. Congress authorized a general commission on reorganization. As quickly as it was approved, Mr. Eisenhower appointed Hoover to head the commission and the Eisenhower-Hoover union was formalized.

A task force on water and power has been set up in the new Hoover Commission which has obviously set about, not to evaluate power policy objectively but to plan the liquidation of Federal power projects in the A-B-C-D fashion of the Hoover blueprint.

Speaking at the Press Club recently, the ex-President was asked if his water and power task force was not completely stacked against public power advocates.

With a perfectly straight face, Mr. Hoover answered that he had set up a task force excluding representatives of the private utilities. Subsequently public power advocates had demanded some sort of representation. But, Mr. Hoover explained, inasmuch as he had excluded the private utilities from representation, he was not going to reopen the matter and put on public-power representatives.

His effort to paint his water and power task force as an objective group was exactly as preposterous as his reassurances about returning prosperity 22 and 23 years ago.

The Water and Power Task Force of the Second Hoover Commission is stacked to the crow's nest with private-power partisans. There is not a single member who would not be immediately cleared for security so far as private utilities are concerned by the Edison Electric Institute, Electric Co.'s advertising program, the National Electric Light Association, Purcell Smith or the New York investment bankers who always turn out to be principal stockholders in most of our western utility companies.

I say that it is packed to the crow's nest because the task force even has a lookout man—a press relations counsel—who turns out to be none other than Mr. Carl Boyer, who is well known as a result of congressional inquiries, court litigation and lobbying activities. He is a public relations man for the railroads. Mr. Boyer's firm was sued by the trucking interests, and it is apparently qualified for the job with Mr. Hoover's allegedly objective commission because the firm once prepared pamphlets attacking the Tennessee Valley Authority for a client in the gas appliance manufacturing industry. Attacking public-power agencies is therefore an old story to him.

I am curious about Mr. Boyer's position with the Hoover group. He is listed

as attending the initial meeting of the water and power task force on November 23, 1953, which was held, not here at the seat of the Federal Government in Washington, but up in New York City. Boyer was listed as press relations counsel to the task force. I was not aware that the Congress had intended to authorize Mr. Hoover to hire publicity men to help sell the public on the policies he develops. It would be interesting to know how many such publicity men Mr. Hoover has at his Commission, and how much of Federal funds is being paid by them, or if their assistance is being contributed as a public service—it being only coincidental that Mr. Boyer happens to have had clients interested in halting public dams and water projects. This is a matter the Senate should be advised about before it appropriates further funds to the Hoover Commission. I hope the Appropriations Committee will look into it very carefully.

There are 26 members of Hoover's water and power task force. The group includes engineers, lawyers, accountants, and others well qualified to develop the formula for disposing of public-power facilities for which Mr. Hoover called in his Cleveland blueprint. They have the ability to work out Dixon-Yates on a wholesale basis.

There are 10 engineers. Let us examine their background a few moments.

Four years ago, President Truman appointed a National Water Resources Policy Commission. Concurrently, a so-called action panel of the Engineers Joint Council, a private group, was set up to develop what the engineers considered principles of a sound water policy and present them to the President's Commission.

This group filed its findings with the President's Commission. Then, after the President's Commission had acted, this Action group of engineers issued a review sharply attacking the underlying philosophy of the Presidential group. The engineers were opposed to public power. The Engineers Joint Council panel said:

There was a unanimous finding that, while certain recommendations of the President's Commission were acceptable, nevertheless the underlying philosophy of this report was so radically different from that expressed in our June 1950, statement that the two documents are in general incompatible.

The original joint commission report was made by 9 separate panels, but the report gave assurance that the 9 separate committees are unanimously in accord with regard to all fundamentals.

Appearing before Congress, spokesmen for the engineering group subsequently made it clear, in categorical replies, that their recommendation was for private development or bus bar sale of Federal power.

All of this is significant because 9 of the 10 engineers selected by Mr. Hoover for his objective task force were members of the EJC panels. All nine of them joined in the report opposed to public power.

All nine of them are in favor of recommending bus-bar sales of public power.

I make no reflection on the personal integrity of any of these men. To the contrary, I believe they are sincere men. They believe what they advocate, but what they advocate in this matter is not in the public interest.

I object to the increased appropriations in the bill for use by a task force which is supposed to be objective, when an analysis of the objectives of the members of the task force shows that they are biased against public power.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. Knowing the Senator from Oregon as I do, and his interest in seeing to it that the general public is looked after and receive rates as cheap as possible, may I ask the Senator if he has ever found that any task force of Mr. Hoover's has pointed out that the people could get electric kilowatts-hours cheaper by having all the facilities owned by private power companies?

Mr. MORSE. They do not point out what the facts are. The facts are that when a program of bus-bar sales is adopted, then the consumers are subjected to taking power from the utilities which supply the power. After the utilities have purchased the power on a bus-bar sales basis, they sell it to the public on the basis of charging what the traffic will bear.

Private utilities, in such situations, invariably charge the consumer high electric power rates. Remove the public power yardstick from any territory, and electric power consumers in that area are forced to pay tribute to the private utility monopoly, which has come to control the power generated by the people's streams in that area.

Mr. JOHNSTON of South Carolina. Is it not true that the people of the entire northeastern part of the United States today are paying higher electric rates, due to the fact that they do not have any public power yardstick by which to measure whether they are being charged the proper rates?

Mr. MORSE. The Senator is absolutely correct. In the northeast region of the country there is no public power yardstick. The result is that the people in that region pay the highest public power rates in the Nation.

Mr. JOHNSTON of South Carolina. Is it not true that in Maine it will be found that the rural cooperatives are paying 15.2 mills a kilowatt-hour?

Mr. MORSE. That is the figure.

Mr. JOHNSTON of South Carolina. In South Carolina, where there is a measuring stick, when one buys power from private corporations the cost is only 6.6 mills a kilowatt-hour.

Mr. MORSE. That is because the private companies in South Carolina are in competition with the public power yardstick.

Mr. JOHNSTON of South Carolina. In both instances the purchases are made from private power companies.

Mr. MORSE. But in the section of the country from which the Senator from South Carolina comes, the private power companies must compete with the public power yardstick.

Mr. JOHNSTON of South Carolina. That is true.

Mr. MORSE. When the private companies sell according to the public power yardstick rate, they do not lose money, as the income returns of the private utilities in South Carolina will show. They make profits at the low rates.

Mr. JOHNSTON of South Carolina. But in the Northeast, the private power companies have an absolute monopoly.

Mr. MORSE. They make an economic killing there.

Mr. President, as I was saying, I make no reflection on the personal integrity of any of these men. Their position in favor of private development and against public development is publicly known and clear. They have made no pretense of objectivity. It was Mr. Hoover who said it was objective. But Mr. Hoover's task force, I say, is stacked. There is not a public-power proponent on it. The utilities have many known partisans on it regardless of the fact that none may be officers or directors in a private power company.

The nine engineer members of the Hoover task force who have already taken their stand on the private utility side of this policy question include W. W. Horner, Julian Hinds, F. H. Newman, Jr., C. H. Brown, L. V. Murrow, R. J. Tipton, W. D. Shannon, Malcolm Prinie, and A. B. Roberts.

Several of these men have individual records which the public is entitled to know, particularly in view of Mr. Hoover's Press Club statement that he put no private power representatives on his task force.

Who's Who in Engineering for 1948 reports of Mr. A. B. Roberts, one of the task force members:

Since 1935 have made investigations of the business, property, and prospects of various public utilities for investment bankers (including Dillon Reed & Co., Bonright & Co., Mellon Securities Corp., Harriman Ripley & Co.) in connection with issuance of securities in excess of \$1 billion; the aggregate value of the properties investigated is over \$4 billion.

Mr. Roberts wrote a special report for the first Hoover Commission. In that report he said:

The Federal power policy should provide for the utilization of facilities of privately owned utilities in marketing the power from the Federal dams. The privately owned company could: (a) build the power houses and install the generating equipment at each Federal dam where feasible, paying taxes on those facilities and also paying the Government for the use of the falling water and the dam, with the Government retaining full control over each dam and operating the primary purpose of flood control, reclamation or navigation or a combination thereof; or (b) lease the powerhouses and generating facilities as is now done at Hoover Dam; or (c) purchase the power output under long term contracts entered into in advance of construction; and, in any case should (d) build the transmission facilities needed to market the power from Government Dams, and pay the taxes on such transmission facilities.

It is very interesting to note that four members of the original Hoover Commission took exception to the Roberts report, including the distinguished Senator from Vermont [Mr. AIKEN]. At the

time the first Hoover Commission reports were filed, our colleague wrote:

The recommendations of the Roberts report (Water Power Resources) and to a lesser extent the recommendations of the Haskins & Sells report (Revolving Funds and Business Enterprises) follow so closely the arguments which the private power interests present in opposition to public water resources development that the general welfare viewpoint does not seem to be properly represented. In my opinion, the usefulness of the Haskins & Sells and Roberts reports is seriously impaired by this approach.

The Senator from Vermont [Mr. AIKEN], at another point, commented:

Two of the task force reports, the Roberts report and that of Haskins and Sells, evidence total lack of understanding of the basic reason for Federal multiple-purpose reservoir programs. For example, the Roberts report completely disregards the underlying legislation which establishes these programs, and attempts to compare Federal reservoir development with hydroelectric development by commercial power companies. They are not comparable. The power companies exploit our water resources almost solely for the production of electric energy, with profit as the basic consideration. They are not much concerned with flood control, navigation, irrigation, reclamation, water supply, pollution abatement, fish and wildlife conservation, and recreation—all, or some, of which are important features of the Federal multiple-purpose developments.

That is what the Senator from Vermont [Mr. AIKEN] said about the Roberts report. But Roberts is on the Hoover task force. Roberts is one of the so-called objective experts whom the President has put on the task force. Roberts is one of the men who, on the record, clearly is biased in favor of a private utility program. Yet the ex-President told the Press Club that he does not have private utility representatives on his Task Force. He might as well have placed the president of any private utility in America on the task force in place of Mr. Roberts, because Roberts' record shows that he sees eye to eye with the private utility attitude in regard to the uses to which the people's streams should be put.

The other three dissenting commissioners, Acheson, Pollock, and Rowe, dismissed the report as "special pleading and not impartial opinion." That is what they thought of Mr. Roberts.

Mr. Roberts is listed in a report of the House Select Committee on Lobbying as the "source of a publication critical of the TVA which was distributed by the Carolina Light & Power Co. That is the Roberts whom Hoover put on his task force, for which the committee is now asking increased funds over those which the House of Representatives has recommended—a man about whom, on the record, there can be no doubt as to his bias in favor of private utilities.

There is more material on the objectivity of Mr. Roberts in the water and power field. But perhaps I have presented sufficient to indicate that the private utilities have nothing to fear—and doubtless much to gain—from Mr. Roberts' viewpoint.

WILLIAM D. SHANNON

Now let us take a look at the qualifications of William D. Shannon, another of

the Hoover appointees, who is a Washington State neighbor of mine. Mr. Shannon served on the public utilities committees of both houses of the Washington legislature. He has specialized in arguing about taxes of private utilities and public utility districts, conducting a lengthy exchange on the subject in the letters to the editor column of a Seattle newspaper with the secretary of the Washington Public Utility Districts Association. His bias is clearly on the same side as Roberts and Hoover.

He does not possess the objectivity which the ex-President said was characteristic of the members of his task force when he spoke before the Press Club.

ROBERT W. SAWYER

Robert W. Sawyer is a former Oregon newspaper publisher, and a past president of the National Reclamation Association and of the Oregon Reclamation Association. He is still active in both. He has participated in the work of the reclamation associations which have been against public power and have had private utility contributions. There is no question about the fact that his public statements, when studied, leave no room for doubt as to his bias in favor of a private utility program.

HARRY E. POLK

Harry E. Polk, a North Dakota publisher serving on the present Hoover task force, is another past president of the National Reclamation Association, serving as its legislative chairman and as a director.

The association in 1951 established a Water Policy Committee, and subsequently approved its report, declaring that "Sales of power from Federal developments should be made to public and private customers at the bus bar where possible." Valley authorities or basin commissions were disapproved by it.

In an article entitled "The Road Back," published in September 1952, Mr. Polk advocated giving the Hells Canyon Dam site to the Idaho Power Co., basing his case on an alleged constitutional and God-given right of the States to exercise control over such resources. He said:

When States lose that authority, they have surrendered to a socialist regime, to regimentation of the worst sort.

Mr. Polk has attacked the public-power propaganda machine and the preference clause, and at one time earned a rebuke from the Subcommittee To Study Civil Works of the House Committee on Public Works for applying the Socialist label to that subcommittee in a speech before the National Reclamation Association.

This, I believe, is sufficient to indicate that Mr. Polk is something less than an objective member of Mr. Hoover's Water and Power Task Force.

LESLIE E. MILLER

Now let us turn to Mr. Leslie E. Miller, another member of the Hoover Task Force. Another very distinguished member of Mr. Hoover's Task Force is former Gov. Leslie A. Miller, of Wyoming. Mr. Miller was chairman of the Natural Resources Task Force of the first Hoover Commission and, since that time, has aired his views on power matters in mag-

azine articles and before congressional committees.

One of Mr. Miller's most famous articles was written for the Saturday Evening Post. In that article, Mr. Miller said:

While there may be much to say in favor of Government construction of hydroelectric projects, it is my impression that the United States still is not a socialistic country and that the production and sale of electricity remains a matter of private enterprise.

Then he testified to his own lack of objectivity by writing:

Of course I must plead guilty to a certain amount of bias in expressing my opinions.

That "certain amount" is voluminous. Governor Miller's article got a big circulation. It was not only reprinted by the Readers Digest; the Edison Electric Institute also reproduced it for the private utilities to circulate. Many thousand copies were circulated in reprint form by the American Gas & Electric Service Corp., Carolina Power & Light Co., the Connecticut Power & Light Co., Detroit Edison Co., Pacific Gas & Electric Co., Pennsylvania Power & Light Co., Philadelphia Electric Co., and the Public Service Co. of Colorado.

Later, appearing before a congressional committee, Mr. Miller admitted that he "was somewhat in error" in some of his statements; that he had used "a little editorial license"; and that "it could be" that he should have been less violent about some of his charges.

This is the man whom the President has appointed to the task force. This is one of the men who, the ex-President suggested, was objective in his approach to the power problem.

Although Mr. Miller registered strong opposition to valley authorities, he confessed to the committee that he had never personally given much study to TVA, although he had much to say in criticism of TVA.

In his article Mr. Miller called former Administrator Paul Raver, of Bonneville Power Administration, a Socialist, which was categorically denied by Mr. Raver.

And now Leslie Miller is one of the Eisenhower-Hoover team making a study of water and power. He is serving as chairman, I understand, of a study group within the task force. We can only hope he will be more factual than in the past. There are no grounds whatever to hope that he will be free of a galloping bias against Federal power.

J. BRACKEN LEE

Another member of the "Eisenhower" team is former Gov. J. Bracken Lee, of Utah. The Chattanooga Times wrote that Lee has spoken against Federal intervention in the water resources field on a number of occasions and is a leader in the fight against Hells Canyon Dam.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Will the Senator yield so that the Chair, in his individual capacity as a Senator, may make a correction?

Mr. MORSE. I yield.

The PRESIDING OFFICER. Mr. Lee is still the Governor of Utah; he is not a former governor.

Mr. MORSE. Did I say former governor? He is still the Governor, but,

being still Governor does not modify his bias. In my judgment, it puts him in a more strategic position to exercise his bias against the public interest.

WILLIAM B. BATES

Now let us turn to William B. Bates. Mr. William B. Bates, of the Hoover task force, is listed as a director of the East Texas Chamber of Commerce. The executive committee of that organization on September 8, 1953, adopted a resolution that the chamber should immediately launch a campaign to get the Federal Government out of competition with private business and to accomplish the sale to private owners of all Government-owned property not necessary for the legitimate functions of the Government.

Two months later the San Augustine, Tex., Chamber of Commerce protested the earlier action, pointing out it would mean sale of hydroelectric power-producing facilities.

But the resolution stood. The campaign to get the Government out of the power business, among others, is on, and Mr. Bates is on the Hoover Commission task force, theoretically determining the fate of REA, TVA, Bonneville, and other Federal power agencies, on a so-called objective basis.

DONALD R. RICHBERG

Next we come to the name of Donald R. Richberg, once a New Dealer and now a director of the American Natural Gas Co., a holding company which owns an integrated gas utility system. Mr. Richberg writes a column regularly which deplores the extent of the "Federal bureaucracy."

Once upon a time Mr. Richberg wrote a critical commentary about a Supreme Court decision in a gas rate case, noting that the Justice who delivered the opinion had prior experience representing gas utilities in valuation cases.

It will be extremely interesting to watch and see if Mr. Richberg has any comments on the report of the Hoover Task Force on Power because it included a private gas utility director, and how his present view will coincide with his earlier views on a similar situation.

He is clearly, on the record, a man who is biased in favor of the private-utility approach.

CHARLES L. ANDREWS

Charles L. Andrews, Memphis cotton merchant on the Hoover Task Force, told the Chattanooga Times that he was not a supporter of the TVA. He is quoted as saying:

I think that the TVA is something that started out to be a flood-control project and I think they've broadened the field too much.

E. H. KRACKE

Mr. E. H. Kracke is accounting adviser in the task force—a position apparently paralleling that of Mr. Carl Byoir on press relations. He is a partner in Haskins & Sells, the accounting firm serving private utilities, whose report to the first Hoover Commission proved so biased in favor of private utilities that our associate, the Senator from Vermont [Mr. AIKEN] described it as following the private-utility line.

BEN MOREELL

Finally, Mr. President, I come to the chairman of the Hoover Task Force on Water and Power, Ben Moreell, admiral and big steel executive.

Admiral Moreell, has expressed himself about "do gooders," "master-minders," and "planners" in no uncertain terms. He told the National Association of Purchasing Agents in 1950 in Cleveland:

For example, the person who earns the money might want to endow a college or a hospital or a summer camp for poor children; but the planner wants to take the money from him and use it to subsidize cheap electricity for the people who live in Tennessee or the Pacific Northwest.

Admiral Moreell obviously disapproves of our public-power projects. He had publicly served notice that his task force is not bound by any of the sweet words that Eisenhower has directed toward the TVA which, it must be confessed, is more candor than we get from some other quarters.

I understand that the new Hoover Commission is devoting more than 40 percent of all of its funds to this Water and Power Task Force, although there are at least seven other task-force groups. This is not only a disproportionate share of commission funds, it is a waste of money as flagrant as any Mr. Hoover and his commissions have ever uncovered.

Any reasonably intelligent high-school boy or girl, capable of reading and understanding what Mr. Hoover said at Cleveland a year ago, can tell you what policy finding the task force is going to make. And from that point on, the private electric utilities would be happy to take over the work, reappraise the Federal power projects, and develop the formula by which they will take over.

As Mr. Hoover said:

The objective of the whole proceeding should be to get the Federal Government out of the business of generating and distributing money as soon as possible.

This task force is only frosting on the private utility cake, intended to give the great Eisenhower-Hoover giveaway of existing Federal power assets a flavor of righteousness; to make it appear, if they can, that the private utility industry is doing the Nation a great favor when it takes the great white elephants off our hands.

The few hundred thousand dollars that this task force will cost the taxpayers is, of course, small compared to the billions of additional profits that the private utilities will reap annually if they can eliminate the Federal power yardstick.

But if the giveaways by this administration continue, little economies such as paring these funds may be all that the taxpayers ultimately have left. For the benefit of my REA friends, I would like to caution that they not be misled by Mr. Hoover's speech in Cleveland. In that speech Mr. Hoover excluded the Rural Electrification Administration from his discussion "although," he said,

"it receives great Government subsidies." He then explained:

It has a worthy purpose, and that operation is so small a percent of the total power in the country that it cannot eat up the private industry.

But there are other plans for the REA's. Public Utilities Fortnightly has assured the private utility trade that it, too, is to go into liquidation. It reports:

Administrator Nelson considers it his duty to get the job of extending electricity and telephone service to the farmer over as quickly as possible by the best and shortest means possible, with or without REA loans. That means that REA may soon be entering the simple role of liquidating agency for loans outstanding in view of the fact that the farm electrification job is in its final stage.

The farm electrification job is not, of course, in its final stage if reasonably priced electricity is to continue to be available. Power use on farms is growing. Lines will have to be heaved all over this country. Additional generating capacity and transmission systems will be needed even after all farms are on the line; and if we do not take away from these REA's, the cheap power which goes along with the public power yardstick, we shall find, as long as power is used in America, a constantly expanding REA program.

The private electric utilities have argued since before the REA started that farm electrification was in its final stage. They advised REA Administrator Cooke in 1935 that all farms had electricity which needed it. They have told congressional committees year after year ever since that year that the job was done. Senator MURRAY put all the quotations in the RECORD last week when we started a debate on the power issue.

Rural electrification is in its final stage only if the private utilities move in, take the hydro plants, take the atom, and are allowed to have their way. They will stop it, all right, if they regain their monopoly, raise rates, restore the exorbitant connection charges of the twenties and make wired power a luxury in rural America as it was before Uncle Sam moved in with the public power yardstick. It may very well be that just such a happening is what the editor of Public Utilities Fortnightly had in mind when he stated so conclusively that farm electrification is in its final stage. If the Eisenhower-Hoover power giveaway policy continues, then nearly any sort of electrical development will be in its final stage. We may even witness the decline of the great electrochemical industries which are dependent on an abundance of low-cost power for their operations.

Mr. President, there has been no major variation from the Hoover blueprint for liquidation of our Federal power program.

Last summer one of the private utility moguls got impatient about the time being taken. Mr. Ashton B. Collins told a group of utility executives at an Edison Electric Institute meeting:

We cannot take 20 years to undo what has been done to us in the past 20 years. We must do it in 4.

That is frankness, Mr. President. That is confession. That is exactly the impression I have as to what is going on in this country. The monopolistic combines believe they have only the 4 years of this administration to do the job they want to do, and that is to make impotent the Federal power yardstick program. They believe they have only 4 years to bring under control the electric generation facilities of this country.

I am raising my voice in protest again tonight, as I have upon many occasions in the past and will many times in the future, on the floor of the Senate, to warn the American people as to what is happening to them under the giveaway program.

I will not vote, Mr. President, for a committee amendment which seeks to raise by \$200,000 appropriations for a task force which obviously is biased. It is not a task force which on the basis of qualifications of its members can be expected to work in the public interest; I do not care who appointed it. I say therefore there has been an effort on the part of the private utilities to proceed with the liquidation without waiting for the Hoover Commission to develop a giveaway formula. The 20-year contracts in the Bonneville area and the attempted 20-year sales of Missouri Basin power were part of this speedup effort.

Mr. President, I shall urge a ye-and-nay vote on this issue. I want to say, very frankly for the RECORD, why I would like to have a ye-and-nay vote on this issue. I want a record of the votes in the Senate of Senators who are willing to vote an increase in appropriations for a task force which is as obviously biased against the public interest as the qualifications of these men show they are biased.

Mr. President, the differences which exist between us on this issue in the Senate represent very sincere differences of view. They go to a great issue of public policy. I hope that my colleagues in the Senate will give me the courtesy of a record vote on this amendment because, in my judgment, a record vote on this amendment will be a significant vote to show where Senators stand on the power issue. In order to get such a vote, I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MORSE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER. Without objection it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, I wish to say a few words with relation to the amendment. I do so as a member of the Committee on Appropriations and also as a member of the Hoover Commission. An attack has been made upon the Hoover Commission. It is claimed that the Hoover Commission has created

a task force to investigate power and water resources. That is correct. The Commission has created such a task force, and that task force is now at work.

The Hoover Commission is an arm of Congress. Congress created the Commission. Ex-President Herbert Hoover is the Chairman of the Commission. To the Commission there have been appointed two Members of the Senate, the senior Senator from Arkansas [Mr. McCLELLAN], and the senior Senator from Michigan, as well as two Members from the House. That task force and the other task forces were created for the purpose of studying the executive branch of the Government. It was felt that the prior Hoover Commission had not completed its job. Therefore the appointment of a new commission was thought to be essential, and Congress, accordingly, passed a law to that effect. The Senate has named members to the Commission, the House has named Members to the Commission, and the President of the United States has named members to the Commission from the executive branch of the Government.

I do not know whether the junior Senator from Oregon is familiar with the reason for the request for \$254,000.

The House had removed approximately \$50,000, under the impression that there was a duplication of money.

Many of those who serve on the various task forces are not compensated and do not receive any per diem allowances for their services. They are paid for their transportation and living expenses in Washington and wherever else they may have to live in connection with their duties.

Of the \$450,000 that is asked for, the sum of \$200,000 is to be used for an investigation of the CIA. The President of the United States suggested to the Hoover Commission that it would be well to have the Commission set up a task force for the purpose of making a thorough investigation of the CIA, under the direction of Gen. Mark Clark. The sum of \$200,000 for that purpose is not an unreasonable sum of money.

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

Mr. FERGUSON. I yield.

Mr. MAYBANK. I voted for this amount in committee with the understanding that Gen. Mark Clark, whom I know intimately, and who is now the President of The Citadel in Charleston, S. C., was to investigate the CIA.

Mr. FERGUSON. That is correct.

Mr. MAYBANK. I did not know that he was to investigate the power business.

Mr. FERGUSON. He has nothing to do with power.

Mr. MAYBANK. Mr. President, I want the Record to be clear in that connection.

Mr. FERGUSON. There are quite a number of task forces in the Hoover Commission. Ben Moreell, a former admiral—

Mr. MAYBANK. I know the admiral quite well.

Mr. FERGUSON. Ben Moreell, a former admiral in the United States Navy, is the chairman of the task force on waterpower.

Mr. MAYBANK. Why was that matter involved in the appropriation, if the President of the Citadel is to investigate the CIA? How did Ben Moreell become involved in that appropriation? Why do we have a situation in which Mark Clark, who has been appointed to investigate the CIA by the Hoover Commission, is confused with the appointment of Adm. Ben Moreell, who is to investigate something else?

Mr. FERGUSON. There are various task forces in the Hoover Commission, and among the task forces created is one to investigate the CIA. We have added an appropriation of \$200,000, which is for the task force being established to investigate the CIA. That is apparently the item which the Senator from Oregon desires to strike out.

Mr. MAYBANK. I wish to make it perfectly clear that the task force under Gen. Mark Clark is to investigate the CIA.

Mr. FERGUSON. That is correct. That is the \$200,000 that has been added in the bill.

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

Mr. FERGUSON. I yield.

Mr. HENNINGS. I have a considerable interest in the land- and water-use problems of the Missouri Valley. Some of us spent a year on a commission appointed by the President investigating that subject. We presented the results of our findings to President Eisenhower in February 1953. I was wondering whether the distinguished Senator from Michigan could tell us who is in charge of the task force studying land and water uses, which, I take it, comes under that general heading.

Mr. FERGUSON. Water resources and power?

Mr. HENNINGS. That is correct.

Mr. FERGUSON. Adm. Ben Moreell, a former admiral in the Navy—

Mr. HENNINGS. I know Ben Moreell. He went to school in my city. He used to be in charge of the Bureau of Yards and Docks, if I am not mistaken.

Mr. FERGUSON. That is correct.

Mr. HENNINGS. He is in charge of that program?

Mr. FERGUSON. That is correct.

Mr. HENNINGS. I was wondering whether that commission or task force will use the previous report made by the Hoover Commission some 6 or 7 years ago. The report is contained in a large green volume, weighing 5 or 6 pounds, I should judge. As has been said about other books, whether one reads it or not, it is almost impossible to lift the book. We made a report 2 or 3 years ago. We are spending money on various reports. Of course, I do not question the competency of the able men who comprise the Commission. I wonder if the able Senator from Michigan can tell us how the various reports, as well as the various studies that have been made, on our river valleys and our waterways, will be interrelated with relation to power, flood control, irrigation, and reclamation, as well as all the manifold ramifications which come under that general heading.

I wonder whether we are merely to make these reports, with nothing being

done about them. I remember handing our report to the President, in company with the junior Senator from North Dakota [Mr. YOUNG], who was a member of that Commission. There were also three Members from the House of Representatives who served on the Commission. We have heard nothing about it since then.

Mr. FERGUSON. I would be unable to tell the Senator exactly.

Mr. HENNINGS. I thought it might be important to make some inquiry along that line.

Mr. FERGUSON. The Senator from Michigan will make such inquiry, and I shall suggest that use be made of the study made by the Senator's Commission, as well as the other studies.

Mr. HENNINGS. I do not know whether our study is worth anything. We had a rather large staff, and the Commission consisted of 6 members, appointed from the House and from the Senate, and 5 noncongressional members. We devoted almost a year to the study.

Since then we have heard nothing whatever, either favorable or unfavorable, indicating that the study was to be considered one way or another. I should appreciate it very much if the Senator could give us some idea how we may find out.

Mr. FERGUSON. We shall try to find out.

Mr. HENNINGS. I thank the Senator very much.

Mr. FERGUSON. I will read a report showing what this \$553,150 is for?

Task force on overseas operations, \$177,935.

Task force on real property—that is, real property of the United States Government—\$75,080.

Subcommittee on Business Enterprise in the Department of Defense, \$28,780.

Subcommittee on the transportation activities in the Department of Defense, \$52,440.

Subcommittee on the research activities of the Department of Defense, \$23,100.

Additional amount requested for the task force on water resources and power, \$174,055.

Additional amount requested for the task force on legal services and procedure, \$21,760.

The total amount requested in this supplemental budget is \$553,150.

To that is added a new task force which was set up after the Budget Director had approved and sent up the figure of \$553,150, which made \$753,150, or the amount in the bill at the present time.

The Senator from Oregon [Mr. MORSE] now desires to make that figure \$497,835. If we were to take out \$200,000, there would be no money in the budget to enable the Hoover Commission to investigate the CIA, of which investigation the chairman would be Gen. Mark Clark. I think that is the explanation. I hope that the Senate will vote down the amendment.

Mr. MORSE. Mr. President, my rebuttal to the Senator from Michigan will be very brief, because one does not have to labor the obvious.

I am not proposing to cut off the CIA appropriation. I am all for it. I say the amount appropriated by the House is ample for the Hoover Commission to do an effective job. My speech went to the point that the water power task force has obviously a biased personnel. It obviously is a private-utility-slanted force. It is not an objective force. It receives 40 percent of the funds appropriated for the Hoover Commission. It has too much money.

Because it is obviously a biased task force and will obviously give us a report on the basis of the public statements of its members, its program will seek to carry out the blueprint of Hoover's Cleveland speech. We ought to save the American taxpayers some money and use part of the money of the Hoover Commission for the CIA investigation. Although the Bureau of the Budget subsequently made its recommendations with respect to the CIA, the House knew the situation, and the House was satisfied that the total job could be done for \$497,835. That is the amount called for in my amendment.

It will be noted, Mr. President, that I have not cut the increase in travel allowance proposed by the Senate committee. I think that was justified.

Mr. President, because 40 percent of the appropriation is going to a biased task force, here is a chance to stand with the House on this item.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. MORSE].

Mr. FERGUSON. Mr. President, I merely wish to say that the House was mistaken. It thought the amount to set up the Hoover Commission task force could come from some fund outside the Hoover Commission. I do not wish at this hour tonight to debate public versus private power. That would be a continuation of the long debate which took place in connection with the atomic energy bill. I do not intend to debate that issue at the present time. The question is, Will the Senate permit the Hoover Commission to finish the work of its task force, which includes studies of water resources and power, the CIA, and other subjects which I have mentioned? If so, then it should vote down this amendment. If we want to stop the Hoover Commission in its tracks, if we do not desire it to go ahead, we should vote for it.

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

Mr. FERGUSON. I yield.

Mr. MAYBANK. I desire to be fair to the Hoover Commission, and I want to help Gen. Mark Clark in every way I can in connection with the CIA, but I do not want to be put in the position of voting for a Hoover Commission task force to be investigating dams and water resources in the West. If I vote for this amendment, is it to help Mark Clark, who is president of The Citadel, to undertake the investigation of the CIA and communism? I do not want a task force to investigate water power in the Missouri Valley, in the Savannah Valley, or in Oregon.

Mr. FERGUSON. All I can say to the Senator is that a task force has been set up which has been in existence for about a year.

Mr. MAYBANK. What has the task force done?

Mr. FERGUSON. It is investigating.

Mr. MAYBANK. Investigating what?

Mr. FERGUSON. Water resources and power in the United States. It is to continue, and the \$200,000 which the committee included was for an investigation of the CIA.

Mr. MAYBANK. I am for the CIA investigation. Do not misunderstand me. As I understand the Senator from Michigan, the \$200,000 goes for the CIA investigation by Gen. Mark Clark.

Mr. FERGUSON. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE].

Mr. MORSE. I must make a very brief reply. The Senator from South Carolina should understand that the adoption of my amendment would not mean the loss of the CIA investigation. It would simply mean that from the total amount of money that the Hoover Commission has it must allocate a portion to the investigations it wants to conduct. Here is an opportunity to make a great saving in connection with the 40 percent that is going to a biased task force which is conducting—really for the private utilities, in my judgment—an investigation of water resources.

Mr. MAYBANK. I do not know anything about the private utilities.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE]. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPEL] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS], and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

On this vote, the Senator from Connecticut [Mr. BUSH] has a pair with the Senator from Montana [Mr. MURRAY]. If present and voting, the Senator from Connecticut [Mr. BUSH] would vote "nay," and the Senator from Montana [Mr. MURRAY] would vote "yea."

If present and voting, the Senator from Wisconsin [Mr. MCCARTHY] would vote "nay."

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senators from Mississippi [Mr. EASTLAND and Mr. STENNIS], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the

Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from New York [Mr. LEHMAN], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

I announce further that on this vote the Senator from Montana [Mr. MURRAY] is paired with the Senator from Connecticut [Mr. BUSH]. If present and voting, the Senator from Montana would vote "yea," and the Senator from Connecticut would vote "nay."

The result was announced—yeas 19, nays 55, as follows:

YEAS—19

Anderson	Humphrey	McClellan
Chavez	Jackson	Morse
Douglas	Johnston, S. C.	Russell
Fulbright	Langer	Sparkman
Hayden	Magnuson	Symington
Hennings	Mansfield	
Hill	McCarran	

NAYS—55

Alken	Ferguson	Millikin
Barrett	Goldwater	Monroney
Beall	Gore	Mundt
Bennett	Green	Pastore
Bowring	Hendrickson	Payne
Bricker	Hickenlooper	Potter
Bridges	Holland	Purtell
Burke	Ives	Reynolds
Butler	Jenner	Robertson
Carlson	Johnson, Tex.	Saltonstall
Case	Kennedy	Smathers
Clements	Kerr	Smith, Maine
Cooper	Knowland	Thye
Cordon	Kuchel	Upton
Crippa	Lennon	Welker
Daniel	Long	Williams
Dworshak	Malone	Young
Ellender	Martin	
Ervin	Maybank	

NOT VOTING—22

Bush	George	Neely
Byrd	Gillette	Schoeppel
Capewhart	Johnson, Colo.	Smith, N. J.
Dirksen	Kefauver	Stennis
Duff	Kilgore	Watkins
Eastland	Lehman	Wiley
Flanders	McCarthy	
Frear	Murray	

So Mr. MORSE's amendment was rejected.

Mr. HICKENLOOPER. Mr. President, would it be possible for the Senator from Oregon [Mr. MORSE] to yield to me for the purpose of asking for the adoption of an amendment to provide money for a commission which has already been set up by law, provided the Senator from Oregon does not lose the floor and that this item can be printed in the RECORD after the Senator has concluded his remarks?

Mr. MORSE. Under those conditions I am happy to yield.

Mr. HICKENLOOPER. I thank the Senator. I did not want to interrupt him before.

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. Without objection, the amendment will be stated.

Mr. HICKENLOOPER. Mr. President, I suggest that this amendment should go in between lines 15 and 16 on page 35, under the heading of "Independent Offices."

The LEGISLATIVE CLERK. On page 35, after line 15, it is proposed to insert the following:

COMMISSION ON GOVERNMENTAL USE OF INTERNATIONAL TELECOMMUNICATIONS
SALARIES AND EXPENSES

For the necessary expenses of the Commission on Governmental Use of International

Telecommunications, established by Act of July 29, 1954 (Public Law 558), \$150,000.

Mr. HICKENLOOPER. Mr. President, last year I introduced Senate Joint Resolution 96, which passed the Senate and was sent to the House. Senate Joint Resolution 96 was passed by the House of Representatives last week, and became law July 29 last, just 2 or 3 days ago. It had not become a law at the time the appropriation bill came from the House of Representatives, or at the time the Senate committee was acting upon the independent offices appropriation bill.

Senate Joint Resolution 96 sets up a commission, with a staff, for the purpose of studying the use of international telecommunications and international networks for the purpose of the American information program, and to assist network information all over the world. It is a study commission in a very vital field, in which I am sorry to say the United States today is lagging and other countries are forging ahead.

The joint resolution, as passed and as it has become law, authorizes an appropriation of \$250,000 to carry out the provisions of the act. However, the law requires, as it is presently written, a report to be made on or before next December 31. As I say, that matter was taken up last year. Without doubt this act will have to be amended.

I am only asking, in view of the fact it is late in the session, and the fact that consideration will be necessary at a later date, that \$150,000 of the \$250,000 provided in the act be included in this bill. As I say, I had no opportunity to go before the Appropriations Committee, because this act did not become public law until July 29.

The PRESIDING OFFICER. The Chair reminds the Senator from Iowa that there is an amendment pending before the Senate. It will require unanimous consent to secure present consideration of the amendment suggested by the Senator from Iowa.

Mr. HICKENLOOPER. I had asked consent of the Senator from Oregon that he yield for the purpose of allowing me to present the amendment.

The PRESIDING OFFICER. The Senator asked the Senator from Oregon to yield, but in order for his amendment to be considered by the Senate as a whole, the Senate itself must give unanimous consent for its present consideration.

Mr. HICKENLOOPER. I bow to the judgment and wisdom and ruling of the Chair. I desire to do whatever is necessary to ask for unanimous consent, in order to bring this amendment before the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HICKENLOOPER. I am submitting this amendment to the Senator from New Hampshire [Mr. BRIDGES].

Mr. BRIDGES. Mr. President, I understand that the unanimous-consent request is for consideration of the amendment.

Mr. HICKENLOOPER. Yes.

The PRESIDING OFFICER. That is the first step which must be taken.

Mr. HICKENLOOPER. In fairness, I wanted to discuss the amendment with the Senator from New Hampshire before it was acted upon.

Mr. BRIDGES. I will say to the Senator from Iowa that I know in general about the amendment he proposes and the importance of the work. However, this subject did not come before our committee. We had no opportunity to examine it.

I was notified by the Director of the Budget that this proposal was coming up here, and that it had the approval of the President.

Mr. HICKENLOOPER. Yes.

Mr. BRIDGES. There are just two questions which have been raised since we were notified this amendment was coming up. The first is, Is this a one-shot proposition? In other words, is this job to be done with a single report, or will this be one of those continuing commissions?

Mr. HICKENLOOPER. I hope that it is not a continuing commission.

We can compare it to any number of commissions, such as the Randall Commission and other study commissions. It is the same type of commission.

So far as my intention is concerned, this commission should make its survey, develop its facts, make its report, and go out of business. I say it will probably have to be continued, because when the joint resolution was originally introduced last year it provided that a report should be made on or before December 31, 1954.

I have included in my amendment only \$150,000, rather than the \$250,000 which is the full authorization. I feel at this moment that \$150,000 will be ample, until such time as Congress can act on this question again. If I did not feel so, I should have asked for the full \$250,000.

I assure the Senator that I believe this commission will operate as expeditiously and as conservatively as possible.

The Senator from South Dakota [Mr. MUNDT] is familiar with this situation.

Mr. MUNDT. Yes. I should like to add that I think it is one of the most meritorious programs.

In answer to the very logical question asked by the chairman of the committee, namely, whether we are establishing a continuing commission, I can assure him that, from my standpoint and my knowledge of it, it is not to be a continuing commission. It is to have a one-shot job. The Commission will make a specific recommendation, and then will go out of existence.

But I join with the Senator from Iowa [Mr. HICKENLOOPER] in suggesting that the date be changed from 1954 to 1955, because of the lateness in creating the Commission.

Mr. HICKENLOOPER. Mr. President, I do not know whether we can change the date in this bill.

If it is parliamentary permissible—and I understand that I must ask unanimous consent for this purpose, in view of the fact that the joint resolution was

introduced last year, but did not pass the House until this year, and in view of the further fact that the date in the original joint resolution is "on or before December 31, 1954"—let me say that I fully realize the parliamentary situation, and I now ask unanimous consent that the date be changed to December 31, 1955. This will allow approximately 1 year.

The PRESIDING OFFICER (Mr. BENNETT in the chair). The Senator from Iowa may modify his own amendment, as a matter of right, without obtaining unanimous consent for that purpose.

Mr. HICKENLOOPER. But, Mr. President, I am trying to change the date in Senate Joint Resolution 96, by means of a rider in the proper form to the pending appropriation bill.

The PRESIDING OFFICER. Since the amendment is being offered to the pending bill, the Chair rules that the Senator from Iowa has a right to modify his own amendment.

Mr. HICKENLOOPER. No, Mr. President; I am referring to the original joint resolution. I hold in my hand a copy of Senate Joint Resolution 96. I now ask unanimous consent—if it is permissible—to offer to the pending bill the following amendment: At the proper place, to amend Senate Joint Resolution 96, section 8 (a)—

Mr. MUNDT. Mr. President, will the Senator from Iowa yield to me?

Mr. HICKENLOOPER. I yield.

Mr. MUNDT. I believe we can take care of the parliamentary situation by simply adding to the appropriation item the words:

Provided, That the date of termination of Senate Joint Resolution 96 shall be extended to December 31, 1955, in lieu of December 31, 1954, as provided in that act.

Mr. HICKENLOOPER. Mr. President, I so modify my amendment.

The PRESIDING OFFICER. The Senator from Iowa has a right to modify his own amendment; and the amendment is modified accordingly.

Mr. BRIDGES. Mr. President, I have no objection to the proposed change in the date. However, inasmuch as this matter has never been before the committee, I wish to state that if the Senator from Iowa believes that half of the authorization of \$250,000—that is \$125,000—rather than the full amount of \$250,000, will be a fair amount, and if he will also agree to allow it to come in in the regular way, I shall be glad to take to conference the amendment with that modification.

Mr. HICKENLOOPER. Mr. President, I think that is a reasonable request. So I am glad to modify my amendment by changing the amount to \$125,000, although with the understanding that with the matter going over to the next year, I cannot give either the Senator from New Hampshire or the Senator from Iowa as a whole any assurance that the work could be done for that amount; and thus I may have to offer a further item, next year.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment of the Senator from Iowa [Mr. HICKENLOOPER].

The amendment, as modified, was agreed to, as follows:

On page 35, after line 15, insert the following:

"COMMISSION ON GOVERNMENTAL USE OF
INTERNATIONAL TELECOMMUNICATIONS
"SALARIES AND EXPENSES

"For necessary expenses of the Commission on Governmental Use of International Telecommunications, established by act of July 29, 1954 (Public Law 558), \$125,000: *Provided*, That the date of termination of such Commission is hereby changed from December 31, 1954, to December 31, 1955."

Mr. MORSE. Mr. President, I have received two requests to yield to other Senators, so that they may submit amendments which I understand will require 3 or 4 minutes each. Of course, in connection with the debate on an appropriation bill—or, for that matter, on any other bill of such nature—I am always glad to accommodate my fellow Senators, particularly when the amendment I am offering raises a policy question, and therefore calls for the making of a record in regard to the policy.

So I am willing to yield, first, to the Senator from New Hampshire [Mr. UPTON], and subsequently to the Senator from Massachusetts [Mr. SALTONSTALL], so as to make it possible for the Senate to consider amendments which they tell me are noncontroversial, and which they believe will not require lengthy debate. Under the circumstances, I yield to them for that purpose, subject to the following conditions: First, that I do not lose my right to the floor; second, that following action on their amendments, I shall be allowed to proceed with my amendment; third, that if debate on their amendments becomes extended, the authors of the amendments will understand that I mean no discourtesy to them if I decline to yield further for continued consideration of their amendments.

Mr. President, I wish to state that in yielding at this time I desire to have it understood that my amendment will be displaced temporarily, while these Senators offer their amendments.

With that understanding, I yield first to the Senator from New Hampshire [Mr. UPTON].

The PRESIDING OFFICER. The Chair understands the Senator from Oregon to state that if his request is agreed to, he will temporarily withdraw his amendment, if it is further understood that in doing so, he will not lose his right to the floor.

Mr. MORSE. That is what I mean.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? Without objection, it is so ordered.

The Senator from New Hampshire [Mr. UPTON] is recognized.

Mr. UPTON. Mr. President, I deeply appreciate the courtesy of the Senator from Oregon in permitting me to submit my amendments at this time.

I now offer the amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments submitted by the Senator from New Hampshire will be stated.

The LEGISLATIVE CLERK. On page 51, in line 25, it is proposed to strike out "\$8,275,000" and to insert in lieu thereof "\$8,415,000."

On page 52, in line 6, after the word "Provided", it is proposed to insert "That \$140,000 of this appropriation shall be available only for the prosecution of the project for beach erosion control at Hampton Beach, N. H., as authorized by law: *Provided further*."

The PRESIDING OFFICER. The question is on agreeing to the amendments of the Senator from New Hampshire [Mr. UPTON], which, without objection will be considered en bloc.

Mr. UPTON. Mr. President, these amendments call for an appropriation of \$140,000 for the prosecution of a beach-erosion project at Hampton Beach, N. H. This item was not submitted to the Appropriations Committee in the regular course, because when the committee hearing was being held on this supplemental appropriation bill, there was doubt whether the project would be authorized. The project is included in the rivers and harbors bill which has passed the House of Representatives, and is now on the Senate Calendar, and is reasonably certain of being passed by the Senate before the adjournment of this Congress.

However, the amendment provides, in effect, that the appropriation shall not be effective unless the project is authorized by law.

This is a cooperative project in connection with which the State of New Hampshire will contribute two-thirds of the cost, and the United States Government one-third of the cost. In other words, the total cost will be approximately \$420,000, of which the United States, by virtue of this appropriation item, will contribute \$140,000. The State of New Hampshire has appropriated the necessary funds on its part. The Department of Defense has approved the project.

All that remains to launch the project is to have the appropriation made by Congress.

I shall not go further into the matter unless that is desired; I believe the statement I have made will suffice for the purpose of action by the Senate.

Mr. BRIDGES. Mr. President, let me say to my distinguished colleague that my understanding is that the bill carrying the authorization for this item has passed the House of Representatives, has been reported favorably by our committee to the Senate, is on the Senate Calendar, and in all probability will come up when the calendar is called on Saturday. It is also my understanding that the bill probably will be in conference several days after it is passed—so I judge, from the appearance of things, and knowing some of the problems which face any conference. I further understand that the State of New Hampshire will contribute two-thirds of the cost, that the Federal Government will contribute one-third, and that the money is available.

Mr. President, as chairman of the committee, I am somewhat embarrassed, because this item relates to the State of New Hampshire, and my distinguished

colleague has offered the amendment. However, I hope that if, as chairman of the committee, I accept the amendment and agree to take it to conference, there will not be an impression that I am doing so because the amendment affects my State. I wish to state that I believe the matter is worthy of consideration by the committee; and that will be the basis of my agreement to accept the amendment and take it to conference. On that basis only, as chairman of the committee, I shall accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. UPTON].

Without objection—

Mr. MORSE. Mr. President, before the amendment is adopted, let me say, as a member of the Committee on Public Works—if a statement on my part will be of any assistance to the senior Senator from New Hampshire [Mr. BRIDGES]—that I believe the proposal of the junior Senator from New Hampshire [Mr. UPTON] is a very sound one for a project very much in the public interest, and I believe the amendment should be adopted.

Mr. UPTON. Mr. President, again I thank the Senator from Oregon for his very great courtesy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Hampshire [Mr. UPTON].

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, will the Senator from Oregon yield to me at this time?

Mr. MORSE. Mr. President, I now yield to the Senator from Massachusetts, under the conditions I have previously stated.

Mr. SALTONSTALL. Mr. President, I appreciate the courtesy of the distinguished junior Senator from Oregon.

I now offer, on behalf of myself and the senior Senator from South Carolina [Mr. MAYBANK], the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment submitted by the Senator from Massachusetts [Mr. SALTONSTALL], on behalf of himself and the Senator from South Carolina [Mr. MAYBANK], will be stated.

The LEGISLATIVE CLERK. On page 46, in line 2, before the period, it is proposed to insert "*Provided further*, That the provisions of section 708 of Public Law 458, approved June 30, 1954 (68 Stat. 350), shall not apply to 250 units of family housing provided for by this act but the individual cost of such units shall in no event exceed \$20,000 per unit."

Mr. SALTONSTALL. Mr. President, I have taken up this amendment with the chairman of the Appropriations Committee, the Senator from New Hampshire [Mr. BRIDGES] and with the chairman of the Military Subcommittee, the Senator from Michigan [Mr. FERGUSON].

In the bill \$175 million is appropriated for military housing.

The provisions of a general law limit the price which can be paid for these

houses to certain figures. The only exception is the 250 houses for general officers which are in the authorization bill. The houses are slightly larger than the standard size.

The amount in the authorization bill, is even more; it is greater than \$20,000; but by agreement with the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Michigan [Mr. FERGUSON], the Senator from South Carolina [Mr. MAYBANK] I put in a top limit of \$20,000. I understand the amendment is acceptable, and I hope it may be adopted.

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

Mr. SALTONSTALL. I yield.

Mr. MAYBANK. In substance, as so excellently explained by the distinguished Senator from Massachusetts, the amendment provides for 250 homes for general officers under the military construction program.

Mr. SALTONSTALL. That is right.

Mr. MAYBANK. Whether an officer be an admiral or a general in command of a military post, naturally, he has to have more room than his subordinate officers in view of the large number of visitors he receives and the good will he has to create.

Mr. SALTONSTALL. That is correct.

Mr. BRIDGES. Mr. President, when the family housing for the military came up, in the amount of \$175 million, there was considerable discussion in the committee, as most of the Members remember, relative to the Federal Government's participation in housing for military people to that extent. So we wrote the following provision into the bill, which will be found on page 45:

Provided, That funds appropriated under this heading shall not be used for family housing unless the Secretary of Defense certifies that (1) it is impracticable to construct family housing under the provisions of title VIII of the National Housing Act—

That is the Wherry housing, I might say—

and (2) that adequate housing at reasonable rental rates is not available in the immediate vicinity of the military installation, and (3) it is impracticable to acquire suitable housing under other existing provisions of law.

With those safeguards we approved the \$175 million for housing because of its essentiality to the enlisted men and officers of the military forces.

There was a discussion as to a higher limitation for a certain number of houses. It was not acted upon by the committee. The total amount of the cost allowance for each individual unit was considerably higher than that provided in the amendment of the Senator from Massachusetts [Mr. SALTONSTALL], and there was a reasonable and, I think, normal objection to that higher unit cost. But now that the Senator comes in here and offers an amendment limiting it to \$20,000 for only 250 of the 11,500 units in all, the Senator from New Hampshire thinks he is approaching it in a practical way, and is willing to accept the amendment.

Mr. SALTONSTALL. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The PRESIDING OFFICER. Under the previous arrangement, the floor returns to the Senator from Oregon [Mr. MORSE] in order to make his amendment again the pending business.

Mr. SALTONSTALL. May I thank the Senator from Oregon.

Mr. MORSE. May I say that two other colleagues wish me to extend the courtesy of yielding to them. Before any Senator gets a wrong idea, may I say, Mr. President, that these are the only two, so far as I am concerned, whom I shall further accommodate, because I think I have been very reasonable, but I want to get on with my discussion of my own amendment. But, Mr. President, I will yield, if there are no objections, under the same conditions to the Senator from Utah [Mr. WATKINS]; and then, Mr. President, I will yield to the Senator from South Dakota [Mr. MUNDT] each of whom, I understand, has an amendment that the chairman of the committee [Mr. BRIDGES] is willing to take to conference.

I yield first to the Senator from Utah [Mr. WATKINS].

The PRESIDING OFFICER. Without objection, the Senator from Utah is recognized.

Mr. WATKINS. I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 31, line 13, it is proposed to change the period to a comma and to add the following:

Provided, That hereafter hearing officers appointed for Indian probate work need not be appointed pursuant to the Administrative Procedure Act (60 Stat. 237) as amended.

Mr. WATKINS. Mr. President, the bill contains an item of \$100,000 to take care of some backlog of probates on Indian fractionated heirships.

We have over 2,000 of them, and we are trying to get them cleaned up so that we can make progress in solving some of the Indian problems. Many of these lands are lying idle today. The Indians cannot use them because of the multiplicity of owners whose names have never been determined. We have in some cases as many as 30 people owning a 40-acre tract, and it becomes very difficult to handle these matters.

Ordinarily, of course, we would have to give examinations for people to take care of the job, which we hope will be done in 2 years.

The committee has allowed us \$100,000 in the bill for this purpose. We think we can get some young lawyers who can take the job, and because they have to comply with the probate laws of the State in which the lands are located, they will be able immediately to enter upon the work and get it done. Our hope is and our program in this respect, has been to get it done as speedily as possible so that we can go forward with this Indian program.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah [Mr. WATKINS].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, the chairman of the committee has no objection to the language change. In fact, he approves the amendment.

Mr. MUNDT. Mr. President, I thank the Senator from Oregon [Mr. MORSE] for extending to me the courtesy of the floor. I rise to call the attention of the Senate to the fact that on July 6 we passed Senate Joint Resolution 140, to establish a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton.

Section 7 of the joint resolution provides:

There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this joint resolution.

However, as a member of the Appropriations Committee, I did not ask the Appropriations Committee to include any funds because the House did not act on its portion of this joint resolution until late this afternoon. In acting, I may say, they limited the amount that could be spent to \$10,000 for this Commission.

Very frankly, I am skeptical about the capacity of the Commission to get the job done for \$10,000, but since we must operate under that limitation, I have taken up with the chairman of the Appropriations Committee [Mr. BRIDGES] the amendment to include \$10,000 in this bill for Senate Joint Resolution 140, and I believe he has agreed to take that amendment to conference.

Mr. BRIDGES. Mr. President, will the Senator please state just what he is asking again? I understand the joint resolution.

Mr. MUNDT. Yes. This amendment provides \$10,000 for conducting the work of the Alexander Hamilton Bicentennial Commission. It was the feeling of some 35 or 40 of us, who joined in introducing the joint resolution that it would probably require \$50,000 to really undertake the work of the Commission. But in approving our joint resolution, the House wrote into it a limitation of \$10,000, and rather than retard the beginning of the Commission, I felt that it would be well for us to appropriate \$10,000, get on with the work, and if next year we find out that our guess was closer than the House guess, we can come back to the committee for a supplemental appropriation, of course.

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

Mr. MUNDT. I yield.

Mr. DOUGLAS. Would the Senator from South Dakota consider adding the name of Andrew Jackson to the joint resolution, so that it may provide for a joint memorial?

Mr. MUNDT. I may say to the Senator from Illinois that this is in the nature of a sequel to the one which honored Thomas Jefferson. Therefore it is in the nature of an equalizing joint resolution.

Mr. DOUGLAS. I believe the name of Andrew Jackson should be added.

The PRESIDING OFFICER. Will the Senator from South Dakota send his amendment to the desk?

Mr. MUNDT. The purpose of the amendment is to provide \$10,000 for carrying out the purposes of Senate Joint Resolution 140.

The PRESIDING OFFICER. Where in the bill does the Senator from South Dakota propose to add the amendment?

Mr. MUNDT. On page 63, at the end of line 24.

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

Mr. MUNDT. I yield.

Mr. DOUGLAS. Would the Senator from South Dakota consider adding the name of Aaron Burr to that of Alexander Hamilton?

Mr. MUNDT. We are on the Hamilton side of the feud at this time.

Mr. BRIDGES. Mr. President, while the Senator from New Hampshire knows nothing about the details of the proposed amendment, and does not know what the reaction of the House will be, he does recognize the part which Alexander Hamilton played in the history of the United States. It is probably wise to commemorate the 200th anniversary of the birth of Alexander Hamilton, and I shall certainly be glad to take the amendment to conference.

Mr. MUNDT. I thank the Senator from New Hampshire. I am sure the House will be very happy to have a limitation placed on the amount.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, this supplemental appropriation bill provides funds to be used by the Civil Defense Administration to finance the establishment of permanent headquarters at Battle Creek, Mich. The original plans of that agency announced in 1951 provided for the establishment of its permanent headquarters at Olney, Md., the present site of its training center and where the Civil Defense Administration has already incurred a large capital investment in Government funds.

As a Senator from Maryland, let me say that the establishment of headquarters at Battle Creek would naturally be adverse to the interests of my State. However, my objections to this proposal far transcend any interest in it that I may have as a Senator from the State of Maryland. I firmly believe that if the headquarters of this most important agency are moved to Battle Creek, Mich., it will sound the death knell to our civil-defense program.

We owe our citizens the paramount obligation to see to it that our Nation has the most effective civil-defense program the intellect and resources of man are capable of providing. My studies of this proposal indicate beyond a doubt that the decision to move the civil defense headquarters to Battle Creek was based upon the most cursory of investigations, and is fatally defective so far as

the administration of this agency is concerned. In a recent letter to the President concerning this proposal, I stated several of the more important factors which clearly indicate to me that Battle Creek is not the proper site for this facility. By way of clarification, I ask unanimous consent that my letter of July 22, be printed at this point in the RECORD.

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

JULY 22, 1954.

THE PRESIDENT,

The White House, Washington, D. C.

DEAR MR. PRESIDENT: The Federal Civil Defense Administration has recently announced plans to establish its permanent headquarters at Battle Creek, Mich. At the present time temporary headquarters are located in the District of Columbia and the Administration's training center is located at Olney, Md. Prior to this announcement, permanent headquarters were also to be located at Olney.

I question the merit of this proposal and believe that it is in the best interest of the Government and, more specifically, our civil-defense program, that the headquarters of the Administration be located at Olney, Md., as has been the plan since 1951 when the Civil Defense Administrator selected that site for its headquarters and training center. There are serious financial and administrative reasons why the civil defense headquarters should not be located at Battle Creek.

Preliminary studies and estimates would indicate that the cost of remodeling the premises and moving personnel to Battle Creek alone might exceed \$1,500,000. In addition, substantial amounts of specialized equipment presently at Olney will have to be moved at prohibitive cost. As an example, it is my understanding that it will cost the Civil Defense Administration about \$100,000 simply to disconnect and terminate existing communication facilities. As another example, the proposed move will require the abandonment of "Rescue Street," a training facility at Olney simulating bombed-out buildings, which I am advised cost almost \$500,000. As these examples indicate, the Government investment at Olney to a very great extent appears to be in labor and other installation costs rather than in the intrinsic value of the equipment involved, which means that the capital loss will be substantial should the proposed move take place.

Loss of investment, however, is but one aspect of this problem. More important is the functioning of the agency itself. The Civil Defense Administration is not a self-sustaining, all-inclusive organization. On the contrary, it is essentially a coordinating agency which relies upon the staffs of the other agencies and departments of the Federal Government. It has made delegations of responsibilities fixing areas of research and development in some 20 other Federal agencies. As an example, only last week you announced the delegation of extensive civil defense responsibilities to the Department of Health, Education, and Welfare. Furthermore, each Federal agency relies upon such liaison in the establishment of its own civil defense program for continued operations in the event of enemy attack.

Thus, should the headquarters be moved to Battle Creek, which would make this liaison extremely difficult and costly, if not impossible, not only would the nationwide civil defense program be severely compromised, but also, the essential program relating to the emergency operation of the various agencies and departments of the Federal Government.

While I understand that these new plans call for a small liaison staff in Washington, it is questionable whether a handful of employees could even hope to maintain the

necessary contact with the other agencies of the Government.

I have also been advised that the Civil Defense Administration proposes to have its high officials available in Washington for consultation during emergencies. Yet, in time of emergency fate can play cruel tricks on man's endeavors. Would chance or circumstance find the proper officials in the vicinity of Washington at the time of an enemy attack? If not, could subordinates stationed almost 1,000 miles away take their places on a moment's notice?

For such reasons as these I believe that Battle Creek is manifestly an unfortunate choice for the site of the headquarters of this most important agency. On the other hand, Olney, Md., appears to be a most effective location both for the headquarters and the training center. While it is not located in any target area, nevertheless it is in the heart of the industrial East where most of the target areas are found. Most States and cities can thus send their key civil defense personnel the short distance to Olney at comparatively low cost. In addition, it is my understanding that the accessibility of Olney and present facilities and accommodations allow for a most intense training program there than would be possible at Battle Creek where distances are great and accommodations are poor.

There is the question as to Olney being too close to Washington, which admittedly would be a priority target area in case of war. It should be pointed out, however, that Olney is outside the area of major damage from blast and fire effects.

The advent of the hydrogen bomb leads me to believe that an entirely new concept of civil defense must be developed. The hydrogen bomb, together with germ or bacteriological warfare and other hideous weapons, in my opinion requires that Civil Defense be considered in terms other than the mass evacuation of our cities. The entire question of relocation of civilian, industrial, and Government facilities must be reexamined in view of the fact that it is now obvious that all essential facilities cannot be placed beyond the reach of these new weapons. It would seem to me that the first step in this reappraisal might well be the construction of a model headquarters building at Olney designed in accordance with the latest knowledge and technical information available relating to the design of buildings capable of withstanding blast, radiation, and fire of thermonuclear weapons.

Accordingly, I most respectfully urge that this plan to move the civil defense headquarters and training center to Battle Creek, Mich., be reconsidered. It is essential, in my opinion, that the headquarters be located within commuting distance of Washington so it can effectively carry out its functions in time of emergency. No place on earth is now entirely safe from the ravages of these new weapons, and compromises must be made in weighing safety as against effectiveness. Furthermore, to a great extent the work of this organization will have to be performed prior to the time of emergency, as probably its greatest task lies in the training of local and regional civil defense officials and workers. This training program can be more effectively carried out in the middle Atlantic region of our country, with Olney, Md., as the most obvious site. To pass up Olney or some other site in this section in favor of a converted Army hospital in Michigan, a facility which itself would be sorely needed in time of emergency, would be, in my opinion, a most drastic mistake and constitute an incalculable setback to the essential preparations our country must make to protect itself and thus to survive during this age of thermonuclear weapons.

Sincerely yours,

JOHN MARSHALL BUTLER,
United States Senator.

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

Mr. BUTLER. I yield.

Mr. FERGUSON. I understand that the Senator from Maryland is objecting and intends to raise the point of order that this would be an appropriation of prior funds, and therefore would require a suspension of the rule and a two-thirds vote. Is that correct?

Mr. BUTLER. That is correct.

Mr. FERGUSON. I suggest to the chairman of the committee, the distinguished Senator from New Hampshire [Mr. BRIDGES], that this amount be stricken out as an appropriation of prior funds, and that the chairman then move to add \$350,000 on page 62, line 22.

Mr. BUTLER. The Senator from Maryland will not yield for that purpose. Mr. FERGUSON. I desired to shorten the argument being made by the Senator.

Mr. BUTLER. I would rather prolong it.

It is my belief that the factors discussed in this letter clearly demonstrate the need for the postponement of this move or transfer. In addition, contacts with my office indicate that housing conditions at Battle Creek are abominably poor; that the vast majority of Civil Defense employees will not move to Battle Creek, and that if Battle Creek is a proper location for this headquarters, a thorough investigation will substantiate that conclusion. On the other hand, if the proposal is unsound and would jeopardize the entire civil-defense program, as I clearly foresee, it is our duty, in the highest sense of the word, to see that this fact is established prior to the time the present headquarters staff is disbanded and the agency is demoralized and disorganized by this unfortunate transfer.

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

Mr. BUTLER. I yield to my colleague.

Mr. BEALL. Is it not a fact that if the headquarters should be moved to Battle Creek, Mich., it would be housed in what were formerly hospital buildings?

Mr. BUTLER. That is true.

Mr. BEALL. Is it not a fact that the Army has reserved the right to take back the buildings in the event of another war?

Mr. BUTLER. I will say to my dear colleague from Maryland that in the event of an emergency the Civil Defense headquarters would last 5 minutes in the location to which it is now proposed to move it. In addition to that, \$1½ million will have to be spent to make the facilities there available to the agency.

I wish to point out to my colleagues that in 1953 the agency entered into a contract with respect to communications, which contract was for a period of 10 years, at a monthly rental of \$3,000. If the agency does not live up to its contract, it will cost the Government about \$80,000, less one-one hundred and twentieth for each month of occupation, which will make the penalty approximately \$72,000. In addition to that, there has been expended a half million dollars for what is known at Olney, Md.,

as Rescue Street, which represents a large capital investment.

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

Mr. BUTLER. I yield for a question.

Mr. BEALL. Considerably more than a half a million dollars has been spent. As a matter of fact, Olney was picked by the last two administrations as an ideal location, and was established by Mr. Flemming as being beyond the danger zone.

Mr. BUTLER. I may say to my colleague that his point is absolutely correct. I do not know of anyone who has stated that Olney, Md., was not an ideal location for the civil-defense headquarters. The location is 20 miles from the Capital City. I would think that is an ample distance away. I can see no reason for moving that fine facility, which has been established at great expense to the taxpayers.

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

Mr. BUTLER. I yield for a question.

Mr. GORE. The junior Senator from Tennessee came into the Chamber late. May I ask to where it is proposed to move the facility?

Mr. BUTLER. It is being proposed that the facility be moved to Battle Creek, Mich., into buildings which were formerly occupied by a hospital, which buildings, in the event of an emergency, would be absolutely essential for use by the Department of the Army or the Department of the Navy.

Mr. GORE. Will the Senator yield further?

Mr. BUTLER. I yield.

Mr. GORE. Why is it proposed to move the agency from the vicinity of the United States Capital to Michigan?

Mr. BUTLER. I should like to know the answer to that question. I can find no sound reason for moving the fine facility from the State of Maryland. I may also inform my colleagues that from the headquarters at Olney, Md., there are microwave communications to one of the larger cities on the eastern seaboard, which system could not be replaced for thousands and thousands of dollars. It would be utterly ridiculous to move the agency from that fine facility.

Mr. GORE. Does the amendment of the Senator from Maryland provide that the agency shall not be moved?

Mr. BUTLER. In due time the senior Senator from Maryland is going to make a point of order on the basis that this is an appropriation of unexpended funds.

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

Mr. BUTLER. I yield to the Senator from Minnesota.

Mr. HUMPHREY. As I understand, the Civil Defense Headquarters at Olney is now located in rental property, and the rental has been adjusted in such a way that it will prove to be an economy to the Government. Is that correct?

Mr. BUTLER. It is my understanding that the rental has been adjusted downward. The headquarters could not have a better landlord or facility for that type of operation.

Mr. HUMPHREY. Is it not also true that the Government, when it first entered into the contract, agreed with the landlord or with the owner of the property to use it for a rather extended period of time?

Mr. BUTLER. That is correct, and the Government has expended a very large amount of money on the basis of such commitment.

Mr. HUMPHREY. It is also true, is it not, that the Federal Government has invested in the installation an amount of money running into the hundreds of thousands of dollars, for the purpose of renovation and redesigning in order properly to adjust the facility for the purposes of civil-defense training?

Mr. BUTLER. That is true.

Mr. HUMPHREY. Would not all that money be lost if the move were to be made?

Mr. BUTLER. All of that money would be lost. The initial investment in the project would be lost. The Government would be required to pay a large penalty for disconnecting its communication systems, and these would be abandoned at great expense.

Mr. HUMPHREY. I wish to state that I have discussed the matter with the Senator from Maryland, and I am familiar with some of the details involved. I assure him that he shall have my support for his proposal.

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

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

Mr. POTTER. I know the distinguished Senator from Maryland wishes to be fair. He knows, does he not, that the anticipated move to Battle Creek will result in housing the entire Civil Defense headquarters? The Olney program is a training program in a demonstration area. The administration headquarters is here in Washington. There have been no shenanigans on the part of any members of the Michigan delegation in trying to get the Civil Defense headquarters to move to Battle Creek. I am sure the Senator from Maryland is aware of the fact that the program of the President has been to utilize as much of the property that belongs to the Federal Government as possible, in order to avoid paying rent.

Mr. BUTLER. Mr. President, I yielded for a question. I should like to answer the statement of the distinguished Senator from Michigan by saying that simply because it is desired to carry out the directive of the President, it does not follow that the Government should abandon a perfectly fine and useful location and facility, in which the Government already has a large investment.

Mr. POTTER. The Senator from Maryland is also aware of the fact, is he not, that the Government will save from \$200,000 to \$225,000 a year if the transfer is made?

Mr. BUTLER. I do not see how any money can be saved by the transfer, when there is taken into consideration the fact that there will have to be spent approximately \$1½ million in putting the Battle Creek property into proper condition. The Government will lose a

half a million dollars in capital investment. Also, about \$72,000 will be lost as a result of termination of the contract at Olney. In addition, there will be the cost of moving the agency. I remain firmly convinced that the civil defense of the country cannot be effectively operated that far from the Capital. The personnel of the agency will probably be traveling back and forth on airplanes and trains incessantly. I think such an agency must be within easy reach of the Capital of the United States. I am sure it could not be said that it would be desirable to have the Pentagon move to an area in Michigan. The Pentagon must be close to Washington. The Civil Defense headquarters is the agency that will develop and maintain the protection and preservation of our people in case of attack. The agency should properly be near Washington, close to the seat of Government. The agency does not belong in Michigan.

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

Mr. BUTLER. I yield to the Senator from South Dakota.

Mr. CASE. The Senator from South Dakota was interested in the remark which the Senator from Maryland made a few minutes ago with regard to the fact that the rent had been adjusted downward. It intrigues me because the Subcommittee on Real Estate and Military Construction of the Committee on Armed Services, for a period of more than a year, has frequently been confronted with the problem of the adjustment of rents. Originally the facility in Olney, Md., was authorized by the predecessor committee at a rental of about \$36,000 a year, as I understand. In any event, when it was time to extend the lease, the subcommittee was asked to clear the rental at \$48,000 a year. We suggested that appraisals be obtained, and the appraisers fixed the fair rental value at from \$32,000 to \$55,000 a year. In any event, it was the opinion of the committee that the lease should be settled at \$36,000 a year, which was the originally authorized amount. I think the matter was taken into court, and the suggestion was that it could not be settled for less than \$48,000.

Does the Senator from Maryland mean to say it is agreeable now to settle the lease at \$36,000?

Mr. BUTLER. I think that is correct, although I do not wish to be bound by it.

Mr. BEALL. Mr. President, I should like to state to the Senator from South Dakota that it is a matter of record that the Federal court authorized the payment of \$48,000 a year.

Mr. CASE. When?

Mr. BEALL. In 1952, as I recall. I believe that was the figure which was authorized.

Mr. CASE. That does not wholly conform to the understanding I had, I may say.

I may add that what has disturbed the subcommittee on real estate and military construction is that the landlord was attempting to collect rent for property consisting of 50 acres, but at the same amount that the appraisers—

Mr. BUTLER. Mr. President, I ask unanimous consent that, for the pur-

pose of clarifying this matter, my colleague be allowed to answer the Senator from South Dakota [Mr. CASE] without causing me to lose the floor.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Without objection, it is so ordered.

Mr. CASE. I shall be glad to have that done, but first I should like to finish stating my point.

Mr. BUTLER. Very well.

Mr. CASE. Some appraisers were brought in. The appraiser upon whom the landlord seemed to rely most said the property should bring as much if rented with merely 50 acres as if it were rented with approximately 250 acres; in other words, that no decrease should be made in the rent because of the deletion of approximately 200 acres of good Maryland land from the property rented.

The committee was confronted with that proposal, but did not give its approval to the larger figure.

Of course, if the matter has gone to court and has been decided by the court, that is different.

But I was intrigued by the statement of the senior Senator from Maryland [Mr. BUTLER] that the settlement had been accomplished downward, because that would bear upon this problem.

Mr. BUTLER. It was my understanding that an offer was made in that connection.

Mr. BEALL. The Senator from South Dakota may not remember it, but the original contract was for 543 acres. The reason for the inclusion of only 50 acres is that the buildings were on the 50 acres of land. The buildings which originally were taken over were on the 50-acre tract. The remainder of the 543 acres—or approximately 493 acres, as I recall—would bring the \$48,000 rental.

Furthermore, I wish to call the attention of the Senator from South Dakota, because he was on the subcommittee, to the fact that an agreement was actually made with the landlord to buy this land.

The senior Senator from Tennessee knows that. The Government entered into an agreement in 1951 or 1952 to buy that land. So the school was abandoned.

Because of the fact that the property rights of the owners are affected in this manner, there is the element that they are entitled to remuneration. The Government could not simply walk in and take over the property without making payment. However, as a matter of fact, the Government has paid them nothing.

Mr. BUTLER. Mr. President, I think we have discussed the point sufficiently.

Mr. CASE. Mr. President, I merely wished to establish the fact, if it is one, that the landlord is now willing to accept rent of \$36,000 a year.

Mr. BUTLER. I do not know that to be so.

Mr. MAYBANK. Mr. President—

Mr. BUTLER. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I have heard of complaints from the employees who are stationed in Maryland. I do not know about the merits of the transfer, or what its effect will be, or whether the project will be as effective

and as efficient in Michigan as in Maryland.

However, I understand that many of the employees will not be transferred to Michigan, because, instead, they will quit their jobs.

Mr. BUTLER. That is true; the trained personnel will not go to Battle Creek, Mich.

Mr. MAYBANK. That is what I have been told.

Mr. BUTLER. If this move is made, I say to the Senator from South Carolina, the civil defense organization will be broken up, and that will occur at a time when it should not be broken up.

Mr. WELKER. Mr. President, will the Senator from Maryland yield to me, to permit me to ask a question of the distinguished chairman of the subcommittee who is handling this matter?

Mr. BUTLER. I yield.

Mr. WELKER. What is his observation with respect to the statements made by the two distinguished Senators from Maryland, to the effect that this important installation is being moved to Battle Creek, Mich.; and that in the event of an emergency, there will be no place for it to go, because it will have to evacuate the hospital buildings, and furthermore, we shall lose the benefit of the giant cable lines about which I have heard, and also we shall lose the benefit of the installations which have been made. I should like to hear from the chairman of the subcommittee on that point.

Mr. BUTLER. First, Mr. President, I should like to complete my statement.

On page 62 of the bill, in lines 22 through 25, the text of the amendment proposed by the Appropriations Committee, provides "That not to exceed \$350,000 of the unobligated balance of the 1954 appropriation for this purpose shall remain available until June 30, 1955."

The committee report reveals that the purpose of the amendment was to make these funds available "in order to provide funds for moving the major portion of the operations to Battle Creek, Mich."

The Legislative Reorganization Act of 1946 provides, in part, that—

No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision reappropriating unexpended balances of appropriations.

Accordingly, Mr. President, on the basis of that rule, it is my purpose to raise a point of order against the inclusion of the aforesaid provision in this appropriation bill.

Mr. PAYNE rose.

Mr. BUTLER. Mr. President, if the Senator from Maine wishes me to yield to him at this time, I gladly do so.

Mr. PAYNE. Mr. President, I appreciate the willingness of the distinguished Senator from Maryland to yield to me. I should like to ask whether he is aware of the fact that in addition to the training facilities and the school available at Olney, to which reference has been made, in which the training of Civil Defense personnel from over the country takes place, there has been maintained in the District of Columbia a very extensive and

very costly executive set of offices for all the rest of the personnel.

Mr. BUTLER. That is perfectly true; yes.

Mr. PAYNE. If the Senator from Maryland will permit me to speak further on this matter for a moment—

Mr. BUTLER. Certainly.

Mr. PAYNE. I wish to call attention to the fact that I happened to have the privilege of serving as 1 of the 3 governors of this Nation who served on a 9-member board of the National Advisory Council of Civil Defense, named by the President, during the period from 1950 up to 1953, and in that period of time I had an opportunity to visit Olney and observe the operations of the training school.

On the other hand, I also had an opportunity to observe the operations of the headquarters which is located in the District of Columbia, and I knew of the fact that it was located in a very congested area and one where the rent was very costly.

I wish to ask a question: Is the Senator from Maryland aware of the statement appearing on page 464 of the hearings before the Committee on Appropriations of the United States Senate? At the bottom of that page we find the following statement which was made by Mr. Val Peterson, formerly Governor of Nebraska and now the Civil Defense Administrator:

Consistent with the need for dispersal and continuity of Government, FCDA, as you may know, is now in the process of moving our national office from Washington to Battle Creek, Mich., in order to get our agency and our people out of the critical target area of Washington. I am convinced that this Nation's Capital will be one of the very first targets on an aggressor's list and, unless we take this step to protect ourselves, we simply are not going to be around to do our jobs after the attack comes.

Is the Senator aware of that statement?

Mr. BUTLER. Yes, I am.

Mr. PAYNE. May I further ask whether or not the Senator is aware of the fact that as early as 1951, on the briefing by the best authority available at the Federal level at that time, and under the direction of the then former Governor Caldwell, of Florida, who was then the Civil Defense Director for this Nation, the same argument was put forth by him and by the agencies in Washington, that it was essential for the needs of our national defense and to create an effective civil defense organization that would be able to act regardless of where the target area happened to be, that it should be removed from the area of Washington and placed outside of the vale of that which was then considered a most vital target area?

Mr. BUTLER. He may have had that idea. But if the Senator is going to do that, we might as well take the Pentagon out, and all the other vital agencies of the Government.

Mr. PAYNE. Mr. President, if the Senator will yield further—

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

Mr. PAYNE. Mr. President, will the Senator yield for one question?

Mr. BUTLER. I yield.

Mr. PAYNE. Is it not true that we are at present and have been for some period of time discussing very seriously the proposition of endeavoring to disperse, insofar as practical, those essential agencies of the Government so as not to have all of our eggs in one basket?

Mr. BUTLER. Let me answer the Senator by saying that it has always been the rule in dispersal that a safe distance is 20 miles, and that is exactly what this is. So we come within all the specifications. I can see no reason for moving this agency.

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

Mr. BUTLER. I am very happy to yield.

Mr. WELKER. I should like to ask my distinguished friend and colleague, the senior Senator from Maryland, whether if the argument of the junior Senator from Maine [Mr. PAYNE] is correct, based upon Mr. Val Peterson's knowledge as to where the first attack may strike, it would not be advisable to move the Capitol, the White House—

Mr. BUTLER. Everything.

Mr. WELKER. That is right—and move everything else out from under the canopy of the Capital of the United States?

Mr. BUTLER. Take it all out of Washington. It just does not make any sense. We have always lived up to the rule that a dispersal of 20 miles is sufficient.

Two or three years ago on the floor of the Senate the very eminent Senator from Florida had a dispersal bill which carried out that principle.

Mr. President, I will proceed with my statement. The denial of these funds should result in the postponement of plans to establish Civil Defense headquarters at Battle Creek until the next session of the Congress. During the interim period a comprehensive investigation should be made as to the proper location of all these important facilities.

During the era of savage thermonuclear weapons capable of destroying entire cities with one blast, members of the executive branch of the Government who are responsible for the management of our Civil Defense Administration cannot, in good conscience, do otherwise.

So I say, Mr. President, I make the point of order that this is a reappropriation of unexpended balances in last year's appropriation bill.

Mr. FERGUSON. Mr. President—

The PRESIDING OFFICER. A point of order has been made. The Chair is prepared to rule on the point of order.

Mr. FERGUSON. Does the Chair wish to be advised on the point of order?

The PRESIDING OFFICER. The Chair recognizes the Senator from Michigan.

Mr. FERGUSON. Mr. President, I tried to persuade the Senator from Maryland at the beginning of his argument that the Senator from Michigan saw no reason why this point of order should not be sustained, and that the Senator from Michigan would have an amendment to offer, so that a point of order would not lie. I have no objection to the point of order, and believe that it

would be well at this particular time to sustain the point of order.

The PRESIDING OFFICER. The Reorganization Act of 1946, section 139, paragraph (c), states:

No general appropriation bill or amendment thereto shall be received or considered in either House if it contains a provision reappropriating unexpended balances of appropriations.

Under that provision, the Chair sustains the point of order.

Mr. FERGUSON. Mr. President—

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. FERGUSON. I send to the desk an amendment on page 62, line 22, to strike out "\$11,000,000" and insert "\$11,350,000."

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 62, in line 22, it is proposed to strike out "\$11,000,000" and insert "\$11,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON].

Mr. FERGUSON. Mr. President, I wish to make a few remarks on this particular amendment. The purpose of this amendment is to add \$350,000 to the civil defense appropriation for the purpose of the Civil Defense moving its headquarters from an apartment house in the city of Washington, where it is paying high rent, to a Federal facility owned by the United States Government in Battle Creek, Mich.

Mr. President, the Senators from Maryland will probably object to this on the ground that part of their facility is located at Olney, Md.

The Civil Defense Administration will be able to save \$217,000 a year by virtue of rents that will be saved when they are using a building owned by the United States Government.

Mr. President, it was not just decided to move this establishment to the State of Michigan. In fact, the United States Government went up to Indiantown Gap, Pa., and looked over a Federal facility there. They were determined to move out of the Washington area. So I am not here arguing for the State of Michigan, and that only the State of Michigan should receive this facility. It was the desire of the Civil Defense Administration to move away from the present location.

This is what the record of the hearings before the subcommittee of the Committee on Appropriations shows:

We are presently located in an apartment house building at 1930 Columbia Road in Washington, and that building should be returned to its owners.

That is in a high-rent district.

We are going to have to move. Personally, I think that we should get out of it. I think that it should be returned to the people who built it. The rent is high.

There are a number of considerations involved in moving. First, the Office of Defense Mobilization has said that as a security agency of the Government we should move 20 miles beyond a 10-mile circle drawn around the target area of Washington with the Capitol as the center. This would be 30 miles from the Capitol.

That is what the Office of Defense Mobilization says.

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

Mr. FERGUSON. Just a moment. The Senator from Maryland was inclined to yield to the Senator from Michigan.

Mr. BUTLER. For a particular purpose.

Mr. FERGUSON. I read from the record in the testimony of Mr. Peterson:

We have at Olney, Md., at present a staff school, a rescue street, some other buildings, and a communications center.

Mr. TABER. How far out is that?

Mr. PETERSON. Nineteen air miles from the Capitol.

It should be 20 miles instead of 19.

Mr. President, Mr. Peterson testified in the Senate committee hearings. What did he say there was here at Olney, Md.?

We have at Olney, Md., a staff college and a rescue-training school, patterned after the English, who are the leaders in this field. We have trained many thousands of people from all over the United States.

As a matter of fact this training will take place out in the respective States instead of at Olney, or anywhere else—not even in Michigan—but these people are to be trained in the various States.

He continued:

Our first hope was that we could go out to Olney, erect a building, and locate our national headquarters there. However, Olney is 19 miles-plus from the Capitol, which we assume is the aiming point in Washington.

ODM, which has the responsibility for continuity of Government, has said that any industry which is building and expects to get tax benefits, must locate 10 miles beyond a perimeter drawn around an aiming point; in other words, 20 miles out in the country. They have said Government agencies should be at least 30 miles out. We ran into two problems in connection with Olney. ODM said it is not far enough. We cannot quarrel with them because we recognize these weapons are getting bigger and we want things dispersed.

POLICY ON NEW CONSTRUCTION

Secondly, the President said that so far as the executive branch was concerned, he did not want us or any other agency going in for new construction until and unless the agency had exhausted every possibility of moving into an existing Federal establishment standing idle. So we started to search all around this country for quarters into which we might go. That search has extended all over the area. The closest facility standing idle we could find which was adequate, is at Battle Creek, Mich. It is the Percy Jones General Hospital, formerly operated by the Kellogg people, and later taken over by the Army during the last war.

There is a million square feet of space standing idle there. It is the closest place to Washington we could find. We hope to move into that space. Those are the present plans.

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

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

Mr. WELKER. I am not familiar with the State of Michigan, but I am wondering if Battle Creek is not a highly strategic area, in the event of an enemy attack, since I am informed giant indus-

tries are located either in or near Battle Creek, Mich.

Mr. FERGUSON. The city of Battle Creek is a town 125 miles from Detroit on the Michigan Central Railroad. Its industry is principally food, cereals. Therefore it is not a strategic area at all.

Mr. WELKER. It has no manufacturing, such as tanks and guns?

Mr. FERGUSON. No.

Mr. WELKER. No heavy equipment, such as automobiles or anything of that nature?

Mr. FERGUSON. I do not know of any automobiles.

Mr. WELKER. Or parts for automobiles?

Mr. FERGUSON. There may be a few machine shops. It is not a strategic area at all.

Mr. WELKER. I still think somewhere in Idaho, or Denver, Colo., would be better.

Mr. FERGUSON. The communications center is at Denver, Colo.

Mr. WELKER. That is fine.

I have one further question, Mr. President. What does the distinguished senior Senator from Michigan have to say with respect to the allegation made by the senior Senator from Maryland [Mr. BUTLER] to the effect that in the event of an all-out emergency we would have to evacuate the Percy Jones Hospital? Where would they go? That is an important question in my mind.

Mr. FERGUSON. There is a very large building there, and the attack would have to be very serious before they would leave the Percy Jones Hospital. The Army has released the facility at Battle Creek and is agreeable to having the agency moved to Battle Creek, so they have given it up.

Mr. BUTLER. For how long?

Mr. POTTER. Mr. President, will my distinguished colleague yield?

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

Mr. POTTER. I believe I can answer the question of my colleague from Idaho.

The Percy Jones building was not constructed as a hospital. It served as a hospital in World War II. It served very well as a hospital.

The Army has released it as a hospital. It is a beautiful, well-built structure, which is ideally suited for an office building. In case of another emergency there are many other buildings which would be suitable for a hospital.

This building was used as a hospital during the war, but it was not built as a hospital. Certainly we would not leave a building like that empty, waiting for another war to come along so that we could use it as a hospital. The Army has released it.

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

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

Mr. WELKER. Obviously, there must have been some reason why this office building, or whatever it is, was used as a hospital in World War II. We are told that if another emergency arises conditions will be much more severe, and casualties will be exceedingly high. I am wondering why we cannot go out to some of the abandoned Air Force bases which

dot the Nation, which are now used entirely as bowling alleys for rats and skunks, where they could well do everything we can do in this so-called hospital there in Battle Creek.

Mr. POTTER. Does the Senator propose that we stockpile all the hospitals we had in World War II, awaiting another emergency?

Mr. WELKER. I think the situation is serious, since we are so alerted and must be so meticulous with respect to inches, feet, or miles away from the Nation's Capital, that we had better be alerted to this great danger we have all heard so much about. I say that the first thing we need is hospitals.

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

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

Mr. BUTLER. Does the Senator not know that Val Peterson, the Administrator of this agency, has certified that Olney, Md., meets the minimum standard as to distance requirement?

Mr. FERGUSON. His testimony is just the opposite. I have read it to the Senator.

Mr. BUTLER. I have a letter here which is not the opposite, and it is dated July 30. I received it August 2. I shall quote it:

While Olney meets the minimum distance standard—

So I do not know what he means.

Mr. FERGUSON. Let me read his testimony.

Mr. BUTLER. I have just read from a letter.

Mr. FERGUSON. I shall read his testimony:

Consistent with the need for dispersal and continuity of Government, FCDA, as you may know, is now in the process of moving our national office from Washington to Battle Creek, Mich., in order to get our agency and our people out of the critical target area of Washington. I am convinced that this Nation's Capital will be among the very first targets on an aggressor's list and unless we take this step to protect ourselves, we simply are not going to be around to do our jobs after the attack comes.

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

Mr. FERGUSON. I yield.

Mr. BUTLER. Does the Senator not know that this agency is an agency which must keep in close liaison with other departments of Government? We cannot run the civil defense of the United States in time of emergency from some building out in Battle Creek, one thousand miles away from this Capital. If we can do that, then let us move the Pentagon and all these other agencies away from Washington.

It sounds silly to me to select this one agency which is comfortably located in the lovely State of Maryland, and require it be moved to Michigan.

Mr. FERGUSON. I understand that it is beyond the imagination of the distinguished Senator that anything could possibly be moved from the great State of Maryland to the great State of Michigan.

Mr. BUTLER. The Senator is certainly correct.

Mr. FERGUSON. I appreciate the feelings of the distinguished Senator. I have been in both States.

Mr. BUTLER. I will not even go so far as to limit it to Michigan. I say it is impossible for me to conceive of anything moving out of the great State of Maryland.

Mr. FERGUSON. That is right; I understand that.

If war should come, I suppose the Senator understands that the people would be moved out of the Pentagon Building. I do not know whether the Senator is familiar with the plans or not.

Mr. BUTLER. I suppose we would move out of the Capitol, too. Is there any distinction as between a United States Senator and the man who is operating the civilian defense agency? We would probably all move.

Mr. POTTER. Mr. President, will my distinguished colleague yield?

Mr. FERGUSON. I now yield to my distinguished colleague from Michigan.

Mr. POTTER. Is it not a fact that the argument put forward by the distinguished Senator from Maryland relates to only a portion of the program?

Mr. FERGUSON. That is correct.

Mr. POTTER. For several years there has been an effort to find a suitable and adequate location to house the entire headquarters for the civil defense agencies. The Senator from Maryland is complaining because the training program which is located in Olney would be moved. The distinguished Senator from Michigan, and I, and the executive branch of the Government, which has recommended this change, are concerned about the entire civilian defense program. We are concerned about the headquarters being here where we are paying terrific rent. The object is to have a coordinated program in a rent-free facility, which will save the taxpayers of this country more than \$200,000 a year.

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

Mr. POTTER. It is like the tail wagging the dog.

Mr. FERGUSON. I yield.

Mr. BUTLER. Does not the Senator from Michigan know that within the past 2 months, not within the past 2 years, active negotiations have been in progress for the lease and purchase of the property at Olney? How could it have been within their contemplation for the last 2 or 3 years to move? If it has been, they have been fooling somebody in Maryland.

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

Mr. FERGUSON. I yield to the junior Senator from Maryland.

Mr. BEALL. There are not merely 50 acres available in this tract. There are 243 acres. It is also possible to move the headquarters from Washington out to Olney, where the facility would be all on the same piece of land.

Mr. POTTER. Then it would be necessary to construct a new building.

Mr. BEALL. Yes; but it could be built under the lease-purchase arrangement, which would be cheaper than remodeling

the buildings in Battle Creek for this use. Under the law which Congress recently passed for lease-purchase agreements, under which the landlord will build, it actually would cost less to retain the facility at Olney. It is proposed to move the facility to Battle Creek and recondition a group of lovely old buildings and convert them for office use. They will have to be converted. By the time we were through remodeling them for these purposes, it would be much cheaper to buy an entire new building.

Mr. POTTER. Mr. President, will the distinguished senior Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. POTTER. I have great love and affection for the Senator from Maryland, but it is possible to cite figures and statistics to support any argument. The facility at Battle Creek would not require any appreciable amount of money for remodeling for this program. It certainly would require much less than to build a new facility. Think of the waste. At Battle Creek we have a facility already built. We can utilize that facility rather than build a new one.

Mr. BEALL. That is what I am talking about at Olney. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield for a question.

Mr. BEALL. I should like to ask the distinguished Senator another question. Is it not provided in the agreements with the Army or the Veterans Hospital that, under instructions of the President, they will abandon Battle Creek for hospital purposes any time he says so? Is that not written into the agreement?

Mr. FERGUSON. I do not so understand it. I am sure that the President of the United States—

Mr. BEALL. He can tell them to vacate it for hospital purposes.

Mr. FERGUSON. He can vacate any building, for that matter.

Mr. BEALL. The Battle Creek medical resources at Mayo's, and everything else, I suppose.

Mr. FERGUSON. No; that is not correct. Mayo's is up at Rochester, Minn.

Let me make one further answer to the letter which the Senator claims he has from Mr. Peterson.

Mr. BUTLER. Has the Senator any doubt about it?

Mr. FERGUSON. I have no doubt about it.

Mr. BUTLER. The Senator said that I claim to have it. I do have it.

Mr. FERGUSON. Mr. Peterson stated to the committee:

We ran into two problems in connection with Olney. ODM said it is not far enough. We cannot quarrel with them because we recognize these weapons are getting bigger and we want things dispersed.

Mr. BUTLER. If ODM were asked if its own agency were far enough out, what would it say? Manifestly, it would say "No," because it is right in the heart of Washington. Why does it not move out?

Mr. FERGUSON. I hope we can get a vote favorable to the adding of \$350,000 to this item.

Mr. BUTLER. I ask for the yeas and nays, Mr. President.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. HUMPHREY. Mr. President, a point of order. Is this a matter of legislation on an appropriation?

The PRESIDING OFFICER. This amendment is for an increase in the amount of the appropriation.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Has the Chair ruled that the demand for the yeas and nays was sufficiently seconded?

The PRESIDING OFFICER. The yeas and nays were not ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Goldwater	McCarran
Anderson	Gore	McClellan
Barrett	Green	Millikin
Beall	Hayden	Monroney
Bennett	Hendrickson	Morse
Bowring	Hennings	Mundt
Bricker	Hickenlooper	Pastore
Bridges	Holland	Payne
Burke	Humphrey	Potter
Butler	Ives	Purtell
Capehart	Jackson	Reynolds
Carlson	Jenner	Robertson
Case	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Clementes	Kennedy	Smathers
Cooper	Kerr	Smith, Maine
Cordon	Knowland	Sparkman
Crippa	Kuchel	Stennis
Daniel	Lennon	Symington
Douglas	Long	Thye
Dworshak	Magnuson	Upton
Ellender	Malone	Welker
Ervin	Mansfield	Young
Ferguson	Martin	
Fulbright	Maybank	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

Mr. BUTLER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FERGUSON. Mr. President, I merely wish to speak a few sentences. These funds will enable the Civil Defense Administration to do that which it has started to do and has desired to do, namely, to move into a Federal building at Battle Creek, Mich., save \$270,000 a year on rental, and move an agency out of a critical area in Washington, where it is at present occupying a large apartment house on Columbia Road. Therefore, I hope the amendment will be agreed to.

Mr. KUCHEL. Mr. President, I have been told that a number of years ago the late great publisher, William Randolph Hearst, became rather vitriolic during a campaign in which he was a candidate for public office in the State of New York. Finally the publisher issued an announcement in which he said, "If my opponent will stop telling lies about me, I promise to stop telling the truth about him."

Over the years, Mr. President, the State represented in part by the distinguished Presiding Officer, the Senator from Arizona [Mr. GOLDWATER], and my own State of California have had a great many disputes. But I am happy to say that the same logic which appealed to the late publisher in New York also appealed to the people of California. Therefore, having applied that logic to the lawsuits which arose between Arizona and California, the Senators from those States are now in the happy situation of offering bills together on the floor of the Senate.

I wish that same philosophy might lend itself to an unfortunate cannibalistic situation, in which some of us now find ourselves torn by equal affection for those who live in Michigan, on the one hand, and those who live in Maryland, on the other hand.

Senators are in somewhat of a quandary about what to do. I hope that in the last analysis we can vote in the public interest.

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

Mr. KUCHEL. I yield.

Mr. CHAVEZ. I am most happy that eventually California and Arizona are getting together. Now that they intend to introduce legislation pertaining to Arizona and California, I hope that they do not plan to take all of New Mexico's water, because every time we shed a tear or produce some kind of water in New Mexico, the States of California and Arizona seem to find some way to take it.

Mr. THYE. That is exactly why the two States have got together.

Mrs. SMITH of Maine. Mr. President, will the Chair advise the Senate as to what the Senate is being asked to vote upon?

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Michigan [Mr. FERGUSON].

The LEGISLATIVE CLERK. On page 62, line 22, it is proposed to strike out "\$11,000,000" and to insert in lieu thereof "\$11,350,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll, and Mr. MANSFIELD, when his name was called, voted "present."

Mr. CORDON. Mr. President, I make the point of order that the junior Senator from Montana is out of order, he not having voted when his name was called.

The PRESIDING OFFICER. The Chair rules that the Senator will have to withhold his point of order until the call of the roll is completed.

The rollcall was concluded.

Mr. MANSFIELD. Mr. President, rule XII, paragraph 2, provides as follows:

When a Senator declines to vote on call of his name, he shall be required to assign his reasons therefor, and having assigned them, the Presiding Officer shall submit the question to the Senate: "Shall the Senator, for the reasons assigned by him, be excused from voting?" which shall be decided with-

out debate; and these proceedings shall be had after the rollcall and before the result is announced; and any further proceedings in reference thereto shall be after such announcement.

Mr. President, my reason for voting "present" is that it looks to me as if the vote on the amendment is a matter purely between Republican Senators from two States. So, I think in the interest of harmony and in the interest of bipartisanship, the best thing I can do is vote "present."

The PRESIDING OFFICER. Does the Senator from Oregon insist that the Senator from Montana vote?

Mr. CORDON. The Senator from Oregon states that the Senator from Montana must either be excused from voting or must vote after he assigns his reasons.

The PRESIDING OFFICER. The question is, Shall the Senator from Montana, for the reasons assigned by him, be excused from voting? [Putting the question.]

Several Senators asked for the yeas and nays.

The PRESIDING OFFICER. The Chair is in doubt. The Chair will call for a division.

All those in favor, raise their hands.

SEVERAL SENATORS. In favor of what?

The PRESIDING OFFICER. In favor of excusing the Senator from Montana from voting.

Senators will please hold their hands up until they are counted.

The Chair will ask Senators in favor of excusing the Senator from Montana from voting to rise.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. In favor of excusing the Senator from Montana from voting?

The PRESIDING OFFICER. In favor of excusing the Senator from Montana from voting. All those opposed, stand.

The "nays" have it, and the Chair rules that the Senator from Montana is required to vote.

The CHIEF CLERK. Mr. MANSFIELD.

Mr. MANSFIELD. In the interest of economy, I vote "nay." [Laughter.]

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Kansas [Mr. SCHOEPEL] are absent by leave of the Senate.

The Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from North Dakota [Mr. LANGER], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS], the Senator from Wisconsin [Mr. WILEY], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Delaware [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], the Senator from Alabama

[Mr. HILL], the Senator from Colorado [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], the Senators from West Virginia [Mr. KILGORE and Mr. NEELY], the Senator from New York [Mr. LEHMAN], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The result was announced—yeas 29, nays 44, as follows:

YEAS—29

Aiken	Fulbright	Potter
Bowring	Hayden	Purtell
Bricker	Hendrickson	Reynolds
Bridges	Hickenlooper	Saltanston
Burke	Ives	Smith, Maine
Carlson	Jackson	Stennis
Case	Knowland	Thye
Cordon	Kuchel	Upton
Dworshak	Mundt	Young
Ferguson	Payne	

NAYS—44

Anderson	Gore	Martin
Barrett	Green	Maybank
Beall	Hennings	McCarran
Bennett	Holland	McClellan
Butler	Humphrey	Millikin
Capahart	Jenner	Monroney
Chavez	Johnson, Tex.	Morse
Clements	Johnston, S. C.	Pastore
Cooper	Kennedy	Robertson
Crippa	Kerr	Russell
Daniel	Lennon	Smathers
Douglas	Long	Sparkman
Ellender	Magnuson	Symington
Ervin	Malone	Welker
Goldwater	Mansfield	

NOT VOTING—23

Bush	Gillette	Murray
Byrd	Hill	Neely
Dirksen	Johnson, Colo.	Schoeppel
Duff	Kefauver	Smith, N. J.
Eastland	Kilgore	Watkins
Flanders	Langer	Wiley
Frear	Lehman	Williams
George	McCarthy	

So Mr. FERGUSON's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, I move that the vote by which the Ferguson amendment was rejected be reconsidered.

Mr. BEALL. Mr. President, I move that the motion of the senior Senator from Maryland be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the junior Senator from Maryland to lay on the table the motion of the senior Senator from Maryland.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BUTLER. Mr. President, I address an inquiry to the distinguished chairman of the Committee on Appropriations, and ask him how he interprets the action of the Senate in this instance. Does not the chairman of the committee believe that the agency is now deterred from leaving the vicinity of the Capital?

Mr. BRIDGES. I do not know that I can interpret the action of the Senate any better than the Senate itself has interpreted its action when a moment ago it voted to deny funds for the moving of the agency. Apparently the sense of the Senate was very obvious.

Mr. BUTLER. Mr. President, I direct the attention of the Senate to the committee amendment on page 25 of the bill, and I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Inasmuch as the House of Representatives incorporated general legislation in the appropriation bill, the Senate would have the right, would it not, to amend that legislation if the amendment were germane?

The PRESIDING OFFICER. The Chair is informed that the statement of the Senator from Maryland is correct.

Mr. BUTLER. So that the parliamentary situation may be entirely clear, I understand that the distinguished Senator from New Hampshire intends to protect the committee, and that in doing so he intends to resist a point of order which I may raise on the very question I have just propounded to the Chair. Is that correct?

Mr. BRIDGES. I will say to the distinguished Senator from Maryland that the chairman of the committee could do nothing else, in representing the committee, than to call attention to the germaneness of the question if the point of order is raised.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUTLER. Is the Senator from Maryland correct in believing that if a point of order is now made, it will cut off debate?

The PRESIDING OFFICER. When a point of order is raised, the Chair will rule, unless the question of germaneness is raised, in which case the Chair will submit the question to the Senate.

Mr. BUTLER. It is not my desire to detain the Senate, and I shall make a very brief explanation of my reasons for making the point of order.

Mr. President, the appropriation bill, as amended by the Senate Appropriations Committee, authorizes and appropriates supplemental funds for the Department of Health, Education, and Welfare, to be used, in part, to meet the cost of transferring some 450 employees of the Bureau of Old Age and Survivors Insurance from Baltimore to Washington.

After a careful study of the proposal, it is my considered opinion that the transfer of those employees would be completely antagonistic to every policy of economy and efficiency and to the best interests of both the Government and the employees involved.

The Department of Health, Education, and Welfare recently announced plans for the erection of a new building in Baltimore to house the Bureau of Old Age and Survivors Insurance. The employees subject to this transfer to Washington are those making up the headquarters staff of this Bureau, which, as the name "headquarters staff" implies, is composed of the technicians and professional personnel which supervise the day-by-day functions of the Bureau.

Although the plans originally envisioned that the headquarters staff would remain in Baltimore with the rest of the Bureau employees, and the members involved were so advised on numerous occasions, it was announced on May 11 of

this year that the headquarters staff would be transferred to Washington.

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

Mr. BUTLER. I yield to the Senator from Arkansas.

Mr. McCLELLAN. To what part of the bill is the Senator now addressing himself?

Mr. BUTLER. I refer to page 25, line 9 to 23.

In a recent letter to the President with reference to this proposed transfer, I stated several of the more substantial reasons why these employees should remain in Baltimore, which are as follows:

First, efficiency and economy of operation: As previously emphasized, the members of the headquarters staff obviously must work closely with the other members of the Bureau and to execute their function from Washington would be extremely difficult, more costly, and inefficient. Furthermore, no persuasive reason, from an administrative or executive standpoint, seems to exist for having the headquarters staff in Washington.

Second, extreme hardship to the 450 employees involved: These employees are settled residents of Baltimore and the surrounding area.

Many have bought homes on the strength of prior announcements by officials of the Social Security Administration that "all Bureau employees" would be covered "under one roof in the Baltimore area." The proposed move to Washington would result in the forced sale of their homes and, in many instances, the splitting of families, inasmuch as many wives or husbands of employees work in other divisions of the Bureau or in private industry in Baltimore.

The move would thus demoralize the personnel of this Bureau. It is estimated that at least one-third of the trained staff would resign, if forced to transfer. Furthermore, a sizable portion of the stenographic personnel would refuse to move to Washington; and it would be difficult to replace this personnel in the latter city under present employment conditions, and at rates paid stenographic help in Baltimore.

Third, space problems would result both in Baltimore and in Washington. At the present time the headquarters staff is located in the Equitable Building, in Baltimore, and requires approximately 55,000 square feet of space.

At the present time the Government has a lease on this space at the rate of \$2.30 per foot per annum, with the lease on this space expiring as follows: one-third on May 31, 1955; one-third on November 30, 1955; and one-third on May 31, 1956. I am told that the present liability under the lease amounts to approximately \$160,000, which the Government would probably lose if the move should take place in August, as scheduled.

Regarding space in Washington, it is assumed that the personnel would be moved into the main headquarters building of the Department, on Independence Avenue. However, it is my

understanding that only 20,000 square feet of space is available in that building, which would mean that the Department would have to acquire additional space in Washington, at extra cost.

Fourth, the move would be contrary to the theory of decentralization of Government operation. For economic and defense purposes, it has been the policy and constant effort of the executive branch of the Government to decentralize Government operation to the greatest extent possible. The move of this personnel to Washington would be contrary to this theory in the most extreme sense.

Fifth, last, in no event is it now the time for such a move. House bill 9366, the social-security expansion bill, will undoubtedly be approved in the very near future by Congress. The headquarters staff, the personnel subject to this move, will have the task of working out new administrative procedures for the entire country resulting from this implementation of the social-security program. It is essential that the efficiency and the morale of this personnel be retained under all circumstances.

Several weeks ago I advised the Department of Health, Education, and Welfare of the basis upon which I objected to the proposed transfer, and I set forth the reasons I have just stated. Inasmuch as I have not received a detailed rebuttal of the objections, it must be assumed that the Department has no answer to them. In any event, I firmly believe that the factors I have stated, in themselves, manifest the impropriety of the proposal and are not subject to serious challenge.

This appropriation bill as passed by the House of Representatives provided that—

None of the funds available to the Bureau of Old-Age and Survivors Insurance shall be used to pay any costs, direct or indirect, of moving any group of employees of the Bureau from Baltimore, Md., to Washington, D. C.

The Senate Appropriations Committee has recommended that the above provision be amended so as to read as follows:

SALARIES AND EXPENSES, BUREAU OF OLD-AGE AND SURVIVORS INSURANCE

The amounts made available under this head for the fiscal year 1955 shall be available for the payment of special allowances to those employees of the Department whose headquarters are relocated from Baltimore, Md., to Washington, D. C., at \$9 per day after arrival at Washington, D. C., for 6 days for employees, plus \$4.50 per day additional for 6 days for each member of immediate families of employees.

No prior authorization of the per diem allowances referred to in the Senate amendment has been made by Congress. The Senate committee amendment to the bill therefore constitutes substantive legislation on an appropriation bill, and is subject to a point of order insofar as it is not germane to the subject matter.

Mr. President, for the reasons just stated, I therefore raise the point of order with respect to the amendment reported by the committee.

Mr. BRIDGES. Mr. President, in order to carry out the recommendations of

the committee, I must insist that the committee amendment is germane.

Mr. THYE. Mr. President, I should like to make a brief clarifying statement in connection with this question.

This division consists of approximately 450 employees. They were what might be termed the headquarters staff. The staff was moved to Baltimore in 1941, at the outbreak of the war, when space in Washington, D. C., was at a premium. In view of that move, the plan has always been to have the group return to Washington as soon as conditions returned to normal, following the end of the war.

The facts are that buildings were erected in Washington to house the OASI; and those buildings are now occupied by the Department of Health, Education, and Welfare. There is no reason or justification for denying to the employees involved proper compensation for the expense of disposing of their homes in Baltimore and coming to Washington, D. C., and acquiring homes in Washington, D. C.

That is all that is involved in the committee amendment that is objected to by the Senator from Maryland. The objection is made simply on the basis that the committee amendment states that the employees are to receive \$9 a day for 6 days, and each dependent in the member of the family of such employee is to receive \$4.50 a day for 6 days. The fact is that many of the employees have already disposed of their homes in Baltimore.

So the Senator from Maryland cannot stop the transfer. If he objects to the amendment, an injustice will be committed against the employees involved, because they will not be allowed the \$9 a day for the number of days involved, and thus will not be allowed to receive reimbursement for the cost of making the move or transfer.

Mr. BUTLER. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. Not at the moment, Mr. President.

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). The Chair must remind the Senator from Minnesota that, under rule XX, a point of order is not debatable.

The Chair was willing to indulge the Senator from Minnesota for a few moments. If the Senator from Minnesota can complete his remarks in a few moments more, the Chair will indulge him to that extent, after which there will be no further remarks.

Mr. THYE. I thank the Presiding Officer.

I merely wish to say that certain of the employees have acquired new homes in Washington, after having disposed of their old homes in Baltimore. Nothing that the Senator from Maryland [Mr. BUTLER] can do can prevent the transfer of this division, because it is in the process of making the transfer.

If the Senator from Maryland objects, he will make it impossible for the employees to receive the compensation the committee has seen fit to vote to have them allowed.

Mr. BUTLER. Mr. President, I ask unanimous consent that I may be al-

lowed to proceed for half a minute, to answer the statement just made by the Senator from Minnesota.

The PRESIDING OFFICER. Inasmuch as the Chair has indulged the Senator from Minnesota, the Chair is willing to indulge the Senator from Maryland, if he will confine his remarks to a few moments.

Mr. BUTLER. I thank the Chair.

Mr. President, I have no information similar to that just recited by the Senator from Minnesota [Mr. THYE]. In all the extensive hearings, there is not one word about why the move is to be made, or to show that any employee has sold a house or has bought a house. I defy any Senator to find in the hearings one word which would justify the move.

The PRESIDING OFFICER. The Chair must insist—

Mr. BUTLER. Mr. President—

Mr. THYE. Mr. President—

The PRESIDING OFFICER. The Chair must insist on the application of rule XVI, which provides, in effect, that when a question of the germaneness or relevancy of an amendment is raised, it is the duty of the Presiding Officer, under rule XVI, paragraph 4, to submit the matter to the Senate for its determination; and the submission of the question to the Senate takes priority over a point of order that the amendment is general legislation.

Under rule XVI, if a question of germaneness is raised, the Chair is required to submit the question to the Senate.

The question is: Is it the sense of the Senate that the committee amendment, on page 25, in lines 14 to 23, inclusive, is germane to the language of the bill, as passed by the House, which would be stricken out by the committee amendment? [Putting the question.]

The "noes" have it.

The Senate having voted that the amendment is not germane, the amendment is not in order.

Mr. THYE. Mr. President, Mr. President, Mr. President—

The PRESIDING OFFICER. The Chair has not completed his ruling.

Mr. FERGUSON. Then I request a division.

Mr. BUTLER. Mr. President, a parliamentary inquiry.

Mr. THYE. Mr. President, if the Chair has not announced his ruling—

Mr. BUTLER. He has announced it.

Mr. THYE. Then the question is open. If he has, then I wish to be recognized.

Mr. BUTLER. Has not the Chair announced the decision?

The PRESIDING OFFICER. The Chair announces that the Chair has already announced the result of the vote.

Mr. BUTLER. That is correct.

Mr. THYE. Then, Mr. President—

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. THYE. I must invite the attention of the Senator from Maryland [Mr. BUTLER] to the fact that he waved this committee hearing record about, and said there was not a line in it about this transfer. Therefore, I must respectfully call to the Senator's attention the language on page 380. Will he please read it?

Mr. BUTLER. I did not make such a statement. The Senator said there was not one word in these hearings in the way of a reason for making this move, or that anyone had sold a house or had bought another house in Washington. I defy the Senator to find it.

Mr. WELKER. Mr. President, I insist upon the regular order.

The PRESIDING OFFICER. The regular order is demanded.

The bill is open to further amendment.

Mr. MUNDT. I send to the desk an amendment.

Mr. THYE. Mr. President, I thought I was recognized. I had a reply to make to the Senator from Maryland.

The PRESIDING OFFICER. The floor was yielded, and the Chair recognized—

Mr. THYE. No, Mr. President; the Senator from Minnesota was still on his feet, and was asking to be recognized.

The PRESIDING OFFICER. The Senator from Idaho [Mr. WELKER] had called for the regular order, and the Chair stated that there was a demand for the regular order, and announced the regular order. The bill is open to further amendment. A further amendment has been offered.

Mr. THYE. Mr. President, I was still on my feet trying to be recognized, and we are still on the bill. Therefore, I think that I have the right—

The PRESIDING OFFICER. Does the Senator from South Dakota [Mr. MUNDT] yield to the Senator from Minnesota?

Mr. MUNDT. I yield, with the understanding that I will be recognized thereafter.

Mr. THYE. Mr. President, I read from the hearings on page 380:

Senator THYE. In other words, you have an item here to include \$9 a day for 6 days for the employees after they arrive in Washington. And the \$4.50 for each member of the immediate family.

What is that for?

Mr. TRAMBURG. That is to ease the burden of the transfer cost that the family has.

Senator THYE. From Baltimore to Washington?

Mr. TRAMBURG. From Baltimore to Washington.

Senator THYE. You mean they are moving down here and it is going to be 6 days before they settle themselves in their own respective homes?

Mr. TRAMBURG. I wouldn't say it would be, Mr. Chairman. It is an attempt to assist the employee when you are uprooting him from his present living quarters and moving to another city.

Senator THYE. You have never done this before?

Mr. TRAMBURG. Sir, I can't answer that.

Senator THYE. The statement here says not.

Mr. TRAMBURG. I have just been informed when these people moved out due to the war space situation here that this is the same situation that prevailed then. The movement was then from Washington to Baltimore during the war years. This involves only the headquarters staff, 450 of the approximately 14,000 employees in the Bureau of Old-Age and Survivors Insurance.

Senator HAYDEN. They were compensated when they were moved from Washington to Baltimore?

Mr. President, that is all I wanted to call to the attention of the Senate. I did not wish to be informed by the Senator from Maryland [Mr. BUTLER] that there was nothing in this record on the subject, because there was something in it. That is all I was trying to obtain recognition for. I merely want the record to be clear.

Mr. MUNDT. Mr. President—
The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. MUNDT. I sent my amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, line 21, after the word "and", it is proposed to insert the words "for emergency rehabilitation of the."

Mr. MUNDT. Mr. President, I have discussed this amendment with the Senator from South Dakota [Mr. CASE].

Mr. BRIDGES. I will say to the Senator from South Dakota that the Senator from New Hampshire will take that amendment to conference.

Mr. MUNDT. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FULBRIGHT. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 30, line 16, after the word "amended", it is proposed to strike out "\$3,500,000" and insert "\$5 million."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas [Mr. FULBRIGHT].

Mr. FULBRIGHT. I merely wish to remind the Senate that only a short while ago we passed a bill extending the Water Facilities Act to all the 31 States in what is called the western and Pacific coast area.

It seems to me that the sum of \$5 million would enable this program to get properly under way. In the 31 States, they must have this \$5 million, which is a loan program, and the interest rates will be increased to 4 percent. If the money is not loaned, it will not be used, of course. It is not a giveaway or a grant program at all. Everyone is now particularly conscious of the evil effects of the drought in all the States of this area, including my own State and all of the Midwest.

The House today passed a special emergency relief bill authorizing further aid. We appropriated and made available as much as \$100 million last year for the relief of States suffering from the drought. This program is designed for the long pull and to prevent the disastrous effect of the drought in many places where water is available. I think it is a very sound business proposition, and I hope the committee will accept the amendment. I hope the House and

Senate will pass it. If the committee feels that it needs some support in this matter—

Mr. BRIDGES. Mr. President, this particular amendment relates to new legislation which has just been enacted, as the distinguished Senator has said. The committee, after hearing the evidence presented, and deliberating on it, felt that \$3,500,000 was an adequate sum to initiate this program, and all that could be used properly at this time.

This is a matter of judgment, let me say to the Senator from Arkansas. Perhaps \$5 million is the correct amount; perhaps it should be \$4 million, perhaps \$3 million. The committee arrived at the figure of \$3,500,000 as a proper figure. But it is just a question of judgment, as to how soon this program will be in operation, and how it will be used. That is not a hard and fast figure, but the committee felt that it was a reasonable determination.

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

Mr. BRIDGES. Of course.

Mr. FULBRIGHT. Does not the Senator think that, under the extremely serious conditions now existing in regard to the drought, in addition to the actual use of this money it would be of benefit psychologically to the people in all these 31 States to know that until there is a possibility of doing something about the water supply, and especially in view of the fact that this is a loan program—and the Senator, I believe, will agree that these loans have worked out very well economically and the program has been very successful in the past in this restricted area of 17 Western States—it would be well to get this program under way? I hope the Senator from New Hampshire will let this program get under way. Once it is going, I think we would gain more experience; but \$5 million is not very much for 31 States.

Mr. BRIDGES. The Senator from New Hampshire, acting on his own initiative, after talking briefly with other members of the committee, will take the amendment to conference.

Mr. FULBRIGHT. I thank the Senator from New Hampshire.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 36, line 8, it is proposed to insert the following:

FOREIGN CLAIMS SETTLEMENT COMMISSION OF
THE UNITED STATES

Administrative expenses (Korean claims)

For expenses necessary to enable the Foreign Claims Settlement Commission to carry out the provisions of the amendments of 1954 to the War Claims Act of 1948, as amended (50 U. S. C., App. 2004), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and expenses of attendance at meetings concerned with the purposes of this appropriate

tion, \$100,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H. R. 9390, 83d Congress.

Mr. BRIDGES. Mr. President, I will take just about 1 minute to explain the amendment. This matter came to the committee's attention after we closed our hearings on the bill. A bill recently passed by Congress set up a War Claims Commission for Korean veterans who were held prisoner of war by either the Chinese Communists or the North Korean Communists. Such a prisoner of war does not come under the definition established by the Geneva Convention. Therefore, such prisoners of war do not come under the provisions of the regular War Claims Act. It was, therefore, necessary to set up a special War Claims Commission so that American prisoners of war who were held by either the Chinese Communists or the North Korean Communists and who suffered as a result of such imprisonment, and in some cases suffered atrocities, may have the right to submit war claims.

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

Mr. BRIDGES. I yield.

Mr. HENDRICKSON. Does this matter have any relation to the Trading With the Enemy Act?

Mr. BRIDGES. So far as the Senator from New Hampshire knows, it has not, except that some money eventually coming from the claims may come under the provisions of that act. That is the only connection, namely, that after the commission is set up and the claims are judged to be fair claims, the money with which to pay the claims would come from that source. However, this matter is not directly concerned with the Trading With the Enemy Act.

Mr. HENDRICKSON. It is not related at all to the Dirksen bill or to the Hendrickson-Smith-Ives bill?

Mr. BRIDGES. I want to be entirely fair with the Senator from New Jersey, because the Senator from New Hampshire has not heard any testimony on this matter. It is one of those last minute matters that were submitted to the committee. It seemed to us to be very laudable, because the Korean war veterans should have the same means and methods of adjusting their claims as other war veterans. Certainly there is no group of people in America who deserve more attention from our country than the group of American war veterans who suffered atrocities or cruelties or other injury at the hands of the Communists in the Korean prisoner of war camps. Aside from that the Senator from New Hampshire cannot furnish more information.

Mr. HENDRICKSON. May we have the amendment read again?

The VICE PRESIDENT. The Secretary will again read the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 36, line 8, it is proposed to insert the following:

FOREIGN CLAIMS SETTLEMENT COMMISSION OF
THE UNITED STATES

Administrative expenses (Korean claims)

For expenses necessary to enable the Foreign Claims Settlement Commission to carry out the provisions of the amendments of

1954 to the War Claims Act of 1948, as amended (50 U. S. C. App. 2004), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and expenses of attendance at meetings concerned with the purposes of this appropriation, \$100,000: *Provided*, That this paragraph shall be effective only upon the enactment into law of H. R. 9390, 83d Congress.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

Mr. BRICKER. Mr. President, I wish at this time to call to the attention of the Chairman of the Committee on Appropriations and the Senate the provisions of section 906, subsection (b) of section 404 of the Civil Aeronautics Act of 1938, and the amendment thereto.

The chairman of the committee has served notice, according to the rules of the Senate, this being legislation on an appropriation bill, that he will submit the question to a vote of the Senate. I merely wish to call to the attention of the chairman of the committee the fact that this committee amendment is entirely inconsistent with the report of the committee itself, and that the Committee on Interstate and Foreign Commerce now has before it 4 or 5 bills, one of which has been passed by the Senate, which are entirely contrary to the spirit of that section of the appropriation bill.

The section was included in the last appropriation bill, and the Senator from Ohio objected to it at that time, and assured the Senator from New Hampshire that the Committee on Interstate and Foreign Commerce had the subject under consideration, which it had at that time.

There are two or three other bills before the committee. If the purposes of the amendment are carried out, it will be in opposition to the position taken by most of the departments of Government which have reported to our committee and testified against that principle.

As the report of the committee states, the transportation facilities of the country require that there be a stabilization of rates, not only for Government services, but for all other services, as well. Because of the inconsistency in this amendment with the report of the committee and the other provisions of the bill, and because it cuts across the terms of the bills reported by the Committee on Interstate and Foreign Commerce, one of which has been passed by the Senate and sent to the House for action, and because the Committee on Interstate and Foreign Commerce is further considering similar bills in regard to all forms of transportation, not only by air but by water and all means of transportation, I wonder whether the chairman would not be willing to take out that provision at this time.

Mr. McCARRAN. Mr. President, will the Senator from Ohio state at what page of the bill the item occurs?

Mr. BRICKER. At page 49. The item reads as follows:

Sec. 906. Subsection (b) of section 404 of the Civil Aeronautics Act of 1938 (52 Stat. 993; 49 U. S. C. 484 (b)) is hereby amended by inserting at the end thereof the following: "*Provided*, That nothing in this or any other act shall prevent the carriage, storage, or

handling of property free or at reduced rates for the Department of Defense, or the transportation of persons free or at reduced rates for the Department of Defense on a space available basis on scheduled service."

That includes all kinds of service. The Committee on Interstate and Foreign Commerce has already reported to the floor several bills, or at least two bills. I shall be glad to give the numbers of the bills to the Senate. They are Senate bill 904, Senate bill 3049, and House bill 8029. We have had reports from the departments of Government on all of the bills, and the departments are opposed to the principle set out in the provision I have read. I should like to read, for the information of the Senate from the report on this bill itself, at page 40 of the report:

It has long been recognized that transportation charges may be unreasonable because of being too low, and any policy of bargaining for rates or playing one carrier off against another with the primary objective of getting the lowest possible transportation rate without regard to the consequences for the carrier is promotive of destructive competitive practices and fosters unsound economic conditions in transportation contrary to the national transportation policy.

Accordingly, all Government agencies and executive departments are admonished to pay full heed to the national transportation policy in their dealings with carriers.

Consistent with that pronouncement on the part of the Committee on Appropriations, the Committee on Interstate and Foreign Commerce has already reported to the floor of the Senate one bill, and is considering 2 or 3 other bills.

The VICE PRESIDENT. Does the Senator from Ohio desire to make a point of order against that provision in the bill?

Mr. BRICKER. Yes; I wish to make a point of order against it. However, the chairman of the Committee on Appropriations has already notified the Senate that he would submit the legislative question to the Senate.

Mr. BRIDGES. Mr. President, I recognize that this is legislation and it would be subject to a point of order. Members of the committee who favored the insertion of the amendment believed it would allow the Department of Defense to take advantage of free space on return trips and would result in the saving of money. I recognize that it is legislation. So long as the point is raised by the distinguished Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire will not press it.

Mr. BRICKER. I thank the Senator from New Hampshire, and assure him the committee will continue its consideration of these bills.

Mr. BRIDGES. I send to the desk another amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 7, after line 25, it is proposed to insert the following:

All functions, duties, and authority of the Architect of the Capitol with respect to the legislative garage, together with any funds, contracts, authorizations, appropriations, and records of the Architect of the Capitol which are primarily related to and necessary

for, the exercise of such functions, duties, and authority, are transferred to the Sergeant at Arms of the Senate and shall be performed, exercised, and administered by him in accordance with the provisions of law relating to the control, supervision, and care of the legislative garage. The employees engaged in the care and maintenance of such garage are transferred to the jurisdiction of the Sergeant at Arms of the Senate without any reduction in compensation as a result of such transfer.

Mr. BRIDGES. Mr. President, the Senate Appropriations Committee authorized and directed the Senator from New Hampshire to offer this amendment for the consideration of the Senate. Now it is for the Senate to decide whether or not it wants it. It will require only a minute to explain the amendment.

The Senate garage is used some by House Members, but primarily by the Senate. It is under the control of the Architect of the Capitol.

There have been various complaints coming to legislative bodies by many Senators on both sides of the aisle relative to the operation of the Senate garage. There are Senators whose cars have been damaged. They have not been able to find the person responsible for such damage. In recent days or weeks, 3 cars have been stolen from the Senate garage. One of them happens to be the car belonging to the Clerk of the House, one of them is the car of the President pro tempore of the Senate, and the other belongs to the staff of the Senator from Michigan [Mr. PORTER].

I do not know how the House will feel concerning an amendment of this kind, because it has at least an interest in the so-called Senate garage, but the committee felt the amendment should be offered for the consideration of the Senate and at least it should be taken to the conference and discussed.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 36, between lines 7 and 8, it is proposed to insert the following:

FEDERAL POWER COMMISSION

Salaries and expenses

For an additional amount for "Salaries and expenses," \$300,000; and the limitation under this head in the Independent Offices Appropriations Act, 1955, on the amount available for expenses of travel is increased from "\$220,000" to "\$265,000."

Mr. FERGUSON. Mr. President, the amendment I have offered will provide an additional sum of \$300,000 to the appropriation for the Federal Power Commission in accordance with the recommendations of the Bureau of the Budget and the President.

On June 7, 1954, the Supreme Court of the United States held that producers of natural gas who transport natural gas in interstate commerce or who sell natural gas in interstate commerce for

resale, are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act. The case is Phillips Petroleum Co., petitioner, against State of Wisconsin, et al., known as the Phillips case.

Prior to June 7 the Commission had considered producers and gatherers of natural gas as not within the purview of the Natural Gas Act, and the Commission had confined its regulation of the natural gas industry pretty largely to the pipeline companies. In its original budget estimate for the year ended June 30, 1955, the Commission estimated that only 120 natural gas companies were subject to its jurisdiction under the Natural Gas Act. These 120 companies were, on the whole, pipeline companies.

It is now estimated that about 4,000 additional natural gas companies, as defined in the Natural Gas Act, are subject to the Commission's regulatory authority. The Commission has asked for a very modest sum, \$300,000, for the current fiscal year to permit it to discharge its minimum responsibilities and duties with respect to these additional companies.

The sum of \$300,000 which the Commission requests is not for the purpose of engaging in wholesale investigations of producers and gatherers. Quite obviously this is so because the sum is too small to finance a large investigation. As I understand it, the Commission does not contemplate initiating in the current fiscal year investigations of producers and gatherers which are subject to the provisions of the Natural Gas Act except in special or unusual situations.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. FERGUSON. Yes.

Mr. JOHNSON of Texas. If the Commission does not contemplate making an investigation, then why is the Senator asking for \$300,000 additional before the court actually acts on the motion for rehearing?

Mr. FERGUSON. I will tell the Senator in the next paragraph.

Mr. JOHNSON of Texas. Was this \$300,000 proposal considered by the committee?

Mr. FERGUSON. Yes.

Mr. JOHNSON of Texas. What action was taken by the committee?

Mr. FERGUSON. The action of the committee was to not put it in.

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

Mr. FERGUSON. I yield.

Mr. MAYBANK. How many members of the committee voted for it? Does the Senator recall?

Mr. FERGUSON. I was not at the first hearing. I moved for reconsideration, and lost.

Mr. MAYBANK. It would be fair to say that, as I recall—I stand to be corrected if I am wrong—there was only one vote for it.

Mr. FERGUSON. The vote of the Senator from Michigan.

Mr. MAYBANK. No. At the first hearing.

Mr. FERGUSON. I am not familiar with the vote.

Mr. MAYBANK. On reconsideration, unless I am mistaken—

Mr. FERGUSON. On the reconsideration, I know.

Mr. MAYBANK. The Senator from Michigan—I speak most respectfully because I understand his trouble—was the only one who voted for it.

Mr. FERGUSON. That is correct. I said the Senator from Michigan.

Mr. ELLENDER. It was 15 to 1, as I understand.

Mr. FERGUSON. Can the Senator from New Hampshire inform us as to the vote?

Mr. BRIDGES. I think it was 15 to 1.

Mr. FERGUSON. Mr. President, the Commission needs the money requested to process rate schedules and applications for certificates of public convenience and necessity which must be filed with the Commission by this large number of producers and gatherers transporting or selling gas at wholesale in interstate commerce. So it will need the money for a staff of 60 employees, plus an average of 45 others, as is indicated in the testimony.

Mr. President, it is true that a motion for a rehearing has been filed and, as this decision came at the close of the June term, June 7, there was no time for the granting or denial of the motion for rehearing, but when an application was made for a stay, it was denied. Therefore, the law today is as the decision was rendered in the case.

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

Mr. FERGUSON. I yield.

Mr. CHAVEZ. We understand that the law is as announced by the Senator from Michigan. The justifications for this item were presented before the Committee on Appropriations.

Mr. FERGUSON. That is correct.

Mr. CHAVEZ. After the justifications were presented to the committee, only one Senator stood for the justifications. Is that not correct?

Mr. FERGUSON. Yes. That is the way the record now stands.

Mr. CHAVEZ. The record now stands that the Committee on Appropriations turned it down completely, and that only 1 man out of the entire 21 voted for the justification.

Mr. FERGUSON. The Senator from Michigan also recalls that the item in relation to the moving of the civilian defense agency was decided by the committee unanimously, and yet the Senate of the United States decided otherwise.

Mr. CHAVEZ. We are merely trying to explain the situation for the benefit of the Senators who are not members of the committee.

Mr. FERGUSON. Mr. President, I think this matter is important. The explanation will take the Senator from Michigan only a few minutes, if the Senate will bear with him. I think the Record ought to be clear.

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

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

Mr. BURKE. I ask the Senator from Michigan if it is not true that the Supreme Court of the United States in its decision in the Phillips Petroleum case

laid down the law of the land, which is the law today?

Mr. FERGUSON. That is correct.

Mr. BURKE. And if the Senate of the United States should deny this appropriation it would in effect nullify the decision of the Supreme Court, solely because a motion for rehearing is now pending?

Mr. FERGUSON. That would be correct. It is the law. Whether we like it or not, it is the law, because no stay was granted.

The Commission has very little control over the additional workload which will result from the recent interpretation of the Natural Gas Act.

If the Commission does not have the staff required to process the rate schedules and other matters which will come to it as a result of the Phillips decision, confusion in a wide scale will most certainly result. This is so because rates for the sale of natural gas in interstate commerce for resale are not lawful unless filed with the Commission, and because of the requirement that an additional 4,000 companies obtain certificates of public convenience and necessity.

Mr. President, this Commission will be able to raise rates as well as lower rates, because that is within its power.

Mr. President, on the 7th day of June, or shortly thereafter, a stay was granted, so that no rates can be raised unless the Commission can look into them; and we are asking for this money to be used for that purpose.

Mr. BURKE. Mr. President, will the Senator from Michigan further yield?

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

Mr. BURKE. As a result, if the Senate denies this item it will prevent the Commission from either raising or lowering rates?

Mr. FERGUSON. That is correct.

It is estimated that more than 5,000 rate schedules or contracts must be filed with the Commission in order to establish their legality. Moreover, no change in jurisdictional rates can be achieved without the filing of the change with the Commission. These changes must be reviewed by the Commission for the purpose of determining their reasonableness. The Commission can suspend rate changes if it deems such action to be in the public interest. Obviously, if the Commission does not have the staff to analyze the rate changes it will have no recourse but to suspension.

Thus if the Commission cannot proceed in an orderly manner with respect to rate schedules and contracts, it must be obvious that great confusion will prevail and that untold litigation concerning the lawfulness of charges will ensue.

Mr. President, our cities and people who are consumers are concerned over this matter, and many lawsuits may result unless they can proceed and get their certificates, as is required by law.

Altogether, it would represent a very unwholesome situation. In short, the failure of the Commission to have an adequate staff to process rate filings would lead to great confusion to the detriment of all concerned—the producer, the pipeline company, and the consumer.

I would like to reiterate that the Commission does not intend, as they tell me, to launch a wide-scale investigation of those persons who, as a result of the Phillips decision, are now known to be subject to its jurisdiction. Rather, the Commission plans to proceed slowly in this matter by confining its activities in the current year largely to the processing of those rate schedules, applications, and documents which must be filed with it.

The Commission, in line with this plan, has issued order No. 174, which requires the producers and gatherers subject to its jurisdiction to file the rate schedules which were in effect on June 7, 1954, the date of the Phillips decision. The acceptance of such rate schedules or contracts would, of course, establish the lawfulness thereof.

The foregoing order further provides the mechanics of filing changes in rates after that date which, under the law, must be filed with the Commission.

Thus the Commission, taking a very practical view, has considered June 7, 1954, as the cutting-off date. The rates prevailing on June 7, 1954, will be maintained in status quo at least until interested parties seek a change. The new natural-gas companies may seek changes in the rates by filing appropriate notices with the Commission. The Commission, as previously stated, will analyze such changes and sanction them where appropriate and suspend them where they are not justified. If the Commission does not have a staff to make a study for the justification of the changes, it will have no recourse but to suspend them.

It is of vital importance to all of those affected by the Natural Gas Act, those who produce, transport, and sell in interstate commerce as well as the many millions of consumers, that the Natural Gas Act be administered in an orderly and competent manner and that chaos and confusion be avoided. If the Commission fails to take any action whatsoever in this matter, to administer the Natural Gas Act in accordance with the interpretation of the Supreme Court, certainly confusion cannot fail but be the result. This confusion would permeate the entire industry.

Any suggestion that producers and gatherers would gain by the failure of the Commission to administer the law, as interpreted by the Court, is completely in error, in my opinion. This is so because if producers and gatherers do not comply with the law or if the Commission does not have the means of processing filings made by producers and gatherers in compliance with the law, the legality of the transportation and sale in interstate commerce by such producers and gatherers would, to say the least, be in a grave state of legal and practical uncertainty.

The sum of \$300,000 is a most modest sum for the duties involved. Clearly it is the bare bones amount needed to process those matters which will come to the Commission as a result of the Phillips case. It is a small cost to avoid the chaos in the natural-gas industry which will result if the Commission does not have the minimum staff needed to discharge its enlarged responsibilities.

As I said, the Bureau of the Budget has recommended that this appropriation of \$300,000 be granted, and I hope the Senate will agree to this amendment in order to permit the Federal Power Commission to carry out its duties in the public interest.

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

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

Mr. HUMPHREY. As I understand the amendment, it is directed toward the one purpose of fulfilling the legal doctrine or the court order which was handed down, so that equity will be had for both those who are producers and sellers of natural gas, at the producer and wholesale level, and also that consumers of such gas.

Mr. FERGUSON. That is correct.

Mr. HUMPHREY. Without this money the Federal Power Commission will be literally hamstrung or be in a straitjacket of inability to hold hearings, and to make proper findings of fact, for the purpose of establishing rates, both for the consumer and for the producer?

Mr. FERGUSON. That is correct. They will be unable to issue certificates because they would not have the manpower to do it, without this sum of money.

Mr. HUMPHREY. So no matter how we look at it, even from the producers' viewpoint, in view of the June 7 cutoff date, if there is to be any adjustment in rates, either up or down, this appropriation is necessary.

Mr. FERGUSON. That is correct.

Mr. HUMPHREY. If the consumers are to have any possibility of knowing what their natural-gas rates will be for a period of time, rather than on an interim basis, we must make this appropriation.

Mr. FERGUSON. I believe that is correct.

SEVERAL SENATORS. Vote! Vote! Vote!

Mr. BRIDGES. Mr. President, just 1 minute.

The Committee on Appropriations heard the evidence and took the position that because a final decision had not been made on this matter, because a rehearing before the court had not been had and would not be had until late fall, there was no need at this time for granting the appropriation. For that reason the committee voted overwhelmingly against recommending the \$300,000 appropriation.

As chairman of the committee, I must oppose the amendment.

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

Mr. BRIDGES. I am glad to yield.

Mr. BURKE. May I ask the Senator from New Hampshire whether the Supreme Court has issued a stay in the Phillips Petroleum case?

Mr. BRIDGES. No; it has not.

SEVERAL SENATORS. Vote! Vote! Vote!

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. FERGUSON].

The amendment was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I have an amendment which I offer on behalf of myself, the senior Senator from Massachusetts [Mr. SALTONSTALL], the Senator from West Virginia [Mr. KILGORE], the senior Senator from New Jersey [Mr. SMITH], the junior Senator from New Jersey [Mr. HENDRICKSON], and the Senator from Kansas [Mr. CARLSON].

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert the following section:

SEC. —. There are authorized to be appropriated for expenditure during the fiscal year ending June 30, 1955, for the purpose of completing inventories, surveys, and plans authorized under the provisions of title I of Public Law 815, 81st Congress, such sums as may be necessary for such purpose and are not in excess of the amount which was covered into the Treasury under the provisions of the Department of Health, Education, and Welfare Appropriation Act, 1954, as the balance of the amount previously appropriated for the purposes of such title I.

Mr. KENNEDY. Mr. President, under title I of Public Law 815 of 1950, all States were given certain funds in order to survey school construction needs. Five States have not completed the survey, namely, Kansas, Massachusetts, New Jersey, West Virginia, and North Carolina. All other States have completed their surveys. For various reasons the five States I named were unable to do so.

The amendment which I have offered would give the five States I have named until June 1955 to complete their surveys.

As there is about to be reported a \$150 million emergency construction bill for fiscal years 1955 and 1956, it seems to me most important that the five States be allowed to complete inventories of their construction needs. It is for that reason that I offer the amendment.

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

Mr. KENNEDY. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Does the amendment refer to Public Law 815 of the 81st Congress, which set up a \$5 million fund for a nationwide survey?

Mr. KENNEDY. Yes. The States I have named would require the following amounts in order to complete their surveys:

Kansas, \$22,865.
Massachusetts, \$30,554.
New Jersey, \$57,000.
West Virginia, \$16,031.
North Carolina, \$23,904.

All other States have completed their surveys. The amendment would give the five States I have named until June 1955 to complete their surveys.

The proposal would not require any additional funds. The States would have received the money, except that they were not able to complete their surveys.

Mr. HUMPHREY. The 81st Congress, by virtue of Public Law 815, did set up a fund of \$5 million for the original survey, but those States did not expend

the money to which they were entitled. Is that correct?

Mr. KENNEDY. That is correct.

Mr. HUMPHREY. However, the date for the completion of the surveys has expired. Is that correct?

Mr. KENNEDY. That is right. The date expired in June of this year.

Mr. HUMPHREY. And the Senator from Massachusetts is merely asking that the funds which were unexpended be made available in order that those States which did not complete their surveys may do so. Is that correct?

Mr. KENNEDY. Yes.

Mr. HUMPHREY. I am very much interested in the proposal, because it was my privilege to be the sponsor of Public Law 815. I think the survey revealed interesting facts regarding school construction needs. I think the Senator from Massachusetts is correct. If we are to legislate in that field, we ought to have the most competent basis for a study of school needs. That cannot be done if five States have not had an opportunity to complete their surveys.

Mr. KENNEDY. The Committee on Labor and Public Welfare is about to report a bill providing for an expenditure of \$150 million in that field. So a survey is a preliminary requisite.

Mr. HENDRICKSON. Mr. President, I commend the Senator from Massachusetts for offering the amendment. I wish to associate myself with the remarks he has made. I think the amendment is a very worthy one, and I hope the Senate will agree to it.

Mr. BRIDGES. Mr. President, much as I should like to agree with the distinguished Senator from Massachusetts—

Mr. KENNEDY. The senior Senator from Massachusetts has joined me.

Mr. BRIDGES. The amendment involves legislation on an appropriation bill. It could not be any more so. Although the objective of the amendment is worthy, and although there may be some excellent reason for the failure of the named States to complete their surveys within the specified date, the only thing I can do, because of the prior action of the committee, and because the amendment involves legislation on an appropriation bill, is to make a point of order.

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

The VICE PRESIDENT. Does the Senator from New Hampshire withhold his point of order?

Mr. HUMPHREY. Will the Senator yield for a question?

Mr. BRIDGES. I withhold my point of order so that the Senator from Minnesota may ask a question.

Mr. HUMPHREY. Has the chairman of the Committee on Appropriations been in the position of having to resist all legislative items in the appropriation bill, or has he on occasion accepted them?

Mr. BRIDGES. Certainly I have not resisted all such requests, but the amendment proposes legislation. I do not wish to become involved in this particular field, but, in fairness, I would have to be opposed to the amendment. I think the easiest way to do it is to make

a point of order. I commend the distinguished Senator from Massachusetts and his colleagues for offering the amendment. I do not at all blame them for doing so. I might say that all other matters involving legislation which were considered were first considered by the committee.

The committee then directed the chairman to authorize them and notice was given. I do not wish to be critical of what the Senator from Massachusetts is doing. Representing his great State, as he does, I do not blame him or the Senator from New Jersey for taking the position they have taken, but it is legislation they seek and it should be enacted in another manner.

Mr. HENDRICKSON. Because the amendment involves legislation, that fact would not bar the distinguished Senator from New Hampshire from taking it to conference, would it?

Mr. BRIDGES. I suggest the point of order.

The VICE PRESIDENT. The Chair must sustain the point of order.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I wonder if we may have an explanation of the item appearing on page 8 of the bill, beginning on line 14, and extending to line 2 on page 9?

Mr. BRIDGES. The chairman of the Senate Office Building Commission is present in the Chamber, the distinguished Senator from Connecticut [Mr. PURTELL]. I think perhaps he can explain the item better than can the Senator from New Hampshire.

Mr. PURTELL. Mr. President, this question of a new Senate Office Building is not new to the Senate. It has been discussed for many years. In 1948 there was an authorization for the expenditure of \$20,600,000 by the Senate. I believe at that time the vote to proceed with the building was 42 to 35. Three Senators indicated a desire to see the building constructed, and would have voted for it except for the Korean situation at that time.

The Commission has made a very complete study of the need for a new Senate Office Building. I should like to read some figures revealed in the report.

When the plans for the New Senate Office Building were approved in 1949, the total number of employees on Senators' office staffs was 866, and the total number of committee employees was 212. I call attention to the fact that that was a year after the authorization to proceed with the erection of a building at a cost of \$20,600,000.

Today, Senators' office staffs have increased from 866 to 1,092 employees, and committee staffs have increased from 212 to 413 employees—a total increase of 427 employees, or nearly a 50-percent increase in such personnel since the New Senate Office Building was authorized in 1949.

When it is considered that the national population has increased from 131 million in 1940 to 150 million in 1950 and to 162 million in 1954, the resultant effect upon the workload of the Congress is obvious. Another very important factor affecting the workload of senatorial offices stems from the fact that today the

activities of Congress are brought home to the people directly and more fully through the combined mediums of the press, radio, and television, resulting in an increased awareness and consciousness on the part of the general public in the affairs of government and a more active expression of their views to their representatives in Congress with respect to legislative matters.

I should like to call attention to page 40 of the report. There is on the desk of each Senator a copy of the report of the Senate Office Building Commission. The only addition to the Senate Office Building since 1909 was made in 1933. When it is considered that the number of Senate employees totaled only 575 in 1909, and today they total 1,948, it is evident that the increase provided in office and committee accommodations falls far short of the proportionate increase in personnel.

Mr. DOUGLAS. Mr. President, will the Senator from Connecticut yield for a question?

Mr. PURTELL. I am very happy to yield for a question.

Mr. DOUGLAS. The Senator from Connecticut has given a very great deal of valuable statistical information, but I notice that he omitted—either by accident or design—stating the cost of the building.

Mr. PURTELL. Then I apologize. I thought the Senator from Illinois asked about the reason for the new building.

Mr. DOUGLAS. Will the Senator from Connecticut state the cost of the building?

Mr. PURTELL. It will be within the 1948 appropriation of \$20,600,000. In order to do that, we have had to make some changes in the structure proposed in 1948—by eliminating the center wing, and we also have eliminated such parts as the physiotherapy portion of the building and the swimming pool. We shall be within the 1948 authorization. Does that answer the question of the Senator from Illinois?

Mr. DOUGLAS. I thank the Senator from Connecticut for the information. Does he think that at a time when apparently we do not have enough money to justify appropriations for an adequate number of hospitals, or enough money to put through a program adequate to protect the farmers, and when we have to reduce the size of the Army by three divisions, according to the administration, this is a time to spend in excess of \$20 million for an additional office building?

Mr. PURTELL. If the Senator from Illinois wishes me to reply, let me say that no time would be better than today. The last time this matter was before the Senate, it would have been possible to construct the building for substantially less than it will cost today. Today this building will cost us 23 percent more than it would have cost in 1948.

I am sure the Senator from Illinois agrees with me that there is no reason to expect that labor will be cheaper in the future, or that it should be cheaper. I cannot foresee a time in the future when this very necessary structure can be erected for less cost.

Mr. LONG. Mr. President, will the Senator from Connecticut yield to me?

Mr. PURTELL. I yield.

Mr. LONG. Has the Senator from Connecticut heard our very able friend, the Senator from Illinois, argue that something should be done about the growing unemployment problem in the Nation today?

Mr. PURTELL. I have; and I am sure the Senator from Illinois would not object very much to the expenditure at this time of \$6 million, because I believe he referred to the sum of \$6,900,000 as chickenfeed. In that case, that would make this item just chick feed. [Laughter.]

The VICE PRESIDENT. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, is there pending an amendment in regard to the item referred to by the Senator from Illinois?

The VICE PRESIDENT. The Senator from Illinois did not submit an amendment.

Mr. DOUGLAS. Mr. President, in order to permit the Senate to vote on the item, I now move to strike out the committee amendment beginning on page 8, in line 14, and ending in line 2, on page 9.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Illinois. [Putting the question.]

The amendment was rejected.

Mr. HUMPHREY. Mr. President, after that outburst, I almost forgot why I rose and addressed the Chair.

On page 28 of the bill, we find the following committee amendment:

GENERAL PROVISIONS

SEC. 502. There shall be hereafter in the Department of Labor, in addition to the Assistant Secretaries now provided for by law, one additional Assistant Secretary of Labor, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall be subject in all respects to the provisions of the act of April 17, 1946 (60 Stat. 91), as amended (5 U. S. C. 611b), relating to Assistant Secretaries of Labor. Section 3 of Reorganization Plan No. 6 of 1950, as amended (64 Stat. 1263; 66 Stat. 121), is hereby repealed: *Provided*, That the present incumbent of the position of Administrative Assistant Secretary may be reassigned to an appropriate position in the Department without reduction in the rate of basic compensation.

Mr. President, I raise a point of order against that committee amendment because I consider it to be legislation on an appropriation bill.

Furthermore, I consider the provision to be a violation of the recommendations of the Hoover Commission and also of section 3 of Reorganization Plan No. 6, which calls for the establishment of an administrative Assistant Secretary who shall be on a permanent civil-service, merit-system basis, and who shall be in charge of accounts and records, as an Assistant Secretary who will not be in the policymaking area of the Department, but, rather, will be in what might be called the housekeeping branch of the Department.

The VICE PRESIDENT. The point of order is sustained.

The bill is open to further amendment.

If there be no further amendment, the question is on the engrossment of the amendments, and the third reading of the bill.

Mr. THYE. Mr. President, I move to strike out the language on page 25 of the bill, from lines 9 to 13, inclusive.

This is language which the Senator from Maryland [Mr. BUTLER] and I were discussing a short time ago. I have endeavored to get in touch with the Senator from Maryland, but I have not been able to do so. I regret that.

However, I now move that the language in lines 9 to 13, inclusive, on page 25 of the bill, be stricken out. If my motion is agreed to, this language will be in conference. I must explain why I believe it important to take it to conference. The Secretary of Health, Education, and Welfare has initiated a move of the headquarters personnel of the Old Age Insurance Division, and quite a number of the staff have acquired homes in the District of Columbia. They have canceled their rentals of property in Baltimore.

In the event that lines 9 to 13 remain in the bill, a great deal of hardship will be created in the case of the employees, because they will then be denied reimbursement for their expenses in making the transfer.

So if the Senate votes to strike this language from the bill, the item will go to conference, and then there will be an opportunity to produce not only information from the Department headed by Secretary Hobby, but also information from all others concerned, and it will be possible to ascertain how many employees have acquired new property in the District of Columbia or how many employees are involved in this matter, as a result of giving up their homes in Baltimore.

Therefore, I say in all frankness that I have tried to get in touch with the Senator from Maryland [Mr. BUTLER] to explain what has happened in this case; but he has left Washington, by train.

If my motion is agreed to, no irreparable damage will be done, because the item will be taken to conference. We shall merely be striking from the bill certain language voted by the House of Representatives; and, as a result, the controversy can be settled in a manner which will not result in doing hardship to the employees involved.

Therefore, Mr. President, I so move. I apologize that I am required to make the motion in the absence of the Senator from Maryland [Mr. BUTLER]. However, if my motion is agreed to, no irreparable damage will be done.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. THYE], which will be stated.

The LEGISLATIVE CLERK. On page 25, it is proposed to strike out lines 9 to 13, inclusive.

Mr. BRIDGES. Mr. President, this amendment is in line with the recommendation of the committee, although it

is now approached in a different manner. For that reason I would have to support the motion of the Senator from Minnesota.

The only question in my mind—I wish to state this very clearly—is that the matter was previously passed on, at a time when both the distinguished senior Senator from Maryland [Mr. BUTLER] and the distinguished junior Senator from Maryland [Mr. BEALL] were in the chamber. They are interested in this item, and now they have left for their homes, thinking the matter has been settled. I do not like to take advantage of any Senator at this hour of the night, after he has left the Chamber.

Therefore, I raise this point, inasmuch as the motion or amendment is submitted after the issue had supposedly been settled.

There is no question in my mind but that the distinguished Senator from Minnesota [Mr. THYE] has correctly outlined the parliamentary situation, and also that his motion or amendment is in line with the intention of the committee, when it passed on this item.

Mr. THYE. Mr. President, in the Appropriations Committee there was no objection to what I now propose. The Senator from South Carolina [Mr. MAYBANK], who now stands at my left, said that, to his knowledge, there was no objection.

Mr. MAYBANK. Mr. President, I do not wish to become involved in a controversy between the distinguished Senators from Maryland and the distinguished Senator from Minnesota; but I will say there was no objection.

Mr. CASE. Mr. President, will the Senator from Minnesota yield, to permit me to propound a parliamentary inquiry?

Mr. THYE. I am delighted to yield for that purpose, Mr. President.

Mr. CASE. Mr. President, I wish to inquire about the parliamentary status of the language on page 25, in lines 9 to 13. I had understood that a point of order raised on the question of germaneness had resulted in eliminating the language which the committee had proposed to insert in lines 14 to 23, inclusive; but I did not understand that the point of order ran to striking out certain language on page 25.

Certainly a point of order could not be raised to striking certain language from the bill. A motion or amendment would always be in order to strike from the bill the portion of the committee amendment on page 25 striking out lines 9 to 13, inclusive. Such an amendment could not be ruled out on a point of order.

The VICE PRESIDENT. The committee amendment acted on by the Senate proposed to strike out, on page 25, lines 9 to 13, inclusive, and to insert, on the same page, lines 14 to 23, inclusive.

Mr. CASE. Mr. President, a further parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. CASE. At the time when the point of order was made, would it have been in order to have divided the amendment as between striking and inserting?

Is not such an amendment always divisible?

The VICE PRESIDENT. Under rule XVIII, an amendment to strike and insert is not divisible. It is now in order, however, to move to strike the House provision.

Mr. THYE. Mr. President, I have tried to make it clear to the Members of this body that this is not an attempt in any sense to try to do something contrary to what the Senator from Maryland [Mr. BUTLER] was hoping for, but I do think we have created a problem which may be most embarrassing and difficult to Secretary Hobby of the Department of Health, Education, and Welfare. In order that the provision may be in conference so that we may see how much harm and damage have been done to employees who have been asked to be prepared to transfer from Baltimore to Washington, and in order to have that question open, Mr. President, I move to strike the language found on page 25, lines 9 through 13. It can then go to conference and be taken care of in a manner that will not work a hardship on the employees.

Mr. BRIDGES. Mr. President—

The VICE PRESIDENT. The Senator from New Hampshire is recognized.

Mr. BRIDGES. I think the Senator from Minnesota has stated the problem very properly, and I think that he has correctly stated the original intention of the committee.

The only thing I wish to make clear is that, in fairness to its Members, the Senate must act in good faith.

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

Mr. BRIDGES. I yield.

Mr. SPARKMAN. It seems to me that the Senator from Minnesota has stated a good case, except for the fact that the distinguished Senators from Maryland were not present at the time. I wonder if the chairman of the committee could not take the matter to conference with the understanding that if the Senators from Maryland object to the action taken here then he will repair the damage.

The Senator from Minnesota has pointed out that the damage certainly could be repaired in conference if this provision were not accepted.

Mr. MORSE. Mr. President, I certainly appreciate the objective which the Senator from Minnesota has in mind. I do not think the Senate can escape the fact that the Senator from Minnesota has in mind action which would produce a result opposite to the result that the Senate previously voted when it agreed with the two Senators from Maryland. We not only agreed with them, Mr. President, but after we voted in support of their position, a motion was then made to reconsider, and a motion to lay that motion on the table was agreed to. By that action I think we made doubly sure that the objectives of the senior Senator from Maryland [Mr. BUTLER], and the other Senator from Maryland [Mr. BEALL] were carried out.

I raise a point of inquiry. Were there some things we did not move to lay on the table?

Mr. JOHNSON of Texas. I think that was in connection with the Senator's amendment.

Mr. MORSE. I ask for information on that point.

Mr. JOHNSON of Texas. That question arose in connection with the civil defense item.

The VICE PRESIDENT. The Chair is informed that the amendment went out on a vote by the Senate that the provision was not germane, and, therefore, was not in order.

Mr. MORSE. It was not a yea-and-nay vote, was it?

Mr. President, it seems to me that this is a case in which the suggestion made by the Senator from Alabama is the one we ought to follow, because I think we very definitely have some obligation to the two Senators from Maryland not to leave them in a position in which we give them some reason to believe that we have accepted their position, and subsequently reverse ourselves. It should go to conference with the understanding that the chairman will take it up with the two Senators from Maryland, and if they feel that the position which the Senate has sustained ought to be maintained, I think we ought to follow that course.

Mr. HAYDEN rose.

The VICE PRESIDENT. Does the Senator from Arizona desire recognition?

Mr. HAYDEN. Mr. President, there is just one fact which we must take into consideration, and that is that certain people who were residents of Baltimore have moved to Washington and have acquired property here, on the understanding that the office was to be moved to Washington.

The question will be whether under those circumstances the Senators from Maryland, would want to see those who have already left Baltimore compensated in some way.

I think with that understanding, if they insist that nothing be done, that is all there is to it. But if they are willing to take into consideration the needs of the people who have actually moved, then something might be done in conference. I think the chairman is able to give us that assurance.

Mr. KERR. Mr. President, I did not understand the chairman to take a position on this question prior to making his statement. If he desired to make a statement, I would like to know what his position is.

Mr. BRIDGES. I did not know that I expressed it. I said that the Senator from Minnesota [Mr. THYE] was correct in his parliamentary procedure; and he was correct, second, in the thought that the position he took was in accord with the wish and the will of the Appropriations Committee.

Then I raised the question that if the Senate is to continue to do business as a body, Senators must keep faith with what has been done, and faith with each other. The two Senators from Maryland left the Chamber feeling that they had accomplished their purpose. The Senator from New Hampshire desired

that the Senate itself realize this fact before it took action. I do not know that I expressed myself fully, except to explain the position.

Mr. HAYDEN. The chairman and I, as conferees, and the other conferees, will assure the Senate that if the Senator from Maryland [Mr. BUTLER] insists that this language be stricken from the bill, we, as conferees, will see that that is done.

But, on the other hand, if they are willing to consider the plight of the people who have moved to Washington, and to let them obtain some relief, that may be attended to in conference. We can do it in that way. I am perfectly willing to give the Senate assurance that as a conferee, if the two Senators from Maryland say to me, "We insist that this language go out," I will vote to recede.

Mr. ANDERSON rose.

Mr. BRIDGES. I yield to the Senator from New Mexico.

Mr. ANDERSON. I do not see how there can be any question about the attitude of the Senators from Maryland. They are the ones who insist that this provision be put back into the legislation. Certainly when they left the Chamber there was nothing in controversy on this point. They had heard the explanation about people buying property, they had heard the explanation of people moving, and they still insisted. I do not see how we can do otherwise than to leave the language as it was then.

Mr. THYE. Mr. President, the Senator from New Mexico is entirely correct. The only reason I raise the question is that I do not believe we were permitted sufficient discussion earlier in the evening to bring out all the facts.

Secretary Hobby, of the Department of Health, Education, and Welfare, has ordered this division. She has ordered the so-called headquarters personnel to be moved back to Washington from where they were moved at the outset of World War II.

Many innocent people are involved, who have acquired property, and I raise the question only for the purpose of trying to lay before the Senate the fact that we have created a hardship. If the provision is taken to conference, we have the assurance of the chairman and of the ranking Democratic member of the committee that if the Senate can see justification for some consideration of the employees, the amendment will stand as previously agreed to on the Senate floor.

Mr. KNOWLAND. Mr. President, in view of the unfortunate circumstances, wherein the Senators from Maryland necessarily had to leave the Chamber, they having left under the impression that certain action had been taken on the bill. While I have been doing everything possible to fulfill my commitment that we proceed to consider the farm bill tomorrow morning, and since this, I hope, is the last amendment to the appropriation bill, I shall suggest, if the Senate will agree, that the Senate stand in recess until 12 o'clock noon tomorrow.

The Senators from Maryland will be here tomorrow and will have an opportunity at least to discuss the matter. Perhaps it will be possible to find a basis of agreement with respect to it.

I hope the Senate will be able to complete consideration of the appropriation bill shortly after it meets at noon tomorrow, so that we may be able to proceed with the consideration of the farm bill early tomorrow afternoon.

PROTECTING THE NAME OF THE FEDERAL BUREAU OF INVESTIGATION FROM COMMERCIAL EXPLOITATION

Mr. McCARRAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. 3769.

The VICE PRESIDENT. The Secretary will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3679) to amend section 709 of title 18, United States Code, so as to protect the name of the Federal Bureau of Investigation from commercial exploitation.

Mr. McCARRAN. Mr. President, this is certainly a noncontroversial matter if there ever was one. Congress has passed similar legislation to protect the name and insignia of various veterans' organizations. We have done it for the Red Cross. We have even done it for Smokey the Bear. I am confident my colleagues will be willing to grant this protection to the Federal Bureau of Investigation.

The bill merely provides that no one may use the name "Federal Bureau of Investigation" or the initials "F. B. I." without the permission of the Bureau.

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

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

Be it enacted, etc., That section 709 of title 18, United States Code, is amended by inserting immediately after the eighth paragraph thereof a new paragraph, as follows:

"Whoever, except with the written permission of the Director of the Federal Bureau of Investigation, knowingly uses the words 'Federal Bureau of Investigation' or the initials 'F. B. I.', or any colorable imitation of such words or initials, in connection with any advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, in a manner reasonably calculated to convey the impression that such advertisement, circular, book, pamphlet, or other publication, play, motion picture, broadcast, telecast, or other production, is approved, endorsed, or authorized by the Federal Bureau of Investigation; or".

SMALL BUSINESS—THE PILLAR OF FREE ENTERPRISE

Mr. HUMPHREY. Mr. President, on February 16, 1954, I joined my colleague the distinguished senior Senator from Minnesota and every member of the Senate Select Committee on Small Business in introducing Senate Resolution 213 aimed at creating a permanent Senate Committee on Small Business. To

date, in spite of the fact that a total of 49 Senators, a majority of this body are sponsoring the resolution, it still rests quietly in the Senate Committee on Rules and Administration and has not been advanced either by the committee or by the leadership of the Senate. This is not democracy in action.

There are more than 4 million small-business establishments in the United States. This is about 95 percent of all of our Nation's commercial, industrial, and service-type business concerns.

The Senate in 1950 established a Select Committee on Small Business because of an understanding that the welfare of the American small-business man was directly related to the preservation of our free-enterprise system. It has been my privilege to serve as a member of that committee ever since its creation. I know the important role it has to fulfill. I also know, Mr. President, that American small business is in danger and needs encouragement and protection from our Government. The signs in our economy all point to the tendency toward greater mergers and big business. This threat must be stopped if small business is to be protected. The creation of a permanent Senate Committee on Small Business would go far toward protecting the small-business man and a free enterprise economy.

I urge the leadership in the Senate to help bring Senate Resolution 213 for consideration by the Senate as a whole before the session adjourns. Small business has every right to be represented in the Senate by a committee equal in stature and responsibility to the other standing committees in the Senate.

The Senate Select Committee on Small Business has made many notable contributions through hearings, investigations, recommendations, and advice. But, it has been denied the opportunity to undertake the most vital of all jobs, the real work of the Congress, legislation. It seems almost ironic that America's small business establishments, beset as they are with so many difficult problems, should be represented in the Congress by any committee less than a standing committee. It is my fervent hope that small independent business will always be a vital part of the American scene. We must remove all doubt as to the permanency and ultimate necessity of a thriving small business community. Such a community deserves a permanent, legislative committee to speak for it.

Mr. President, my interest for the problems of small business is not sudden nor is it a matter of only recent concern. Indeed, my youth was spent working along with my father and brother in what we think is the best drug store to be found on main street of Huron, S. Dak. I still maintain my interest in that business and in the problems faced by that drug store and the many hundreds of thousands of small businesses like it in our economy.

When I first came to the Senate almost 6 years ago, I carried in my mind the vivid memories of the terrible days of the depression when I worked behind

the counter of our store and saw and felt the effect on our community when large price cutting organizations moved in on the independent businessman struggling to keep his head above water. I know the bitter miseries of predatory price competition. It is these experiences that have made me the consistent advocate and spokesman for one of the mainstays of our whole economy and way of life—the American independent small businessman.

SMALL BUSINESS COMMITTEE

When I cosponsored and voted for the creation of the Senate Select Committee on Small Business, I felt that this was a step in the right direction toward giving small business a needed voice in the Congress. I have been glad to serve on that committee since its inception. Naturally I was distressed when, early in the 83d Congress, a move was reported afoot to abolish the committee. In an effort to stop this I addressed a letter to the then majority leader, Robert A. Taft, in which I said:

I am writing to you to urge continuation of this vitally important committee. I voice my own deep convictions in this matter, as well as the concern of many Minnesota businessmen who have wired or written me, urging that the Select Committee on Small Business continue.

In its own and unfortunately too limited sphere, the Small Business Committee has done much toward helping the small-business man. The small-business clinics which were held by the committee in scores of cities including Minneapolis, did a fine job in taking Washington to Main Street, giving both legislators and businessmen a clearer understanding of the problems that were presented. In a similar vein I originated a series of small business-Government conferences which were held throughout the United States.

As a member of the Small Business Committee's Tax Subcommittee I came to recognize the fact that Congress should place a high priority on tax cuts which will strengthen independent business. I joined the committee in recommending:

First. An excess profits tax exemption for corporations earning under \$100,000 which would bring the \$25,000 figure to a more realistic level so far as small businesses are concerned. I voted for an amendment to the excess profits tax extension bill before the Senate in 1953 which provided an exemption for small corporations earning \$100,000 or less before paying excess profits taxes. Unfortunately, the amendment failed.

Second. More reasonable policies on depreciation allowances for small business.

Third. The exemption from surtax rates on corporations should be raised from \$25,000 to \$50,000 or \$100,000.

The higher limit would allow a successful growing business in the small- or medium-size bracket to become an effective competitor of his larger rivals.

Another activity of the committee with which I was intimately involved was our investigation on the growing shortage of newsprint. The matter first

came to my attention when, on a tour of Minnesota, I received many complaints from the editors of small-town weeklies that they were unable to get an adequate supply of newsprint. I suggested to the chairman the Senator from Alabama [Mr. SPARKMAN] that an investigation might be in order and soon after a newsprint subcommittee was appointed with myself as chairman. After extensive hearings, we made several recommendations as to how domestic production of newsprint might be increased so that thousands of small-business men publishers would not be wiped out by any future newsprint shortage.

AGENCIES FOR SMALL BUSINESS

Despite all this worthwhile activity by the committee, I felt that still more could be done to promote the welfare of small business by the establishment of administrative agencies devoted exclusively to this goal. As far back as 1949 I proposed an amendment which was adopted for the establishment of a special small-business office in the Department of Defense with a special assistant on small business to the Secretary. My amendment became law. I ask that an editorial appearing in the August 4, 1949, issue of the East Minneapolis Argus, concerning the proposal, be included at this point in my remarks.

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

SENATOR HUMPHREY HAS A SOUND PLAN FOR HELPING SMALL FACTORIES

Senator HUBERT H. HUMPHREY made a commendable move when he started action to set up a special small-business section in the military procurement office.

It is literally impossible at the present time for a small-business man, who cannot afford to have a personal representative constantly in Washington, to cut through the smiling, back-slapping, but ironbound resistance to small contractors that exists in the Pentagon and the Navy procurement offices.

As Senator HUMPHREY says, the currently much criticized "5-percenter" is a product of the present system. The small-plant operator is literally at the mercy of "brokers" if he wants a chance at Government contracts.

Locally it is important that manufacturers get a rightful share of contracts of the War and Navy Departments and manufacturing items allied with the European recovery program. At the present time they are not getting their share of either direct or negotiated contracts.

Time after time small local plant owners have told of trips to Washington in search of work to keep plants going and local people employed, but all in vain. They report a pleasant social swing around the Pentagon and Navy offices, where there are always pleasant smiles and ready handshakes—but that doesn't butter upper Midwest bread.

We are sure that Senator HUMPHREY's idea of creating a small-business section in the Military Procurement Office will meet with ready approval of most local manufacturers, and we feel that Senator THYE and Congressmen WIER, JUDD, and McCARTHY will or should be ready to back HUMPHREY's plan.

In this community we have many top-grade small manufacturing plants. A large percentage of them are barely keeping their doors swinging both ways at the present time, while, at the same time, there are constant reports that hundreds of larger

establishments in the East and West have large backlogs of Army and Navy orders.

Senator HUMPHREY's idea, if worked out, and quickly, may provide the needed impetus to stop the current wave of increasing local unemployment. Let's hope so—and quick.

Mr. HUMPHREY. Later, in 1951, I cosponsored the creation of a Small Defense Plants Administration with similar functions. I voted for this measure in 1951, and again in 1952 to extend the life of the SDPA.

The successor agency to the Small Defense Plants Administration, the Small Business Administration, also received my warm support and my vote. However, I insisted that the Administrator not be controlled by either the Secretary of Commerce or Treasury but be independent so as to serve independent business. This was a stand that was heartily endorsed by the National Federation of Small Business, and I ask that their letter to me on this subject be inserted at this point in my remarks.

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

NATIONAL FEDERATION OF INDEPENDENT BUSINESS, July 3, 1953.

HON. HUBERT HUMPHREY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR HUMPHREY: Of course we are concerned and disappointed, solely in the interest of small business of this Nation for whom we believe we have the authority to speak and act, that the conferees of the Banking and Currency Committees failed to report out the Small Business Administration Act with the proposed changes, all beneficial to small business, which we recommended to all Members of the Senate in our wire to them of June 19, in which we urged the conferees to correct that section of the act pertaining to the authority of the Advisory Board, consisting of the Secretary of the Treasury, the Secretary of Commerce, and the Administrator of the new agency, and our recommendation was that such authority should be vested entirely within the confines of the new administration, subject at all times to the control of Congress.

We stated our objection to that section of the bill at public hearings before the Senate Banking and Currency Committee May 27, and before the House Banking and Currency Committee May 15.

We were pleased to note that you gave serious consideration to our recommendation of June 19 and voted "no" to the establishment of the Small Business Administration as reported out by the conferees, which report included the provision to which we objected.

It is our hope and trust, in the sole interest of small business of this Nation, that you will urge the Senate Committee on Banking and Currency to report out the amended Small Business Administration Act with the desired correction, and it is our further hope that that legislation, as amended, will be voted by the Congress prior to adjournment.

Sincerely yours,

GEORGE J. BURGER,
Vice President.

Mr. HUMPHREY. Mr. President, at this point I ask unanimous consent to have printed in the RECORD a letter I received from my distinguished colleague who has been one of the foremost champions of small, independent business, the Senator from Alabama [Mr. SPARKMAN],

former chairman of the Senate Small Business Committee.

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

UNITED STATES SENATE,
July 3, 1953.

HON. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I want to express my appreciation to you for your vote in behalf of small business when the conference report on the controls bill was before us several days ago.

As was well pointed out in the discussion on the Senate floor, the proposal that has come from the House of Representatives, if enacted into law, would scuttle efforts made to give small business a fair chance in the American economy.

The Small Defense Plants Administration, as you know, has been operating only a short time. It started from scratch. However, it has done a remarkable job in helping small business in this country due to the fact that it has been an independent agency responsive to the President and reporting to him without intervention of any department head or the necessity of going through any other office. The proposal that came from the House would have destroyed that independent status and would have crippled severely the effort of any man trying to administer the agency in behalf of small business.

This fact was well recognized in the statement that was sent to all Senators by one of the best small-business associations of the country. I refer specifically to the Small Business Association of New England.

You may recall also that George J. Burger, Washington representative and executive manager of the National Federation of Independent Business, one of the biggest small-business organizations in the United States, took a similar attitude.

Other small-business organizations from all over the country expressed themselves in the same manner because they all knew that destroying the independent status of the small-business agency would destroy the ability of that agency to do anything helpful to small business.

As chairman of the Small Business Committee for 3 years, I have found you always on the side of the small-business man. You have been a fine and faithful member of the Small Business Committee. Your upholding small business in this latest instance is simply a continuation on your part of the interest and effort you have always exerted for small business.

The fight is not yet won. I know that you can be counted upon to stay on the side of small business.

Sincerely,

JOHN
John Sparkman.

LEGISLATION FOR SMALL BUSINESS

Mr. HUMPHREY. Mr. President, while small business needs agencies and committees to protect its interests, it must at the same time have men in Congress with votes to turn worthwhile recommendations into law and to successfully oppose unfavorable legislation. As I have stated earlier, one of the requirements of small business that has impressed me most strongly is the need for effective legislation to protect and expand small business. I, therefore, worked and voted for the strengthening of the Robinson-Patman Act, the Magna Carta of the American independent small-business man. I believe that the Robinson-Patman Act can justifiably be

called the "economic bill of rights" for free competitive enterprise.

When, in the 81st Congress, it was unsuccessfully proposed that we weaken the Robinson-Patman Act by making good faith a complete defense against charges of discrimination, I cooperated with all the major independent business organizations, voted against the measure, and succeeded in helping to defeat the proposal.

The Robinson-Patman Act must be guarded and defended. It is a shield of strength for free enterprise.

One of my most honored possessions is a letter that I received from one of the authors of that historic legislation, the distinguished Member of the House of Representatives, Mr. WRIGHT PATMAN. Mr. President, I ask unanimous consent that Representative PATMAN'S letter to me be included at this point in my remarks.

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

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 8, 1953.

HON. HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR HUBERT: I am very sorry about the unjustified and wholly unwarranted attack upon you because of your vote in favor of small business when you voted to recommit the bill providing for an extension of the Defense Production Act which did not provide sufficiently for a small business agency to take the place of the Reconstruction Finance Corporation which is now being liquidated and is slated by the Republicans to go out of existence next June 30.

The fact is there is not a Member out of the 531 Members of the House and Senate who has worked harder, more consistently, and more effectively in behalf of the little man and small business than you have worked since you have been a Member of the United States Senate. During the time that you have been here we have been compelled to fight against passage of proposals that were intended to give big business every advantage and little business no opportunity to exist; particularly, I refer to special bills under high-sounding names to clarify the Robinson-Patman Act. Every one of these bills carried hidden provisions that only an alert, sincere, able Member like yourself would have detected that were intended to absolutely destroy equality of opportunity for the little man.

Only a few days ago, I heard one of the most important leaders in the United States Senate say, "HUBERT HUMPHREY is not only a sincere, conscientious person, but he is one of the ablest and best debaters in the United States Senate."

Independent business is fortunate to have a person such as yourself on the right side, and I sincerely trust that the unwarranted attack from greedy groups will receive no more attention than such attacks are entitled to receive. It is just another case of people who have a selfish ax to grind trying to cripple, harm, or retard a fine Member of Congress who is constantly working for the people and never fooled by the slick, deceitful propaganda of the clever lobbyist groups.

I want you to know, Hubert, that I am glad to be on your side and glad to be associated with you in the many fights that we have carried on shoulder to shoulder. If your record is bad, my record is bad, but the truth is you have a wonderful record in behalf of the little man, and I do not expect to have a better one.

Small business needs help now more than any time since I have been a Member of Congress during the past 25 years; the little man is in the greatest danger that he has ever been. Please do not let unfair attacks dampen your zeal because we need you now and will need you in the foreseeable future as never before.

With kindest personal regards and very best wishes, I am,

Sincerely yours,

WRIGHT PATMAN.

FAIR TRADE

Mr. HUMPHREY. Mr. President, fair trade for American small business is one of the most important pieces of legislation to affect the business community that has come up in the Congress since I first became a Member of the Senate in 1949. It is one of the best insurance policies that the American people can take out for the protection of the American small-business man. I am proud of my successful efforts to enact a fair-trade law. We must maintain constant vigilance against the advocates of cut-rate competition and the forces of monopoly which seek to destroy independent small business enterprise.

Mr. President, I believe that my views on fair trade were best summarized in a speech I made before the National Association of Retail Druggists in 1949. I ask unanimous consent that certain portions of that speech be inserted at this point in my remarks.

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

EXCERPT FROM SPEECH BY SENATOR HUBERT H. HUMPHREY TO NATIONAL ASSOCIATION OF RETAIL DRUGGISTS, SEPTEMBER 27, 1949

I support a policy of government that believes in fair trade for all parts of the American economy. To me, fair trade means a fair body of rules and regulations that preserves the competitive enterprise system but removes competition from the realm of unprincipled and vicious practices either by government or by business enterprise.

The principle of fair trade is much more broad in its meaning than just in the retail field. The basic purpose of American democratic government has been the guaranty of equality of opportunity and the preservation of individual liberty. In simpler terms, this is, in the language of the businessman, fair trade—a guaranty of the opportunity to do business with, to associate with other persons on a basis of fairness and equality, but at all times preserving the differences that come with individual initiative and the development of individual capacity. * * *

It is my observation that the sure path to statism, the sure road to collectivism, is the failure to recognize the basic needs of our people and the failure to protect and guard the free flow of commerce in an economic system that is based not only upon free enterprise, but upon individual enterprise.

I repeat—the heart and core of the American economic system is individual enterprise—the small independent businessman. The threat to the economic system is the ever-growing concentration of economic power, and that threat is a real one.

Mr. HUMPHREY. Mr. President, after the passage of the fair trade law there remained some doubt as to whether the President would approve the bill. Newspaper columnists at the time pointed out that, in view of my interest in the bill and my conviction that the welfare of our whole economy

demanding a fair trade law, I made a personal visit to the White House and urged the President to sign the bill. Naturally I was very pleased that the President finally did approve it. At the same time, I submitted a series of resolutions in the Senate which provided the basis for the creation of a special subcommittee on trade practices, the Senate Select Committee on Small Business, of which I was a member.

MONOPOLY

One of the greatest threats to competitive free enterprise and the American small-business man is the continued growth of monopoly in this country. I have, therefore, worked and voted for the strengthening of the Antitrust Division of the Department of Justice and also of the Federal Trade Commission so that it might more effectively enforce the provisions of the Clayton Act. I was also one of the active participants in the fight against the basing-point bill which would have legalized discriminatory pricing so detrimental to small business, particularly in the Midwest.

FINANCING FOR SMALL BUSINESS

Fully aware of the difficulties often involved in small-business financing, I cosponsored a section of the Defense Production Act which made available extra loan funds for small-business defense plants and for taconite development in Minnesota and elsewhere. The junior Senator from Minnesota has consistently supported the small-business loan activities of the RFC and urged more liberal Government lending policies by the Small Business Administration. I fought against the administration's so-called hard money, high interest rate policy of the present administration, which has made it more difficult and costly for the independent businessman to obtain credit.

CASE WORK

I am glad to say that my office has given priority attention to the problems of small business and defense contracts for Minnesota firms. I think that I can say without exaggeration that we have helped hundreds of Minnesota enterprises in their relationship with the Federal Government. This has been particularly true when it has come to guiding them through the mystic maze of regulations that covers Federal procurement practices.

Most recently, in an effort to forestall abrupt Senate action on a bill designed to make extensive changes in the Atomic Energy Act and which might have serious effects on American small business and rural electrification cooperatives, I addressed a letter to the chairman of the Senate Select Committee on Small Business urging him to hold prompt hearings on the measure.

This is merely a part of my record in favor of small business. I have not discussed measures like the Humphrey-Durham Act to protect the professional standards of pharmacy and medicine and other measures which vitally affect a particular segment of small business. Nor have I cataloged the scores of parliamentary motions and votes, the hours of debate, that go into the passage of

successful small business legislation. However, I believe that the foregoing will serve at least as an indication of my position on small business. I am four-square for the preservation of a healthy, dynamic, small business community that will preserve the best elements of our American system of competitive free enterprise.

AGRICULTURAL ACT OF 1954

Mr. ANDERSON. Mr. President, in connection with the farm bill, I have submitted an amendment, "7-20-54-A," dealing with the National Forest Administration. I should like to have printed in the RECORD at this point a letter written by Hugh B. Woodward, regional director of the National Wildlife Federation, and various other items dealing with the subject.

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

NATIONAL WILDLIFE FEDERATION,
Albuquerque, N. Mex., July 17, 1954.
JAMES B. CRAIG, Esq.,
Editor, American Forests Magazine,
Washington, D. C.

DEAR MR. CRAIG: Your timely editorial in the July issue concerning the amended version of S. 2548 is most helpful.

The "foot in the door" objection which has been picked up, iterated and reiterated by many uninformed persons has absolutely no validity.

As a matter of fact, the grazing use of the national forest not only has its foot in the door under the Granger-Thye Act but the door is wide open.

The sections of this act giving special recognition to the grazing use, providing for national forest grazing advisory boards, requiring the Secretary to appoint such boards as the official representatives of the grazing use to which must be referred upon request any matter pertaining to "(1) the modification of the terms, or the denial of a renewal of, or a reduction in, the grazing permit, or (2) the establishment or modification of an individual or community allotment," and further requiring the Secretary, prior to the issuance of any regulation affecting the grazing use upon national forests to refer such proposed regulation to the local advisory board of each area that will be affected, and providing that if any recommendation of the advisory board is overruled, disregarded, or modified, the Secretary or his representative shall furnish in writing to such board his reasons for such action, certainly give preference to the grazing use over all other uses, which do not enjoy any such rights.¹

It would probably be far easier for the national livestock organizations to further strengthen their grip upon the national forests by amendment of the Granger-Thye Act than to amend S. 2548 as passed by the Senate.

I had received and very carefully analyzed the statement by the Forest Conservation Society of America which you published in the July issue long before I had fully made up my mind upon the bill.

I find nothing in their statement which, in my opinion, has any foundation as an argument in opposition to the bill.

Since the bill deletes from the appeal provisions any appeal from an order by the Secretary made for the protection of the forest range for the purpose of "preventing injury to such lands or to change the use

of such lands," this provision will automatically eliminate from the appeal section nearly all of the conflicts between grazing permittees and Forest Service administrators.

An examination of the record will disclose that these appeals in nearly every instance are from orders curtailing grazing use or changing grazing use.

In my opinion, the appeal provisions are wholly innocuous. I am extremely doubtful that such provisions will be invoked except in rare instances.

Even the right to place improvements upon the national forest by grazing permittees is limited by the provision of section 2 that such improvements can be made only under written agreement to be entered into between the Forest Service and the permittee.

Apparently, quite a number of organizations took a firm position against the bill when it was introduced and, despite the fact that the bill has been rewritten to meet their objections, they are unwilling or unable at this time to change their position.

In my opinion, unreasonable opposition to the enactment of fair and just legislation concerning the national forests by conservation organizations upon untenable grounds stultifies the influence of the conservation movement and its supporters.

I am hopeful that the Congress will not be influenced by imaginary defects in the proposed legislation.

It is very easy to conjure up "bugaboos" in the bushes which do not exist.

With kind regards, I am,
Sincerely yours,

HUGH B. WOODWARD,
Director.

NOTE.—Section 12 of the Granger-Thye Act, which is section 580h of title 16, U. S. C. A., provides: "Of the moneys received from grazing fees by the Treasury from each national forest during each fiscal year there shall be available at the end thereof when appropriated by Congress an amount equivalent to 2 cents per animal-month for sheep and goats and 10 cents per animal-month for other kinds of livestock under permit on such national forest during the calendar year in which the fiscal year begins, which appropriated amount shall be available until expended on such national forest, under such regulations as the Secretary of Agriculture may prescribe, for (1) artificial revegetation, including the collection or purchase of necessary seed; (2) construction and maintenance of drift or division fences and stock-watering places, bridges, corrals, driveways, or other necessary range improvements; (3) control of range-destroying rodents; or (4) eradication of poisonous plants and noxious weeds, in order to protect or improve the future productivity of the range."

H. B. W.

NATIONAL WILDLIFE FEDERATION,
Washington, D. C., August 2, 1954.
HON. CLIFFORD HOPE,
Chairman, House Committee on Agriculture,
House Office Building,
Washington, D. C.

DEAR MR. HOPE: The Alken bill, S. 2548, which passed the Senate in amended form on March 8, 1954, is now incorporated as title VIII—National Forest Administration—in the amendment proposed to the farm bill, S. 3052, proposed by Senators AIKEN, HICKENLOOPER, SCHOEPPEL, HOLLAND, and ANDERSON on July 29. We therefore thought it appropriate, as suggested by you, to restate our position with regard to this legislation.

The National Wildlife Federation, the Western Association of State Game and Fish Commissioners, and the Association of Midwestern Fish, Game and Conservation Commissioners, after careful and full consideration have by separate and appropriate resolutions endorsed this measure as it was

passed by the Senate and sent to the House. Two minor amendments have been suggested, both of which are clarifying. Senator AIKEN has said that they would be acceptable to such proposal.

The National Wildlife Federation is a non-profit organization of sportsmen-conservationists constituted of affiliated federations in 47 of the 48 States, having a combined membership of more than 3 million individuals. It is interested in sound management programs relating to soil, water, forests, and wildlife.

The Western Association of State Game and Fish Commissioners is made up of the commissioners and directors of the fish and game departments of the 11 western public land States. These men live continuously and intimately with the problems of hunting and fishing, grazing of livestock, the cutting of timber, watershed management, and the recreational uses of the public lands. Their considered opinion on these matters should, therefore, be valuable to the Congress in evaluating the merit of a law relating to national forest lands, the major portions of which are located in these Western States.

These three groups are now on record in support of this important measure. The Association of Midwestern Fish, Game, and Conservation Commissioners is composed of the commissioners and directors of those States in the Mississippi watershed except those south of Missouri and Kentucky and have similar objectives as those in the western association.

We deem it fitting and proper to state the reasons which impel us to support this measure.

The amendments and revisions of the original bill (now title VIII of substitute S. 3052) have completely changed its import and effect. It is no longer a measure relating to one use only of the national forests: viz, grazing.

Now for the first time the bill as written contains full congressional recognition of the multiple use doctrine.

It directs administration in accordance with such pronouncement.

It implements such mandate by authorizing multiple use councils, including but not limited to representatives of grazing, mining, recreation, timber production, watershed conservation, wildlife, and the general public, to advise the Secretary of Agriculture on their own initiative or at his request "with respect to any question of policy affecting the multiple use of such lands."

The revised version has deleted therefrom those provisions of the original bill affording to grazing permittees privileges not afforded to others users of forest lands.

The bill now contains the essential provisions for which conservation forces have long contended.

As passed by the Senate (and as it now appears in title VIII of proposed substitute S. 3052) it is a fair and just bill giving congressional approval to all uses of the national forests and providing for protection of each use against any use becoming dominant to the detriment of other uses.

The National Wildlife Federation, as a policy, desires to maintain a fair and constructive attitude toward all legislation, recognizing economic necessities while defending natural resources in behalf of the general public, instead of a consistently negative attitude.

We hope that our policy is one of helpfulness to the Congress rather than of unreasonable opposition.

Respectfully submitted.

NATIONAL WILDLIFE FEDERATION.
By CHARLES H. CALLISON,
Conservation Director,
By CARL D. SHOEMAKER,
Conservation Consultant.

¹ See secs. 580k, 580l, U. S. C. A., title 16, act of Apr. 24, 1950, c. 97, 64 Stat. 87.

IN SUPPORT OF THE AIKEN GRAZING BILL
(By Hugh B. Woodward, regional director,
National Wildlife Federation)

We attempt a sane and dispassionate evaluation of S. 2548 as passed by the United States Senate on March 8, 1954.

Such an approach must be divorced from unreasoning prejudice.

Prior legislation, sponsored and strongly supported by the national livestock organizations, has, in the minds of millions of American citizens, placed a "curse" upon any bill dubbed a "stockman's bill."

S. 2548, because of its background, suffers great distrust.

We must forget the ill-starred Barrett-D'Ewart bill.

We must disregard the circumstances preceding the introduction of the present bill and the language of the act as introduced. Whatever S. 2548 may have been at the time of its introduction, the amendments and revisions of such bill have completely changed its import and effect.

It is no longer, as termed in the title of the original version, a bill to stabilize the livestock industry, dependent upon the national forests.

As revised and passed by the Senate, it is now a broad declaration of congressional policy for the administration of all national forest lands.

A magazine article, recently published, severely critical of the original bill, strongly urged all conservationists to oppose its enactment.

Based on this article and other publications, widespread opposition persists because of lack of knowledge and understanding of the bill as passed by the Senate.

By the act of June 4, 1897, Congress declared the purposes of the forest reserves to be water and timber protection. (June 4, 1897; sec. 1, ch. 2, 30 Stat. 34; U. S. C. A., title 16, sec. 475.)

Other than these, Congress recognized no other values or uses of the forests until the Granger-Thye Act of April 24, 1950. (April 24, 1950; ch. 97, 64 Stat. 87, U. S. C. A., title 16, sec. 580k.)

This act dealt extensively with the grazing use of national forest lands. By it the grazing use became a congressionally recognized and approved use.

Conservation organizations and the general public have, for years, urged that Congress affirmatively approve and spell out the multiple-use doctrine.

Today, when the Senate has done exactly that, too many of our citizens fail to recognize the tremendous importance of such declaration.

Senator AIKEN's committee held extensive hearings upon S. 2548 in the Western States.

Weeks before the scheduled hearings, representatives of water users, wildlife associations, and conservation organizations were invited to attend such hearings and present their views.

After these hearings, the bill was completely rewritten. Throughout the text of the bill, the language pertaining to grazing as a single use was stricken out in favor of the language "occupancy and use."

BENEFITS OF THE BILL

Section 12 of the bill, as passed, provides:

"It is hereby declared to be the policy of the Congress that the Secretary, in carrying out the provisions of this act, shall give full consideration to the safeguarding of all resources and uses made of these lands, including grazing, mining, recreation, timber production, watershed conservation, and wildlife."

An entirely new section (11) was added. This section provides for appointment of multiple use advisory councils at various levels.

These advisory boards may be constituted of representatives representing all uses of

the forests, "including, but not limited to, grazing, mining, recreation, timber production, watershed conservation, wildlife, and the general public."

Such councils may submit recommendations on their own initiative or in response to requests by the Secretary "with respect to any question of policy affecting the multiple use of such lands."

These sections establish a basic congressional policy for the administration of the National Forests for the benefit of the entire American citizenship. They implement the decision of the United States Supreme Court in which Justice Lamar, speaking for the Court, in 1911, stated:

"All the public lands of the Nation are held in trust for the people of the whole country." (*Light v. United States* (220 U. S. 537, 55 Law. Ed. p. 574).)

Section 10 of the amended bill clearly provides that the power of the Secretary of Agriculture in the administration of the National Forests to fully protect United States forest lands is neither abated nor curtailed.

The bill authorizes a review of administrative decisions, except those made for the protection of forest ranges.

The amended bill establishes a right of ultimate appeal to a Federal court upon the record of the pleadings, evidence produced and proceedings before the Secretary.

Before the committee, Senator WELKER, of Idaho, strongly contended that such court review should be upon a trial de novo and should extend to appeals from cuts in grazing privileges made for the protection of the range or to bring about a change in the use of the range. (Report of the committee upon S. 2548, p. 4.)

This contention was rejected by the committee. Such rejection and passage of the bill with the broad exception of any review of a decision for the protection of the range greatly strengthens the position of the Secretary.

The power of the court to modify a decision of the Secretary is limited to a case in which the court finds that the decision of the Secretary * * * is arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

Under the common law and the Constitution of the United States, such right presently exists. The legal staff of the United States Forest Service has so advised the Chief Forester. (1953 Report of the Chief of the U. S. Forest Service, p. 13.)

Arguments advanced against the original bill are not germane to the amended bill as passed by the Senate.

OBJECTIONS TO THE AMENDED BILL

Objections voiced to the amended bill, eliminating nonfactual objections, are as follows:

First. The bill is unnecessary; the present system of administrative control, without express congressional sanction, is preferable.

This argument, in our opinion, has no merit.

Congress has already fully recognized and protected the grazing use (Granger-Thye Act).

Administration by the Secretary of Agriculture fortified by congressional recognition and mandate for multiple use strengthens protection of public rights under administrative policy.

Without such legislation, an administrative policy may be changed by the Secretary of Agriculture. A reactionary Secretary could seriously impair the "service uses" of the national forests in favor of the "profit uses."

Such power under S. 2548 is limited by the congressional mandate established by section 12 of the amended act.

Second. The bill is an opening wedge which would permit amendment in favor of grazing permittees.

Such argument is fallacious and untenable.

There are less than 18,000 grazing permittees upon the national forests of the Western States. (Figures from data compiled by U. S. Forest Service in 11 western public-land States.)

Thirty-three million people are now using the national forests for recreation (1953 report of the Chief of the U. S. Forest Service, p. 1).

The fate of the Barrett-D'Ewart bill demonstrated the influence of 33 million people with the Congress of the United States as against the "profit interest" of a small number of grazing permittees.

Once passed, the bill can be maintained. Why shudder and shiver at the possibility of a remote contingency and lose the tremendous benefits which the public will obtain under the amended bill?

SUPPORT FROM CONSERVATION ORGANIZATIONS

Two strong conservation organizations have announced support for the amended version. They are:

1. The National Wildlife Federation, after a series of conferences of representatives of Western States and careful consideration by its conservation committee, at its last convention in March 1954, unanimously recommended endorsement.

2. In May 1954, the Western Association of State Game and Fish Commissioners, after hours of consideration and debate in the resolutions committee, conditioned upon two minor amendments, unanimously endorsed the bill.

We have received word that the amendments to recommend are acceptable to Senator ANKEN, chairman of the Senate Committee, and to Congressman HOPE, chairman of the House committee.

Both are clarifying amendments suggested by Elliott S. Barker, formerly a Forest Service employee and for nearly 25 years director of the New Mexico Department of Game and Fish. He has, for many years, been a student of legislation affecting public lands.

His prestige, coupled with his careful analysis of the benefits under the bill, had great weight with the Western Association.

The proposed amendments stated in the Western Association's resolution are clarifying amendments, which had not been suggested prior to the passage of the bill by the Senate.

The resolution by the Western Association, unanimously approved, should carry very great weight with all conservationists and Forest Service supporters.

The fish and game directors of the Western States are the men on the firing line most intimately acquainted with the problems which develop by conflicts between the grazing use and the wildlife and recreational uses of the forests.

CONCLUSION

After a complete review of all congressional legislation affecting national forests; after many months of careful and conscientious study of S. 2548 from the time of its introduction through the committee hearings, careful analysis of the Aiken committee report to the Senate, and the debate and colloquy at the time the bill was passed by the Senate, as printed in the CONGRESSIONAL RECORD, we have an abiding conviction that the merits of the amended bill justify and should command the support of every thoughtful citizen of the United States interested in the protection of the public values of our national forests.

Resolution 5

(Aiken bill, S. 2548, the use of national forests)

Whereas S. 2548 as amended and passed by the United States Senate on March 8, 1954, provides for establishment of multiple-use advisory councils to advise the Secretary of Agriculture with respect to any questions of policy affecting the multiple use of national forests and lands administered by him under

title III of the Bankhead-Jones Farm Tenant Act; and

Whereas S. 2548 as amended and passed by the United States Senate on March 8, 1954, contains the following long-needed declaration of congressional policy, to wit: "Sec. 12. It is hereby declared to be the policy of the Congress that the Secretary, in carrying out the provisions of this act, shall give full consideration to the safeguarding of all resources and uses made of these lands, including grazing, mining, recreation, timber, watershed conservation, and wildlife", which provision—

1. Is in the interest of the public generally and all users of such lands;

2. For the first time recognizes wildlife indigenous to such lands, and recreational resources which are becoming increasingly important to the public; and

3. Includes a clear-cut congressional recognition of the multiple-use principles for which this association has long contended; and

Whereas the title to said bill has been changed to read as follows, to wit: "A bill to facilitate the administration of the national forests and other lands under the jurisdiction of the Secretary of Agriculture; to provide for the orderly use, improvement, and development thereof; and for other purposes," and undesirable features of the original bill have been deleted: Now, therefore, be it

Resolved by the Western Association of State Game and Fish Commissioners, That the enactment into law of S. 2548 as amended and passed by the Senate on March 8, 1954, be hereby approved: *Provided*, That as a matter of equity and in order to conform said bill to the legislative intent of the Senate, two additional amendments are made, viz:

1. Amend section 2 to provide for compensation to all other use and occupancy privilege holders for loss of improvements placed upon such lands in the same manner and upon the same basis as provided for reimbursement to grazing privilege holders. The entire objective of this amendment may be simply accomplished as follows: In section 2, lines 7 and 9, after the words "grazing", place a comma and insert the words "use and occupancy", and in line 16, strike out the words "such range."

2. In section 4, line 6, delete the words "or range." This is necessary because it is obvious that range improvements on lands owned by the Federal Government should not, under any condition, be recognized as base property to qualify any person to obtain privileges on lands to which this bill applies; and be it further

Resolved, That for the reasons above stated, and conditioned upon inclusion of the two above listed amendments, which we recommend to the House Committee on Agriculture, the Western Association of State Game and Fish Commissioners approve the passage of S. 2548 as amended and passed by the Senate on March 8, 1954; and be it further

Resolved, That our endorsement of this amended bill as passed by the Senate is without prejudice. We will vigorously oppose any amendments which would weaken the amended bill in favor of any profit use of such public lands to the detriment of the public uses thereof.

AMENDMENT OF SECTION 345 OF REVENUE ACT OF 1951—AMENDMENT

Mr. FERGUSON submitted an amendment intended to be proposed by him to the bill (H. R. 6440) to amend section 345 of the Revenue Act of 1951, and for other purposes, which was ordered to lie on the table and to be printed.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 11 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, August 4, 1954, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 3 (legislative day of July 2), 1954:

FEDERAL RESERVE SYSTEM

Paul Emmert Miller, of Minnesota, to be a member of the Board of Governors of the Federal Reserve System for the remainder of the term of 14 years from February 1, 1954.

COMMODITY CREDIT CORPORATION

Earl L. Butz, of Indiana, to be a member of the Board of Directors of the Commodity Credit Corporation.

UNITED STATES CIRCUIT JUDGE

Elbert Parr Tuttle, of Georgia, to be United States circuit judge for the fifth circuit.

UNITED STATES ATTORNEY

Paul W. Cress, of Oklahoma, to be United States attorney for the western district of Oklahoma.

UNITED STATES MARSHAL

Charles Swann Prescott to be United States marshal for the middle district of Alabama.

HOUSE OF REPRESENTATIVES

TUESDAY, AUGUST 3, 1954

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, we rejoice that Thy divine love and strength will never fail or forsake us as we face difficult tasks.

We humbly confess that we are daily holding counsel together to consider what is best for our beloved country but our efforts still seem so futile and fruitless.

Grant that we may place our faith and hope in Thee for Thou art the God of all wisdom and in the doing of Thy will is our peace.

Give us a clear vision of that which is important and vital and may we find the secret of living contentedly, happily, and victoriously.

Hear us in the name of the Christ, who is the way, the truth, and the life. Amen.

The Journal of the proceedings of Friday, July 30, 1954, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 3546) entitled "An act to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense"; requests a con-

ference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUTLER, Mr. PAYNE, and Mr. MAGNUSON to be the conferees on the part of the Senate.

CERTIFICATIONS TO UNITED STATES ATTORNEY, EASTERN DISTRICT OF MICHIGAN

The SPEAKER. The Chair desires to announce that pursuant to sundry resolutions of the House he did, on Friday, July 30, 1954, make certifications to the United States attorney, eastern district of Michigan, as follows:

H. Res. 693. The refusal of Paul Dorfman to answer questions before the Committee on Education and Labor.

H. Res. 694. The refusal of Allen Dorfman to answer questions before the Committee on Education and Labor.

KLYCE MOTORS, INC.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 434)

The SPEAKER laid before the House the following communication from the Clerk of the House:

AUGUST 3, 1954.

The Honorable the SPEAKER,
House of Representatives.

SR: I have the honor to transmit herewith a sealed envelope addressed to the Speaker of the House of Representatives from the President of the United States, received in the Clerk's office on August 2, 1954, and said to contain veto message on the following:

H. R. 5185. An act for the relief of Klyce Motors, Inc.

Respectfully yours,

LYLE O. SNADER,

Clerk of the House of Representatives.

The SPEAKER. The Clerk will read the veto message.

The Clerk read as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 5185, for the relief of Klyce Motors, Inc.

The bill proposes to pay Klyce Motors, Inc., of Memphis, Tenn., the sum of \$91,000 for alleged losses sustained in connection with the purchase, on May 25, 1946, of 109 surplus trucks from the War Assets Administration. The evidence discloses that these trucks were represented to be new, disassembled, and boxed for export. When the trucks were uncrated for assembly, it was discovered that certain parts were rusted and otherwise damaged in a manner necessitating repair or replacement. Government inspection personnel confirmed that the condition of these trucks did not conform to the warranty made to the purchaser by the disposal agency. A settlement agreement for breach of warranty was entered into in the amount of \$20,710, and the Government was released from further liability.

There must come a time in all negotiations leading to settlement between parties when final commitments can be made and thereafter relied upon by both parties. In this case, however, equitable considerations indicate that the Government should not insist upon strict adherence to its legal rights.