

Capital gains tax on sale of car (25 percent of \$1,100) (\$3,400—\$2,300)-----	275	
		4,875
Net cash profit-----		525

Such statements are based on several wholly fallacious assumptions. In the first place, they ignore the salvage value of the property, erroneously assuming that depreciation may be taken on the whole cost of the property. Depreciation may be taken only on the difference between cost and salvage value. Moreover, assets may not be depreciated below a realistic salvage value. In determining realistic salvage value, consideration must be given to the taxpayer's use of the property, the retirement and maintenance practices he follows, and the salvage or other proceeds he realizes on disposition of the property. Junk or scrap value may be used only where the taxpayer follows the practice of using depreciable property for its full serviceable life. Where a taxpayer's practice is to dispose of depreciable property substantially before the end of its full useful life, the realistic salvage value will be the amount which probably will be realized at time of disposition. Thus, in the example, depreciation would be allowable only on the difference between the car's cost (\$4,600) and its salvage value (\$3,400).

In the second place, the allowable rate of depreciation is dependent on the useful life of the property, and the example erroneously ignores the fact that the useful life used in determining depreciation allowances is not the full, normally inherent useful life of the property. It is, rather, the useful life of the property determined in accordance with the practice of the particular taxpayer in his trade or business or in the production

of income. If a taxpayer has no consistent practice regarding the disposition of depreciable property, the estimated useful life of his depreciable assets should be determined in the light of experience in the taxpayer's business or industry. Thus, in the example, since the taxpayer uses the property for but 1 year, his depreciation rate is 100 percent—the full difference between cost and salvage value—without regard to "straight-line," "sum-of-the-years digits," or "declining balances" method.

Application of correct criteria to the facts in the columnist's example produces this dollar result:

Cost of car-----	\$4,600
Cash received on sale of car—\$3,400	
Income tax saved by \$1,200	
depreciation deduction----	1,044
	4,444
Out-of-pocket cost-----	156

The apparent small out-of-pocket cost is not due to the amount of the depreciation allowance. It is due to application to the amount of the depreciation deduction of the taxpayer's top tax bracket—87 percent. On such line of reasoning, all of such a taxpayer's business deductions (salaries, wages, rent, etc.) cost him, out-of-pocket, only 13 cents on the dollar. It would be just as accurate to say that any other of such a taxpayer's expense deductions cost only 13 cents on the dollar. The fallacy in the reasoning is obvious.

Furthermore, the statement is fallacious in assuming that the alleged loophole (which, as you will see, is nonexistent) arises out of the new depreciation methods of the 1954 code. The loophole, if there is one, arises from the operation of section 117 (j) of the 1939 code (enacted in 1942) which

gave long-term capital gains treatment to net profit on sales of depreciable property, though still allowing ordinary (100 percent) deduction of net losses from such sales. Depreciation allowances are ordinary 100-percent deductions. When such property (held more than 6 months) is sold for more than its depreciated cost, only half of the gain is taxed under the 1942 provision (now sec. 1231).

In addition, note that the new 1954 depreciation methods apply only "in the case of property * * * with a useful life of 3 years or more" (section 167 (c), I. R. C. 1954).

It is unfortunate that so many persons have lost sight of the fundamental, elemental function and purpose of depreciation allowances. Certainly the Congress does not intend depreciation allowances to be mere accounting gimmicks, or book-keeping devices for saving taxes. We view them, and we believe Congress intended them, simply as methods of measuring, by a reasonably consistent plan, the amounts which should be set aside during a taxpayer's use of depreciable property, so that the aggregate of the amounts set aside plus the amount the taxpayer realizes from sale or salvage will equal the property's cost. Stated differently, they are simply methods of measuring the dollar difference between the cost of property used in a trade or business, or held for the production of income, and the amount the taxpayer probably will realize when he disposes of it. This amount, having been consumed in the production of taxable income, seems an eminently fair and proper tax deduction.

I trust this explanation will be helpful. If I can be of further service, advise me. Sincerely,

LAURENS WILLIAMS,
Assistant to the Secretary.

SENATE

FRIDAY, JUNE 17, 1955

(Legislative day of Tuesday, June 14, 1955)

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

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

Eternal spirit, far above us and yet deep within us, we bow at the altar of prayer which our fathers set up at the Nation's birth in this temple of freedom, so that even before we speak we may listen.

In a turbulent time we would wait to put our hearts in tune with the infinite. In the midst of a social order which in its blindness still so often crucifies its prophets, and where the lowest so commonly is the loudest, we desperately need at the day's beginning a shrine of reverence to give the Highest a chance at our lives.

We cannot maintain the fine edge of our spiritual morale in the constant Babel of the world's uproar. For our soul's sake we must find the quiet places, the still waters, the green pastures, if our jaded and frayed spirits are to be restored.

And so give us, we beseech Thee, ears to hear, not just the strident shouts upon the noisy streets, but also the still voice heard only in the inner chamber.

We ask it in the name of that One who said and says, "Come unto me, all

ye that labor and are heavy laden, and I will give you rest." Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., June 17, 1955.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBEN W. BARKLEY, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. BARKLEY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, June 16, 1955, was dispensed with.

MESSAGE FROM THE PRESIDENT

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

MESSAGE FROM THE PRESIDENT—RETURN OF JOINT RESOLUTION

The ACTING PRESIDENT pro tempore laid before the Senate the follow-

ing message from the President of the United States, which was read, and, with the accompanying joint resolution, was ordered to lie on the table:

To the Senate of the United States:

In compliance with the request contained in the resolution of the Senate (the House of Representatives concurring therein), I return herewith Senate Joint Resolution 60, entitled "Joint resolution directing a study and report by the Secretary of Agriculture on burley tobacco marketing controls."

DWIGHT D. EISENHOWER.
THE WHITE HOUSE, June 17, 1955.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2907) for the relief of Thomas F. Harney, Jr., doing business as the Harney Engineering Co.; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LANE, Mr. FORRESTER, and Mr. MILLER of New York were appointed as managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year

ending June 30, 1956, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 600) to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter, and it was signed by the Acting President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6766) making appropriations for the Atomic Energy Commission, the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1956, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Security Investigations of the Post Office and Civil Service Committee was authorized to meet until 2 o'clock p. m. today during the session of the Senate.

AUTHORIZATION FOR JUDICIARY SUBCOMMITTEE ON NARCOTICS TO HOLD HEARINGS IN PHILADELPHIA

On request of Mr. JOHNSON of Texas, and by unanimous consent, Mr. DANIEL and Mr. WELKER were given leave of the Senate to hold hearings of the Judiciary Subcommittee on Narcotics in Philadelphia today and tomorrow.

INVITATION TO ATTEND UNVEILING OF STATUE OF THE LATE CHIEF JUSTICE WHITE

Mr. ELLENDER. Mr. President, I wish to announce that at 2 o'clock this afternoon in the rotunda of the Capitol there will be a dedication of the statue of the late Chief Justice White, of Louisiana, and I extend an invitation to all Senators to be present at the ceremonies.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday next, at the conclusion of the morning business, but previous to the operation of the unanimous-consent agreement on H. R. 6042, the Defense Department appropriation bill for 1956, it be in order to call the calendar for the consideration of measures to which there is no objection.

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to the usual 2-minute limitation on statements.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED TRANSFER BY NAVY DEPARTMENT OF NAVAL LCC HULL TO AMERICAN MUSEUM OF NATURAL HISTORY

A letter from the Under Secretary of the Navy, reporting, pursuant to law, that the American Museum of Natural History, Long Island, N. Y., had requested the Navy Department to transfer one 56-foot LCC hull, for use by the Department of Micropaleontology of the Museum; to the Committee on Armed Services.

REPORT ON LIQUIDATION OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the liquidation of the Reconstruction Finance Corporation, for the quarter ended March 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

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 ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

HIGHER QUOTA OF SUGAR FOR MEXICO—PETITION

The ACTING PRESIDENT pro tempore laid before the Senate a petition submitted by Oscar L. Chapman, Washington, D. C., on behalf of the Union Nacional de Productores de Azucar, S. A. de C. V., relating to a higher quota for sugar to Mexico under the United States Sugar Act, which was referred to the Committee on Finance.

RESOLUTIONS OF VETERANS OF FOREIGN WARS, DEPARTMENT OF DELAWARE

Mr. WILLIAMS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, three resolutions adopted by

the Veterans of Foreign Wars, Department of Delaware, adopted at their department encampment, Rehoboth Beach, Del., on June 11, 1955.

The first resolution concerns itself with their aim to foster and promote an aggressive nationwide campaign dedicated to the objective of conveying the truth about the United States to the peoples of other countries and appealing particularly to citizens of foreign extraction to communicate with relatives and friends in their native countries; the second concerns itself with the forthcoming Big Four meeting and their insistence upon discussion of the problem of freedom for Poland and for other captive nations behind the Iron Curtain; and the third reaffirms their unalterable opposition to any concept of world government which would limit, diminish, or destroy the sovereignty of the United States of America or the individual's rights and liberties thereof.

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

RESOLUTION No. 28

RESOLUTION OF VETERANS OF FOREIGN WARS OF THE UNITED STATES, OFFICE OF NATIONAL CHAIRMAN, LOYALTY DAY COMMITTEE

Whereas the everlasting friendship of the peoples of the free countries of the world, based upon mutual trust and understanding, is vitally essential to the future national security of the United States; and

Whereas this friendly relationship is extremely important to our national economy in times of peace through the preservation of foreign markets for our vast agricultural and industrial surpluses; and

Whereas this enduring friendship will increase the strength of our military alliances with those free countries that are equally willing to fight for their freedom against Communist subversion and aggression; and

Whereas American journalists, publicists, and experts in international human relations are unanimously agreed that the peoples of all foreign countries must know the truth about America before we can rightfully expect their unswerving allegiance in any cold or hot wars with Soviet Russia; and

Whereas a majority of the peoples in foreign countries suffer from a deplorable lack of knowledge as to how freedom operates in America, and the individual rights and liberties that we enjoy under our form of government; and

Whereas this ignorance of the truth about America is due primarily to a constant stream of vicious anti-American Communist propaganda emanating from Moscow and designed to portray the average American as a slave of his alleged economic bosses, and as an enemy who seeks to exploit the military strength and economic markets of all foreign countries, free or enslaved; and

Whereas many of the people of the free world labor under the impression that the typical American citizen is accurately reflected in certain motion-picture films that are produced in Hollywood, particularly those films that glorify murder, rackets, sex, and immorality; and

Whereas the ordinary citizen in foreign countries truly believes conditions in the United States are honestly described in newspapers that are either edited by Communists or published by persons whose personal distrust of the United States is reflected in their news columns; and

Whereas some people in foreign countries are hostile and suspicious toward America because they do not know that we prize our rights of religious freedom, our rights of free

speech and a free press, and our many cultural blessings above the value of our telephones, automobiles, TV sets, washing machines, and bathtubs; and

Whereas certain animosity toward the American people persists despite the millions of dollars that have been spent for the dissemination of pro-American information via Radio Free Europe, the Voice of America, and the United States Information Agency; and

Whereas the Veterans of Foreign Wars of the United States has entered into a program to further extend the effectiveness of its Loyalty Day observed annually on May 1, with its true meaning and purport made clear to the peoples of other lands in order to strengthen mutual understanding and thereby our Nation: Therefore be it

Resolved, That the Veterans of Foreign Wars of the United States should foster and promote an aggressive nationwide campaign dedicated to the objective of conveying the truth about the United States to the people of other countries, through the transmittal of personal letters, books, magazines, catalogs, and other literature direct to individual friends and relatives, and others, in other countries; and be it further

Resolved, That we direct our appeal for co-operation particularly to those of our citizens who are of foreign extraction themselves and who possess the means of communicating direct with relatives and friends in their native countries; and be it further

Resolved, That each VFW post and its ladies auxiliary be urged to help implement this effort on the community level by enlisting the support of newspaper, radio, and television facilities as a means of acquainting the general public with the desperate need for this campaign and the opportunity it offers the individual citizen to do his bit in the fight against communism, and the threat of universal devastation if humanity is confronted with the terrifying possibilities of atomic destruction in a third world war—a war that is certain to come if the free nations of the world allow themselves to be divided by distrust, evil suspicions, and groundless fears spawned by the Communist dictators in the Kremlin; and be it further

Resolved, That copies of this resolution be sent to all Members of the United States House of Representatives and the United States Senate from this State so that they may understand our feelings, and our desire to stop the spread of anti-Americanism, and its corollary, the spread of communism; and be it further

Resolved, That Congress be urged to make adequate appropriations for a thorough, complete, and truly American United States Overseas Information Service to the end that those in Europe, Africa, the Near East, and the Far East may understand the blessings of liberty, the peaceful goals of life, liberty, and the pursuit of happiness as advocated by the United States, and the terrors, loss of liberty, war and regimentation, and slavery to be the true goal of communism.

Adopted by the Department of Delaware, VFW Encampment, June 11, 1955.

RESOLUTION NO. 33

Whereas the exuberant joy expressed by Western Germans and Austrians recently upon the occasion of regaining their sovereignty; and

Whereas in postwar years we have seen the same expressions among the nations of Asia which were granted sovereignty after many years of colonialism; and

Whereas if the Soviets continue to oppose the inclusion of the captive people on the agenda, then it would be better not to have a Big Four Conference: Therefore be it

Resolved by the Department of Delaware, Veterans of Foreign Wars of the United States, at its 25th annual encampment, That the United States at the forthcoming Big Four

meeting insist on the discussion of the problem of freedom for Poland and for other captive nations behind the Iron Curtain; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, the Secretary of State, the two United States Senators and Congressman from Delaware.

Adopted by the Department of Delaware, VFW Encampment, June 11, 1955.

RESOLUTION ADOPTED BY THE EASTERN STATES CONFERENCE, AT BOSTON, MAY 8, 1955

Whereas the Veterans of Foreign Wars of the United States has constantly announced and vigorously opposed any and all concepts which might have for their objects and purposes, the creation of a system of world government, for the reason that any form of world government would of necessity deprive the citizens of the United States of America of their individual sovereignty as guaranteed by the Declaration of Independence and the Constitution of the United States, and would in effect subject our citizens under a body of laws which would be inconsistent with the freedoms and liberties of the individual; and

Whereas many organizations and misguided or uninformed individuals have been attempting to foist a concept of world government upon the citizens of our country and are presently trying to use the framework of the United Nations to accomplish this end; and

Whereas it is contemplated that the Charter of the United Nations may be amended or revised during the current year; and

Whereas the proponents of world government are seeking to amend or revise the Charter of the United Nations to provide for a system, whereby the citizens of the United States of America would be governed, in domestic affairs, by the laws of an international organization which is in principle repugnant to the American theory of the individual's inalienable right to life, liberty, and the pursuit of happiness: Therefore be it

Resolved by the Eastern States Conference of Veterans of Foreign Wars of the United States, representing 11 States on the eastern seaboard of the United States, in session at Boston, Mass., on this 8th day of May 1955:

1. That we reaffirm our unalterable opposition to any concept of world government which would limit, diminish, or destroy the sovereignty of the United States of America or the individual's rights and liberties thereof.

2. That the various member States of this conference give utmost priority to calling public attention to this latest devious attempt to foist a concept of world government upon the United States through the medium of an amendment or revision of the United Nations Charter.

3. That the Government of the United States of America be petitioned to abstain from participating in any amendment or revision of the Charter of the United Nations unless such proposal for amendment or revision be first approved by the Senate of the United States of America.

4. That the member States of this conference take such action as may be necessary to acquaint their elected Representatives, both State and National, with the contents of this resolution, without delay.

Adopted by Department of Delaware, VFW Encampment, June 11, 1955.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Appropriations:

H. R. 6499. A bill making appropriations for the Executive Office of the President and

sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes; with amendments (Rept. No. 573).

By Mr. YOUNG, from the Committee on Agriculture and Forestry:

S. 1582. A bill to amend Public Law 727, 83d Congress, so as to extend the period for the making of emergency loans for agricultural purposes; with an amendment (Rept. No. 574).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 63. A bill to provide for the appointment of the heads of regional and district offices of the Post Office Department by the President by and with the advice and consent of the Senate (Rept. No. 575); and

S. 1849. A bill to provide for the grant of career-conditional and career appointments in the competitive civil service to indefinite employees who previously qualified for competitive appointment (Rept. No. 576).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

H. R. 4048. A bill making recommendations to the States for the enactment of legislation to permit and assist Federal personnel, including members of the Armed Forces, and their families, to exercise their voting franchise, and for other purposes (Rept. No. 580);

H. J. Res. 232. Joint resolution authorizing the erection of a memorial gift from the Government of Venezuela (Rept. No. 579); and

S. Res. 106. Resolution to provide additional funds for the Committee on Interior and Insular Affairs.

By Mr. GREEN, from Committee on Rules and Administration, with an amendment:

S. 1993. A bill authorizing the installation of additional elevators in the Senate wing of the Capitol (Rept. No. 578).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 103. Resolution increasing the limit of expenditures by the Select Committee on Small Business (Rept. No. 577).

By Mr. HUMPHREY, from the Committee on Government Operations:

S. J. Res. 21. Joint resolution to establish a Commission on Government Security; with amendments (Rept. No. 581).

HAZEL MILLER IVES—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably an original resolution to pay a gratuity to Hazel Miller Ives. I ask unanimous consent for the present consideration of the resolution.

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

The resolution (S. Res. 113) was read, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Hazel Miller Ives, widow of Guy E. Ives, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

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

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

**MARTIN A. COYLE, ADMINISTRATOR
OF ESTATE OF JAMES R. BUTLER—REPORT OF A COMMITTEE**

Mr. GREEN. Mr. President, from the Committee on Rules and Administration, I report favorably an original resolution to pay a gratuity to Martin A. Coyle, administrator of the estate of James R. Butler. I ask unanimous consent for the present consideration of the resolution.

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

The resolution (S. Res. 114) was read, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Martin A. Coyle, administrator of the estate of James R. Butler, an employee of the Senate at the time of his death, a sum equal to 1 month's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

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

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

PROPOSED AGREEMENTS FOR CO-OPERATION BETWEEN TURKEY, BRAZIL, COLOMBIA AND THE UNITED STATES, RELATING TO ATOMIC INFORMATION—REPORT OF A COMMITTEE (S. REPT. NO. 572)

Mr. PASTORE. Mr. President, on May 6 a proposed Agreement for Co-operation for the Republic of Turkey was deposited with the Joint Committee on Atomic Energy, and on June 4 proposed Agreements for Cooperation with the Republic of Colombia and the United States of Brazil were also deposited with the joint committee. On May 11 I had the Turkish agreement inserted in the RECORD, and on May 26 I inserted copies of the correspondence of the Commission's intentions with respect to their operations under the proposed agreement.

On June 13 the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy held hearings on these three agreements for co-operation, and made a report to the full committee. The full committee adopted the report which I submit herewith. Since the date of those hearings the joint committee has also received proposed Agreements for Cooperation with Lebanon and Israel which are similar to the proposed Agreements for Cooperation with Brazil and Colombia.

The proposed Agreements for Cooperation for the Republic of Turkey, with the Republic of Colombia, and with the United States of Brazil, all appear to the Joint Committee and to its Subcommittee on Agreements for Cooperation to be in conformance with the letter and spirit of the Atomic Energy Act of 1954.

I ask unanimous consent that the report be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 17, 1955, he presented to the President of the United States the enrolled bill (S. 600) to amend title 18 of the United States Code relating to the mailing and transportation of obscene matter.

BILLS INTRODUCED

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

By Mr. MALONE (for himself and Mr. BIBLE):

S. 2267. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; to the Committee on Interior and Insular Affairs.

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

By Mr. KNOWLAND:

S. 2268. A bill to establish in the Executive Office of the President a National Freedom Board which shall direct the activities of the United States in promoting the cause of freedom; to the Committee on Foreign Relations.

(See the remarks of Mr. KNOWLAND relative to the introduction of the above bill, which appear under a separate heading.)

By Mr. SYMINGTON:

S. 2269. A bill for the relief of Mualla S. Holloway; and

S. 2270. A bill for the relief of Nadia Noland and Samia Ouafa Noland; to the Committee on the Judiciary.

CONVEYANCE OF CERTAIN LANDS TO CITY OF HENDERSON, NEV.

Mr. MALONE. Mr. President, on behalf of my colleague, the junior Senator from Nevada [Mr. BIBLE] and myself, I introduce for appropriate reference a bill relating to the conveyance of certain public lands to the city of Henderson, Nev.

The city of Henderson, Nev., is in a situation whereby it is surrounded by property owned either by the Federal Government or Basic Management, Inc. As a result, Henderson cannot grow landwise in any direction. The city of Henderson, which is the third largest city in the State of Nevada and the largest industrial city in the State, is suffering from growing pains.

The land in question was withdrawn, as I understand, by Executive Order No. 8927 of October 29, 1941, under the War Powers Act. On April 23, 1947, in a letter to the War Assets Administration, the Department took the position that these lands for which no patent was requested did not contain any improvements classified as surplus property and that the Department would be justified in vacating the withdrawal.

I have been informed by the Bureau of Land Management that there is no objection in any way to the disposal of the lands in question through this proposed legislation.

The land is so located in relation to the city of Henderson that to comply with the master plan for the city, it must come under control of the community of Henderson for zoning and designating for commercial, industrial, and residential usage.

Mr. President, I ask unanimous consent that the bill may be appropriately referred and that it may be printed at this point in the RECORD.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev., introduced by Mr. MALONE (for himself and Mr. BIBLE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Interior (hereinafter referred to as the Secretary) shall convey by quitclaim deed, at a purchase price equal to the fair market value of the lands to be conveyed as determined by the Secretary after appraisal of such lands, the following-described lands, together with all buildings and improvements thereon, situated in the State of Nevada and comprising approximately 7,013 acres (all range references are to the Mount Diablo base and meridian):

(1) All of sections 2, 3, 4, and 24, township 22 south, range 62 east.

(2) All of section 33, township 21 south, range 63 east.

(3) The east half of section 8; east half of section 17; east half of northwest quarter of section 28; all of sections 30, 31, and 32; all in township 22 south, range 63 east.

SEC. 2. The conveyance authorized by this act shall be conditional upon the city of Henderson, Nev., paying into the Treasury of the United States, within 2 years after the Secretary has notified such city of the amount of the purchase price referred to in the first section of this act, (1) a sum equal to such purchase price, or (2) such sum as shall be designated by the Secretary as the amount of the first installment on such purchase price. Any balance remaining on such purchase price, in the event that only a first installment is paid, shall be paid by such city in 20 equal installments at such time as shall be agreed upon by the Secretary and such city.

SEC. 3. The conveyance authorized by this act shall be made subject to any existing valid claims against the lands described in the first section of this act.

Mr. MALONE. Mr. President, I ask unanimous consent that a letter dated June 8, 1955, from James B. French, mayor of the city of Henderson, Nev., be printed at this point in the RECORD.

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

HENDERSON, NEV., June 8, 1955.

Senator GEORGE W. MALONE,
Senator from Nevada, Senate Office
Building, Washington, D. C.

DEAR SENATOR MALONE: Thank you for your letter of May 20 and the correspondence attached thereto.

Enclosed is a copy of letter to Bureau of Land Management in which the city of Henderson requested withdrawal of certain public lands. The city is desirous of purchasing this land. As you know, Henderson is surrounded by property owned by either the Federal Government or Basic Management, Inc. As a result, Henderson cannot grow landwise in any direction.

It is the feeling of the city council that if Henderson could purchase these particular public lands it could be turned over to private enterprise for development, in accordance with the master plan for the city.

Some of it might be commercial property, some might be industrial, and other residential.

We are extremely anxious to secure this land for obvious reasons stated above.

Sincerely yours,

CITY OF HENDERSON,
JAMES B. FRENCH, Mayor.

Mr. MALONE. Mr. President, I have a list of certain parcels of land to be surveyed, contained in a letter from James B. French, mayor of the city of Henderson, which I ask unanimous consent to have printed at this point in the RECORD.

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

HENDERSON, NEV., December 23, 1953.
LAND AND SURVEY OFFICE,
Reno, Nev.

DEAR SIR: Application is hereby made by the city of Henderson for withdrawal of the following lands, pending legislation, for the city of Henderson. The lands desired are:

Section thirty-three, township twenty-one south, sixty-three east.

East one-half section twenty, west one-half, southwest one-fourth section twenty-one, township twenty-two south, sixty-three east.

East one-half section seventeen, east one-half section eight, township twenty-two south, sixty-three east.

East one-half, northwest one-fourth section twenty-eight, township twenty-two south, sixty-three east.

East one-half section two, township twenty-two south, sixty-two east.

Section three, section four, section twenty-four, west one-half, section two, township twenty-two south, sixty-two east.

Section thirty, section thirty-one, section thirty-two, township twenty-two south, sixty-three east.

The purpose of the request for withdrawal is to obtain for the city of Henderson necessary lands for industrial development and city growth. The incorporation of the city left us in the center of an area of public domain, in the most part bounded by an area which is under the control and ownership of Basic Management, Inc., and the city, as a city, has no area at the present time for any expansion or for industrial growth. Considerable interest at the present time is being directed toward Henderson as an industrial center and we feel that it is of paramount importance as a city to encourage industry to come here. In order to do so land will of necessity have to be made available for this expansion.

We are attempting to build Henderson on an industrial level and feel that it will become a very stabilizing center for this southwest area, in which there is almost no industry.

At present Basic Management, Inc., is operating a large plant, for the most part of critical defense products. With this in mind we feel that the Henderson area can become a vital part in our national defense economy.

It is hereby requested that the above-named lands be withdrawn for all purposes, including grazing, mineral leases, and mining locations. This application is tendered under Public Lands Circular 1830, part 295, paragraph 295-10, published in 17FR7368 of August 13, 1952.

JAMES B. FRENCH, Mayor.

Mr. MALONE. Mr. President, this land is so located in relation to the city of Henderson that to comply with the master plan of the city, it must come under the control of the city, and be designated for commercial and residential usage.

NATIONAL FREEDOM BOARD IN EXECUTIVE OFFICE OF THE PRESIDENT

Mr. KNOWLAND. Mr. President, earlier in the afternoon I introduced a bill to establish in the Executive Office of the President a National Freedom Board which shall direct the activities of the United States in promoting the cause of freedom.

I have prepared some remarks on the bill. Due to the lateness of the hour today, and not wishing to detain the business of the Senate, I ask unanimous consent that my remarks may be printed in the RECORD, and that immediately following may be printed a copy of the bill, as well as a brief explanation of it.

The PRESIDING OFFICER. Without objection, the statement, bill, and explanation will be printed in the RECORD.

The statement, bill, and explanation presented by Mr. KNOWLAND are as follows:

STATEMENT BY SENATOR KNOWLAND

Two and one-half billion people who populate the earth today ponder the future fate of mankind. Although boundary lines presently divide these people into two opposing camps, the great majority are unified in their hopes and prayers for an honorable and enduring peace.

Today, for the first time in recorded history, a total conflict in peacetime has evolved with its theater of operations worldwide in scope. The headquarters of this conspiracy against mankind is located in Moscow and its chief instrument is international communism.

Over 30 years ago, Lenin expounded the eternal philosophy of communism's irreconcilability with our free system and no Communist has deviated from that platform to the present date. "It is inconceivable," Lenin said, "that the Soviet Republic should continue to exist for a long period side by side with imperialistic states. Ultimately, one or the other must conquer."

The world may well ask whether its future is to be shadowed by the philosophy enunciated over 30 years ago. It is true that since 1940 spokesmen of international communism do not always publicly trumpet their objectives. The strategy of forceable conquest is carried on solely within party circles. However, the screen or curtain of secrecy of Communist plans and objectives is pierced occasionally.

In 1952, Stalin wrote, "It is possible that in a definite conjuncture of circumstances, the fight for peace will develop here or there into a fight for socialism. But then, it will no longer be the present peace movement; it will be a movement for the overthrow of capitalism." In any analysis, Mr. President, the words that promise our future must be evaluated by past performances and deeds.

From the beginning of the revolution in Russia in 1917, international communism has been able to spread over the lives of 40 percent of the earth's inhabitants. Most of these gains have occurred in the 15-year period since the start of World War II.

Perhaps it might clarify the problems of the present to recall these events of the past when the Communists, by invasion or subversion, took over once proud countries and peoples. The casualties read as follows:

In 1940, Estonia, Latvia, and Lithuania; in 1939 and 1940, Poland; in 1945, Rumania, Bulgaria and Albania and North Korea. In 1947, Hungary; in 1948, Czechoslovakia; in 1949, China; in 1954, North Vietnam. Present threats exist today against Formosa and South Vietnam.

In generations past active warfare has been conducted with orthodox forces. The first, the Army, was quickly joined by the second, the Navy. The 20th century added the Air Force to the world's military power and World Wars I and II saw the expansion of psychological force in times of open conflict. However, international communism has now advanced a new and fifth force which in essence is the interchangeable use of the power of orthodox forces in peacetime to advance the cause of world communism. Conventional methods of defense are incapable of protecting against this deadly threat of a relentless enemy. The aim of the Communist cold war is to create confusion and uncertainty among its enemies.

I am convinced that there will never be a real and lasting relief of world tensions until the last vestige of slavery has been eliminated from the earth. As long as there exists suppression in Russia or in China, in North Vietnam or in Poland, there will be no real peace in England, in France or in the United States. But the world may ask how can we operate against an enemy system which is not bound by its word or commitment, which operates without restraint or convention or a moral code.

In such cases history proves that it becomes essential to return to fundamentals and this means a return to the spirit and challenge of freemen. If this country is to assume a position of leadership in this mortal conflict we must diagnose for the world the evils and intentions of international communism and we must apply the antidote of truth to the falsity of Soviet promises. In substance, this means the story of the progress of man under a free society must be fully told to all peoples everywhere. We must reach the minds of those presently enslaved with the message that we will unceasingly strive to secure their freedom.

The power of truth cannot be over estimated. It is indisputable that the truth will make men free. Iron Curtains are not erected solely for the purpose to prevent men from looking in—they are also there to keep an uncertain people from looking out. We can be assured that the one lesson communism knows well is that freedom is contagious and a small concession granted will induce tremendous stresses and strain for full liberty.

I am today introducing legislation which establishes a National Freedom Board that will have the responsibility of inaugurating and administering this Nation's ideological answer to international communism. I have been long convinced that the defeat of international communism requires the united efforts of all Americans regardless of partisanship.

This legislation provides no panacea for the present ills of mankind. It is no substitute for present or proposed military programs which must be continued without delay or diversion. This legislation is an attempt to revitalize and increase our efforts to win the ideological battle phase against communism. Our overall policy must remain constant—what advances freedom, we must support—what retards it, we must oppose. We must be firmly united in never agreeing to yield human beings or more territory to the Communist orbit.

The proposed creation of the National Freedom Board is a recognition of the record to date, that the battle against tyranny over the minds of man has not yet been won by the free world. If we are the leaders in this conflict, we must advance our ideals and our policies confidently and positively. Our economic system based on a free-competitive enterprise is a proven success. It has given our people the highest standard of living the world has ever known. The story of the progress and growth of freemen in a free society is unparalleled in modern times and it is tragic that this story of achieve-

ment has never been adequately portrayed.

Our way of life in the United States is based upon spiritual strength. The patriotism and pride of our citizens is founded on our schools and institutions—our churches and not our material wealth.

The National Freedom Board represents a hopeful approach to the world's present predicaments and perils.

The proposed legislation has been carefully studied and assistance has been received from the research done in this field by such outstanding Americans as David Sarnoff and William Randolph Hearst, Jr. Renewed efforts in this area have been urged by the 17 districts of the American Legion in California, and the efforts of that organization have received the approval of the national executive committee of the American Legion.

I have stated repeatedly in the past that time may not be on the side of the free world.

S. 2268

Be it enacted, etc., That—

(a) There is hereby established in the Executive Office of the President a National Freedom Board (referred to hereinafter as the Board) which shall be composed of the Vice President, the Secretary of State, the Secretary of Defense, the Director of the United States Information Agency, and five members appointed by the President, by and with the advice and consent of the Senate, from individuals in civil life. One member shall be designated by the President as Chairman of the Board. Five members of the Board shall constitute a quorum. Any vacancy in the Board shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(b) Each member of the Board appointed from civil life shall receive a salary at the rate of \$20,000 per year. No member who holds any office under the United States shall receive additional compensation by reason of his service as a member of the Board. Each member of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties of the Board.

(c) The Board may appoint, without regard to the civil-service laws, and, subject to the Classification Act of 1949, as amended, fix the compensation of, such personnel as it shall determine to be necessary to carry out its duties under this act. The Board may procure, without regard to the civil-service laws or the Classification Act of 1949, as amended, temporary and intermittent services to the same extent as is authorized for the Departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed \$50 per diem for individuals.

SEC. 2. (a) It shall be the duty of the Board to—

(1) conduct a study of each existing program and activity of any department, agency, or instrumentality of the executive branch of the Government adopted or undertaken for the purpose of combating by any means (other than by military or diplomatic action) the activities of international communism directed against the United States and other free nations;

(2) conduct a comprehensive study of additional ways and means whereby such Communist activities can be combated most effectively;

(3) prepare and transmit to the President and to the National Security Council at the earliest practicable time a comprehensive plan for effective future action in combating such Communist activities, which shall specify the role to be taken by each participating department, agency, or instrumental-

ity in the executive branch and provide for the coordination of the activities thereof;

(4) upon approval of such plan by the President, oversee the execution of such plan, evaluate the results thereof, and from time to time transmit to the President for approval such modifications of the plan as it shall determine to be necessary or advisable.

(b) Such plan shall—

(1) specify means for the effective exposure of the falsity of propaganda used by Communist governments and agencies to mislead the people of the world with respect to the nature of the American way of life and the nature and purposes of the Communist movement;

(2) specify means to be employed in acquainting the people of the world with (a) the true nature of the social, political, and economic institutions of the United States; (b) the rights, privileges, achievements, culture, and way of life of the people of the United States, (c) the genuine desire of the American people for world peace and the absence of any desire by them for territorial expansion or colonization, and (d) the willingness of the American people to cooperate with the other peoples of the world in the interest of freedom and prosperity for all mankind;

(3) promote affirmatively by all available means (other than by military or diplomatic action) the cause of freedom throughout the world by bringing to all people, including those of countries dominated by Communist governments, an understanding of the genuinely revolutionary concept of individual liberty within a free nation.

SEC. 3. The Board is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Board upon request made by the Chairman.

SEC. 4. There are hereby authorized to be appropriated to the Board such sums as may be required for the performance of its duties under this act.

PROVISIONS OF NATIONAL FREEDOM BOARD LEGISLATION

1. Establishes National Freedom Board within the Executive Offices of the President. Membership on the Board composed of five members appointed by the President with advice and consent of the Senate; and the Vice President, Secretary of State, Secretary of Defense, and Director of the United States Information Agency.

2. Compensation for members appointed is \$20,000 per annum.

3. Board will have the responsibility of investigating existing Government activities in the psychological warfare field and conducting a comprehensive study of deficiencies and inadequacies of present programs. Board will submit to the President and National Security Council a comprehensive program for effective action to defeat international Communist cold-war tactics.

4. Subsequent to President's approval of such program, Board will have responsibility for its administration.

5. New programs will include methods for effective exposure of falsity of international Communist doctrine, the adequate portrayal of the American way of life; and encouragement by adequate methods the hopes for freedom and civil liberties among the captive peoples presently dominated by Communist governments.

6. All agencies and departments of the executive branch of the Government are required to furnish available information and complete cooperation to the Board.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS TO GENERAL GOVERNMENT MATTERS APPROPRIATION BILL

Mr. MAGNUSON submitted the following notices in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 2, after line 19, insert the following new section:

"SPECIAL PROJECTS

"For expenses necessary to provide staff assistance for the President in connection with special projects, to be expended in his discretion and without regard to such provisions of law regarding the expenditure of Government funds or the compensation and employment of persons in the Government service as he may specify, \$1,250,000: *Provided*, That not to exceed 10 percent of this appropriation may be used to reimburse the appropriation for 'Salaries and expenses,' the White House Office, for administrative services."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6499) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, the following amendment, namely: On page 5, line 13, after the sum insert the following: "*Provided*, That the committee is authorized, without regard to section 505 of the Classification Act of 1949, as amended, to place one position in grade GS-18 of the general schedule established by said act."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

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insert in lieu thereof the following: "for the purchase of any station wagon is hereby fixed at \$1,875, and for the purchase of any other passenger motor vehicle (exclusive of buses and ambulances) is hereby fixed at \$1,375: *Provided*, That in addition to said maximum amount the contractor is authorized to charge the amount of the manufacturer's regular established charge to the public for transportation and delivery of such vehicle: *Provided further*, That the amount of any charge by the contractor to the Government for any special feature or equipment on said vehicle that is not required for the convenience and comfort of the operator or passengers but is necessary to permit the operator or passengers to carry out their official duties need not be included in said maximum amount."

Mr. MAGNUSON also submitted an amendment, intended to be proposed by him, to House bill 6499, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1956, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

CONVEYANCE OF A CERTAIN TRACT OF LAND TO GEORGIA STATE BOARD OF EDUCATION—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him to the bill (H. R. 2973) to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education, which was ordered to lie on the table and to be printed.

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

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

By Mr. LEHMAN:

Address delivered by him at the United Jewish Appeal conference, Sheraton-Park Hotel, Washington, D. C., on June 4, 1955.

Testimony given by him on June 16, 1955, before the Senate Interstate and Foreign Commerce Committee on the nomination of Mr. William C. Kern to the Federal Trade Commission.

CONSTRUCTION OF YELLOWTAIL DAM

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me on the action taken yesterday by the Subcommittee on Irrigation and Reclamation of the Senate Committee on Interior and Insular Affairs relative to the construction of Yellowtail Dam.

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

STATEMENT BY SENATOR MANSFIELD YELLOWTAIL DAM

The Senate Interior Subcommittee on Irrigation and Reclamation yesterday recommended "an appropriation to initiate im-

mediate construction of Yellowtail Dam, with provision for later installation of power-generating facilities, and the construction of the Hardin irrigation unit."

The subcommittee resolution, unanimously recommended by the Senator from New Mexico [Mr. ANDERSON], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Colorado [Mr. MILLIKIN], is another constructive step toward construction of this vital multipurpose project in the Northwest. When completed, Yellowtail Dam will provide needed power, flood control, and irrigation.

This subcommittee action is similar to action taken by the House Interior Committee last year, that the dam be constructed under its Federal authorization.

In addition the subcommittee resolution called for continued discussion between the Secretary of Interior and the interested private power companies "with a view of advising the subcommittee * * * so that the initiation of the construction of Yellowtail Dam will not be delayed, pending evaluation of any 'partnership' approach." The subcommittee also asked the Secretary of Interior to continue land right-of-way negotiations with the Crow Indian Tribe.

The next step is an appropriation to get construction underway. The public-works appropriation bill for fiscal year 1956 is now being considered by the House of Representatives. In view of the fact that the bill has not been acted upon by the Senate, the senior Senator from Montana [Mr. MURRAY] and myself strongly urge that these recommendations be carried out and that an appropriation be granted to begin construction on Yellowtail Dam in the next fiscal year. I also wish to make note of the fact that the Bureau of Reclamation included a \$5 million request in its program for fiscal year 1956, but it was denied by the Bureau of the Budget.

A new start in our power program in the Northwest has been long overdue; Yellowtail Dam will be a great contribution to meet our power shortage in America.

DEATH OF JOHN GRAHAM DOWLING

Mr. MANSFIELD. Mr. President, I was saddened to read in this morning's newspaper of the passing in a plane crash in Paraguay of an old friend of mine, John Graham Dowling, chief correspondent for the Time-Life bureau in Buenos Aires, Argentina. Jack Dowling used to be chief of Time's staff in southeast Asia, with headquarters in Singapore. I met him many times in Saigon, South Vietnam, and I was indebted to him for the sound counsel and good advice which he gave me. He was an outstanding reporter, a good friend, and a fine American. His death will be a great loss to American journalism. May his soul rest in peace.

I ask unanimous consent to have printed in the RECORD as a part of my remarks a brief summary of John Dowling's life, which was published in today's New York Times.

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

BEGAN CAREER AS REPORTER

John Graham Dowling was born in Philadelphia on March 5, 1914.

He left Notre Dame University after 2 years to enter newspaper work as a reporter on the Chicago Times and Newark Star-Ledger. He became a charter member of the staff of the Chicago Sun, started by Marshall Field in 1941.

Mr. Dowling covered the Pacific theaters for the Sun as a war correspondent in World

War II. He saw combat in the Solomon Islands, New Guinea, the Philippines, and Okinawa. He remained on duty in the Far East until 1948. During this time he spent 1 year in Peiping and was held for 5 weeks by the Russians during a visit to Manchuria.

Mr. Dowling joined the Time-Life staff in October 1950, setting up a southeast Asia bureau at Singapore. He covered the Korean war and the fighting between the French and Communist forces in Indochina.

Since March 1954, Mr. Dowling was head of the Time-Life bureau in Buenos Aires.

Mr. Dowling is survived by his wife, the former Patricia Louise Shafer, and a son, Gordon Graham Dowling, 2 years old.

CONSOLIDATED FUND RAISING

Mr. WILEY. Mr. President, I have spoken previously on the Senate floor on the tremendous importance of making sure that every single dollar collected in the name of charity be used precisely for that purpose. I feel that the overhead in the conduct of fund raising and in the administration of charity should be held to an absolute minimum.

Recently, I mentioned this issue in my Weekly Report to the people of Wisconsin. I was pleased to hear in response from Mr. John Werner, community services director of the Wisconsin State Industrial Union Council, affiliated with the Congress of Industrial Organizations. Mr. Werner brought to my attention the text of an important resolution on behalf of consolidated fund raising as adopted at the 16th constitutional convention of the CIO in Los Angeles last December.

I believe that this resolution makes a very powerful case for federated fund raising—a matter in which labor, like management, and all other segments of our population, should be deeply interested.

I send to the desk the text of the resolution and ask unanimous consent that it be printed at this point in the body of the RECORD.

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

FEDERATED FUND RAISING

The evidence of American generosity is nowhere better demonstrated than in the widespread support of voluntary health and welfare agencies and services.

On every hand, in every community good citizens have proven to be good neighbors in providing for the sick, the unfortunate and the underprivileged.

Settlement houses, youth activities, character building and rehabilitation agencies, recreational and health services are among the numerous social services supported by the voluntary contributions of Americans. In the ranks of these good neighbors are millions of CIO members who annually support the many fund drives of their communities.

CIO believes in the need and work of voluntary or private health and welfare agencies. While CIO believes that government must assume the major responsibility of providing material assistance to those in need, it also believes that the field of voluntary social work must supplement the welfare programs of government.

Medical research, emergency and supplemental financial assistance, family counseling, youth guidance and recreation, and the stimulation of citizen participation in community health and welfare problems are the special domain of America's voluntary social agencies and organizations.

Unfortunately America's voluntary health and welfare dollar is being stretched out of all proportions by an increasing multiplicity of diversified appeals.

It is an unusual week that passes without having some fund appeal to support a charitable organization or service. Consequently, many donors are lost in a maze of collections, canvasses, and membership drives. Such supermarket tactics, with health and welfare agencies competing for a limited amount of money, is gradually reducing the effectiveness of all voluntary social services.

The vital and needed work of private social agencies can be greatly assisted by a careful budgeting of funds to meet the relative needs of the community. Emotional appeals, pressure tactics, and special personal interests are no substitutes for community-wide health and welfare planning, fund raising and budgeting.

There must be an intelligent consolidation and federation of such appeals in order to reduce the mounting costs of various fund campaigns. The energies and time of the citizen volunteer and solicitor can be conserved if there is a sincere and concerted effort on the part of health and welfare organizations to initiate community-wide planning and fund raising.

CIO has consistently supported through the program of its community services committee efforts in this direction. In most instances annual Community Chest and United Fund campaigns have been generously supported through employee payroll deduction plans.

CIO feels that many social services, especially health organizations not currently participating in a so-called "one-shot campaign", should give serious consideration to consolidating their annual appeal in such a community-wide drive.

Of course, the fund raising and budgeting functions, as well as the boards and committees of voluntary health and welfare agencies should be broadly representative of the entire community.

Federated fund raising based on sound community planning and budgeting will assure a wise allocation and an intelligent expenditure of America's voluntary health and welfare dollar.

FREE DISTRIBUTION OF POLIO VACCINE TO ALL CHILDREN

Mr. LEHMAN. Mr. President, at a hearing of the Committee on Labor and Public Welfare on June 14, 1955, the Secretary of Health, Education, and Welfare, Mrs. Hobby, in response to a question, stated that she believed that the free distribution of vaccine to all children, as proposed by the bill which the Senator from Alabama [Mr. HILL] and other Senators, including myself, had introduced, constituted socialized medicine.

Yesterday, June 16, the Washington Post and Times Herald printed a very interesting, illuminating, and timely editorial, entitled "Socialized Nonsense," in reply to Secretary Hobby's statement. I ask unanimous consent to have the editorial printed in the RECORD at this point in my remarks.

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

SOCIALIZED NONSENSE

Secretary Hobby was her own worst enemy in her testimony before the Senate Labor and Public Welfare Committee. She seemed to regard all criticism of the administration's handling of the polio program as captious

and added that she was "not embarrassed in the slightest" by it. Then, replying to a question from Senator GOLDWATER, she charged that Senator HILL's bill to provide free vaccine for all children would lead to socialized medicine by the back door.

This attitude, we submit, epitomizes what is wrong with Mrs. Hobby's administration of the Department of Health, Education, and Welfare. If she really can see nothing wrong with the botch over the polio program, and if she screens every new project ranging from aid to education to polio vaccinations from the standpoint of whether it might be labeled socialistic, it is easy to understand why her Department has acquired a reputation for doing nothing.

The administration has proposed a bill under which the Government would supply polio vaccine to the States to insure that no child whose parents could not pay for the vaccine would be denied it. This is a praiseworthy enough objective; the major difficulty lies in the lack of uniform standards for determining what constitutes ability to pay. Perhaps there are reasons why a more comprehensive program for the Government to supply free polio vaccine to all children would be unwise. It would cost more money, it might set a precedent for other medical discoveries (the Federal Government, for example, does not supply free smallpox vaccine), and it might exaggerate the importance of the polio vaccine in relation to other needs.

But there is hardly anything subversive in a proposal for free vaccine under which the Government would pay private laboratories for the material and private doctors would continue to be paid for their services. To call this socialized medicine is to render that much abused term even more ridiculous than it has already become.

Mr. LEHMAN. Mr. President, I have no further comment. None is necessary. The characterization in the editorial is accurate and speaks for itself.

THE POWER POLICIES OF THE ADMINISTRATION

Mr. NEUBERGER. Mr. President, I wish to take note of the fact that at least one segment of the population is jubilant about the power policies of the Eisenhower administration. The cries of delight are not coming from the farmers of the Nation, who saw many of the drudgeries of farm life disappear with the march of REA lines under previous Democratic administrations. Neither are the joyful shouts coming from power consumers we have saved millions of dollars from rate reductions forced by the public power yardstick. No, Mr. President; applause for the administration's power program does not come from the vast majority of American people. The group which is so pleased and grateful is made up of the heads of the country's big power companies. This was succinctly revealed in a recent headline in the New York Times: "Utility Men Hail Eisenhower Policy."

The expressions of delight for administration policy were voiced at a meeting of the Edison Electric Institute. Spokesmen for the utilities described the Eisenhower program's partnership principles as not something new and strange to America. I agree with that statement. The partnership proposals of the administration are not something new and strange to the American scene.

No, the partnership is not a new idea. When Theodore Roosevelt occupied the

White House, the Rivers and Harbors Board of the United States Army Engineer Corps made a recommendation on a proposed partnership between the Government and a power company to develop the Tennessee River. The recommendation stated:

In general, any partnership relation between the United States and a private corporation is necessarily to be closely scrutinized, as the results in the past have been that the Government as a party to such agreements usually suffered thereby.

The partnership principle is neither new to America historically, nor is it new to our well-known literature. The partnership was excellently portrayed by the noted author of Alice in Wonderland, Lewis Carroll. He wrote in the following words of the immortal partnership between the owl and the panther:

I passed by his garden and marked, with one eye,
How the owl and the panther were sharing
a pie;
The panther took piecrust, and gravy, and meat,
While the owl had the dish as his share of the treat.
When the pie was finished the owl, as a boon,
Was kindly permitted to pocket the spoon;
While the panther received knife and fork
with a growl,
And concluded the banquet * * *.

By eating the owl.

Out of sympathy for the tender sensibilities of his readers, Mr. Carroll did not add the final words to the verse describing the fate of the unfortunate owl. Nor have the last words been written as to the fate of the people's power resources under the administration's partnership program. But in Mr. Carroll's verse there is an admonition which today gives us reason for careful thought. When a partnership is formed with a panther, watch out for the unspoken words. They are the fateful ones.

I ask unanimous consent to have printed in the body of the RECORD a fine article on the proposed power partnership. The article was written by Mr. Dewey Rand, and was published in the Salem Capital-Press for June 6, 1955. I also ask unanimous consent to have printed at this point in the RECORD a dispatch from the New York Times of June 15, 1955.

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

[From the Salem (Oreg.) Capital Press of June 6, 1955]

PASSING IN REVIEW

(By Dewey Rand)

SAM COON, stockman, turned Congressman by election to Congress in the Second District, has added to the burdens of his job by becoming the front man for the belabored Eisenhower partnership power development plan in Oregon. The eastern Oregon Representative, through a series of political maneuvers by himself and others, now occupies the hot spot created and held by Interior Secretary McKay earlier in the Eisenhower administration.

COON, however, is taking a somewhat different approach to the controversy. Instead of the well-worn cries of creeping socialism and pleas for private enterprise, he has centered the fight on a specific case, the John

Day Dam. His introduction of a bill in Congress authorizing the John Day Dam which would give the dam's electric power to private utilities in return for 90 percent of the construction cost is the new line of battle. This moves the issue from talk to action, just as has happened to the Federal Hells Canyon Dam which was approved by the Senate interior subcommittee this week.

It remains, of course, for Coon to get his bill passed, but he is working diligently at the job. He has agreed to debate the merits of his plan this summer with Senator NEUBERGER, who favors full Federal development of the site, and his Washington office is producing supporting newsletters for the press and public. In the latest we have received, for release June 8, Coon claims a great majority of people he has heard from have expressed a favorable opinion for his legislation. He does not say who these people are, so there is no reason to doubt the truth of this statement.

There is a good reason to doubt the logic of other statements he makes. The letter states the purpose of his legislation: "Coon's bill would permit local interests, both public and private, to aid in financing the John Day Dam. Under the terms of the bill, the local groups would put up all of the money required to build the power features. This has been estimated at \$273 million, about 90 percent of the total cost."

The flaw in this, so far as the public is concerned, is that the only local interests in evidence are private power companies. There are no others to any substantial degree. But worse still, the plan would give up the only revenue feature, power production, and deprive the Government of future profits and reimbursement. It would also mean—and this is far more important—higher power costs, for the private power companies must make a greater profit than the Government in order to exist.

Then Coon resorts, in his letter, to the old defeatist attitude that has been used so often by many other proprivate power public officials. He says: "We certainly won't get the job done if we insist that the Federal Government do all the work and foot all the expense, nor will we insist that local agencies do it all. Both groups, Federal and non-Federal, must work together."

Bonneville, Coulee, and the other great Federal dams of the Northwest refute this nonsense that "we won't get the job done if we insist that the Federal Government * * * foot all the expense." What Coon should say, if he wants to report the facts, is that it is difficult to get the job done federally if Oregon's Governor and 3 of its 4 Congressmen are actively opposed. Nor does it prove anything to argue, as some do, that when the other dams were accomplished, the atmosphere at Washington was different. Congress still controls the fate of John Day, Hells Canyon, and the others. None can say with certainty what Congress will do until the issue is before it.

No one can reasonably deny Coon's privilege to take what stand he wishes on the power issue, whether it is the result of honest convictions or the influence of special interests. Coon may be an able and conscientious Congressman, as Congressmen go. But if his Washington office continues to produce newsletters such as the one quoted here, it is obvious that he or someone with him there has a very low estimate of the intelligence of those to whom it is sent. This, we resent, more than his proprivate power position.

[From the New York Times of June 15, 1955]
**UTILITY MEN HAIL EISENHOWER POLICY—
 PARTNERSHIP CALLED WHOLLY IN THE AMERICAN TRADITION AT INDUSTRY CONVENTION**
 LOS ANGELES, June 14.—Two western power company executives endorsed in ringing terms today the Eisenhower "partnership

policy" in the development of natural resources.

The backing came from James E. Black, chairman of the Pacific Gas & Electric Co., and Kinsey M. Robinson, president and chairman of the Washington Power Co., addressing the 23d annual convention of the Edison Electric Institute.

Mr. Black, who led the successful private industry campaign to run the Central Valley project in California, said that partnership principles are not "something new and strange," but "wholly in the American tradition."

"If they need to be spelled out by the President," he declared, "it is only because the Nation has strayed so far from its historic path."

STIMULUS TO PROSPERITY

Mr. Robinson also referred to the basic resources program outlined by President Eisenhower in his State of the Union message last January.

"It is a real stimulus to prosperity," Mr. Robinson said. "It differs from New Deal power which advocated by word and deed the nationalization of electric power."

The administration's policy, he said, includes States, local communities, private citizens, and the Federal Government, all working together. "The job to be done is so great that all are urged to participate—it is not a policy of monopoly by any one group."

"Government as a partner enlarges and strengthens the abilities of its citizens; government as a remote and bureaucratic overseer can only weaken and subject its citizens to a demoralizing control," said Mr. Black. "It is not a coincidence that the only areas of potential power scarcity in the United States are those in which government has assumed to itself a dominant role."

Both Mr. Black and Mr. Robinson made strong arguments for private initiative in power development in their respective States.

Observing that "in California there has been no real grassroots demand for the Federal Government to go into the commercial power business," Mr. Black cited the Central Valley project to support his contention that tax-free cheap Federal power was a myth.

If the Bureau of Reclamation had been given free rein in the Central Valley, Mr. Black declared, "the total loss to the project, the taxpayers, and the water users * * * would be about \$7 million a year."

He discussed a cooperative proposal, now before Congress, for the development of the Trinity River as part of the Central Valley project. It is planned that the turbulent Trinity be harnessed through a series of dams and tunnels to help irrigate the interior valleys. To help finance the project, by-product electric power would be developed.

BIG SAVINGS ESTIMATED

"Our partnership proposal to the Bureau of Reclamation would save the Federal taxpayers \$50 million initially in capital outlay," Mr. Black said. "We would pay \$3,500,000 a year for the falling water. We would develop half again as much power capacity as the Bureau proposes to build."

The company, he said, would pay Federal taxes of \$1,400,000 and State and local taxes totaling \$1,300,000 a year.

Mr. Black claimed the support of 200 California organizations, including farm and business associations, labor unions, irrigation districts, and civic groups.

Regarding atomic power development, Mr. Black said: "We believe that if nuclear power does become competitive, it will fit into existing integrated power systems in the same manner as new and more efficient conventional plants are added today." He indicated that economically feasible atomic power was a decade away.

Like the institute's president, Harold Quinton, of Los Angeles, Mr. Black contended that "government power should be taxed equally with the investor-owned utility industry."

He was encouraged to remark, however, that "we can't help feeling that we may be witnessing * * * the advancing twilight of the threat of socialism."

Mr. Robinson argued for the partnership principle as exemplified in another proposal now before Congress, to authorize the John Day Dam on the Columbia River.

"Though the United States Government would retain title, and Army engineers do the actual construction," he said, "it is proposed that 3 private power companies and any others, if they care to participate, will advance \$273 million of the total estimated cost of \$310 million."

Investor-owned electric companies in the Northwest are building or planning 45 new hydroelectric projects with a total potential of 3.7 million kilowatts of additional power, Mr. Robinson said.

"With the entire Northwest facing serious need for power, it is most baffling to understand why small political blocs try so desperately to destroy private incentive," he declared.

Richard Joyce Smith, of the New York law firm of Whitman, Ransom & Coulson, spoke on overlapping Federal and State regulation of utilities. He suggested as a possible solution an act of Congress enabling the Federal Power Commission to exempt from its authority those electric companies whose functions are "essentially local in character."

With that as a basis, he said, it would be possible to set up an "integrated system of regulation" under which the National Government would have "spheres of control supplementary to and consistent with State regulation of local utilities."

CANADIAN STOCK FRAUDS

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement I have prepared in relation to Canadian stock frauds, a subject to which I have referred heretofore on the floor. Annexed thereto is a memorandum of the Securities and Exchange Commission on the Canadian situation, which I also ask to have printed in the RECORD.

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

SENATOR WILEY SEES ENCOURAGING PROGRESS IN COMBATING CANADIAN STOCK FRAUDS

On May 11, I commented in the CONGRESSIONAL RECORD regarding cooperation with our good friends of the Canadian Government in curbing stock frauds emanating from north of the border.

Since that time, I have been in continuous close touch with all the various sources which have been quietly but industriously working on this problem.

These include Federal agencies like the Securities and Exchange Commission, the State Department, the Post Office Department, the Department of Justice, and others.

Likewise, my contacts include the New York Stock Exchange, the National Association of Securities Dealers, the Investment Bankers Association, the National Association of Better Business Bureaus, and a great many other worthy private sources.

Similarly, I have been in contact with State securities commissioners like the commissioners of Wisconsin, Michigan, and Minnesota, and with other public officials at State and local levels as well.

Finally, I have been in continued contact with interested representatives of the press,

particularly the financial press, which is, like all the rest of us, deeply interested in helping to flush out culprits, whether they be of American or of any other national origin and, for that matter, whether they operate above or below the border to fleece the public.

I have found a universal interest in every responsible quarter in helping to protect the investing public, in helping to make sure that those Americans who desire to invest do so soundly in issues where they will get a fair run for their money. Yes; let it be in issues which will be constructive to the freer enterprise system, whether it be in the vital new atomic-energy field or in any other field. But let it not be simply to line the pockets of a handful of unscrupulous fringe operators who have already milked the public of vast sums.

Fortunately, representatives of the staff of the Senate Banking Committee have, under the direction of the distinguished chairman of that committee, Mr. FULBRIGHT, been earnestly exploring this subject, as has a staff member of the Senate Foreign Relations Committee at my request.

I have assured my friends of the Banking Committee of my own continued cooperation with them, since this securities subject is within their fundamental jurisdiction.

The members of the Securities and Exchange Commission have been particularly cooperative. They, of course, face throughout their exploration of this problem and of other problems the constant dilemma of how to meet an ever-expanding workload with an exceedingly small staff—indeed, a staff declining in number.

I feel that any such important agency, dealing as it does with matters of tremendous consequence to the financial structure of our Nation, should have an adequate number of employees so that they can perform their heavy responsibilities efficiently.

I have been interested to receive from the office of the Chairman of the Securities and Exchange Commission, both from the former Chairman, Ralph Demmler, and the present Chairman, J. Sinclair Armstrong, helpful comments on a possible many-sided approach to solution of this problem.

I send to the desk the text of a background memorandum transmitted to me by Chairman Armstrong—one which has likewise been transmitted to the chairman of the Senate Banking Committee. This memorandum lists past and present steps, plus a variety of future possible steps, all of which, as Chairman Armstrong well indicates, would, of course, have to be weighed extremely carefully.

None of the future possibilities is presented by the SEC as a recommendation, but, as I understand, all are listed as merely theoretical possibilities.

I, for one, would oppose any new step which might prove so drastic as to cause more serious problems than it cures. Basically, I would oppose, as I am sure the Commission would likewise oppose, any step recommended from any quarter which would prejudice in any way the splendid relations between our two countries. Even at first glance, I may say, several of the possibilities listed seem so drastic as to be both undesirable and unfeasible, in my judgment.

In any event, it is my intention to comment further, on future occasions, on this overall issue.

I am satisfied that progress is being made toward resolving it—progress which, while slower than we would want, is nevertheless substantial.

I have been particularly pleased at the constructive messages which have come to me from our friends north of the border, in particular, from His Excellency, the Canadian Ambassador, the Honorable A. D. P. Heeney, and from the Honorable O. E. Len-

nox, chairman of the Securities Commission of the Province of Ontario.

Canada and the United States—the two best friends in the world, the two finest neighbors will, I am sure, meet this issue, as they have met all other issues, including ones of infinitely greater importance than this, with full teamwork.

MEMORANDUM OF THE SECURITIES AND EXCHANGE COMMISSION ON THE CANADIAN SITUATION

Illegal and fraudulent distribution of Canadian securities into the United States existed for many years prior to the organization of the Securities and Exchange Commission and has presented continuing serious problems to date.

In this memorandum we seek to identify the primary problem and the basic difficulty involved in dealing with it, to outline by way of background certain of the means by which the problem has been attacked and the limitations of these methods, and finally to indicate additional measures which might be taken.

The primary problem is to prevent frauds upon our citizens. The problem is created by the efforts of unscrupulous persons, many of them from the United States, to take advantage of the international boundary and the differing regulatory and legal systems of the two countries in order to exploit investors in the United States from bases in Canada. The ease of communication by mail, telegraph, or telephone across the border makes it possible to conduct high-pressure selling campaigns as readily from Canada as from within the United States.

An additional problem is created by sales from Canada in violation of section 5 of the Securities Act of 1933, which imposes registration and prospectus requirements. Such violations may, and frequently do, accompany fraudulent offerings but not all offerings violating section 5 involve fraud.

The basic difficulty of the Commission and other Federal and State agencies in dealing with such activities is that we cannot directly reach violators in Canada since they are beyond our jurisdiction. Moreover, these persons may not clearly violate any Canadian law where they restrict their offerings to the United States. Canada has no Federal securities law (except for criminal fraud statutes) or Federal Securities Commission, the regulation of securities and security dealings being left to the 10 Provinces. All of these have regulatory laws similar to the blue-sky laws of many States. Such Provincial laws do not explicitly protect foreign investors, and the Commission, in trying to deal with violators of American law, has been compelled in large measure to rely upon the exercise by Provincial authorities of limited discretionary powers. While we have received varying degrees of cooperation, reliance on Provincial administrators, whose powers are limited and whose difficulties are great, is unsatisfactory as a means of effective law enforcement.

The Commission, the Department of State, the Department of Justice, the Post Office Department, and law-enforcement authorities of the several States and Canadian Provinces, have, sometimes cooperatively, sometimes independently, attacked the problem in many different ways, including:

1. Investigations of alleged violations of the security laws.
2. Postal fraud orders.
3. State injunctions and cease and desist orders.
4. Federal injunctions.
5. Federal indictments, both open and secret.
6. Restricted lists (lists of securities presumptively illegally offered in which American brokers and dealers should not trade).

7. Publicity campaigns warning investors against high-pressure Canadian offerings.

8. Warning letters to the violators.

9. Informal liaison with Canadian authorities.

10. Prosecutions under Canadian law.

11. Administrative sanctions under Canadian law.

12. Regulation D (a simplified procedure for small Canadian offerings made in the United States).

13. Extradition under treaty.

The degree of success or failure attending these efforts has varied from time to time, but the problem has persisted. All of the foregoing procedures have severe limitations. Fraud must first be proved to obtain a postal fraud order, and then such orders are evaded by changes of name and mailing address in Canada. Indictments and injunctions under American law are ineffective unless jurisdiction over the defendant is obtained. Public warnings have not deterred gullible investors. Prosecutions and administrative proceedings under provincial laws are dependent upon the provisions of these laws, and the vigor with which they are applied against offerings made outside the province. It has also been difficult to conduct investigations of violations occurring partly in Canada and partly in the United States, because of the lack of power by investigators from the United States to obtain facts in Canada and the natural reluctance of Canadian authorities to have American investigators operating in their country. In addition, there is difficulty in getting witnesses from Canada to testify in proceedings in the United States.

One of the difficulties in connection with proceedings under provincial laws has been the feeling on the part of some provincial officials that American securities laws and procedures are unduly complex by Canadian standards and difficult for legitimate Canadian mining and exploration ventures to comply with. Regulation D was adopted by the Commission to provide a simplified procedure by which small Canadian offerings could be made in compliance with our statutes, in the hope that provincial authorities would then require compliance with our laws. This hope has not been realized, owing, among other things, to the limited powers of provincial administrators, differences in the philosophy of securities regulation between the United States and the Canadian Provinces, and administrative difficulties which were aggravated by the inexperience of Canadian issuers and underwriters with SEC statutes and procedures. Moreover, issuers and underwriters offering from Canada object to complying with the multiple requirements of the laws of almost all the States, in addition to SEC requirements.

In order to achieve more harmonious cooperation between the provincial administrators and ourselves, the SEC is presently considering a revision of its regulation governing small offerings from Canada. The revision would confine the exemption exclusively to Canadian offerings which have been qualified under the provincial securities laws. This step is desired by the provinces to provide them with a reason for preventing non-approved offerings from being made in the United States.

The Supplementary Extradition Convention with Canada of 1952 has been interpreted in a manner which limit its effectiveness, primarily because of the complexity of international extradition law when applied to statutory offenses of this kind as between countries both of which have a federal system, but a differing division of authority between Federal and State or Provincial Governments. A Canadian court has held that enumeration 11A of the Convention does not reach violations of the fraud provisions of the Securities Act of 1933 because Canada has no sufficiently analogous statute,

and hence the "double criminality" requirement of extradition law as interpreted in the British Commonwealth is not met. In any event, extradition is more effective as a weapon in reserve than as a routine instrument of law enforcement.

Additional approaches to the situation include a more intensive exploration of possibilities for cooperation in prosecutions under Canadian law. There are also certain legislative weapons available to the United States if it seems desirable to use them. A Federal statute could be enacted which could close by summary process the channels of international communication to illegal Canadian offerings. Such a statute might include a prohibition against owning any foreign securities offered in violation of its provision, the transmission of funds for the purpose of purchasing such securities might be prohibited and American citizens who depart from or remain outside the jurisdiction of the United States in order to evade prosecution for securities violations might be deprived of their citizenship. We recognize that the enactment and administration of such a drastic measure would present serious problems involving other departments and agencies of our Government as well as the telephone and telegraph companies. The suggestions referred to above are not submitted as a recommendation, but rather as an indication of a new approach which warrants discussion.

While these suggestions are being considered, this Commission will continue its efforts under its statutory powers to obtain compliance with the law.

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

VISIT TO THE SENATE OF THE NATIONAL BALLET COMPANY OF CANADA

Mr. WILEY. Mr. President, it is a pleasure to welcome to the Senate today an unusual invasion from the north—a group of beautiful and distinguished dancers from our friendly neighbor across the border. These delightful young people, 35 of them, come from every province of the Dominion of Canada. The National Ballet Company of Canada is young, as they are. They have come to our Capital City for the first time. They have played in the cities of Milwaukee, Chicago, New York, and other places, and the people have taken them to their hearts. They have filled the Carter Barron Amphitheater every evening since they came to Washington 8 days ago. I am sure we wish them every success. The news ticker reports that Washington audiences are receiving them enthusiastically. Despite the threatening weather, large numbers have turned out nightly for their performance. The music and dramatic critics have been warm in their praise.

We of the Senate welcome these fine ambassadors from our neighbor, Canada—a good and valiant neighbor.

I should like to ask the group to rise so that Senators may give them a hand. (The group rose from their seats in the gallery and received the applause of the Senate.)

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the executive business, and consider first the nominations on the Executive Calendar, to be followed by the Austrian treaty.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the Secretary will proceed to state the nominations on the calendar.

FEDERAL COMMUNICATIONS COMMISSION

The Chief Clerk read the nomination of Richard A. Mack, of Florida, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1955.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES AIR FORCE RESERVE COMMISSIONED OFFICERS

The Chief Clerk proceeded to read sundry nominations of United States Air Force Reserve commissioned officers.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

AIR NATIONAL GUARD

The Chief Clerk proceeded to read sundry nominations in the Air National Guard.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

IN THE NAVY

The Chief Clerk read the nomination of Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1947.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

IN THE MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Marine Corps.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Marine Corps nominations be confirmed en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified forthwith of all nominations confirmed today.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

AUSTRIAN STATE TREATY

The ACTING PRESIDENT pro tempore. The Chair now lays before the Senate the treaty with Austria.

The Senate, as in Committee of the Whole, proceeded to consider the treaty (Executive G, 84th Congress, 1st session), the state treaty for the reestablishment of an independent and democratic Austria, signed at Vienna on May 15, 1955, which was read the second time, as follows:

STATE TREATY FOR THE RE-ESTABLISHMENT OF AN INDEPENDENT AND DEMOCRATIC AUSTRIA

Preamble

The Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and France, hereinafter referred to as "the Allied and Associated Powers", of the one part and Austria, of the other part;

Whereas on 13th March, 1938, Hitlerite Germany annexed Austria by force and incorporated its territory in the German Reich;

Whereas in the Moscow Declaration published on 1st November, 1943, the Governments of the Union of Soviet Socialist Republics, the United Kingdom and the United States of America declared that they regarded the annexation of Austria by Germany on 13th March, 1938, as null and void and affirmed their wish to see Austria re-established as a free and independent State, and the French Committee of National Liberation made a similar declaration on 16th November, 1943;

Whereas as a result of the Allied victory Austria was liberated from the domination of Hitlerite Germany;

Whereas the Allied and Associated Powers, and Austria, taking into account the importance of the efforts which the Austrian people themselves have made and will have to continue to make for the restoration and democratic reconstruction of their country, desire to conclude a treaty re-establishing Austria as a free, independent, and democratic State, thus contributing to the restoration of peace in Europe;

Whereas the Allied and Associated Powers desire by means of the present Treaty to settle in accordance with the principles of justice all questions which are still out-

standing in connection with the events referred to above, including the annexation of Austria by Hitlerite Germany and participation of Austria in the war as an integral part of Germany; and

Whereas the Allied and Associated Powers and Austria are desirous for these purposes of concluding the present Treaty to serve as the basis of friendly relations between them, thereby enabling the Allied and Associated Powers to support Austria's application for admission to the United Nations organization;

Have therefore appointed the undersigned Plenipotentiaries who, after presentation of their full powers, found in good and due form, have agreed on the following provisions:

PART I—POLITICAL AND TERRITORIAL CLAUSES

Article 1—Re-establishment of Austria as a free and independent State

The Allied and Associated Powers recognize that Austria is re-established as a sovereign, independent, and democratic State.

Article 2—Maintenance of Austria's independence

The Allied and Associated Powers declare that they will respect the independence and territorial integrity of Austria as established under the present Treaty.

Article 3—Recognition by Germany of Austrian independence

The Allied and Associated Powers will incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4—Prohibition of *anschluss*

1. The Allied and Associated Powers declare that political or economic union between Austria and Germany is prohibited. Austria fully recognizes its responsibilities in this matter and shall not enter into political or economic union with Germany in any form whatsoever.

2. In order to prevent such union Austria shall not conclude any agreement with Germany, nor do any act, nor take any measures likely, directly or indirectly, to promote political or economic union with Germany, or to impair its territorial integrity or political or economic independence. Austria further undertakes to prevent within its territory any act likely, directly or indirectly, to promote such union and shall prevent the existence, resurgence and activities of any organizations having as their aim political or economic union with Germany, and pan-German propaganda in favor of union with Germany.

Article 5—Frontiers of Austria

The frontiers of Austria shall be those existing on 1st January, 1938.

Article 6—Human rights

1. Austria shall take all measures necessary to secure to all persons under Austrian jurisdiction, without distinction as to race, sex, language or religion, the enjoyment of human rights and of the fundamental freedoms, including freedom of expression, of press and publication, of religious worship, of political opinion and of public meeting.

2. Austria further undertakes that the laws in force in Austria shall not, either in their content or in their application, discriminate or entail any discrimination between persons of Austrian nationality on the ground of their race, sex, language or religion, whether in reference to their persons, property, business, professional or financial interests, status, political or civil rights or any other matter.

Article 7—Rights of the Slovene and Croat minorities

1. Austrian nationals of the Slovene and Croat minorities in Carinthia, Burgenland and Styria shall enjoy the same rights on equal terms as all other Austrian nationals, including the right to their own organizations, meetings and press in their own language.

2. They are entitled to elementary instruction in the Slovene or Croat language and to a proportional number of their own secondary schools; in this connection school curricula shall be reviewed and a section of the Inspectorate of Education shall be established for Slovene and Croat schools.

3. In the administrative and judicial districts of Carinthia, Burgenland and Styria, where there are Slovene, Croat or mixed populations, the Slovene or Croat language shall be accepted as an official language in addition to German. In such districts topographical terminology and inscriptions shall be in the Slovene or Croat language as well as in German.

4. Austrian nationals of the Slovene and Croat minorities in Carinthia, Burgenland and Styria shall participate in the cultural, administrative and judicial systems in these territories on equal terms with other Austrian nationals.

5. The activity of organizations whose aim is to deprive the Croat or Slovene population of their minority character or rights shall be prohibited.

Article 8—Democratic institutions

Austria shall have a democratic government based on elections by secret ballot and shall guarantee to all citizens free, equal and universal suffrage as well as the right to be elected to public office without discrimination as to race, sex, language, religion or political opinion.

Article 9—Dissolution of Nazi organizations

1. Austria shall complete the measures, already begun by the enactment of appropriate legislation approved by the Allied Commission for Austria, to destroy the National Socialist Party and its affiliated and supervised organizations, including political, military and para-military organizations, on Austrian territory. Austria shall also continue the efforts to eliminate from Austrian political, economic and cultural life all traces of Nazism, to ensure that the above-mentioned organizations are not revived in any form, and to prevent all Nazi and militarist activity and propaganda in Austria.

2. Austria undertakes to dissolve all Fascist-type organizations existing on its territory, political, military and para-military, and likewise any other organizations carrying on activities hostile to any United Nation or which intend to deprive the people of their democratic rights.

3. Austria undertakes not to permit, under threat of penal punishment which shall be immediately determined in accordance with procedures established by Austrian Law, the existence and the activity on Austrian territory of the above-mentioned organizations.

Article 10—Special clauses on legislation

1. Austria undertakes to maintain and continue to implement the principles contained in the laws and legal measures adopted by the Austrian Government and Parliament since 1st May, 1945, and approved by the Allied Commission for Austria, aimed at liquidation of the remnants of the Nazi regime and at the reestablishment of the democratic system, and to complete the legislative and administrative measures already taken or begun since 1st May, 1945, to codify and give effect to the principles set out in Articles 6, 8 and 9 of the present Treaty, and insofar as she has not yet done so to repeal or amend all legislative and administrative

measures adopted between 5th March, 1933, and 30th April, 1945, which conflict with the principles set forth in Articles 6, 8 and 9.

2. Austria further undertakes to maintain the law of 3rd April, 1919, concerning the House of Hapsburg-Lorraine.

Article 11—Recognition of peace treaties

Austria undertakes to recognize the full force of the Treaties of Peace with Italy, Roumania, Bulgaria, Hungary and Finland and other agreements or arrangements which have been or will be reached by the Allied and Associated Powers in respect of Germany and Japan for the restoration of peace.

PART II—MILITARY AND AIR CLAUSES

Article 12—Prohibition of service in the Austrian Armed Forces of former members of Nazi organizations, and certain other categories of persons

The following shall in no case be permitted to serve in the Austrian Armed Forces:

1. Persons not of Austrian nationality;
2. Austrian nationals who had been German nationals at any time before 13th March, 1938;
3. Austrian nationals who served in the rank of Colonel or in any higher rank in the German Armed Forces during the period from 13th March, 1938, to 8th May, 1945;
4. With the exception of any persons who shall have been exonerated by the appropriate body in accordance with Austrian law, Austrian nationals falling within any of the following categories:

(a) Persons who at an time belonged to the National Socialist Party ("N. S. D. A. P.") or the "S. S.", "S. A.", or "S. D." organizations; the Secret State Police ("Gestapo"); or the National Socialist Soldiers' Association ("N. S. Soldatenring"); or the National Socialist Officers' Association ("N. S. Offiziersvereinigung").

(b) Officers in the National Socialist Fliers' Corps ("N. S. F. K.") or the National Socialist Motor Corps ("N. S. K. K.") of rank not lower than "Untersturmfuehrer" or its equivalent;

(c) Functionaries in any supervised or affiliated organizations of the N. S. D. A. P. of rank not lower than that equivalent to "Ortsgruppenleiter";

(d) Authors of printed works or scenarios placed by the competent commissions set up by the Government of Austria in the category of prohibited works because of their Nazi character;

(e) Leaders of industrial, commercial and financial undertakings who according to the official and authenticated reports of existing industrial, commercial and financial associations, trade unions and party organizations are found by the competent commission to have co-operated actively in the achievement of the aims of the N. S. D. A. P. or of any of its affiliated organizations, supported the principles of National Socialism or financed or spread propaganda for National Socialist organizations or their activities, and by any of the foregoing to have damaged the interests of an independent and democratic Austria.

Article 13—Prohibition of special weapons

1. Austria shall not possess, construct or experiment with—(a) Any atomic weapon, (b) any other major weapon adaptable now or in the future to mass destruction and defined as such by the appropriate organ of the United Nations, (c) any self-propelled or guided missile or torpedoes, or apparatus connected with their discharge or control, (d) sea mines, (e) torpedoes capable of being manned, (f) submarines or other submersible craft, (g) motor torpedo boats, (h) specialized types of assault craft, (i) guns with a range of more than 30 kilometers, (j) asphyxiating, vesicant or poisonous materials or biological substances in quantities greater than, or of types other than, are required for

legitimate civil purpose, or any apparatus designed to produce, project, or spread such materials or substances for war purposes.

2. The Allied and Associated Powers reserve the right to add to this Article prohibitions of any weapons which may be evolved as a result of scientific development.

Article 14—Disposal of war materiel of Allied and German origin

1. All war materiel of Allied origin in Austria shall be placed at the disposal of the Allied or Associated Power concerned according to the instructions given by that Power.

Austria shall renounce all rights to the above-mentioned war materiel.

2. Within one year from the coming into force of the present Treaty Austria shall render unusable for any military purpose or destroy: all excess war materiel of German or other non-Allied origin; insofar as they relate to modern war materiel, all German and Japanese drawings, including existing blueprints, prototypes, experimental models and plans; all war materiel prohibited by Article 13 of the present Treaty; all specialized installations, including research and production equipment, prohibited by Article 13 which are not convertible for authorized research, development or construction.

3. Within six months from the coming into force of the present Treaty Austria shall provide the Governments of the Soviet Union, of the United Kingdom, of the United States of America, and of France with a list of the war materiel and installations enumerated in paragraph 2.

4. Austria shall not manufacture any war materiel of German design.

Austria shall not acquire or possess, either publicly or privately, or by any other means, any war materiel of German manufacture, origin or design except that the Austrian Government may utilize, for the creation of the Austrian armed forces, restricted quantities of war materiel of German manufacture, origin or design remaining in Austria after the Second World War.

5. A definition and list of war materiel for the purposes of the present Treaty are contained in Annex I.

Article 15—Prevention of German rearmament

1. Austria shall co-operate fully with the Allied and Associated Powers in order to ensure that Germany is unable to take steps outside German territory towards rearmament.

2. Austria shall not employ or train in military or civil aviation or in the experimentation, design, production or maintenance of war materiel: persons who are, or were at any time previous to 13th March, 1938, nationals of Germany; or Austrian nationals precluded from serving in the Armed Forces under Article 12; or persons who are not Austrian nationals.

Article 16—Prohibition relating to civil aircraft of German and Japanese design

Austria shall not acquire or manufacture civil aircraft which are of German or Japanese design or which embody major assemblies of German or Japanese manufacture or design.

Article 17—Duration of limitations

Each of the military and air clauses of the present Treaty shall remain in force until modified in whole or in part by agreement between the Allied and Associated Powers and Austria, or, after Austria becomes a member of the United Nations, by agreement between the Security Council and Austria.

Article 18—Prisoners of war

1. Austrians who are now prisoners of war shall be repatriated as soon as possible, in accordance with arrangements to be agreed upon by the individual Powers detaining them and Austria.

2. All costs, including maintenance costs, incurred in moving Austrians who are now prisoners of war from their respective assembly points, as chosen by the Government of the Allied or Associated Power concerned, to the point of their entry into Austrian territory, shall be borne by the Government of Austria.

Article 19—War graves and memorials

1. Austria undertakes to respect, preserve and maintain the graves on Austrian territory of the soldiers, prisoners of war and nationals forcibly brought to Austria of the Allied Powers as well as of the other United Nations which were at war with Germany, the memorials and emblems on these graves, and the memorials to the military glory of the armies which fought on Austrian territory against Hitlerite Germany.

2. The Government of Austria shall recognize any commission, delegation or other organization authorized by the State concerned to identify, list, maintain or regulate the graves and edifices referred to in paragraph 1; shall facilitate the work of such organizations; and shall conclude in respect of the above-mentioned graves and edifices such agreements as may prove necessary with the State concerned or with any commission or delegation or other organization authorized by it. It likewise agrees to render, in conformity with reasonable sanitary requirements, every facility for the disinterment and despatch to their own country of the remains buried in the said graves, whether at the request of the official organizations of the State concerned or at the request of the relatives of the persons interred.

PART III

Article 20—Withdrawal of allied forces

1. The Agreement on the Machinery of Control in Austria of 28th June, 1946 shall terminate on the coming into force of the present Treaty.

2. On the coming into force of the present Treaty, the Inter-Allied Command established under paragraph 4 of the Agreement on Zones of Occupation in Austria and the Administration of the City of Vienna of 9th July, 1945, shall cease to exercise any functions with respect to the administration of the City of Vienna. The Agreement on Zones of Occupation of Austria shall terminate upon completion of the withdrawal from Austria of the forces of the Allied and Associated Powers in accordance with paragraph 3 of the present Article.

3. The forces of the Allied and Associated Powers and members of the Allied Commission for Austria shall be withdrawn from Austria within ninety days from the coming into force of the present Treaty, and in so far as possible not later than 31st December, 1955.

4. The Government of Austria shall accord to the forces of the Allied and Associated Powers and the members of the Allied Commission for Austria pending their withdrawal from Austria the same rights, immunities and facilities as they enjoyed immediately before the coming into force of the present Treaty.

5. The Allied and Associated Powers undertake to return to the Government of Austria after the coming into force of the present Treaty and within the period specified in paragraph 3 of this Article:

(a) All currency which was made available free of cost to the Allied and Associated Powers for the purpose of the occupation and which remains unexpended at the time of completion of withdrawal of the Allied forces;

(b) All Austrian property requisitioned by Allied forces or the Allied Commission, and which is still in their possession. The obligations under this sub-paragraph shall be applied without prejudice to the provisions of Article 22 of the present Treaty.

PART IV—CLAIMS ARISING OUT OF THE WAR

Article 21—Reparation

No reparation shall be exacted from Austria arising out of the existence of a state of war in Europe after 1st September, 1939.

Article 22—German assets in Austria

The Soviet Union, the United Kingdom, the United States of America and France have the right to dispose of all German assets in Austria in accordance with the Protocol of the Berlin Conference of 2nd August, 1945.

1. The Soviet Union shall receive for a period of validity of thirty years concessions to oil fields equivalent to 60% of the extraction of oil in Austria for 1947, as well as property rights to all buildings, constructions, equipment, and other property belonging to these oil fields, in accordance with list No. 1 and map No. 1 annexed to the Treaty.

2. The Soviet Union shall receive concessions to 60% of all exploration areas located in Eastern Austria that are German assets to which the Soviet Union is entitled in conformity with the Potsdam Agreement and which are in its possession at the present time, in accordance with list No. 2 and map No. 2 annexed to the Treaty.

The Soviet Union shall have the right to carry out explorations on the exploration areas mentioned in the present paragraph for 8 years and to subsequent extraction of oil for a period of 25 years beginning from the moment of the discovery of oil.

3. The Soviet Union shall receive oil refineries having a total annual production capacity of 420,000 tons of crude oil, in accordance with list No. 3.

4. The Soviet Union shall receive those undertakings concerned in the distribution of oil products which are at its disposal, in accordance with list No. 4.

5. The Soviet Union shall receive the assets of the Danube Shipping Company (D. D. S. G.), located in Hungary, Roumania and Bulgaria; and, likewise, in accordance with list No. 5, 100% of the assets of the Danube Shipping Company located in Eastern Austria.

6. The Soviet Union shall transfer to Austria property, rights and interests held or claimed as German assets, together with existing equipment, and shall also transfer war industrial enterprises, together with existing equipment, houses and similar immovable property, including plots of land, located in Austria and held or claimed as war booty with the exception of the assets mentioned in paragraphs 1, 2, 3, 4 and 5 of the present Article. Austria for its part undertakes to pay the Soviet Union 150,000,000 United States dollars in freely convertible currency within a period of 6 years.

The said sum will be paid by Austria to the Soviet Union in equal three-monthly installments of 6,250,000 United States dollars in freely convertible currency. The first payment will be made on the first day of the second month following the month of the entry into force of the present Treaty. Subsequent three-monthly payments will be made on the first day of the appropriate month. The last three-monthly payment will be made on the last day of the six-year period after the entry into force of this Treaty.

The basis for payments provided for in this Article will be the United States dollar at its gold parity on 1st September, 1949, that is, 35 dollars for 1 ounce of gold.

As security for the punctual payment of the above-mentioned sums due to the Soviet Union the Austrian National Bank shall issue to the State Bank of the U. S. S. R. within two weeks of the coming into force of the present Treaty promissory notes to the total sum of 150,000,000 United States dollars to become payable on the dates provided for in the present Article.

The promissory notes to be issued by Austria will be non-interest-bearing. The State Bank of the U. S. S. R. does not intend to discount these notes provided that the Austrian Government and the Austrian National Bank carry out their obligations punctually and exactly.

7. Legal Position of Assets:

(a) All former German assets which have become the property of the Soviet Union in accordance with paragraphs 1, 2, 3, 4 and 5 of the present Article shall, as the general rule, remain under Austrian jurisdiction and, in conformity with this, Austrian legislation shall apply to them.

(b) Where duties and charges, commercial and industrial rights and the levying of taxation are concerned, these assets shall be subject to conditions not less favorable than those which apply or will apply to undertakings belonging to Austria and its nationals and also to other states and persons who are accorded most-favored-nation treatment.

(c) All former German assets which have become the property of the Soviet Union shall not be subject to expropriation without the consent of the Soviet Union.

(d) Austria will not raise any difficulties in regard to the export of profits or other income (i. e. rents) in the form of output or of any freely convertible currency received.

(e) The rights, properties and interests transferred to the Soviet Union as well as the rights, properties and interests which the Soviet Union relinquishes to Austria shall be transferred without any charges or claims on the part of the Soviet Union or on the part of Austria. Under the words "charges and claims" is understood not only creditor claims arising out of the exercise of Allied control of these properties, rights and interests after 8th May, 1945, but also all other claims including claims in respect of taxes. The reciprocal waiver by the Soviet Union and Austria of charges and claims applies to all such charges and claims as exist on the date when Austria formalizes the rights of the Soviet Union to the former German assets transferred to it and on the date of the actual transfer to Austria of the assets relinquished by the Soviet Union.

8. The transfer to Austria of all properties, rights and interests provided for in paragraph 6 of the present Article, and also the formalizing by Austria of the rights of the Soviet Union to the former German assets to be transferred shall be effected within two months from the date of the entry into force of the present Treaty.

9. The Soviet Union shall likewise own the rights, property and interests in respect of all assets, wherever they may be situated in Eastern Austria, created by Soviet organizations or acquired by them by purchase after 8th May, 1945 for the operation of the properties enumerated in Lists 1, 2, 3, 4 and 5 below.

The provisions as set forth in sub-paragraphs a, b, c and d of paragraph 7 of the present Article shall correspondingly apply to these assets.

10. Disputes which may arise in connection with the application of the provisions of the present Article shall be settled by means of bilateral negotiations between the interested parties.

In the event of failure to reach agreement by bilateral negotiations between the Governments of the Soviet Union and of Austria within three months, disputes shall be referred for settlement to an Arbitration Commission consisting of one representative of the Soviet Union and one representative of Austria with the addition of a third member, a national of a third country, selected by mutual agreement between the two Governments.

11. The United Kingdom, the United States of America and France hereby transfer to

Austria all property, rights and interests held or claimed by or on behalf of any of them in Austria as former German assets or war booty.

Property, rights and interests transferred to Austria under this paragraph shall pass free from any charges or claims on the part of the United Kingdom, the United States of America or France arising out of the exercise of their control of these properties, rights or interests after 8th May, 1945.

12. Fulfillment by Austria of all obligations stipulated in the provisions of the present Article or derived from such provisions, the claims of the Allied and Associated Powers with respect to former German assets in Austria, based on the Decision of the Berlin Conference of 2nd August, 1945, shall be considered as fully satisfied.

13. Austria undertakes that, except in the case of educational, cultural, charitable and religious property none of the properties, rights and interests transferred to it as former German assets shall be returned to ownership of German juridical persons or where the value of the property, rights and interests exceeds 260,000 schillings, to the ownership of German natural persons. Austria further undertakes not to pass to foreign ownership those rights and properties indicated in Lists 1 and 2 of this Article which will be transferred to Austria by the Soviet Union in accordance with the Austro-Soviet Memorandum of April 15, 1955.

14. The provisions of this Article shall be subject to the terms of Annex II of this Treaty.

LIST NO. 1

Oil fields in eastern Austria on which concessions shall be granted to the Soviet Union

Serial No.	Name of Oil Field	Name of Company
1.....	Mühlberg.....	Itag.....
2.....	St. Ulrich-DEA.....	D. E. A.....
3.....	St. Ulrich-Niederdonau.....	Niederdonau.....
4.....	Gösting - Kretzfeld - Pionier (50% of Production).....	E. P. G.....

NOTE: A. All properties of the oil fields listed above shall be transferred to the Soviet Union, including all wells, both productive and non-productive, with all their surface and underground equipment, oil collecting networks, installations and equipment for drilling, compressor and pumping stations, mechanical workshops, gasoline installations, steam-generating plants, electric generating plants and sub-stations with transmission networks, pipe lines, water supply systems and water mains, electric networks, steam lines, gas mains, oilfield roads, approach roads, telephone lines, fire fighting equipment, motor vehicle and tractor parks, office and living accommodation serving the fields, and other property connected with the exploitation of the oil fields listed above.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned producing fields shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these fields, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 2

Concessions to oil exploration areas in eastern Austria to be transferred to the Soviet Union

Serial No.	Name of Concession	Name of Company	Hectarage of the area to be ceded to the U. S. S. R.
1	Neusiedlersee.....	Elverat.....	122,480
2	Leithagebirge.....	Kohle Oel Union.....	52,700
3	Gross Enzersdorf (including the Aderklaa field).....	Niederdonau.....	175,000
4	Hauskirchen (including the Alt Lichtenwarth field).....	Itag.....	4,800

Concessions to oil exploration areas in eastern Austria to be transferred to the Soviet Union—Continued

Serial No.	Name of Concession	Name of Company	Hectarage of the area to be ceded to the U. S. S. R.
5	St. Ulrich.....	D. E. A.....	740
6	Schrattenberg.....	Kohle Oel Union.....	3,940
7	Grosskrut.....	Wintersha.....	8,000
8	Mistelbach.....	Preussag.....	6,400
9	Paasdorf (50% of the area).....	E. P. G.....	3,650
10	Steinberg.....	Steinberg Naphta.....	100
11	Hausbrunn.....	D. E. A.....	350
12	Drasenhofen (area on Austrian territory).....	Kohle Oel Union.....	8,060
13	Amels.....	Preussag.....	7,080
14	Siebenhirten.....	Elverat.....	5,000
15	Leis.....	Itag.....	14,800
16	Korneuburg.....	Ritz.....	30,000
17	Klosterneuburg (50% of the area).....	E. P. G.....	7,900
18	Oberlaa.....	Preussag.....	51,400
19	Enzersdorf.....	Deutag.....	25,800
20	Oedenburger Florle.....	Kohle Oel Union.....	55,410
21	Tulln.....	Donau Oel.....	38,070
22	Kilb (50% of the area).....	E. P. G.....	18,220
23	Pullendorf.....	Kohle Oel Union.....	60,700
24	Nord Steiermark (50% of the area in the Soviet Zone).....	E. P. G.....	55,650
25	Mittel Steiermark (area in the Soviet Zone).....	Wintersha.....	9,840
26	Gösting (50% of the area).....	E. P. G.....	250
Total—26 Concessions.....			766,340 ha

NOTE: A. All the properties of the above-mentioned oil exploration areas shall be transferred to the Soviet Union.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned oil exploration areas shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these oil exploration areas, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 3

Oil refineries in eastern Austria the property rights to which are to be transferred to the Soviet Union

Serial No.	Name of the refinery	Annual productive capacity in 1,000 tons of crude oil in 1947
1.....	Löbtau.....	240.0
2.....	Nova.....	120.0
3.....	Korneuburg.....	60.0
4.....	Okeros (re-refining).....
5.....	Oil Refinery "Moosbierbaum" excluding the equipment belonging to France and subject to restitution.....
Total.....		420.0

NOTE: A. The properties of the refineries shall be transferred with all their equipment including technological installations, electric generating stations, steam generating plants, mechanical workshops, oil depot equipment and storage tanks, loading ramps and river moorings, pipe lines including the pipe line Lobau Zistersdorf, roads, approach roads, office and living quarters, fire fighting equipment, etc.

B. The right of ownership and leasehold rights to all the properties of the above-mentioned oil refineries shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these refineries, exploited them or participated in their exploitation, had rights in, title to, or interest in the said properties.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 4

Undertakings in eastern Austria engaged in the distribution of oil products, the property rights to which are to be transferred to the Soviet Union

Serial No.	Name of the undertaking
1.	Deutsche Gasolin A. G.—distributing branch in Austria G. m. b. H.
2.	"A. G. der Kohlenwerkstoffverband Gruppe Benzin-Benzol-Verband-Bechum"—branch in Austria including the oil depot belonging to it at Praterspitz.
3.	"Nova" Mineral Oel Vertrieb Gesellschaft m. b. H.
4.	"Donau-Oel G. m. b. H."
5.	"Nitag" with the oil depot at Praterspitz.
6.	Firms engaged in gas distribution "Erdgas G. m. b. H.", "Fergas A. G.", "Zaya Gas G. m. b. H.", "Reintal Gas G. m. b. H." and "B. F. Methane G. m. b. H."
7.	Oil depots "Praterspitz Winter Hafen" and "Mauthausen".
8.	"Wirtschaftliche Forschungsgesellschaft m. b. H." (W. I. F. O.) Oil depot at Lobau and plots of land.
9.	Pipe line Lobau (Austria)—Raudnitz (Czechoslovakia) on the section from Lobau to the Czechoslovak frontier.

NOTE.—A. The undertakings shall be transferred with all their property located in Eastern Austria, including oil depots, pipe lines, distributing pumps, filling and emptying ramps, river moorings, roads, approach roads, etc.

In addition, the property rights over the whole park of railway tank wagons now in the possession of Soviet organizations shall be transferred to the Soviet Union. B. The right of ownership and leasehold rights to all the equipment of the above-mentioned undertakings situated in Eastern Austria and engaged in the distribution of oil products shall be transferred to the Soviet Union to the extent that any natural or juridical person who owned these undertakings, exploited them or participated in their exploitation had rights in, title to, or interest in the said equipment.

In cases where any property was held on lease, the periods of the leases, as provided for in the lease agreements, shall be calculated from the date of the entry into force of the present Treaty, and the lease agreements cannot be terminated without the consent of the Soviet Union.

LIST NO. 5

Assets of the D. D. S. G. in eastern Austria to be transferred to the Soviet Union

I. Shipyard in the Town of Korneuburg

The property rights of the shipyard in the town of Korneuburg situated on the left bank of the Danube at kilometer 1943 and occupying territory on both sides of the old bed of the river Danube, with an aggregate area estimated at 220,770 square meters are to be transferred to the Soviet Union. The wharf area is equal to 61,300 square meters and the berth accommodation to 177 meters.

Furthermore, rights in the lease of the shipyard area of 2,946 square meters are to be transferred to the Soviet Union.

Property rights and other rights to all the equipment of the shipyard to the extent that the D. D. S. G. had rights, or title to or interest in the said equipment, including all plots of land, buildings, dockyards and slips, floating tackle, workshops, buildings and premises, power stations, and transformer substations, railway sidings, transport equipment, technological and operational equipment, tools and inventory, communications and all communal welfare installations, dwelling houses and barracks, and also all other property belonging to the shipyard are to be transferred to the Soviet Union.

II. Areas of the Port of the City of Vienna

(a) First area (Nordbahnbruecke)

1. Port area from point 1931, 347.35 kilometers along the course of the Danube to point 1931, 211.65 kilometers, including in it the "Donau-Sandwerkplatz" area, and from point 1931, 176.90 kilometers to point 1930, 439.35 kilometers along the course of the Danube, including in it the areas "Nordbahnbruecke" and "Zwischenbruecke," extending along the wharfside for a total distance of 873.2 meters and with an average width of about 70 meters.

(b) Second area (Nordbahnlaende)

2. Port area from point 1929, 803.00 kilometers to point 1929, 618.00 kilometers along the course of the Danube, extending along the wharfside for a distance of 185.00 meters and with an average width of about 15 meters with the 2 adjacent railways and also the plot of the "Kommunal Baeder" area.

(c) Third area (Praterkal)

Port area from point 1928, 858.90 kilometers to point 1927, 695.30 kilometers along the course of the Danube, for a distance of 1163.60 meters and with an average width of about 70 meters.

(d) Fourth area

Port area, bordering on point 1925, 664.7 kilometers, on the Danube on the area of the port used by the Hungarian Steamship Co., to point 1925, 529.30 kilometers on the area occupied by the railway (Kalbahnhof), extending along the wharfside for a total distance of 135.4 meters and with an average width of about 70 meters.

The four areas of the port enumerated shall be transferred with all the hydrotechnical constructions, warehouses, magazines, sheds, river station, operational, service and dwelling houses, auxiliary buildings and constructions, mechanical and loading and unloading equipment and mechanisms, repair shops with equipment, transformer substations and electrical equipment, communications, communal welfare installations, all road and transport installations and also all equipment and inventory.

III. Property and Plant of the Agencies, of River Stations and Stores

Serial No.

- Niederranna
- Agency and warehouse building.
- Obermuehl
- Agency and warehouse building.
 - Land plot 536 square meters.
- Neuhaus
- Waiting room.
- Mauthausen
- Agency building.
- Wallsee
- Agency building.
 - Warehouse.
- Grein
- Agency and warehouse building.
- Sarmingstein
- Agency building.
- YBBS
- Agency building.
- Poechlarn
- Living premises.
 - Agency building.
 - Land plot 1598 square meters.
- Melk
- Warehouse (in the city).
 - Waiting room and office.
 - Warehouse.

Schoenbuehel

- Waiting room.

Aggsbach-Dorf

- Agency building.
- Warehouse.

- Spitz
- Agency building.
 - Warehouse.
 - Land plot 1355 square meters.

Weissenkirchen

- Office and waiting room.
- Warehouse.
- Land plot 516 square meters.

Duernstein

- Agency building.

Stein

- Serial No.
- Living premises.
 - Waiting room and warehouse building.
 - Land plot alongside house.

Krems

30. Agency building.

Hollenburg

31. Waiting room.

Tulln

32. Agency building.

Greifenstein

33. Shed.

Korneuburg

34. Waiting room and booking office building.

Hainburg

35. Living premises.

36. Agency building.

37. Warehouse.

38. Land plot 754 square meters.

Arnsdorf

39. Agency building.

Landing Stages

40. Melkstrom.

41. Isperdorf.

42. Marbach.

43. Weitenegg.

44. Deutsch-Altenburg.

45. Zwentendorf.

46. Kritzensdorf.

The property enumerated in section III is to be transferred with all equipment and inventory.

IV. Property in the City of Vienna

1. Living house at No. 11, Archduke Karl Square (formerly house No. 6), 2d District, standing on its own land.

2. Freehold land and house at 204 Handelskai, 2d District.

3. Freehold building plots in Wehlstrasse, 2d District, Catastral Registry Nos. 1660, 1661, 1662.

4. Leased land plot at No. 286 Handelskai, 2d District.

The property enumerated in section IV is to be transferred with all equipment and inventory.

Note to sections II, III, and IV

The land, occupied by the port area mentioned in section II of the present list, and also by the agency buildings, river stations, warehouses, and other buildings, enumerated in sections III and IV of the present list and also all property indicated in sections II, III, and IV are to be transferred to the U. S. S. R. on the same legal basis on which this land and other property were held by the D. D. S. G., with the proviso that the land and other property owned by the D. D. S. G. on 8th May, 1945, pass into the ownership of the U. S. S. R.

In cases where agreements which established the legal basis for the transfer of land to the D. D. S. G. did not provide for the transfer to the D. D. S. G. of the ownership rights to this land, the Austrian Government shall be obliged to formalize the transfer to the U. S. S. R. of rights, acquired by the D. D. S. G. by such agreements, and to prolong the validity of the latter for an indefinite period with the proviso that in the future the validity of such agreements shall not be canceled without the consent of the Government of the U. S. S. R.

The extent of the Soviet Union's liabilities in respect of these agreements is to be determined by agreement between the Government of the U. S. S. R. and the Government of Austria. These liabilities shall not exceed the liabilities undertaken by the D. D. S. G. in accordance with agreements concluded on or before 8th May 1945.

V. VESSELS, BELONGING TO THE D. D. S. G. LOCATED IN EASTERN AUSTRIA AND TO BE TRANSFERRED TO U. S. S. R.

No.	Type of vessel	Present name	Old name	Horse-power	Cargo carrying capacity
1.	Tug	"Vladivostok"	"Persenburg"	1000	
2.	Tug	"Cronstadt"	"Bremen"	800	
3.	Passenger steamer	"Caucasus"	"Hellas"	1100	
4.	Dumb tanker barge	104	"DDSG-0714"		967
5.	"	144	"DDSG-0713"		974
6.	"	161	"DDSG-0502"		548
7.	"	09765	"DDSG-09765"		852
8.	"	29	"DDSG-XXIX"		1030
9.	Dumb dry cargo barge	22	(Taken over after completion)		972
10.	"	23	"		972
11.	"	EL-72	"DDSG-EL-72"		180
12.	"	654	"DDSG-6727"		669
13.	"	689	"DDSG-6566"		637
14.	"	1058	"DDSG-1058"		950
15.	"	5016	"DDSG-5016"		520
16.	"	5713	"DDSG-5713"		576
17.	"	5728	"DDSG-5728"		602
18.	"	6746	"DDSG-6746"		670
19.	"	65204	"DDSG-65204"		650
20.	"	67173	"DDSG-67173"		670
21.	"	10031	"DDSG-10031"		942
22.	"	5015	"DDSG-5015"		511
23.	"	6525	"DDSG-6525"		682
24.	"	67266	"DDSG-67266"		680
25.	Lighter	304	"Johanna"		30
26.	"	411	"V-238"		40
27.	Double funnel pontoon	RP-IV	"RP-IV"		
28.	"	RP-VI	"DDSG-RP-VI"		
29.	"	RP-XX	"DDSG-RP-XX"		
30.	Landing Stage	EP-97	"DDSG-EP-9721"		
31.	Pontoon	EP-120	"DDSG-EP-120"		
32.	Deckless Lighter	"Trauner"	"Trauner"		
33.	Floating Crane	P-1	(nameless)		
34.	"	P-2	"DDSG-21"		
35.	Pontoon	PT-7			
36.	"	PT-8			

Article 23—Austrian property in Germany and renunciation of claims by Austria on Germany

1. From the date of the coming into force of the present Treaty the property in Germany of the Austrian Government or of Austrian nationals, including property forcibly removed from Austrian territory to Germany after 12th March, 1938, shall be returned to its owners. This provision shall not apply to the property of war criminals or persons who have been subjected to the penalties of denazification measures; such property shall be placed at the disposal of the Austrian Government if it has not been subjected to blocking or confiscation in accordance with the laws or ordinances in force in Germany after 8th May, 1945.

2. The restoration of Austrian property rights in Germany shall be effected in accordance with measures which will be determined by the Powers in occupation of Germany in their zones of occupation.

3. Without prejudice to these and to any other disposition in favor of Austria and Austrian nationals by the Powers occupying Germany, and without prejudice to the validity of settlements already reached, Austria waives on its own behalf and on behalf of Austrian nationals all claims against Germany and German nationals outstanding on 8th May, 1945, except those arising out of contracts and other obligations entered into, and rights acquired, before 13th March, 1938. This waiver shall be deemed to include all claims in respect of transactions effected by Germany during the period of the annexation of Austria and all claims in respect of loss or damage suffered during the said period, particularly in respect of the German public debt held by the Austrian Government or its nationals and of currency withdrawn at the time of the monetary conversion. Such currency shall be destroyed upon the coming into force of the present treaty.

Article 24—Renunciation by Austria of claims against the Allies

1. Austria waives all claims of any description against the Allied and Associated Powers on behalf of the Austrian Government or Austrian nationals arising directly out of the war in Europe after 1st September,

1939, or out of actions taken because of the existence of a state of war in Europe after that date whether or not such Allied or Associated Power was at war with Germany at the time. This renunciation of claims includes the following:

- (a) Claims for losses or damages sustained as a consequence of acts of armed forces or authorities of Allied or Associated Powers;
- (b) Claims arising from the presence, operations or actions of armed forces or authorities of Allied or Associated Powers in Austrian territory;
- (c) Claims with respect to the decrees or orders of Prize Courts of Allied or Associated Powers, Austria agreeing to accept as valid and binding all decrees and orders of such Prize Courts on or after 1st September, 1939, concerning ships or goods belonging to Austrian nationals or concerning the payment of costs;
- (d) Claims arising out of the exercise or purported exercise of belligerent rights.

2. The provisions of this Article shall bar, completely and finally, all claims of the nature referred to herein, which shall henceforward be extinguished, whoever may be the parties in interest. The Austrian Government agrees to make equitable compensation in schillings to persons who furnished supplies or services on requisition to the forces of Allied or Associated Powers in Austrian territory and in satisfaction of non-combat damage claims against the forces of the Allied or Associated Powers arising in Austrian territory.

3. Austria likewise waives all claims of the nature covered by paragraph 1 of this Article on behalf of the Austrian Government or Austrian nationals against any of the United Nations whose diplomatic relations with Germany were broken off between 1st September 1939 and 1st January, 1945, and which took action in co-operation with the Allied and Associated Powers.

4. The Government of Austria shall assume full responsibility for Allied military currency of denominations of five schillings and under issued in Austria by the Allied Military Authorities, including all such currency in circulation at the coming into force of the present Treaty. Notes issued by the Allied Military Authorities of de-

nominations higher than five schillings shall be destroyed and no claims may be made in this connection against any of the Allied or Associated Powers.

5. The waiver of claims by Austria under paragraph 1 of this Article includes any claims arising out of actions taken by any of the Allied or Associated Powers with respect to ships belonging to Austrian nationals between 1st September, 1939 and the coming into force of the present Treaty as well as any claims and debts arising out of the conventions on prisoners of war now in force.

PART V—PROPERTY, RIGHTS AND INTERESTS

Article 25—United Nations property in Austria

1. In so far as Austria has not already done so, Austria shall restore all legal rights and interests in Austria of the United Nations and their nationals as they existed on the day hostilities commenced between Germany and the United Nation concerned, and shall return all property in Austria of the United Nations and their nationals as it now exists.

2. The Austrian Government undertakes that all property, rights and interests falling under this Article shall be restored free of all encumbrances and charges of any kind to which they may have become subject as a result of the war with Germany and without the imposition of any charges by the Austrian Government in connection with their return. The Austrian Government shall nullify all measures of seizure, sequestration or control taken against United Nations property in Austria between the day of commencement of hostilities between Germany and the United Nation concerned and the coming into force of the present Treaty. In cases where the property has not been returned within six months from the coming into force of the present Treaty, applications for the return of property shall be made to the Austrian authorities not later than twelve months from the coming into force of the Treaty, except in cases in which the claimant is able to show that he could not file his application within this period.

3. The Austrian Government shall invalidate transfers involving property, rights and interests of any description belonging to United Nations nationals, where such transfers resulted from force exerted by Axis Governments or their agencies between the beginning of hostilities between Germany and the United Nation concerned and 8th May, 1945.

4. (a) In cases in which the Austrian Government provides compensation for losses suffered by reason of injury or damage to property in Austria which occurred during the German occupation of Austria or during the war, United Nations nationals shall not receive less favorable treatment than that accorded to Austrian nationals; and in such cases United Nations nationals who hold, directly or indirectly, ownership interests in corporations or associations which are not United Nations nationals within the meaning of paragraph 8 (a) of this Article shall receive compensation based on the total loss or damage suffered by the corporations or associations and bearing the same proportion to such loss or damage as the beneficial interest of such nationals bears to the capital of the corporation or association.

(b) The Austrian Government shall accord to United Nations and their nationals the same treatment in the allocation of materials for the repair or rehabilitation of their property in Austria and in the allocation of foreign exchange for the importation of such materials as applies to Austrian nationals.

5. All reasonable expenses incurred in Austria in establishing claims, including the assessment of loss or damage, shall be borne by the Austrian Government.

6. United Nations nationals and their property shall be exempted from any exceptional taxes, levies, or imposts imposed on their capital assets in Austria by the Austrian Government or by any Austrian authority between the date of the surrender of the German armed forces and the coming into force of the present Treaty for the specific purpose of meeting charges arising out of the war or of meeting the cost of occupying forces. Any sums which have been so paid shall be refunded.

7. The owner of the property concerned and the Austrian Government may agree upon arrangements in lieu of the provisions of this Article.

8. As used in this Article:

(a) "United Nations nationals" means individuals who are nationals of any of the United Nations, or corporations or associations organized under the laws of any of the United Nations, at the coming into force of the present Treaty, provided that the said individuals, corporations or associations also had this status on 8th May, 1945.

The term "United Nations nationals" also includes all individuals, corporations or associations which, under the laws in force in Austria during the war, were treated as enemy.

(b) "Owner" means one of the United Nations, or a national of one of the United Nations, as defined in sub-paragraph (a) above, who is entitled to the property in question, and includes a successor of the owner, provided that the successor is also a United Nations or a United Nations national as defined in subparagraph (a). If the successor has purchased the property in its damaged state, the transferor shall retain his rights to compensation under this Article, without prejudice to obligations between the transferor and the purchaser under domestic law.

(c) "Property" means all movable or immovable property, whether tangible or intangible, including industrial, literary and artistic property, as well as all rights or interests of any kind in property.

9. The provisions of this Article do not apply to transfers of property, rights or interests of United Nations or United Nations nationals in Austria made in accordance with laws and enactments which were in force as Austrian Law on 28th June 1946.

10. The Austrian Government recognizes that the Brioni Agreement of 10th August, 1942 is null and void. It undertakes to participate with the other signatories of the Rome Agreement of 21st March, 1923, in any negotiations having the purpose of introducing into its provisions the modifications necessary to ensure the equitable settlement of the annuities which it provides.

Article 26—Property, rights and interests of minority groups in Austria

1. In so far as such action has not already been taken, Austria undertakes that, in all cases where property, legal rights or interests in Austria have since 13th March, 1938, been subject of forced transfer or measures of sequestration, confiscation or control on account of the racial origin or religion of the owner, the said property shall be returned and the said legal rights and interests shall be restored together with their accessories. Where return or restoration is impossible, compensation shall be granted for losses incurred by reason of such measures to the same extent as is, or may be, given to Austrian nationals generally in respect of war damage.

2. Austria agrees to take under its control all property, legal rights and interests in Austria of persons, organizations or communities which, individually or as members of groups, were the object of racial, religious or other Nazi measures of persecution where, in the case of persons, such property, rights and interests remain heirless or unclaimed for six months after the coming into force of

the present Treaty, or where in the case of organizations and communities such organizations or communities have ceased to exist. Austria shall transfer such property, rights and interests to appropriate agencies or organizations to be designated by the Four Heads of Mission in Vienna by agreement with the Austrian Government to be used for the relief and rehabilitation of victims of persecution by the Axis Powers, it being understood that these provisions do not require Austria to make payments in foreign exchange or other transfers to foreign countries which would constitute a burden on the Austrian economy. Such transfer shall be effected within eighteen months from the coming into force of the present Treaty and shall include property, rights and interests required to be restored under paragraph 1 of this Article.

Article 27—Austrian property in the territory of the Allied and Associated Powers

1. The Allied and Associated Powers declare their intention to return Austrian property, rights and interests as they now exist in their territories or the proceeds arising out of the liquidation, disposal or realization of such property, rights or interests, subject to accrued taxes, expenses of administration, creditor claims and other like charges, where such property, rights or interests have been liquidated, disposed of or otherwise realized. The Allied and Associated Powers will be prepared to conclude agreements with the Austrian Government for this purpose.

2. Notwithstanding the foregoing provisions, the Federal People's Republic of Yugoslavia shall have the right to seize, retain or liquidate Austrian property, rights and interests within Yugoslav territory on the coming into force of the present Treaty. The Government of Austria undertakes to compensate Austrian nationals whose property is taken under this paragraph.

Article 28—Debts

1. The Allied and Associated Powers recognize that interest payments and similar charges on Austrian Government securities falling due after the 12th March, 1938, and before 8th May, 1945, constitute a claim on Germany and not on Austria.

2. The Allied and Associated Powers declare their intention not to avail themselves of the provisions of loan agreements made by the Government of Austria before 13th March, 1938, in so far as those provisions granted to the creditors a right of control over the government finances of Austria.

3. The existence of the state of war between the Allied and Associated Powers and Germany shall not, in itself, be regarded as affecting the obligation to pay pecuniary debts arising out of obligations and contracts that existed, and rights that were acquired before the existence of the state of war, which became payable prior to the coming into force of the present Treaty, and which are due by the Government or nationals of Austria to the Government or nationals of one of the Allied and Associated Powers or are due by the Government or nationals of one of the Allied and Associated Powers to the Government or nationals of Austria.

4. Except as otherwise expressly provided in the present Treaty, nothing therein shall be construed as impairing debtor-creditor relationships arising out of contracts concluded at any time prior to 1st September, 1939, by either the Government of Austria or persons who were nationals of Austria on 12th March, 1938.

PART VI—GENERAL ECONOMIC RELATIONS

Article 29

1. Pending the conclusion of commercial treaties or agreements between individual United Nations and Austria, the Government of Austria shall, during a period of eighteen months from the coming into force

of the present Treaty, grant the following treatment to each of the United Nations which, in fact, reciprocally grants similar treatment in like matters to Austria:

(a) In all that concerns duties and charges on importation or exportation, the internal taxation of imported goods and all regulations pertaining thereto, the United Nations shall be granted unconditional most-favored-nation treatment;

(b) In all other respects, Austria shall make no arbitrary discrimination against goods originating in or destined for any territory of any of the United Nations as compared with like goods originating in or destined for territory of any other of the United Nations or of any other foreign country;

(c) United Nations nationals, including juridical persons, shall be granted national and most-favored-nation treatment in all matters pertaining to commerce, industry, shipping and other forms of business activity within Austria. These provisions shall not apply to commercial aviation;

(d) Austria shall grant no exclusive or preferential rights to any country with regard to the operation of commercial aircraft in international traffic, shall afford all the United Nations equality of opportunity in obtaining international commercial aviation rights in Austrian territory, including the right to land for refuelling and repair, and, with regard to the operation of commercial aircraft in international traffic, shall grant on a reciprocal and non-discriminatory basis to all United Nations the right to fly over Austrian territory without landing. These provisions shall not affect the interests of the national defense of Austria.

2. The foregoing undertaking by Austria shall be understood to be subject to the exceptions customarily included in commercial treaties concluded by Austria prior to 13th March, 1938; and the provisions with respect to reciprocity granted by each of the United Nations shall be understood to be subject to the exceptions customarily included in the commercial treaties concluded by that State.

PART VII—SETTLEMENT OF DISPUTES

Article 30

1. Any disputes which may arise in giving effect to the Article entitled "United Nations Property in Austria" of the present Treaty shall be referred to a Conciliation Commission established on a parity basis consisting of one representative of the Government of the United Nation concerned and one representative of the Government of Austria. If within three months after the dispute has been referred to the Conciliation Commission no agreement has been reached, either Government may ask for the addition to the Commission of a third member selected by mutual agreement of the two Governments from nationals of a third country. Should the two Governments fail to agree within two months on the selection of a third member of the Commission, either Government may request the Heads of the Diplomatic Missions in Vienna of the Soviet Union, of the United Kingdom, of the United States of America, and of France to make the appointment. If the Heads of Mission are unable to agree within a period of one month upon the appointment of a third member, the Secretary-General of the United Nations may be requested by either party to make the appointment.

2. When any Conciliation Commission is established under paragraph 1 of this Article, it shall have jurisdiction over all disputes which may thereafter arise between the United Nation concerned and Austria in the application or interpretation of the Article referred to in paragraph 1 of this Article and shall perform the functions attributed to it by these provisions.

3. Each Conciliation Commission shall determine its own procedure, adopting rules conforming to justice and equity.

4. Each Government shall pay the salary of the member of the Conciliation Commission whom it appoints and of any agent whom it may designate to represent it before the Commission. The salary of the third member shall be fixed by special agreement between the Governments concerned and this salary, together with the common expenses of each Commission, shall be paid in equal shares by the two Governments.

5. The parties undertake that their authorities shall furnish directly to the Conciliation Commission all assistance which may be within their power.

6. The decision of the majority of the members of the Commission shall be the decision of the Commission, and shall be accepted by the parties as definitive and binding.

PART VIII—MISCELLANEOUS ECONOMIC PROVISIONS

Article 31—Provisions relating to the Danube

Navigation on the Danube shall be free and open for the nationals, vessels of commerce, and goods of all States, on a footing of equality in regard to port and navigation charges and conditions for merchant shipping. The foregoing shall not apply to traffic between ports of the same State.

Article 32—Transit facilities

1. Austria shall facilitate as far as possible railway traffic in transit through its territory at reasonable rates and shall be prepared to conclude with neighboring States reciprocal agreements for this purpose.

2. The Allied and Associated Powers undertake to support inclusion in the settlement in relation to Germany of provisions to facilitate transit and communication without customs duties or charges between Salzburg and Lofer (Salzburg) across the Reichenhall-Steinpass and between Scharnitz (Tyrol) and Ehrwald (Tyrol) via Garmisch-Partenkirchen.

Article 33—Scope of application

The Articles entitled "United Nations Property in Austria" and "General Economic Relations" of the present Treaty shall apply to the Allied and Associated Powers and to those of the United Nations which had that status on 8th May, 1945, and whose diplomatic relations with Germany were broken off during the period between 1st September, 1939 and 1st January, 1945.

PART IX—FINAL CLAUSES

Article 34—Heads of mission

1. For a period not to exceed eighteen months from the coming into force of the present Treaty, the Heads of the Diplomatic Missions in Vienna of the Soviet Union, the United Kingdom, the United States of America and France, acting in concert, will represent the Allied and Associated Powers in dealing with the Government of Austria in all matters concerning the execution and interpretation of the present Treaty.

2. The Four Heads of Mission will give the Government of Austria such guidance, technical advice and clarification as may be necessary to ensure the rapid and efficient execution of the present Treaty both in letter and in spirit.

3. The Government of Austria shall afford to the said Four Heads of Mission all necessary information and any assistance which they may require in the fulfillment of the tasks devolving on them under the present Treaty.

Article 35—Interpretation of the Treaty

1. Except where another procedure is specifically provided under any Article of the present Treaty, any dispute concerning the interpretation or execution of the Treaty which is not settled by direct diplomatic negotiations shall be referred to the Four Heads of Mission acting under Article 34, except that in this case the Heads of Mission will not be restricted by the time limit pro-

vided in that Article. Any such dispute not resolved by them within a period of two months shall, unless the parties to the dispute mutually agree upon another means of settlement, be referred at the request of either party to the dispute to a Commission composed of one representative of each party and a third member selected by mutual agreement of the two parties from nationals of a third country. Should the two parties fail to agree within a period of one month upon the appointment of the third member, the Secretary General of the United Nations may be requested by either party to make the appointment.

2. The decision of the majority of the members of the Commission shall be the decision of the Commission, and shall be accepted by the parties as definitive and binding.

Article 36—Force of Annexes

The provisions of the Annexes shall have force and effect as integral parts of the present Treaty.

Article 37—Accession to the Treaty

1. Any member of the United Nations which on 8th May, 1945 was at war with Germany and which then had the status of a United Nation and is not a signatory to the present Treaty, may accede to the Treaty and upon accession shall be deemed to be an Associated Power for the purposes of the Treaty.

2. Instruments of accession shall be deposited with the Government of the Union of Soviet Socialist Republics and shall take effect upon deposit.

Article 38—Ratification of the Treaty

1. The present Treaty, of which the Russian, English, French and German texts are authentic, shall be ratified. It shall come into force immediately upon deposit of instruments of ratification by the Union of Soviet Socialist Republics, by the United Kingdom of Great Britain and Northern Ireland, by the United States of America, and by France of the one part and by Austria of the other part. The instruments of ratification shall, in the shortest time possible, be deposited with the Government of the Union of Soviet Socialist Republics.

2. With respect to each Allied and Associated Power whose instrument of ratification is thereafter deposited, the Treaty shall come into force upon the date of deposit. The present Treaty shall be deposited in the archives of the Government of the Union of Soviet Socialist Republics, which shall furnish certified copies to each of the signatory and acceding States.

ANNEX I

DEFINITION AND LIST OF WAR MATERIEL

The term "war materiel" as used in the present Treaty shall include all arms, ammunition and implements specially designed or adapted for use in war as listed below.

The Allied and Associated Powers reserve the right to amend the list periodically by modification or addition in the light of subsequent scientific development.

Category I

1. Military rifles, carbines, revolvers and pistols; barrels for these weapons and other spare parts not readily adaptable for civilian use.

2. Machine guns, military automatic or auto-loading rifles, and machine-pistols; barrels for these weapons and other spare parts not readily adaptable for civilian use; machine gun mounts.

3. Guns, howitzers, mortars (Minenwerfer), cannon special to aircraft, breechless or recoilless guns and flamethrowers; barrels and other spare parts not readily adaptable for civilian use; carriages and mountings for the foregoing.

4. Rocket projectors; launching and control mechanisms for self-propelling and guided missiles and projectiles; mountings for same.

5. Self-propelling and guided missiles, projectiles, rockets, fixed ammunition and cartridges, filled or unfilled, for the arms listed in subparagraphs 1-4 above, and fuses, tubes or contrivances to explode or operate them. Fuses required for civilian use are not included.

6. Grenades, bombs, torpedoes, mines, depth charges and incendiary materials or charges, filled or unfilled; all means for exploding or operating them. Fuses required for civilian use are not included.

7. Bayonets.

Category II

1. Armoured fighting vehicles; armoured trains, not technically convertible to civilian use.

2. Mechanical and self-propelled carriages for any of the weapons listed in Category I; special type military chassis or bodies other than those enumerated in sub-paragraph 1 above.

3. Armour plate, greater than three inches in thickness, used for protective purposes in warfare.

Category III

1. Aiming and computing devices for the preparation and control of fire, including predictors and plotting apparatus, for fire control; direction or fire instruments; gun sights; bomb sights; fuse setters; equipment for the calibration of guns and fire control instruments.

2. Assault bridging, assault boats and storm boats.

3. Deceptive warfare, dazzle and decoy devices.

4. Personal war equipment of a specialized nature not readily adaptable to civilian use.

Category IV

1. Warships of all kinds, including converted vessels and craft designed or intended for their attendance or support, which cannot be technically reconverted to civilian use, as well as weapons, armour, ammunition, aircraft and all other equipment, material, machines and installations not used in peace time on ships other than warships.

2. Landing craft and amphibious vehicles or equipment of any kind; assault boats or devices of any type as well as catapults or other apparatus for launching or throwing aircraft, rockets, propelled weapons or any other missile, instruments or devices whether manned or unmanned, guided or uncontrolled.

3. Submersible or semi-submersible ship, craft, weapons, devices, or apparatus of any kind, including specially designed harbor defense booms, except as required by salvage, rescue or other civilian uses, as well as all equipments, accessories, spare parts, experimental or training aids, instruments or installations as may be specially designed for the construction, testing, maintenance or housing of the same.

Category V

1. Aircraft assembled or unassembled, both heavier and lighter than air, which are designed or adapted for aerial combat by the use of machine guns, rocket projectors or artillery, or for the carrying and dropping of bombs, or which are equipped with, or which by reason of their design or construction are prepared for, any of the appliances referred to in sub-paragraph 2 below.

2. Aerial gun mounts and frames, bomb racks, torpedo carriers and bomb release or torpedo release mechanisms; gun turrets and blisters.

3. Equipment specially designed for and used solely by airborne troops.

4. Catapults or launching apparatus for shipborne, land-or-sea-based aircraft; apparatus for launching aircraft weapons.

5. Barrage balloons.

Category VI

Asphyxiating, vesicant, lethal, toxic or incapacitating substances intended for war purposes, or manufactured in excess of civilian requirements.

Category VII

Propellants, explosives, pyrotechnics or liquefied gases destined for propulsion, explosion, charging, or filling of, or for use in connection with, the war material in the present categories, not capable of civilian use or manufactured in excess of civilian requirements.

Category VIII

Factory and tool equipment specially designed for the production and maintenance of the materiel enumerated above and not technically convertible to civilian use.

ANNEX II

Having regard to the arrangements made between the Soviet Union and Austria, and recorded in the Memorandum signed at Moscow on April 15, 1955, Article 22 of the present Treaty shall have effect subject to the following provisions:

1. On the basis of the pertinent economic provisions of the April 15, 1955 arrangements between the Soviet Union and Austria, the Soviet Union will transfer to Austria within two months from the date of entry into force of the present Treaty, all property, rights and interests to be retained or received by it in accordance with Article 22, except the Danube Shipping Company (D. D. S. G.) assets in Hungary, Roumania and Bulgaria.

2. It is agreed that in respect of any property, right or interest transferred to Austria in accordance with this Annex, Austria's rights shall be limited only in the manner set out in paragraph 13 of Article 22.

In faith whereof the undersigned Plenipotentiaries have signed the present Treaty and have affixed thereto their seals.

Done in the City of Vienna in the Russian, English, French and German languages this day of May 15, 1955.

[SEAL] VYACHESLAV MIKHAILOVICH MOLOTOV.
[SEAL] IVAN I. ILYICHEV.
[SEAL] HAROLD MACMILLAN.
[SEAL] GEOFFREY WALLINGER.
[SEAL] JOHN FOSTER DULLES.
[SEAL] LLEWELLYN E. THOMPSON.
[SEAL] A. PINAY.
[SEAL] R. LALOUETTE.
[SEAL] LEOPOLD FIGL.

AUSTRIAN STATE TREATY**(Summary)**

The Preamble makes reference to certain political highlights of relations between the Allied Powers and Austria after the annexation of Austria by Germany on March 13, 1938. Austria was annexed by force and incorporated into the Reich and subsequently the U. S. S. R., United Kingdom, United States, and France declared that they regarded the annexation as null and void. Account is taken of the efforts which the Austrian people have made for the restoration and democratic reconstruction of their country. The Allied and Associated Powers desire by means of the Treaty to settle all questions outstanding in connection with the annexation of Austria by Germany and participation of Austria in the war as part of Germany. The Preamble notes finally that the Allied Powers are desirous of concluding the Treaty to establish the basis of friendly relations, thereby enabling them to support Austria's application for admission to the United Nations.

PART I—POLITICAL AND TERRITORIAL CLAUSES

Article 1—Reestablishment of Austria as a Free and Independent State—Austria is reestablished as a sovereign, independent and democratic state.

Article 2—Maintenance of Austria's Independence—The Allied and Associated Powers

declare that they will respect the independence and territorial integrity of Austria as established under the Treaty.

Article 3—Recognition by Germany of Austrian Independence—The Allied and Associated Powers undertake to incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4—Prohibition of Anschluss—Political or economic union between Austria and Germany is prohibited. Austria agrees that it shall not enter into such union in any form whatsoever and undertakes to prevent within its territory any act likely to promote such union.

Article 5—Frontiers of Austria—The frontiers of Austria are established as those existing on January 1, 1938.

Article 6—Human Rights—Austria undertakes to take all measures necessary to secure to all persons under Austrian jurisdiction the enjoyment of human rights and fundamental freedoms. Austria further undertakes that the laws in Austria shall not discriminate between persons of Austrian nationality on the ground of race, sex, language or religion.

Article 7—Rights of the Slovene and Croat Minorities—Austrian nationals of the Slovene and Croat minorities shall enjoy the same rights on equal terms as all other Austrian nationals. They are also assured certain rights in regard to education, language, and participation in cultural, administrative and judicial systems.

Article 8—Democratic Institutions—Austria shall have a democratic Government based on elections by secret ballot and shall guarantee to all citizens free, equal and universal suffrage as well as the right to be elected to public office without discrimination as to race, sex, language, religion or political opinion.

Article 9—Dissolution of Nazi Organizations—Austria shall complete measures to destroy the Nazi Party and its affiliated organizations on Austrian territory. Austria shall continue efforts to eliminate from Austrian life all traces of Nazism. Austria also undertakes to dissolve all Fascist-type organizations existing on its territory as well as any other organizations carrying on activities hostile to any United Nation.

Article 10—Special Clauses on Legislation—Austria undertakes to maintain and implement laws aimed at liquidation of the remnants of the Nazi regime and providing for reestablishment of the democratic system.

Austria further undertakes to maintain the Austrian law of April 3, 1919 providing for the expulsion of the Hapsburg family and the confiscation of their properties.

Article 11—Recognition of Peace Treaties—Austria undertakes to recognize the treaties of peace with Italy, Rumania, Bulgaria, Hungary and Finland and other agreements reached by the Allied and Associated Powers in respect of Germany and Japan for the restoration of peace.

PART II—MILITARY AND AIR CLAUSES

Article 12—Prohibition of Service in the Austrian Armed Forces of Former Members of Nazi Organizations and Certain Other Categories of Persons—This article prohibits service in the Austrian Armed Forces of:

- (1) Non-Austrians;
- (2) Austrians who had been German nationals at any time before March 13, 1938 (the date of annexation of Austria by Germany);
- (3) Austrian nationals who served in the rank of Colonel or higher in the German Armed Forces;
- (4) Austrian nationals who formerly were in specified categories of the Nazi organization.

Article 13—Prohibition of Special Weapons—Austria shall not possess, construct or experiment with atomic or other designated types of weapons. The Allied and Associated Powers may add to the list weapons which may be evolved in the future.

Article 14—Disposal of War Materiel of Allied and German Origin—Allied war materiel in Austria shall be placed at the disposal of the Allied Power concerned. Austria renounces all rights to such materiel. (List of War Materiel contained in Annex I.)

Article 15—Prevention of German Rearmament—Austria undertakes to cooperate with the Allied and Associated Powers to prevent Germany from taking steps toward rearmament outside German territory. Austria agrees not to employ or train in aviation or in connection with war materiel persons who were German nationals previous to March 13, 1938, Austrian nationals precluded from military service under Article 12, or non-Austrians.

Article 16—Prohibition Relating to Civil Aircraft of German and Japanese Design—Austria shall not acquire or manufacture civil aircraft which are of German or Japanese design or which embody major assemblies of German or Japanese manufacture or design.

Article 17—Duration of Limitations—The military and air clauses of the Treaty remain in force until modified by agreement between the Allied and Associated Powers and Austria or, after Austria becomes a member of the United Nations, by agreement between the Security Council and Austria.

Article 18—Prisoners of War—Austrians who are prisoners of war shall be repatriated as soon as possible. All costs incurred in such repatriation to the point of entry into Austrian territory are to be borne by Austria.

Article 19—War Graves and Memorials—Austria undertakes to respect, preserve, and maintain Allied war graves and memorials. Austria agrees to recognize delegations authorized by foreign states to identify or maintain graves and memorials and to render assistance in connection with such missions.

PART III

Article 20—Withdrawal of Allied Forces—The Agreement on the Machinery of Control under which the occupying authorities have operated in Austria shall terminate on the coming into force of the Treaty and the Inter-Allied Command shall cease to exercise any functions with respect to the administration of the city of Vienna. The Agreement on Zones of Occupation shall terminate upon completion of the withdrawal from Austria of Allied Forces. Such forces shall be withdrawn from Austria within ninety days from the coming into force of the present Treaty, and insofar as possible not later than December 31, 1955. Pending their withdrawal, Austria shall accord to the Allied Forces the rights, immunities and facilities which they had prior to the coming into force of the Treaty.

The Allied Powers will return to Austria within the ninety-day period all requisitioned property.

PART IV—CLAIMS ARISING OUT OF THE WAR

Article 21—Reparation—No reparation shall be exacted from Austria.

Article 22—German Assets in Austria—The Soviet Union, United Kingdom, United States and France have the right to dispose of all German assets in Austria in accordance with the Potsdam Protocol of August 2, 1945.

(1) The U. S. S. R. shall receive for a period of thirty years concessions to oil fields equivalent to 60 percent of the extraction of oil in Austria for 1947, as well as property rights belonging to these fields.

(2) The Soviet Union shall receive concessions to 60 percent of all exploration areas located in Eastern Austria that are German assets. The U. S. S. R. shall have the right to carry out explorations in these areas for

eight years and to the extraction of oil for a period of 25 years beginning from the time of discovery of oil.

(3) The Soviet Union shall receive oil refineries having a total annual production capacity of 420,000 tons of crude oil.

(4) The Soviet Union shall receive agencies and properties concerned with distribution of oil products.

(5) The Soviet Union shall receive the assets of the Danube Shipping Company located in Hungary, Rumania and Bulgaria as well as the assets of the company located in Eastern Austria.

(6) The Soviet Union agrees to transfer to Austria property, rights and interests held or claimed as German assets with the exception of those assets mentioned in the foregoing paragraphs of this Article in exchange for which Austria undertakes to pay the Soviet Union 150 million U. S. dollars within a period of six years.

(7) Former German assets which become the property of the Soviet Union in accordance with this Article remain under Austrian jurisdiction and Austrian legislation applies to them. Such assets shall receive national treatment in connection with duties, taxation, etc. and shall not be subject to expropriation without consent of the U. S. S. R. Profits or other income may be exported. The rights, properties and interests transferred to the Soviet Union and those which the Soviet Union relinquishes to Austria are transferred without any charges or claims on the part of the Soviet Union or Austria.

(8 and 9) The transfer to Austria of properties mentioned in paragraph 6 and the formalizing of Soviet rights to the former German assets shall take place within two months from the date the Treaty enters into force. The Soviet Union shall own assets created or purchased in Eastern Austria after May 8, 1945 for the operation of the oil properties and the Danube Shipping Company.

(10) Disputes in connection with the Article are to be settled by bilateral negotiation or if this is not possible by an Arbitration Commission.

(11 and 12) The United Kingdom, United States and France transfer to Austria all property, rights and interests held or claimed in Austria as former German assets or war booty. After Austria fulfills the obligations set forth in this Article, the claims of the Allied Powers with respect to former German assets shall be considered satisfied.

(13) Austria undertakes that except in the case of educational, cultural, charitable and religious property none of the property, rights and interests transferred to it as former German assets shall be returned to ownership of German juridical persons or to the ownership of German natural persons where the value of the property exceeds 260,000 schillings. Austria further undertakes not to pass to foreign ownership those rights and properties included on Lists 1 and 2 which will be transferred to Austria by the Soviet Union in accordance with the Austro-Soviet memorandum of April 15, 1955.

(14) The provisions of the Article shall be subject to the terms of Annex II of the Treaty.

List No. 1—Oil fields in Eastern Austria on which concessions shall be granted to the Soviet Union.

List No. 2—Concessions to oil exploration areas in Eastern Austria to be transferred to the Soviet Union.

List No. 3—Oil refineries in Eastern Austria the property rights to which are to be transferred to the Soviet Union.

List No. 4—Undertakings in Eastern Austria engaged in the distribution of oil products, the property rights to which are to be transferred to the Soviet Union.

List No. 5—Assets of the Danube Shipping Company to be transferred to the Soviet Union.

Article 23—Austrian Property, in Germany and Renunciation of Claims by Austria or

Germany—The property in Germany of the Austrian Government or of Austrian nationals shall be returned to its owners. The provision shall not apply, however, to the property of war criminals or persons subjected to denazification measures.

Austria waives on its own behalf and on behalf of Austrian nationals all claims against Germany and Germans outstanding on May 8, 1945 except contractual and other obligations entered into before May 13, 1938.

Article 24—Renunciation by Austria of Claims Against the Allies—Austria waives all claims against the Allied and Associated Powers on behalf of the Austrian Government or Austrian nationals arising out of the war after September 1, 1939 or out of actions taken because of the existence of the state of war. The renunciation of claims includes claims arising as a consequence of acts of armed forces or authorities of Allied or Associated Powers, from the presence, operation or actions of Allied Forces or authorities in Austrian territory, claims arising from decrees or orders of prize courts of Allied or Associated Powers, and claims arising out of the exercise of belligerent rights. The Austrian Government agrees to compensate persons who furnish supplies or services on requisition to the Allied Forces and in satisfaction of non-combat damage claims arising in Austrian territory. The foregoing waiver extends to the United Nations whose diplomatic relations with Germany were broken off during the war and which took action in cooperation with the Allied Powers.

PART V—PROPERTY RIGHTS AND INTERESTS

Article 25—United Nations Property in Austria—Insofar as Austria has not already done so, it agrees to restore all legal rights and interests in Austria of the United Nations and their nationals as they existed on the day hostilities commenced between Germany and the United Nation concerned and shall return all property in Austria of the United Nations and their nationals as it now exists. Such restoration shall be free of any encumbrances or charges. Austria shall nullify all measures of sequestration or control taken against United Nations property in Austria between the outbreak of hostilities with Germany and the coming into force of the Treaty. The Austrian Government shall invalidate transfers of property belonging to United Nations nationals where such transfer resulted from force exerted by Axis Governments or their agencies during the war.

Where Austria provides compensation for war damage to property, United Nations nationals shall receive national treatment. Reasonable expenses incurred in Austria in establishing claims shall be borne by the Austrian Government. United Nations nationals and their property shall be exempt from exceptional taxes imposed in connection with war or occupation charges.

Article 26—Property, Rights and Interests of Minority Groups in Austria—Where such action has not already been taken, Austria undertakes that where property, rights or interests were the subject of forced transfers after March 13, 1938 due to the racial origin or religion of the owner, the said property shall be returned and legal rights and interests restored. Where return or restoration is impossible compensation shall be granted to the same extent as such compensation is given to Austrian nationals in respect of war damage.

Austria agrees to take under its control all helless or unclaimed property of persons, organizations or communities which were the object of racial, religious or other Nazi persecution where it remains unclaimed for six months after the coming into force of the present Treaty. Within eighteen months after the coming into force of the Treaty, Austria shall transfer such property rights and interests to agencies or organizations designated by the Four Heads of Mission in Vienna by agreement with the Austrian Government to be used for the relief and reha-

ilitation of victims of persecution by the Axis Powers.

Article 27—Austrian Property in the Territory of the Allied and Associated Powers—The Allied and Associated Powers declare their intention to return Austrian property in their territories or the proceeds arising out of the liquidation of such property.

Yugoslavia, however, shall have the right to seize, retain or liquidate Austrian property within Yugoslav territory and Austria undertakes to compensate Austrian nationals whose property is so taken.

Article 28—Debts—Interest payments on Austrian Government securities falling due after March 12, 1938 and before May 8, 1945 constitute a claim on Germany rather than on Austria. The existence of the state of war between the Allied Powers and Germany shall not be regarded as affecting the obligation to pay pecuniary debts arising out of contractual obligations existing before the outbreak of the war which became payable prior to the coming into force of the Treaty and which are due by the Government or nationals of one of the Allied Powers to the Government or nationals of Austria.

PART VI—GENERAL ECONOMIC RELATIONS

Article 29—Pending the conclusion of commercial treaties between individual United Nations and Austria, Austria shall for eighteen months after the coming into force of the Treaty grant to each of the United Nations which reciprocally grants similar treatment (a) most-favored-nation treatment regarding import and export duties, internal taxation on imported goods and similar regulations; (b) non-discrimination against goods originating in or destined for any of the United Nations as compared with like goods originating in or destined for any other United Nation; (c) United Nations nationals shall be granted national and most-favored-nation treatment in matters pertaining to commerce, industry and other business activity within Austria; (d) Austria shall grant no exclusive rights to any country with regard to commercial aircraft in international traffic.

PART VII—SETTLEMENT OF DISPUTES

Article 30—Any disputes arising under Article 25 shall be referred to a Conciliation Commission.

PART VIII—MISCELLANEOUS PROVISIONS

Article 31—Provisions Relating to the Danube—Navigation on the Danube shall be free and open to the nationals, vessels and goods of all states on an equal basis.

Article 32—Transit Facilities—Austria shall facilitate railroad traffic through its territory at reasonable rates. The Allied Powers undertake to support inclusion in the German settlement of provisions to facilitate transit and communication between certain Austrian points across German territory.

Article 33—Scope of Application—The Allied Powers and the United Nations are those which had that status on May 8, 1945 and whose diplomatic relations with Germany were broken off during the period between September 1, 1939 and January 1, 1945.

Article 34—Heads of Mission—The Heads of the Diplomatic Missions in Vienna of the U. S. S. R., United Kingdom, United States of America and France, acting in concert, will represent the Allied and Associated Powers for a period of not to exceed eighteen months after the coming into force of the Treaty in dealing with the Government of Austria concerning the execution and interpretation of the Treaty. The Heads of Mission will give such guidance as may be necessary to ensure the execution of the Treaty.

Article 35—Interpretation of the Treaty—Any dispute concerning interpretation or execution of the Treaty which is not settled by diplomatic negotiations shall be referred to the Four Heads of Mission acting under

Article 34 except that the time limit provided in that Article does not apply. Any dispute not resolved within two months shall be referred at the request of either party to a commission composed of one representative of each party and a third member selected by mutual agreement from nationals of a third country. Should the two parties fail to agree within a period of one month upon the appointment of a third member, the Secretary General of the United Nations may be requested by either party to make the appointment.

Article 36—Force of Annexes—The annexes shall have force and effect as integral parts of the Treaty.

Article 37—Accession to the Treaty—Any member of the United Nations which was at war with Germany on May 8, 1945, and which had then the status of a United Nation may accede to the Treaty.

Article 38—Ratification—The Treaty shall be ratified and will come into force upon deposit of instruments of ratification by the U. S. S. R., United Kingdom, United States of America, France and Austria.

Annex I—Definition and List of War Materiel—Lists and defines categories of war materiel, including arms, ammunition and implements especially designed or adapted for use in war, as used in the Treaty.

Annex II—The Annex refers to the pertinent economic provisions of the Austro-Soviet memorandum of April 15, 1955 signed at Moscow (copy was attached to report by Secretary of State to the President) and provides that Article 22 of the Treaty shall have effect subject to the provision that on the basis of the memorandum the Soviet Union will transfer to Austria within two months from the date of entry into force of the Treaty all property rights and interests to be retained or received by the Soviet Union in accordance with Article 22 except the Danube Shipping Company assets outside of Austria. Austria's rights in property transferred in accordance with this Annex shall be limited only in the manner set out in paragraph 13 of Article 22.

[Translation]

MEMORANDUM CONCERNING THE RESULTS OF THE CONVERSATIONS BETWEEN THE GOVERNMENT DELEGATION OF THE REPUBLIC OF AUSTRIA AND THE GOVERNMENT DELEGATION OF THE SOVIET UNION

I

In the course of conversations regarding the earliest conclusion of the Austrian State Treaty in Moscow from the 12th to the 15th of April 1955 agreement was reached between the Soviet and the Austrian delegations that, with regard to the declarations made by the members of the Soviet Government—the Deputy Chairman of the Council of Ministers and the Minister for Foreign Affairs of the U. S. S. R., V. M. Molotov, and the Deputy Chairman of the Council of Ministers of the U. S. S. R., A. I. Mikhoyan—Federal Chancellor Ing. Julius Raab, Vice Chancellor Dr. Adolf Schaerf, Foreign Minister Dr. h. c. Ing. Leopold Figl, State Secretary Dr. Bruno Kreisky in connection with the conclusion of the Austrian State Treaty will see to it that the following decisions and measures of the Austrian Federal Government are brought about.

1. In the sense of the declaration already given by Austria at the conference in Berlin in 1954 to join no military alliances and to permit no military bases on its territory, the Austrian Federal Government will make a declaration in a form which will obligate Austria internationally to practice in perpetuity a neutrality of the type maintained by Switzerland.

2. The Austrian Federal Government will submit this Austrian declaration in accordance with the terms of the Federal Constitution to the Austrian Parliament for decision

immediately after ratification of the State Treaty.

3. The Federal Government will take all suitable steps to obtain international recognition for the declaration confirmed by the Austrian Parliament.

4. The Austrian Federal Government will welcome a guarantee by the four great powers of the inviolability and integrity of the Austrian State Territory.

5. The Austrian Federal Government will seek to obtain from the Governments of France, Great Britain and the United States of America such a guarantee by the four great powers.

6. The Federal Government will, after return of German assets in the Soviet Zone of Occupation to Austria, take measures which will exclude a transfer of these assets to the possession of foreigners including juridical persons of private or public character.

Furthermore, it will see to it that no discriminating measures will be taken against the employees of the former USIA concerns, of the concerns of the former Soviet mineral oil administration, the Corporation OROP, and of the DDSG.

II

The Deputy Chairman of the Council of Ministers, V. M. Molotov and A. I. Mikhoyan, made the following declaration in the name of the Soviet Government with regard to the declarations of the Austrian Government delegation:

1. The Soviet Government is prepared to sign the Austrian State Treaty without delay.

2. The Soviet Government declares itself to be in agreement that all occupation troops of the four powers be withdrawn from Austria after the entry into force of the State Treaty, no later than on the 31st of December 1955.

3. The Soviet Government considers Articles 6, 11, 15, 16-bis and 36 as obsolete or superfluous and is prepared to drop these Articles. It is prepared, moreover, to drop also Article 48-bis if Austria is simultaneously prepared to drop its demand against the Soviet Union for the so-called "civilian occupation costs". It will support, moreover, the Austrian Government in its efforts to attain further possible changes in the draft of the State Treaty, and will agree to such changes. However, agreement exists that the negotiations leading to the conclusion of the State Treaty between the four powers and Austria are not to be drawn out unnecessarily by proposals to change the Treaty.

4. The Soviet Government is prepared to recognize the declaration concerning the neutrality of Austria.

5. The Soviet Government is prepared to participate in a guarantee by the four powers of the inviolability and integrity of the Austrian State Territory—according to the model of Switzerland.

III

As a result of the exchange of opinions which has taken place, the delegations have reached the following conclusions:

Concerning the delivery of goods to the U. S. S. R. in compensation for the value of Soviet enterprises in Austria as handed over in accordance with the Austrian State Treaty (article 35)

1. The Soviet Government is prepared, in the sense of its pledge given at the Conference in Berlin in 1954, to accept Austrian goods in the equivalent of 150 million American dollars provided for in Article 35 as a lump sum;

2. The Soviet delegation takes note of the declaration of the Austrian delegation that the latter accepts as a basis the list of goods which it has received from the Soviet delegation, and in this connection specially au-

thorized representatives of the Austrian Government will go to Moscow not later than the end of May of this year.

3. The Soviet Delegation also takes note of the declaration of the Austrian delegation that the Austrian Government will form a special commission which will concern itself with the terminal dates and quality of the shipments of goods to the Soviet Union, and specifically in the agreed upon amounts for the lump sum of 150 million American dollars, that is 25 million American dollars annually.

4. The Austrian delegation has declared itself prepared to guarantee to representatives of the Soviet purchaser the possibility to carry out examinations upon receipt of the goods which are destined to be delivered to the Soviet Union on account of the above-named sum. It is agreed that the delivery of the goods should be free to the Austrian border and at world market prices. The prices and the amount of goods will be agreed upon by both parties annually three months before the beginning of each year. The Austrian National Bank will issue promissory notes to guarantee the above delivery of goods for the sum of 150 million American dollars indicated in the draft of the State Treaty. The promissory notes of the Austrian National Bank will be returned according to the liquidation of the sum by the delivery of goods.

Concerning the transfer to Austria of the oil enterprises held by the U. S. S. R. in Austria

1. The Soviet delegation accepts the proposal of the Austrian delegation, according to which the Austrian Government in return for the oil fields and oil refiners held by the U. S. S. R. and transferred to Austria will pay the Soviet Union by delivery of crude oil to the extent of one million tons annually for a period of ten years, therefore a total of ten million tons.

The Soviet Delegation takes note of the declaration of the Austrian delegation that the Austrian Government reserves the right to carry out deliveries of the aforementioned quantity of crude oil to the Soviet Union also in shorter periods of time. The crude oil is to be delivered under the following conditions: delivered free to the Austrian border, duty and customs free.

2. The Austrian delegation has taken note of the declaration of the Soviet delegation that the oil enterprises and oil fields transferred by the Soviet Union to Austria include also the refineries and the company for marketing oil products (OROP).

Concerning the transfer to Austria of assets of the Danube Steamship Company in Eastern Austria

The Soviet side transfers to Austria all properties of the Danube Steamship Company, which are located in Eastern Austria, including the shipyard in Korneuburg, the ships and dock facilities, for which the Austrian Government will pay simultaneously with the transfer the amount of two million American dollars to the Soviet Union.

Concerning trade between the Soviet Union and Austria

1. Agreement was reached between the Soviet Union and Austria to conclude a trade treaty for a period of five years with an automatic extension as long as no termination of the treaty is brought about by one of the parties.

2. Furthermore, agreement was reached that a treaty regarding the exchange of goods and payments between Austria and the Soviet Union be concluded for a period of five years, according to which the amount of goods is to be agreed upon annually.

Done in two copies, in the German and Russian languages, of which both texts are of equal authenticity.

In verification of the above this Memorandum is signed by
For the Government Delegation of the Soviet Union:

V. M. MOLOTOV.
A. I. MIKHROYAN.

For the Austrian Delegation:

J. RAAB.
A. SCHAERF.
L. FIGL.
B. KREISKY.

Moscow, 15 April 1955.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum. The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

REAFFIRMATION OF THE DESIRE OF THE AMERICAN PEOPLE FOR PEACE

Mr. JOHNSON of Texas. Mr. President, I ask the attention of the minority leader and the distinguished Senator from New Jersey [Mr. SMITH].

I ask unanimous consent, as in legislative session, for the immediate consideration of House Concurrent Resolution 157, Calendar No. 570.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (H. Con. Res. 157) reaffirming the desire of the American people for peace, was read, as follows:

Resolved, etc., That the Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace, and expresses the hope that the people of all the nations of the world join with the people of the United States in a renewed effort for peace.

SEC. 2. The President is requested to convey an expression of such reaffirmation and such hope to the representatives of the nations gathered in San Francisco to commemorate the 10th anniversary of the founding of the United Nations.

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

There being no objection, the Senate, as in legislative session, proceeded to consider the concurrent resolution.

Mr. SMITH of New Jersey. Mr. President, the Committee on Foreign Relations, having had under consideration House Concurrent Resolution 157, reaffirming the desire of the American people for peace, reported the resolution favorably to the Senate and recommended that it be agreed to.

This resolution is in the nature of a message to the meeting to be held at San Francisco from June 20 to 26, 1955, in commemoration of the 10th anniversary of the United Nations. The message states that "Congress reaffirms the deep desire of the people of the United States for an honorable and lasting peace" and that the Congress hopes "that the people of all the nations of the world join

with the people of the United States in a renewed effort for peace." The President of the United States is requested to convey this message to the gathering at San Francisco.

House Concurrent Resolution 157 was submitted in the House on June 14, 1955, by Mrs. FRANCES P. BOLTON, a Representative from the State of Ohio, and agreed to that day. An identical companion resolution, Senate Concurrent Resolution 38, was introduced at the same time in the Senate by myself and referred to the Committee on Foreign Relations. On June 16, the committee agreed to report House Concurrent Resolution 157 to the Senate and recommend favorable action thereon.

In the light of the timeliness of this message, we believe it is desirable for the Senate to associate itself with the action of the House at this particular time. The United States search for peace hardly needs to be affirmed by words. Our actions and efforts on behalf of world peace over the years speak for themselves. We live in a time, however, of rapidly shifting international situations. The committee, therefore, agreed that the coming San Francisco meeting affords a proper opportunity to reaffirm the continuing desire of the American people for a just and lasting peace and to call for renewed efforts to that end.

The commemoration at San Francisco will begin Monday, June 20. The Senate should act promptly on the resolution if this message is to reach the opening session.

THE ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 157) was agreed to.

The preamble was agreed to.

AUSTRIAN STATE TREATY

The Senate, as in Committee of the Whole, resumed the consideration of the treaty (Ex. G, 84th Cong., 1st sess.), the state treaty for the establishment of an independent and democratic Austria, signed at Vienna on May 15, 1955.

SENATOR GEORGE, OF GEORGIA

Mr. JOHNSON of Texas. Mr. President, as we proceed with the consideration of the Austrian Treaty, I should like to take this opportunity to pay tribute to the distinguished senior Senator from Georgia, the chairman of the Committee on Foreign Relations [Mr. GEORGE].

As most of my colleagues are aware, the Senator from Georgia is not with us today in the Senate Chamber. He has gone to the hospital to receive treatment for a bronchial ailment. I know that his friends and admirers, who, I believe, include every Member of the Senate, will be happy to learn that his condition is not serious.

I think it is no overstatement to say that the Senator from Georgia is one of the greatest statesmen of our time. His leadership has been one of the decisive factors in molding a strong foreign policy, geared to the objective of preserving the liberty of this great Nation.

No man has brought to the difficult field of international relations greater capacity, greater experience, or a greater desire to preserve peace and freedom throughout the world.

We all wish him well, and are eagerly awaiting his return to the Chamber, which we hope will be next week.

Mr. KNOWLAND. Mr. President, I wish to join the distinguished majority leader in paying a very well deserved tribute to the distinguished senior Senator from Georgia, chairman of the Committee on Foreign Relations.

Also, on behalf of all Senators on this side of the aisle, I join in the hope for his speedy recovery and return to his duties in the Senate Chamber, and as chairman of the Foreign Relations Committee.

Mr. SMITH of New Jersey. Mr. President, I desire to identify myself completely with the remarks made by the distinguished majority leader and the distinguished minority leader. Let me express my deep appreciation of the privilege of serving with the senior Senator from Georgia on the Foreign Relations Committee during the past several years and especially during the last year when he has been chairman. He has performed a wonderful service for us all, and we all hope and pray for his speedy full recovery. I am assured by his office that his illness is not serious, and that the purpose of his sojourn in the hospital is merely to obtain a check-up. I hope he will be back with us very soon.

Mr. WILEY. Mr. President, we can all agree to what has been said about our distinguished associate the senior Senator from Georgia [Mr. GEORGE]. Besides being a wonderful Senator and a perfect gentleman, he, as has been said, is one of the great forces for peace and good in the world today.

I join in the prayer that it will not be long before we see his smiling countenance again in the Senate Chamber.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished majority leader and the distinguished minority leader, as well as other Senators, in their remarks about the chairman of the Committee on Foreign Relations, the outstanding statesman and Senator from Georgia.

I sincerely hope that this "icebreaker" in foreign policy will watch his health very carefully and will not leave the hospital until he is in good physical condition, because we shall need him very much, not only in this session but in the years ahead. His wisdom and guidance will be sorely missed while he is in the hospital. When he returns to the Senate, I hope he will be stronger by reason of his sojourn in the hospital. His counsel and guidance are needed because of the leadership which this country is now assuming in the field of international affairs.

Mr. FULBRIGHT. Mr. President, I am happy to join in the remarks made by the distinguished majority leader, the distinguished minority leader, and other Senators.

We can rejoice in the fact that we are assured that the trouble of the Senator

from Georgia is of a minor nature, and that we can expect him back next week.

Mr. HUMPHREY. Mr. President, I wish to associate myself with the fine remarks of the majority leader and the minority leader. We all hope and pray for the early and complete recovery of our distinguished colleague and friend, the senior Senator from Georgia. I think it is fair to say that much of the impetus which has been given to American foreign policy and has led toward a better understanding and relaxation of world tensions, at least toward the hope of approaching the horizon of peace, is due to the farsighted leadership and profound understanding of the Senator from Georgia. I am proud to have the privilege of serving with him on the Committee on Foreign Relations. I wish him a very quick return to the Senate.

Mr. SPARKMAN. Mr. President, the majority leader has stated the regret of the Senate because of the absence today of our esteemed chairman of the Committee on Foreign Relations, the Senator from Georgia [Mr. GEORGE].

If he were here he would be presenting the report on the Austrian Treaty. I shall try to present it in the same way in which I believe he would present it. Of course, I join all the other Members of the Senate in expressing regret that the Senator from Georgia is absent temporarily. I am sure he will be back in a few days, and we all look forward to his return.

Mr. President, on June 14, the Committee on Foreign Relations unanimously voted to recommend that the Senate give its consent to the ratification of the Austrian State Treaty.

This treaty will restore to Austria the freedom and independence taken from her 18 years ago. It was in March 1938 that Nazi troops marched into Austria and forced a proud people to yield—at least temporarily—although they bitterly resented the degradation of Nazi philosophy, economics, and politics.

During the war the Allied and Associated Powers, including the Soviet Union, pledged that upon victory they would restore Austria to the family of nations as a free and independent state. They recognized that Austria was the first victim of the aggression launched by Hitlerite Germany, and they pledged to restore her pre-Anschluss boundaries.

SOVIET POLICY

Unfortunately, the hopes and expectations of Austria that victory for the Allies in World War II would mean early restoration of Austrian independence have been frustrated. For nearly 10 years Soviet cold-war tactics have made Austria a pawn of Soviet power politics.

But now the situation has changed. Two months ago, on April 15, 1955, the Soviet Union declared its willingness to sign the Austrian State Treaty "without delay." On May 15 the treaty was signed. By June 15 the treaty was ratified by Austria and the Soviet Union and the ratification process in the United States had proceeded to the point requiring only the approval of the Senate before this nation can deposit its ratification.

Mr. President, I do not profess to know why the Soviet Union has within 2 months reversed a policy it has clung to for 10 years. It does seem reasonably clear, however, that sudden Soviet willingness to sign an Austrian treaty, stripped of most of the provisions that the Russians have insisted were essential, is but part of a larger pattern. It is part of the pattern that caused Khrushchev to go to Belgrade, that has caused the Soviet to sound more rational in discussing disarmament, that has led them to speak in dulcet tones to Western Germany, that is causing them to negotiate a peace treaty with Japan. The Soviet Union seems now to be implementing by acts, the words they have used so freely.

We must ever be wary in our dealings with Communist Russia. They are master propagandists. They may have decided that their basic aim to communize the world requires changed tactics. They may finally have realized that acts speak louder than words.

Whatever the cause for recent Soviet actions, we may be sure that they are still motivated by self-interest. The sudden willingness of the Russians to agree to the Austrian Treaty is not an act of grace. It is an act conditioned by a Soviet judgment that it will be in a better position by signing an Austrian Treaty than by further delay.

NEED FOR EARLY, DECISIVE ACTION

The about-face of the Soviet Union has a lesson for us. It indicates that the United States must have as much flexibility of negotiation as is consistent with our democratic processes. Unless we give that flexibility to the President and the Secretary of State during the forthcoming Big Four Conference, they will be as handicapped, as one commentator has recently suggested, as a fencer with his shoes nailed to the floor.

I hope the Senate, in the exercise of its constitutional responsibility in foreign affairs, will support in an overwhelming fashion the Austrian State Treaty. Such support, following closely on the heels of our recent approval of the Mutual Security Act, will constitute a compelling expression not only of our bipartisan support of the President in the conduct of foreign affairs, but will constitute a firm welcome to the people of Austria as they return to the family of free, democratic nations.

Mr. President, I do not propose to describe in detail the provision of the treaty which is now before the Senate. They are fully described in the message of the President and in the report of the Committee on Foreign Relations.

NOT A PEACE TREATY

I do wish to stress, however, that this treaty is not a peace treaty imposed on a defeated nation. It is rather a treaty with a nation that was the first victim of Nazi aggression—a treaty that has necessarily taken into account not only the depredations wreaked upon Austria by Nazi Germany in 8 years of occupation prior to and during the war, but 10 years of occupation by Allied forces, unable to withdraw because of Soviet intransigence on the treaty.

The conclusion of the treaty, as I have noted, involved long years of negotia-

tions between the four Allied Powers and Austria. Strange as it may seem, almost from the beginning of the negotiations the three Western Powers and Austria have been in agreement on most of the fundamentals of the treaty. The result was that most of the negotiations were in effect between the three Western Powers on the one side, and the Soviet Union on the other.

Most treaties involve mutual accommodation by all of the parties. The Austrian treaty is no exception. Unfortunately, a study of the treaty will reveal that most of the accommodation was on the part of the Western Powers and Austria and very little on the part of the Soviet Union. Nevertheless, the pending treaty has those essential provisions which will assure Austria her freedom and independence. Its terms restrict the burden of Soviet drains for reparations to tolerable limits; it provides a reasonable basis for the settlement of claims; and it commits the parties thereto to respect the territorial integrity of Austria.

NEUTRALITY

Mr. President, there is one matter of fundamental importance with which I wish to deal briefly. It concerns the future neutrality of Austria and the possibility of a future guaranty of her independence.

Although there is no mention of neutrality in the treaty, Austria has undertaken of her own free will to declare her neutrality. To that end she has stated that when the treaty comes into effect she will thereafter, first, not join any military alliances; second, not permit the establishment of military bases of foreign states on her territory; and third, maintain and defend that neutrality with all the means at her disposal.

Neutrality is not mentioned in the treaty because if it is to mean anything it must be a status entered upon freely by Austria.

Austrian neutrality is to be an armed neutrality. Austria will not become a military vacuum into which the forces of neighboring states might flow.

ADMISSION TO U. N.

Austrian neutrality is not to be a neutrality that would deny her the right to apply and to be admitted to the United Nations. Indeed, as will be noted in the report of the Committee on Foreign Relations, Austria has indicated that it would not construe the neutrality concept to go to the lengths of the situation in Switzerland which has found it impossible to become a member of the United Nations. Furthermore, the Soviet Union has indicated in the preamble of the pending treaty that one of the reasons for conclusion of the treaty is to enable the parties to support the admission of Austria to the United Nations, and, therefore, there is reason to hope that the Soviet will not veto Austria's application for U. N. membership.

GUARANTY OF TERRITORIAL INTEGRITY

Aside from, but related to the matter of neutrality, is the desire of Austria to have an international guaranty of the inviolability and integrity of her territory. Such a guaranty might involve a commitment on the part of guarantor

states to come to the aid of Austria should her territorial integrity be threatened from without.

So far as the United States is concerned the problem of guaranteeing the territorial integrity of a foreign state involves grave constitutional issues going to the power of the Congress to declare war. For that reason, the Secretary of State has indicated flatly—and I quote him—that “no commitment with respect” to the inviolability and integrity of Austria’s territory has been made. The Secretary added that the Senate will be “fully informed and consulted with respect to further developments in this connection.”

GERMAN ASSETS

One of the problems which has caused particular difficulty in negotiations over the years concerns the disposition of German assets in Austria.

When the Nazis moved into Austria they took over by various devices vast amounts of property in Austria. Some was taken from the Austrian Government, some from Austrian nationals, some from racial and religious minorities, and some from the citizens of other states. Some of this property was legitimately acquired, but large amounts were taken under duress.

At the end of the war, the Four Powers declared in Berlin that German assets in Austria might be used to satisfy allied reparations claims. Difficulties began when the Soviet Union in its zone developed broad definitions of these former German assets and began a systematic operation of exploitation. The Russians were particularly intrigued with the oil properties in east Austria, with the Danube Shipping Co., and with some 300 other industrial enterprises.

Arrangements for the transfer of these assets from the Soviet Union to Austria at a price, over 10 years, of more than \$300 million are covered in article 22 of the pending treaty.

Lest there be misunderstanding from a reading of article 22, let me emphasize that although the first five numbered paragraphs and annexed lists of oil properties are written in terms which would seem to indicate that these properties are to be turned over to the Soviet Union, free and clear, those paragraphs are qualified by paragraph 14 of the same article. Paragraph 14 has the effect of incorporating, by reference, annex II of the treaty and portions of the bilateral memorandum of April 15, 1955, between the Soviet Union and Austria, thereby fixing the terms upon which the properties listed in article 22 are to be transferred to Austria.

While the Soviet Union is claiming as its price for the treaty some \$300 million from Austria, the Western Powers are transferring their claims to former German assets to Austria with no charge, recognizing that as a matter of policy it is in the interests of the free world to strengthen the Austrian economy instead of taking action which would weaken it.

AUSTRIAN ARMED FORCES

I remarked earlier, Mr. President, that Austrian neutrality will be an armed neutrality. The treaty does not impose

any restrictions on the size of Austrian armed forces, although it does prohibit possession, manufacture, and experiment with atomic and certain other modern-type weapons.

When the troops of the present occupying forces are withdrawn within 90 days after the treaty comes into effect, it will be necessary for Austria to supply its own forces for internal policing and defense purposes. Those forces will necessarily be limited in view of the drain large forces would impose on the Austrian economy. Plans are now under way to organize a small defense force based upon conscription.

Since Austria has been prohibited from manufacturing military equipment during the occupation, it is likely that it will seek outside assistance in equipping those forces. Secretary of State Dulles has indicated that if Austria should request arms assistance, it is contemplated that we would give some assistance to the Austrians in equipping the forces which they are allowed to have under the treaty.

These forces will be used by Austria to maintain her territorial integrity. They should be sufficiently large to deter attack, and small enough not to threaten any neighbor.

An Austria in that situation will be a bastion of freedom extending into Eastern Europe. As such, Austria will bring to the borders of Czechoslovakia and Hungary new frontiers of freedom and may, as Secretary Dulles has suggested, set an example which will stimulate the aspirations of other peoples for a freedom which has not yet been realized.

Mr. President, in concluding these remarks it seems proper to express the deep gratitude of the Senate for the persistent efforts which have been made by Secretaries of State Byrnes, Marshall, Acheson, and Dulles to bring the Austrian State Treaty into being. They, and the men under their immediate direction who have labored through hundreds of frustrating meetings with representatives of the Soviet Union, deserve the highest commendation. And so, I may add, do the Austrian people. Throughout years of occupation they have demonstrated a devotion to freedom and independence which sets an example for free men everywhere.

The negotiation and final conclusion of this treaty are a lesson in foreign policy from which we all might benefit. It shows that in dealing with the Communists, persistence, patience, and principle have their reward.

It is my fervent hope that in the weeks immediately ahead we may start building a solid foundation for peace. This Austrian State Treaty may well prove to be one of the first stones in that foundation. This stone has been molded only because we have been guided by principle and have been patient and persistent in our efforts.

The materials for building a firm peace are available. Let us begin now to use them.

Mr. SMITH of New Jersey. Mr. President, I desire to commend my distinguished colleague from Alabama [Mr. SPARKMAN] for his very able presentation of the treaty.

My remarks in support of the Austrian State Treaty will be brief. Most of the important articles of the treaty have been described in the report of the committee, and in the remarks of the able Senator from Alabama.

There are a few matters which have given me considerable concern, and I shall touch upon them in the course of my remarks.

THE REFUGEE PROBLEM

One matter in which many Americans have had a profound and serious concern relates to the situation of refugees in Austria. That country, bordering as it does on the satellite countries, has become a haven for many refugees and displaced persons. The Austrian people have done their utmost to absorb these refugees into the Austrian economy. Now that the occupation is to end, however, the question naturally arises as to the treatment which these refugees may expect.

Prior to the final signature of the Austrian Treaty I had received a number of letters from Americans who were deeply concerned over article 16 which was then in the draft treaty. Although that article stated that no refugee should be repatriated against his will, there was much cause for concern that the Soviet Union might misconstrue its terms and seek by terroristic methods to force some of these refugees to return to the Soviet Union. At that time members of the Committee on Foreign Relations discussed article 16 with the Department of State and expressed their disappointment at its inclusion in the treaty.

Our negotiators, especially in this connection, Secretary Dulles, are to be congratulated for their success in having article 16 removed from the final draft of the treaty. So, Mr. President, there is no provision, either implied or expressed, regarding compulsory repatriation of the refugees who are in Austria.

I questioned the Secretary of State on the status of these refugees during our hearing on the Austrian Treaty. Mr. Dulles informed the committee that there are about 37,000 refugees remaining in camps. The care of these refugees will be in the hands of the Austrian Government which will continue to be assisted by private charitable institutions and by the United Nations in liquidating the problem.

I was particularly concerned that there be no possibility that any of these refugees might be forced to return to the Soviet Union, and I asked Mr. Dulles if he thought there was any possibility of that happening. He replied as follows:

I do not think so. Of course, that was the fear which we entertained under the old article 16, and it was because of that fear that the Soviet Union would use coercive measures which would frighten these people and maybe terrorize them into coming back, that we were able to obtain, after some difficulty, the elimination of that article 16. I think it is all right the way it now is, and I think that the sturdy qualities that have been shown by the Austrian Government give adequate assurances that they will not lend themselves to any coercive measures by the Soviet Union which would in fact be a violation of the due sovereignty

and independence which the Austrian nation is winning back for itself.

IMPACT OF TREATY ON SATELLITES

Mr. President, the conclusion of this treaty with Austria will have the effect of opening up new frontiers of freedom in Eastern Europe. Austria is bounded on two sides by the satellite countries of Czechoslovakia and Hungary. There is little doubt in my mind that freedom in Austria will have a tremendous impact upon those countries. Conclusion of the treaty will mean, for one thing, that the Soviet Union will lose its legal right to maintain troops in Rumania and Hungary to protect its lines of communication to Austria. We cannot be perfectly sure that this will result in Soviet withdrawals, but I think it is going to be much more difficult for the Soviet Union to justify retention of troops in those countries.

As we all know, an attempt has been made by the Soviet Union to set up a sort of NATO in central Europe, composed of Russia and her satellites, Hungary, Czechoslovakia, and other countries. They may have an excuse through that arrangement to station troops in the various countries; but under this treaty itself, all legal right to maintain troops in those countries has been brought to an end.

Perhaps more important even than requiring the Soviet to remove its troops from Austria and the withdrawal of a treaty basis for the retention of Soviet troops in Hungary and Rumania, is the fact that a free Austria will provide an inspiring example of freedom for these Balkan States. Here we have the idea of freedom backed up by the act of restoring freedom. Under the circumstances it seems to me that the example of Austria will run like wildfire through these states.

AUSTRIAN NEUTRALITY

Mr. President, I know that the idea of Austria declaring her neutrality has given some Members of the Senate pause. Is this a neutrality that is likely to turn the Austrian people over to the Soviet Union, or a neutrality that would turn Austria away from the West? I think not.

Austrian neutrality is to be an armed neutrality. Austria will declare in due course that it will not join any military alliances, and that military bases of foreign states may not be established on her soil. But Austria intends to build up defensive armed forces of its own. Those forces will serve to prevent satellite encroachment on Austrian territory and will be used to defend the territorial integrity of Austria.

I should imagine that in time the military neutrality of Austria might develop somewhat along the same lines as that of Switzerland and I think no one could successfully claim that Swiss neutrality has been a disadvantage to the free world.

Austrian neutrality would presumably prevent her participation in NATO. It might prevent her participation in a United States of Europe. But when I questioned Mr. Dulles on this point he indicated that should conditions become right for such a development it might be expected that the signatories of the

treaty would be willing to accept that possibility. Austrian neutrality would not, of course, prevent her from participating in such international cooperative ventures as the United Nations, the International Bank, the Organization for European Economic Cooperation, and so on.

In that connection, I may point out, as has the junior Senator from Alabama [Mr. SPARKMAN], that Austria has applied for membership in the United Nations. All of us hope that that may be brought about in the near future.

CONCLUSION

Mr. President, there are many other aspects of this treaty upon which I might comment, but, as I promised earlier, these remarks will be brief.

In conclusion I want to express my appreciation, which I am sure is shared by all Americans, at the steadfast devotion the Austrian people to the principles of freedom and democratic government. For 18 years Austria has been occupied. But during the midst of the war, the allies were so sure of the dedication of the Austrian people to freedom that they were then promised that their independence would be restored at the end of the war.

Despite the disappointments and frustrations that developed as a result of Soviet intransigence, the Austrian people and Government have stood firm. They would not compromise their hope for freedom by any concession that would impair it.

Their patience and perseverance, as the Senator from Alabama has so well remarked, have now reaped their reward.

Mr. President, before I close, I should like to read the last paragraph in the report of the committee, which I think is appropriate on this occasion. I read from page 13 of the report:

The Committee on Foreign Relations desires to express its deep appreciation for the perseverance of the executive branch of this Government under Democratic and Republican administrations in the long and tedious negotiations that have been undertaken in connection with the conclusion of the Austrian Treaty. It desires also to express its appreciation to the Government and the people of Austria for their steadfast devotion to principle during many difficult and trying years. For it is the continuing faith which the Austrian people had in the cause of freedom—more than any other single factor—which made possible the eventual restoration of independence to that country.

I earnestly hope the Senate will give its full support to the Austrian Treaty, which, while not perfect, is an instrument which will bring into the free world one additional, fully sovereign, free nation.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of South Dakota. I merely wish to say that I am glad to see this day come when the state treaty with the Government of Austria can be submitted to the United States Senate.

In the fall of 1947, as chairman of a subcommittee of the Select Committee on Foreign Trade, I spent several weeks in Austria, and I know something of the aspirations of the Austrian people. I

know at that time, in 1947, we were perplexed by the delays which had occurred, and which were far longer than we thought necessary, in the development of a treaty which would restore full independence and sovereignty to the Austrian people.

I recall that we went from the airfield, 45 miles outside the city of Vienna, under guard or convoy before we could go into the sector of Vienna where, presumably, the United States Government had responsibility under the occupation immediately following the war.

I saw a train arrive with some Austrian soldiers, who were returned prisoners of war. We wondered at that time how many thousand others there might be back where those soldiers had come from.

The Russians at that time were demanding payments in oil and oil revenues, which seemed to us to be quite unjust.

It has taken much patience to negotiate this treaty, but I for one rejoice that the day has come when independence can be restored to Austria. I express my appreciation of the services which have been performed by the Senate Committee on Foreign Relations, the representatives of our State Department, and of all others who have contributed to a very much deserved end.

Mr. SMITH of New Jersey. I thank the Senator from South Dakota sincerely for his remarks.

Mr. WILEY. Mr. President, I rise to support what the able Senator from Alabama [Mr. SPARKMAN] and the able Senator from New Jersey [Mr. SMITH] have so well said in urging prompt and overwhelming approval of this treaty.

The fact that the treaty is before the Senate is in itself abundant and eloquent justification of the policies of firmness and perseverance which this Government has followed in regard to Europe in general and to Austria in particular since the end of World War II. I do not recall another treaty for which the negotiations have been so tedious, so prolonged, and at times so apparently hopeless.

The treaty is not only a mark of the success of our own policies and those of the British and French. It is also a testimonial, as has been said so many times today, to the courage and steadfastness of the Austrian people themselves.

We cannot at this time assess the full significance of the Kremlin's change of heart which made this treaty possible.

I think the Kremlin might very well have done a much better job for itself if it had not insisted on adhering to its practice of literally raping the Austrian economy. It has taken, up to date, from that economy approximately a billion dollars. Now it insists on certain other payments—however, they are less than what it has been taking. The Austrian people will not forget what they have suffered.

But our allies and ourselves, of the West, are again demonstrating what I call the powerful psychological policy of not taking, but of giving. As a consequence, from my own knowledge and contacts, I know that the Austrians have

appreciated our policy, are loyal to the West, and will continue to be so.

But regardless of what happens in the future, this treaty means that Russian troops will withdraw from territory which they have occupied for 10 years. Freedom will be extended eastward in Europe to the borders of captive Hungary and to additional portions of the borders of captive Czechoslovakia. We can only speculate as to what the results of that will be, but I do not see how it can fail to have an effect which will be favorable to us and disadvantageous to the Soviets.

This is not, of course, a perfect treaty from our point of view. But it is infinitely preferable to no treaty at all or to any of the various treaties which the Soviets offered to accept before they suddenly agreed to accept this one.

The economic clauses of the treaty still give the Soviets more benefits than they deserve; but—and this is the important point—these benefits are much less than the Soviets are receiving. The payments from Austria to the Soviet Union will be well within the capacity of the Austrian economy. Indeed, the treaty will result in a reduction in the drain on the Austrian economy, and should therefore serve to make Austria even more prosperous.

Austrian recovery has reached the point where assistance from the United States is not necessary, and that is another aspect of the matter in which we can take satisfaction, though it should be noted that military assistance to Austria may be indicated in the future. The treaty contemplates Austrian neutrality, so that Austria could not, for example, join NATO. However, the treaty also recognizes Austria's sovereign right of self-defense, and Austria intends to raise and maintain her own armed forces. Austria wants this treaty; those who note the objectionable features have no alternative.

The treaty contemplates Austria's admission to the United Nations. Whether the Soviet Union will in fact follow through on that point remains to be seen, but it is a hopeful augury.

Mr. President, this treaty is very much in the interests of the United States and of the whole free world, and I hope the Senate vote will be unanimously in favor of the resolution.

Mr. MANSFIELD. Mr. President, I am happy today to join with my colleagues in urging that the Austrian Peace Treaty be approved and ratified by the Senate.

The Austrian people, under the leadership of their Chancellors, Julius Raab and Leopold Figl, have exhibited great courage and devotion to principle in keeping alive the spirit of democracy in that country. I am disappointed over the fact that the price they are called upon to pay for their independence and freedom is so exorbitant. However, as everyone knows, there have been almost 400 meetings between representatives of the Western Allies and the Soviet Union in negotiations looking to the possibility of a peace treaty for Austria.

Until the recent Soviet invitation to Chancellor Raab to visit Moscow, there

seemed to be little hope that we were anywhere near a solution of the vexing problem.

Austria has occupied a very peculiar position since the end of the war. When I say "peculiar," I mean it has been a liberated country, occupied by the armed forces of the four powers. Austria is on the point of achieving once again, and deservedly so, its full sovereignty.

It is to be bemoaned that the Austrian Government must pay so many millions of dollars each year, for the next 10 years, from the revenues of Austrian oil fields and refineries. It is to be bemoaned that the Austrian Government has to pay the Soviet Union \$2 million for the Danube Shipping Co. But despite the high price, I am sure the achievement of sovereignty will be a happy event for Austria and the Western World.

I am especially delighted that the resolution ratifying the pending treaty is before the Senate under the sponsorship of the distinguished chairman of the Senate Committee on Foreign Relations, the senior Senator from Georgia [Mr. GEORGE]. I am also happy that the motion in committee approving the resolution was made by the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], indicating, of course, that, on a bipartisan basis, the Senate is very much in favor of the proposal to extend to the Austrian state its best wishes for the years to come.

It is my hope that before too long it will be possible for the Republic of Austria to become a member of the United Nations. I think she is entitled to that right. I know she would conduct herself ably and efficiently, and I cite to the Senate the fact that at the present time the Austrians are represented on certain subsidiary organizations of the United Nations.

So I hope that today when the Senate proceeds to vote on the Austrian State Treaty, the vote will be unanimous, and thus show to Austria and to the world that we have faith and confidence in the people of that country, and that we look forward to a close and continued friendship between the Austrian and the American people.

Mr. AIKEN. Mr. President, although the situation has been very well presented by my colleagues on the Foreign Relations Committee, I wish to add that the resolution of ratification which we are now asked to approve may prove to be a very important milestone on the road to a better understanding between all nations, and may result in greater freedom for all people in all the countries of the world.

As has been said, the treaty is not ideal, in any sense of the word, but it is so much better than a continuation of the intolerable conditions under which the Austrian people have existed during the past 10 years that it is extremely important that the Senate approve the resolution of ratification at this time.

It has been said that payments to Russia by Austria will be reduced under the treaty. That is true; but what is more important, the treaty provides a termination date for those payments—6 years in the case of payments in the form of

industrial goods, and 10 years in the case of payments in the form of oil. So I say that, in my opinion, in approving the treaty today we shall make great progress toward the ultimate objective of freedom and understanding between all nations.

Mr. HUMPHREY. Mr. President, I wish to join with my colleagues in the Senate, and particularly with those on the Foreign Relations Committee, in vigorous support of the Austrian State Treaty. This treaty is a milestone in the relations of the free nations in the cold war with the Soviet Union. I suppose no one country has more clearly symbolized the conflict of interest and the full implications of the cold war than has Austria.

Since the end of the world war, great effort has been made to arrive at a satisfactory treaty pertaining to Austria.

From time to time it appeared that a treaty might be realized. In fact, there were proposed drafts of treaties which the people of Austria were willing to accept, and, I may say, which were far less desirable and far less just than the one which the Senate is called upon today to ratify.

As a nation, standing by principle, not yielding to the expediency of the moment, we have been able, along with our allies and our friend, the state of Austria, to obtain a treaty acceptable to Austria, our allies, and ourselves.

By adhering to sound principles of international law and order, we have at least been in a position to stand our ground and ultimately to achieve results.

Mr. President, I should like to point out one of the many differences between the pending Austrian Treaty and those previously contemplated. In particular, let me refer to the 1949 draft, a treaty which appeared to be on its way to ratification. Under that particular treaty the Soviet Union would have retained control of oil and shipping properties in Austria, whereas, of course, under the pending treaty those properties will be returned to Austria within 2 months after the treaty becomes effective. Austria will thus be rid of the Soviets, and will be free to exercise sovereign control over all the economic assets within her boundaries. Furthermore, this treaty provides for the withdrawal of all foreign troops.

These are some of the details of the treaty; but I think the most significant development arises from the fact that after some 10 years, the Soviet Union has switched its position, and has made a complete turnabout, so far as Austria is concerned. This emphasizes the importance of flexibility in the foreign policy of any country, and particularly our own foreign policy. I suggest that we think of this treaty as an opening wedge in the program of attaining a more relaxed and a more friendly world in which to live.

I, for one, continue to believe that the recent developments on the part of the Soviet Union represent no fundamental change in the Soviets' long-range policy; but I do know that they certainly represent a change in the Soviets' present-day strategy and tactics. Whatever

their long-term policy may be—and I think we are fairly well informed of it, namely, world domination—the fact remains that when we see a shift in current strategy, we should be prepared to meet the shift and to take advantage of whatever opportunities may be made available.

I mention this because there is about to be held a high-level conference between our President, the Prime Minister of Britain, the Prime Minister of France, and the Soviet Premier. It seems to me to be important that the President of the United States should have the greatest possible flexibility in connection with these negotiations.

I believe that all our leaders are fully aware of the dangers inherent in any policy of expediency; and surely none of them would agree, I trust, to a policy of appeasement. But to meet at the summit, so to speak, requires negotiation; and negotiation requires a genuine understanding of the problems which beset the nations of the world in the effort to arrive at a reasonable settlement or at least an approach to a settlement of those problems. That was done in the case of Austria.

For a period of time, even before the treaty was signed by the heads of state, there were indications that Austria would have to submit by the terms of the treaty to a neutrality enforced upon her; such a provision would have prevented Austria from even being an active participant in the U. N. and the world about her. However, by means of the insistence of our Government and of others, the Soviet Union withdrew from that position. This treaty now permits Austria to become a full participating member of the United Nations, and also permits Austria to become a full-fledged member of any of the great international organizations now in being, or any which the days ahead may reveal.

Furthermore, during the negotiation of this particular treaty, notably in the month of May of this year, there was some feeling that the Soviets would insist upon repatriation, so to speak, of some of the political refugees who had fled to Austria, in order to get away from Communist oppression. By standing our ground again, the Soviets gave in, so that no principle of humanity has in any way been sacrificed. There will be no forced repatriation.

These developments should indicate to us that there is a possibility for improvement in the world scene. They should tell us that we must go to any conference we attend with firm convictions, with sound principles, and with a full understanding of the nature of the economic and political problems which beset the nations of the world. If we go so prepared, well-informed, with an agenda, with a program, if we stand by the principles of political independence, self-determination, and the rights of people to select their own government, and if we do not yield on these fundamental principles, I submit that we shall have every opportunity to bring about a relaxing of the tensions now existing in the world. Today, the people of the world cry for peace; and they herald the Austrian State Treaty as a further in-

dication of the fulfillment of the world objective of peace.

I am proud that the chairman of the Senate Foreign Relations Committee, the distinguished senior Senator from Georgia [Mr. GEORGE], had the courage to propose a Big Four conference. At this time the Members of the Senate must have courage, and the leadership of our Government must be willing to venture forth with new ideas and new proposals. It will do us no good to be caught up in the inflexibility of prejudices or of ironclad political attitudes which leave no room for negotiation or mobility. The Senator from Georgia has, by his leadership, given the United States of America, for the first time in many years, a chance to be and portray its true self, the champion of a just and enduring peace. The proposal of the Senator from George for a high-level conference, and his willingness to break through what I consider to be rigid political prejudices in the field of foreign relations, have at long last given our Nation a chance to stand out in front in a world which is seeking peace, stability, and security. There is no guarantee that we shall attain those goals, but certainly there is no chance of attaining them unless we try.

It is a tribute to the Senator from Georgia that at long last, by the initiative we have been able to take, we have opened a door, and now are even beginning to get a look behind the Iron Curtain. The leaders of Red China and the leaders of the Soviet Union are now on the defensive, and are having to say openly, "Come see us." What a remarkable display there was in Belgrade when the real leader of the Soviet Union, Mr. Khrushchev, had to say, because of the inadvertent comments which had been made to newspaper reporters, "Come see us." He had to say, in so many words, "Come through the Iron Curtain, and travel in our country."

Mr. President, these are small signs. They may not be too meaningful; but they are better than no signs. These little streaks of light are better than darkness.

We should use every means at our command to pursue honorably these opportunities, and at least to prove to ourselves and to our friends and neighbors throughout the world that our country is not a warrior at heart, but is a warrior only if forced to be one, and that it seeks honorable peace, and above all else, a chance for people everywhere to live in the light of better understanding and in the light of freedom and opportunity for mankind.

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

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

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JENNER. Mr. President, first let me state that this treaty was reported to the Senate on June 15. Here we are, at 1:25 o'clock of the afternoon of June 17,

considering the ratification of the treaty. It is my honest opinion that there are not a dozen Members of this body who have even read the treaty. In such a short space of time it is pretty difficult for the press to perform its duty, or for any Senator to perform his duty. The State Department has about 9,000 employees, and has had ample time to consider the treaty. We have had only a brief time.

Recently I read somewhere that there have been 379 conferences on the Austrian Treaty. Yet the Senate, a body which is supposed to give intelligent consideration to the treaty, is to take final action on the ratification of the treaty in a few short hours.

I, with a limited staff, have hurriedly examined the treaty. I feel that it is my duty to bring to this body the thoughts I am about to express before final action is taken. I hope that, at least, I can put up a warning flag. I hope that, at least, I can create sufficient doubt so that the Foreign Relations Committee will take the treaty back and clarify some of the ambiguous clauses and determine what they actually mean to the peace and security of our Nation. I think it is time for Members of this body and the American people to take a careful look at the Austrian settlement before the treaty is approved without objection by the Senate.

This settlement does not restore the sovereignty of Austria, because Austria is not permitted sufficient weapons for self-defense. The answer might be made that, after all, the elected officials of Austria agreed to this treaty. I say that that makes no difference. This great Nation is a power; and for us to stand by and acquiesce in the destruction of the sovereignty of any other nation is not the traditional American foreign policy.

Secondly, Austria is not permitted to make alliances with other free nations; and we, the United States Government, and the Senate, if it ratifies the treaty, will agree to such a condition.

Thirdly, Austria is not permitted to abolish subversive organizations operating within her territory, but obedient to a foreign power. Think of the United States acquiescing in a provision which would not permit another nation to abolish subversive organizations bent on destroying that nation. That is what is involved in this treaty.

Austria is an area comparable to the size of Maryland. It is as far from the Iron Curtain as Maryland is from the Potomac. The military power of Russia is as near as Virginia. Let us try to imagine, if it is possible, that Virginia has been conquered and is the frontier of a Soviet Empire stretching to Patagonia, and then we are told that the best security for the State of Maryland is for her to stand alone without arms, without allies, and without the legal power to put down subversive attempts by her neighboring empire to destroy her.

This is not a question of justice to Austria but a question of the security of the United States.

A helpless Austria will be a Soviet Austria in short order. Instead of occupying one-quarter of the globe the Soviet Empire will, without firing a shot,

be able to spread to one-third of the globe. Instead of having dominion over one-third of the people of the earth, she will, without risking a single soldier, soon have dominion over half of it.

This "neutralization" of Austria is the Acheson-Korea policy of 1950 all over again. The State Department would not permit the government of South Korea to have arms any more dangerous than police weapons. We had full information about the rearming of North Korea and the training of North Koreans for modern battle, but we were asked to close our eyes and pretend that all was well. The white markers on the graves of American soldiers in Korea and in our national cemeteries, and the unmarked pits where our captured fighting men were buried, marked the cost to the American people of the folly of the Acheson policy of talking peace while the enemy grows ever more powerful. It would be a cruel and fantastic folly for the American people to repeat in Europe today the errors which led us into the war in Korea in 1950.

The acid test of this settlement is this: If it is a good settlement for Austria, it is a good settlement for Poland, Hungary, Rumania, and Bulgaria. We can consent to the neutralization of an Austria, disarmed and helpless, only if she is protected by a belt of neutral nations protecting her from the Soviet border.

It seems to me that in the 379 conferences something along that line should have been brought out. Perhaps it will be taken care of in the meeting at the summit on July 18.

Soviet Russia is committed in her treaties with Hungary and Rumania to withdraw her armed forces from their territory, as soon as her troops are withdrawn from Austria. The Secretary of State says Soviet treaties with these nations have been "flagrantly violated in the past." He says the State Department is "actively studying" to see "what basis we have" for asking—mind you, Mr. President—the withdrawal of Soviet troops from these two nations.

I should think the treaties the Soviet Union solemnly signed years ago would be clearly the basis for not asking but insisting on withdrawal of Soviet troops from the Balkans. If the earlier treaties are not valid, why sign a new one?

Let us look at the specific provisions of this treaty.

Austrian sovereignty is militarily incomplete. She is compelled to accept an arms limitation which is not accepted by her more powerful neighbors.

In article 13, she is forbidden to "possess, construct, or experiment with" practically any of the decisive weapons of modern war. The allies reserve an unlimited right to add in the future to the list of prohibited weapons. This restriction would make it wholly impossible for Austria, like Korea in 1950, to resist invasion. It would end her influence as a sovereign nation, in councils where strength of arms was essential.

"Oh," it may be said, "but, Jenner, Austria's sovereign people O. K.'d this treaty." Mr. President, the situation has been described as being similar to a son being kidnaped and the parents dealing

with the kidnapers on the question of ransom. The parents could say, "Although this is a bad situation, this is the best we can do." I say that in all morality this country should have no part in acquiescing in any such arrangement.

If we had stood strong and had dealt through strength, Austria might not have been placed in the position of having to deal with kidnapers. I do not know what went on at the 379 conferences which ended in the culmination of this treaty, and neither does any other Senator.

Austria is forbidden to manufacture any war materiel, or even civil aircraft, of German design. Neither may she employ in the design of military equipment anyone who is barred from the armed forces by denazification programs. In this connection it is pertinent to note that the Soviet Union employs large numbers of German scientists and engineers who served under the German Government during the war period. However, Austria cannot do what Russia can do, and we say, "O. K."

These clauses cannot be modified or revoked without the agreement of Soviet Russia. In effect this constitutes a Soviet veto on any future restoration of Austria's full sovereignty. She is doomed. She is done.

To add to her humiliation, Austria is compelled to maintain all the memorials to the military glory of the Soviet armies, which were erected in the postwar period. That is certainly a beautiful provision.

Austria's sovereignty is limited politically because she is forbidden to restrict political organizations within her own territory which are obedient to a foreign government.

It has been said that we permit the Communist Party to exist in America, and that the names of candidates of that party are permitted on ballots in this country. Certainly; but we have not given up the right to pass a law to outlaw the party or to destroy it. Yet that is what we are forcing Austria to do.

Article 8 commits Austria to permitting all citizens the right to public office "without discrimination as to" political opinion. This clause would bar Austria from forbidding the election to office of members of the Communist Party or any other party obedient to a foreign government. What do Senators think about that?

For the United States to be a party to such a compulsion on Austria's domestic policies is to set a precedent for a similar compulsion by an international agency in the United States to remove all bars to election of Communists or other subversives to public office. If we ratify a treaty which does this to Austria, why could not the tables be turned on us some day?

Article 9, section 2, requires Austria to dissolve all "Fascist-type organizations." The word Fascist has two meanings, the original meaning—the philosophy of the Axis powers, and the Communist meaning—any organization which is anti-Communist. The treaty does not define which meaning is to govern. It could therefore in a short time come to mean that Austria must dissolve all anti-Com-

munist organizations if they are called Fascist by the Soviet Union.

The same clause binds Austria to dissolve any organization "carrying on activities hostile to any United Nation" which covers any anti-Communist activity.

The clause also requires Austria to dissolve any organizations which work to deprive people of their "democratic rights." This phrase also has two meanings. The Soviet meaning of "mass democracy" is entirely contrary to the American meaning of "individualist democracy." Since the meaning is not defined, we may find ourselves a party to a demand that Austria dissolve, for example, trade unions which dare oppose Communist mass unions under alien control.

The treaty compels Austria to make opposition to "democracy" a penal offense. For the United States to support such a demand is to set a precedent by which the Soviet Union or a satellite might insist through the U. N. that we punish Americans who supported State's rights or private unions or private business firms, which are contrary to "democracy" as the Communist define it.

Austria is compelled by this treaty permanently to observe the laws and legal measures aimed at de-nazification, regardless of whether any of these acts of postwar vengeance prove to have been excessive.

It is also compelled to maintain the expulsion of the Hapsburg family. This is likewise a limitation of sovereignty. It is not in the interests of the United States to tell Austria how to choose among constitutional forms of government. We should not bar any settlement of mid-European politics which might lead to stability in that area.

The treaty grants excessive benefits to the Soviet Union.

Article 11 commits the United States anew to the Teheran and Potsdam agreements.

Article 22 gives to the Soviet Union vast property rights, mostly for 30 years, in oil fields, oil exploration areas, oil refineries, oil distribution equipment, and the Danube Shipping Co. In the Soviet-Austrian agreement of 1955, these claims are replaced by a promise by Austria to ship to the Soviet Union 1 million tons of crude oil annually for 10 years.

Senators must know what a nation does and can do with oil. But Austria is compelled, and we are acquiescing in it, to ship to the Soviet Union—the nation which today is the threat to the world and because of which we are spending billions of dollars for defense—1 million tons of crude oil annually for 10 years.

This bilateral settlement between Austria and the U. S. S. R., incorporated in the treaty which we are to approve, converts certain other claims into cash or goods, with the kind of goods not specified.

Austria is to pay the Soviet Union 2 million American dollars in payment of Soviet claims to the properties of the Danube Steamship Co.

Austria is to pay the Soviet Union 150 million United States dollars in goods or

freely convertible currency, in exchange for assets belonging to Germany.

Austria is compelled to give the Soviet Union promissory notes to the face value of this payment, so that, in the case of any disagreement, the Soviet Union's opinion will be final. For example, if the Soviet Union wanted machine tools from the United States, and Austria did not give them, I believe the promissory notes would fall due at once.

Any disputes are to be settled by negotiations between Austria and the Soviet Union, with the other occupying powers excluded.

There are no corresponding concessions to the United States or any other of the occupying powers. I am speaking of financial concessions.

Austria is not permitted to expropriate any property granted to the U. S. S. R., or to limit the export of profits in the form of goods or currency. No similar rights are guaranteed American enterprises in Austria.

Austria is, on the other hand, compelled by article 27, section 2, to recognize the right of Yugoslavia to expropriate Austrian public and private property in Yugoslavia. To whom does that nation belong?

By article 29, Austria is not free to make any distinction or discrimination against goods "originating in or destined for" any member of the United Nations. She is thereby forbidden to restrict trade with the Soviet Union or with Red China, in goods originating in Austria or outside. That means Austria could not keep any agreement to prevent American goods in Austrian trade from reaching the Communist countries.

The treaty is markedly unfriendly to the German Republic, which had no part in the Nazi Government, and which is an important ally of the West at this moment.

Article 22 prohibits Austria from returning to Germany any "properties, rights, and interests" in former German assets, seized by the Soviet Union, the United Kingdom, the United States, or France. The only exceptions are small property holdings of individuals, or property of educational, charitable, cultural, and religious agencies. That is, all German-owned business property, and all personally owned property above a small amount, now held by the occupying powers, is to be kept by Austria permanently, if not transferred to the Soviet Union.

Austrian property in Germany is to be returned by Germany to its Austrian owners, except for the property of persons "subjected to the penalties of denazification measures." Thus again the treaty validates all decisions of the denazification tribunals, without a possibility of revision of postwar judgments.

It is an important question whether these clauses are not a deliberate continuation of the Soviet postwar policy to destroy Germany's war potential by destroying its economic base. They are also perfectly calculated to weaken the confidence of the Germans in the United States.

In article 6, Austria is committed to "secure to all persons under Austrian jurisdiction" the enjoyment of "human

rights." For the United States to be a party to such a provision is to give indirect sanction to the idea of U. N. jurisdiction over domestic affairs on matters involving "human rights," or practically everything. This principle is being vigorously fought by our own people in the Bricker amendment.

These "human rights," otherwise undefined, specifically include freedom of political opinion and of public meeting. This clause would also bar Austria from taking any action whatever limiting the political activities of Communists, however subversive they might be in their obedience to a foreign government.

A further interference in domestic affairs is guaranteed by section 5 of article 7 which gives the Croats and Slovenes the right to schools using their own language and forbids any organization to urge any alternative policy. For the United States to insist on this domestic policy might open the door to some future demand through the U. N. that the United States maintain foreign language schools for its immigrant population.

In addition to these specific objections, I am disturbed at a curious usage of the curious phrase, "United Nations nationals," as a way of referring to the United States and other sovereign nations.

"United Nations nationals" is defined in article 25, section 8, of the treaty, as "individuals who are nationals of any of the United Nations, or corporations or associations organized under the laws of any of the United Nations."

This is obliteration of the national identity of the United States. It is an implied acceptance of a new kind of citizenship, and a subordination of the United States to a world organization. This treaty is actually a treaty between Austria and the four occupying powers. Why is the U. N. brought in by indirection?

It seems to me most important that the Senate should reject this usage now, before it becomes accepted by default.

I realize that the Committee on Foreign Relations has studied this treaty most carefully—I hope far more carefully than I have had an opportunity to study it. It was reported only on June 15 and the Senate is acting on it on June 17. I will venture a guess that not a dozen Senators among those on the floor have read the treaty. Is not that some way to run a railroad or to run the United States Senate? One of the highest obligations the Senate has to perform is the ratification of treaties.

I know that the Committee on Foreign Relations has studied the treaty and has given it unanimous approval. I have the greatest respect for the judgment of the committee. I should not be willing to dissent, with all the vigor I have, from their conclusions unless I were certain that the issue is the safety of the United States.

I do not see what harm could come from sending the treaty back to the committee. Some of the warning signals which have been raised in my mind probably will be raised in the minds of other Americans, but fears might be allayed and there might be such clarification as

to enable us at least to know what we are actually doing.

I think it would be useless for me to make a motion to recommit the treaty. I shall leave it to the conscience of the Committee on Foreign Relations to make such a motion. If I made it, I think it would be rejected overwhelmingly. But I am only trying to point out, as I think it is my duty to point out, the pitfalls and the precedents we shall be setting today by the ratification of the treaty.

My differences from the committee spring from the fact that they think we should interpret the dubious sections in the hope that the Soviet Union will play fair. I do not think we have the right to such credulity. I believe the Soviet Union has a fifth column within our Government actively working to help confuse us. We know we have no fifth column within the Politburo.

The papers recently referred to a story in which an applicant for a license in one of our States demonstrated the danger of fine print by getting the signatures of 6 or 7 prominent men to a document in which the fine print said, in effect, "I recommend that I be hanged by the neck at noon in the public square."

If that can be done in one of our States, how can we in the United States Senate ignore the fine print in a treaty involving the military power of the Soviet Union? For the security of our Nation, it is time that someone began reading the fine print.

I believe it is a standard practice of the Soviet Union to put into settlements sleeper clauses which appear innocent, but which will afford great nuisance value or even military advantage when invoked later, as people get tired of controversy.

I believe our fifth column gives its greatest assistance in helping to contrive such sleeper provisions.

The Constitution imposes on Members of the Senate the duty to consider not only probable interpretations of any law or treaty, but also to close off the possibility that interpretations which seem improbable are the real ones. In dealing with the Communist powers it is especially important, before we vote, to consider latent as well as explicit meanings, rather than to discover them when it is too late.

The last line of defense for the American people in this settlement is the Senate of the United States. We cannot approve this treaty without full exploration of the dubious clauses I have mentioned. There can be no reason for haste where American security is involved.

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

Mr. JENNER. I yield.

Mr. DWORSHAK. The Senator from Indiana has given us his own interpretation of the treaty. I was led to believe that, the resolution of ratification having been reported by the unanimous decision of the Committee on Foreign Relations, there was no controversy or dispute involved.

Does the Senator from Indiana recall that in June—I think it was June 5, 1947—the Senate of the United States overwhelmingly, by a vote of 79 to 10, voted to ratify the Italian Peace Treaty,

over the protests of a few Members, who sensed that the treaty was not advantageous to Italy at that time?

Within a few months after the vote to ratify that treaty, it was generally recognized that its negotiation had been a tragic mistake. Within a period of a year or two, while that treaty was not nullified officially, it was, rather, ignored and repudiated, not only by the Italian Government, but by our State Department, by the then President of the United States, and by most of the countries of the world, with the possible exception of Russia and a few satellites.

Now, today, the Senator from Indiana calls on the Senate to act without haste, in an effort to determine whether, once more, we are considering a treaty which momentarily may be beneficial in restoring the sovereignty of Austria, but which, in reality, may be establishing a pattern which will be not only advantageous to the Soviets, but may contain the seeds of future dissension, and be extremely deleterious to Austria.

Does the Senator from Indiana feel that once more we are considering a treaty under the assumption that it ought to receive overwhelming support merely because its ratification would be symbolic of support of the State Department and of the foreign policies of this administration?

Mr. JENNER. In reply to the Senator from Idaho, Mr. President, I should like to say that is exactly all I am asking. I wish to state again that I do not intend to make a motion to recommit. I wish to leave that motion to the consciences of the Foreign Relations Committee members. If they think they have cleared up all the dubious clauses and phrases in the treaty, that they know what the meaning is as it affects American security, and are aware of the precedent it establishes, it is up to them. I merely have tried to do my duty and to point out some of the warning signals, as I see them, in the brief time I have had to study this important treaty.

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

Mr. JENNER. I yield.

Mr. DWORSHAK. Naturally, we in the Senate function through our committees. I am a member of the Senate Committee on Appropriations, and I try to discharge conscientiously my duties as a member of that group. Most of us have no opportunity to study treaties, and we must rely to a large extent upon the recommendations made by the Foreign Relations Committee.

On that point, I am wondering how we can carefully scrutinize the various provisions of the treaty. There are present today, on this Friday afternoon, not more than a dozen Senators although this treaty may have far-reaching effect on the future relations of Austria, not only with our own country, but with countries behind the Iron Curtain, yet we are called upon to take more or less snap judgment, unless we want to take a position in opposition to the foreign policies of the administration.

Mr. JENNER. I cannot see any reason for haste in such an important matter.

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

Mr. JENNER. I yield for a question.

TREATIES AND AGREEMENTS: TWO INDIAS, KOREAS, INDOCHINAS, AND SOON TWO CHINAS—THE ITALIAN, JAPANESE, AND NOW AUSTRIAN TREATIES—ALL PAYING REPARATIONS OR DIVIDED WITH RUSSIA

Mr. MALONE. I have listened with a great deal of interest to the Senator from Indiana [Mr. JENNER] in his exposé of the Austrian Treaty. Is this treaty not typical of the treaties we have been approving since World War II?

Mr. JENNER. I think so. I think it is the Korean policy all over again.

A PARALLEL TO ITALIAN TREATY

Mr. MALONE. I was going to call attention to the Italian Treaty. I am glad the Senator from Idaho [Mr. DWORSHAK] did call attention to it. When it was before the Senate for approval, the senior Senator from Nevada was a freshman, and he stood on the floor for an hour explaining what the treaty would do to the Italian people.

The treaty provided for the Italians sending large amounts of processed goods to Yugoslavia and Russia.

Mr. President, I ask permission to include in the RECORD at this point excerpts from my speech on the Italian Treaty of June 5, 1947.

The PRESIDING OFFICER. There being no objection, the excerpts will be included:

Mr. MALONE. Mr. President, the pending Italian Treaty, including the provision for the payment by Italy of \$360 million to four foreign nations as reparations, definitely sets a 7-year slave-labor policy for the Italian nation, and I shall show that it could cost this Government \$1 billion during that period to support the 198,000 Italian laborers who could be required in discharging Italy's obligations. In addition, the necessary processing of raw materials to fulfill the obligations undertaken through the approval of this treaty could well require more than 18,000 highly paid Russian foremen to supervise the 7 years' work, and their salaries could be deducted from the increased value of the manufactured products. Thus, the amount of required work to discharge the reparations obligations could well be greatly increased.

Mr. President, this was the way the pyramids were built. In my humble opinion, the United States of America cannot afford to be a party to such an agreement. Certainly the slave-labor provisions of this treaty have little resemblance to the ringing slogans "making the world safe for democracy" and "the four freedoms" coined for World Wars I and II.

Mr. President, let me show how much this treaty could cost the Italian nation in slave labor and the United States in money.

The latest wage statistics for Italy are for December 1946. At that time the skilled industrial worker in the northern Italian industrial area was paid 595 lire per day. This daily wage consisted of four special payments added together, some of which were borne by the Government rather than by the private employer. The four special payments were as follows:

	Lire
Daily base wage.....	232
Special cost-of-living allowance.....	185
Special allowance.....	60
Family allowance.....	118
Total.....	595

This daily wage of 595 lire is the wage of an employee having four dependents—a wife and three children.

The official lira rate of exchange is 225 lire to the dollar. The free rate of exchange is between 500 and 600 lire to the dollar. At the official rate of exchange of 225 lire to the dollar the Italian skilled laborer is being paid the equivalent of \$2.65 per day. At the free rate of exchange of 550 lire to the dollar Italian skilled labor is being paid the equivalent of \$1.08 per day. Italian skilled labor without dependents, however, receives only 477 lire per day, which is the equivalent of 87 cents per day. For general purposes of calculation, it can be assumed that the average Italian skilled laborer today receives the equivalent of \$1 per day at the free rate of exchange.

AMOUNT OF ITALIAN LABOR REQUIRED AS REPARATIONS IN PEACE TREATY

Article 74 of the pending treaty provides that Italy shall pay the Soviet Union and the states of Albania, Ethiopia, Greece, and Yugoslavia a total of \$360 million in reparations during a period of 7 years. These reparations are to be paid out of Italy's current production through the countries concerned furnishing the raw materials and Italian wage earners furnishing labor valued at \$360 million without pay or subsistence of any kind.

The amount of labor required to pay off these reparations at \$1 per day would amount to 360 million man-days of labor. On the basis of a 5-day week, or 260 working days per year, it would take 1,385,000 Italian laborers, working a full year to pay off the \$360 million of reparations. Or, if paid off during a 7-year period, it would require 198,000 Italian skilled laborers, working full time for 7 years, to pay off the reparations due.

Since the product of 7 years for the 198,000 Italian skilled laborers would be turned over to the 5 countries mentioned for purposes of reparations, it would be necessary for someone to finance the economic support for 7 years of this body of laborers.

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

Mr. MALONE. I yield.

Mr. EASTLAND. There would be the same kind of vote as that now cast by Yugoslavia and Poland.

The argument has been made that the Italian people favor this treaty. I was amazed yesterday to hear the distinguished minority leader, the senior Senator from Kentucky [Mr. BARKLEY], make the statement, and reiterate time and again, that the Italian people want this treaty ratified. Mr. Constantine Brown, a noted columnist, is an authority on foreign policy. He has recently returned from Italy. I should like to read to the Senator his statement regarding the views of the Italian Government on this question. I read from his article which appeared in the Washington Star on May 11 of this year:

"The Italian Government accepted the treaty under duress. The Italian people do not like it at all. When Premier Alcide de Gasperi returned to Rome from America last February he conferred immediately with the newly arrived American Ambassador in Rome, James Clement Dunn, and told him he could not sign the treaty."

Note that, Mr. President. He could not sign the treaty "because it would leave Italy helpless both economically and physically."

Listen to what happened:

"Mr. de Gasperi changed his views within 24 hours, however, after he had a long conversation with the British Ambassador in Rome and with Palmiro Togliatti, chief of the Italian Communists, and then a member of the Italian Cabinet.

"The Premier later explained to close friends that he was compelled to change his mind because the British diplomat had

warned him that failure to sign the treaty not only would keep Italy out of the United Nations"—

Think of that, Mr. President—If the Italian Premier did not sign the treaty, Italy would be kept out of the United Nations, "but also would make it impossible for her to obtain loans and assistance from the western Allies. Mr. Togliatti is said to have threatened a general strike and other forms of disturbance if the treaty were not signed."

Just think of that, Mr. President. The head of the Communist Party in Italy, the representative of Stalin in Italy, threatened to call a general strike and to engage in other forms of resistance unless Italy signed this treaty. And then some Senators are naive enough to say that Communist pressure is not behind the move for ratification of the treaty, and that ratification of this treaty would not promote world communism.

I read further from the article:

"Premier de Gasperi yielded to the British and Communist pressure and since then he has taken the official position that he would like to see the treaty ratified and out of the way. In private, however, the Italian Premier is as much opposed to the treaty as he was on his return from America."

Mr. MALONE. I thank the able Senator from Mississippi.

Mr. President, to return to the question of the able Senator from New Hampshire [Mr. BRIDGES], let me say that during the course of my remarks I shall show that Italy is being driven into the hands of the Soviet Union because the Italians can obtain raw materials only from Russia, and the Russians are allowed to keep their supervisors in the form of an army in Italy and are also allowed to supervise the work the Italians do on the raw materials sent into Italy by Russia.

As to the British influence, which I shall outline later on in my remarks, I merely say at this point that not only is there no provision to prevent Britain from dumping her manufactured goods into Italy, but there is a provision to prevent Italy from setting up any barrier against manufactured goods from Britain. Therefore it is in the interest of the British Government to have this treaty approved, so that the British may have an additional dumping ground for their manufactured products.

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

Mr. MALONE. I yield.

Mr. EASTLAND. It is stated that Secretary Marshall is in favor of the speedy ratification of this treaty, for the assigned reason that it would be futile to negotiate further with Russia if we do not approve the present treaty recommendations of the executive branch of our Government. Let me say that I can readily understand that viewpoint; but I think that by now we should certainly be convinced that Russia is not going to agree to anything, and that further conferences with Russia are futile. Whether we like it or not—and God knows I do not like it—the world in the future will be two worlds, a democratic world and a Communist world. We must draw the line, we must take a stand against communism. We must prevent the spread of communism. It is certainly important that we do so. The whole theory of the Greek-Turkish loan was to preserve the Mediterranean Sea for the western powers; and thus it is important that Italy, which controls the Mediterranean Sea, not fall within the Russian orbit.

Mr. President, the way to prevent Italy from falling within the Russian orbit is for us to maintain an army in Italy, to maintain the American flag there, until the Italian economy is sufficiently rejuvenated and until Italy is put on her feet economically to the point where she can weather the Communist storm and can resist the Communist efforts. But I think Secretary Marshall is doing a futile thing when he thinks and hopes that we

are going to do business with Russia. Of course, we can get promises; but a promise from Stalin or a promise from Molotov or a promise from Tito, as history already shows, is absolutely worthless.

Mr. MALONE. I agree with the able Senator from Mississippi that if we are going to give aid to Greece and Turkey and are going to send men there to help train their armies and to assist them economically, then if any nations are to maintain any supervisors or military forces in Italy, we should be among those nations.

I wish to say, in passing, that today everyone in the world knows—certainly the school-children know—that there are not 5 great powers or 4 great powers or 55 great powers in the world, but there are only 2—the United States and Russia. Whenever one of those great powers—whether it be the United States or Russia—does not want a certain thing to be done, that thing will not be done in this world.

Everyone must know by now that England is making separate trade treaties with other nations. She has just completed a separate trade treaty with Russia, by means of which Russia will furnish raw materials and England will act as the manufacturing center and will be able to furnish Russia with many munitions of war, including jet airplanes and other things. Mr. President, in a case in which our interests apparently are at stake, to say that we should not make a separate treaty with Italy, or with any other country, in my judgment, simply does not make sense.

Mr. JENNER. Under the pending treaty 1 million tons of crude oil will be sent to Russia. We would neutralize Austria completely. We would destroy her sovereignty. We would give Austria no means of self-development. We would permit the operation in that country of organizations which could destroy her government. We would approve and condone all of that. I cannot describe just what we would do.

OIL TO RUSSIA FOR WHICH WE WILL PAY

Mr. MALONE. The treaty provides that about 50 million barrels of oil, 7 to 10 million per year, will be sent to Russia free of charge, which can be used for war-making purposes. We, of course, will pay for the oil through gifts to Austria.

Mr. JENNER. The amount is set forth in the treaty.

Mr. MALONE. I know the distinguished Senator from Indiana has watched carefully all the maneuverings which have gone on since World War II. I am sure he will remember that, as a result of action by England, two Indias were created when they withdrew from that nation after a century of domination.

Mr. JENNER. Yes.

Mr. MALONE. One of the Indias which was created out of the original India is split into two parts, 500 miles apart. Of course, such an arrangement cannot succeed. We have participated in the split of Indochina into two countries. We have arranged for two Koreas. The senior Senator from Nevada has said many times, both on the floor of the Senate and in addresses throughout the country, that many important people in our administration are committed to the recognition of Communist China and that there then would be two Chinas, until Chiang Kai-shek passed out of the picture, and then there would be one China again—Communist China.

Mr. JENNER. I think that is in the mill.

Mr. MALONE. Yes; I think it is. Does not that kind of action bear out what a great humorist once said? While that saying got many laughs, it had a lot of meat in it. He said that this Government never lost a war or won a conference. Is it not correct that if we continue to lose conferences, we could lose a war?

Mr. JENNER. That could be.

THE HEAT—INTERNATIONAL PLAN

Mr. MALONE. What furnishes the great pressure behind the plan—pouring the heat on the American people, and which makes Senators afraid to vote their convictions on the Senate floor? Where does the "heat" come from?

Mr. JENNER. It is political fear. It is the fear of being unpopular.

Mr. MALONE. The fear of being unpopular and not being returned to office? What good would it be returned to office if they continue to desert their convictions? Will the Senator from Indiana answer that question?

Mr. JENNER. I cannot answer that question. I think the Senator himself has answered it.

Mr. LEHMAN. Mr. President, I have prepared a statement in regard to one phase of the Austrian State Treaty. I ask unanimous consent to have the statement printed at this point in the RECORD, as a part of my remarks.

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

STATEMENT BY SENATOR LEHMAN

During the final phase of the negotiations leading to the completion of the Austrian State Treaty I have stated on the floor of the Senate, what I believe to be our firm policy, that the victims of Nazi persecution in and from Austria should be properly compensated for the losses they suffered. I stated then that "It will be in the interests of justice and equality in the international community, as well as in the interests of Austria itself, if a generous solution of these claims can be achieved simultaneously with or before the conclusions of the discussions with respect to a state treaty."

I was pleased to note that this view was shared by the Department of State when it advised me on May 10 that it agreed with me "as to the wisdom of concluding a satisfactory agreement on the subject of these claims before the state treaty is presented to the Senate for ratification."

I believe that I properly reflect the sentiments of the Senate, as many distinguished Members have expressed the same deep concern for the need to rectify the injustices which arose in consequence of the Anschluss and Nazi action in Austria, when I reiterate that we would have been pleased to record on the occasion of the consideration of the Austrian State Treaty that a satisfactory agreement has been reached between the Austrian Government and the interested organizations with respect to the claims of Nazi victims.

I regret very much that we cannot at this time report that the negotiations in this respect have been concluded. I understand, however, that negotiations are in progress and that the Austrian Government has indicated a readiness to consider measures which may meet the minimum needs of victims of Nazi persecution. This matter affects very deeply tens of thousands of victims of Nazi persecution from Austria who

found a haven in the United States, many of whom are of advanced age and destitute.

The treaty deals with certain aspects of this problem in article 26. We understand this article to mean that Austria is committed to maintain and fully implement such legislation which is presently in force. The existing legislation, however, is highly deficient in failing to provide minimal compensation for a wide range of losses and damages suffered in consequence of Nazi persecution.

In passing upon the state treaty which is intended to restore full independence to Austria, 17 years after it was deprived of it by the Third Reich, I would like to record what I am confident is the sound wish of the Senate and our Government that a speedy and effective settlement of the claims of Nazi victims should be brought about by the Austrian Government as quickly as possible. Negotiations concerning this subject have long been pending. The time is now ripe for action. It is, in my judgment, indispensable that the Austrian Government satisfactorily deal, without delay, with this tragic aspect of the loss of her independence which the treaty has now restored to her. In my view, such action would represent an essential requirement for the attainment of the basic objective of the treaty, as stated in its preamble, "to settle in accordance with the principles of justice the questions which are still outstanding in connection with the annexation of Austria by Hitler Germany and the participation of Austria in the war as an integral part of Germany."

Mr. HOLLAND. Mr. President, if the distinguished Senator from Alabama will yield for a series of questions, I shall appreciate it.

Mr. SPARKMAN. I shall be very glad to answer them, insofar as I am able to do so.

Mr. HOLLAND. One term used in several places in the treaty gives me some concern, not because of its use, but because of what might be considered to be its meaning. My own understanding of its meaning does not disturb me; but I am fearful that another and a troublesome meaning might be assigned to it by others. I refer to the use in several places in the treaty, particularly in article 25, of the term "United Nations nationals." My own understanding of that term is that, as it is used throughout the treaty, it means nationals of sovereign nations which are members of the United Nations, but does not mean, nor does it even imply that the United Nations itself is a nation or superstate or can have citizens or can have nationals of its own.

The point I raise with the distinguished Senator from Alabama, who of course has a much more thorough grasp of the meaning of the treaty and all its provisions than I do, is that my understanding, which I hope is correct, is that the term "United Nations nationals," as used in the treaty, refers to citizens—individuals or corporations—who are nationals of sovereign governments which are members of the United Nations. Is that understanding correct?

Mr. SPARKMAN. Mr. President, I think the Senator from Florida is correct, with one exception. Although it may appear that I shall be somewhat tedious in referring to this point, I should like to state that my interpretation of the use of the term "United Na-

tions" in this case is that it does not apply to the organization we know as the United Nations Organization. The United Nations which is in existence today was originally known as the United Nations Organization. Let me call the attention of the Senator from Florida to the fact that in one place in the treaty—I believe it is in the preamble—reference is made to the United Nations Organization. Yes, Mr. President, it is in the preamble. So far as I know, that is the only place in the treaty where the term "United Nations Organization" is used; and that has to do with Austria's application for admission to the United Nations Organization.

The preamble sets forth that the four great powers, the occupying powers, are the Allied and Associated Powers. That descriptive term is used in referring to those four powers.

Another group of nations is interested in the treaty; they are the nations who were organized for the purpose of carrying on the war, on the Allied side.

On January 1, 1942, a declaration was entered into by all the various nations which were engaged in the war, on the Allied side, and what have become known as the United Nations. It is my understanding that the term "United Nations," when used in this treaty, refers to the United Nations, as that term was used in the declaration of January 1, 1942, long before there was an organization which originally was known as the United Nations Organization, to which name reference is made in the preamble to this treaty.

Let me say categorically that, regardless of that interpretation, certainly nothing in the treaty recognizes that the organization we know today as the United Nations has such a thing as a national or has nationals of its own; and certainly it is not the intent of the treaty to so indicate.

Mr. HOLLAND. I thank the distinguished Senator from Alabama. Then it is perfectly clear that, growing out of the use of this term, there is no implication under which it could ever be claimed that the treaty lays a predicate for the recognition of any persons, whether individuals or corporations, as having citizenship in or being nationals of the United Nations Organization. Is that correct?

Mr. SPARKMAN. The Senator from Florida is absolutely correct in making that statement.

Mr. HOLLAND. Nor is there in the treaty anything which might ever be interpreted as giving rise to the conclusion that the United Nations Organization, as now existing, could be regarded as a nation or superstate having nationals; is that correct?

Mr. SPARKMAN. The Senator from Florida is again correct.

Mr. HOLLAND. I thank the distinguished Senator from Alabama. I thought the point important, because, with all the loose claims which have been made—and always falsely, I think, as I have understood them—to the effect that the United Nations Organization was such an organization as to create a kind of citizenship which was above and beyond national citizenship, as we under-

stand it—specifically, our citizenship in the United States, such as that which pertains to the Members of the Senate of the United States—it seemed to me that it was highly necessary that the RECORD show, as I believe it now does show with complete certainty—that the term "United Nations nationals," as used in the treaty, by no means implies that the United Nations Organization can have nationals or can have citizens, or is, in itself, a nation or a supernation which has either citizens or nationals.

I thank the distinguished Senator from Alabama.

Mr. JOHNSON of Texas. Mr. President, I understand that there are other Senators who wish to address themselves to the pending treaty.

However, at this time I should like to have the yeas and nays ordered on the question of agreeing to the resolution of ratification of the treaty.

THE PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there a sufficient second?

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, I wish to make a few observations, particularly regarding the point that the terms of the treaty are unduly onerous upon Austria.

I regret as much as does the Senator from Indiana [Mr. JENNER] or anyone else that our negotiators found it necessary to make some concessions to the Russian Government, in order to obtain this treaty.

With regard to oil, in particular, I think one paragraph of the statement of Secretary Dulles before the committee sums up that matter. I read now from page 16 of the hearings before the committee, when it was considering the Austrian State treaty:

Secretary DULLES. It is not perfect in that respect. We would, of course, have been much happier and the Austrians would have been much happier if the payments could have been totally discontinued. But the practical choice that we faced was whether for example, to go on with the Russians getting 3 million tons of oil or changing to a situation where they would get only 1 million tons of oil. Obviously the latter was better than the former.

Enlarging upon that statement, during the past 10 years the Russians have been taking approximately 3 million tons of oil annually from the fields of Austria. It is estimated that during the past 10 years they have taken from Austria altogether, in various items, including factories as well as oil and commodities, more than \$1 billion. Under this treaty, it is estimated that in the next 10 years the value of payments will be about \$300 million. So obviously the terms of the treaty are far better than the existing situation or the circumstances under which Austria is now living. So, much as I regret these onerous conditions, I think they are far better for Austria than not to have the treaty.

In general, I think the same observation could be made with regard to the other items specifically mentioned by the Senator from Indiana [Mr. JENNER], such as the Danube Shipping Co. It is true that Austria is paying \$2 million, which is estimated to be the value in the overall settlement for the return

of the Danube Co. to Austria. Nevertheless, in my opinion, that is far superior to permitting—as we must permit, unless we wish to take violent action—these proprieties to continue under the control of the Russians.

In considering this treaty we must consider the alternatives. It is true that we could have negotiated indefinitely, as we have done, without arriving at any conclusion, in which case Austria would remain under the occupation which she is now undergoing.

The other alternative would be to take events into our own hands and lay down an ultimatum, and, if necessary, declare war. That seems to be implied in the criticism that we must do this, and we must do that, with regard to the terms of this treaty. I do not believe that any Member of this body wishes that we should use force to free Austria from occupation by the Russians, and thereby recreate a sovereign power free from the obligations of this treaty. So, in all fairness to our representatives, I think it must be admitted that they have done a good job as they could have done under the circumstances.

With regard to the observation with respect to the Italian treaty, I was one of those who voted against the Italian treaty; but the conditions were quite different. That was in the beginning. There was no occupation, and it was not a case of relieving Italy from conditions which had been imposed upon her by force, as conditions were imposed on Austria by force.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. O'MAHONEY. I desire to interrupt the Senator before he proceeds to a new phase of the discussion.

I have been reading Executive Report No. 8, entitled "The Austrian State Treaty," which is the report of the Committee on Foreign Relations with respect to this treaty. I am frank to say that it raises in my mind very serious questions.

On page 6 of the report there is set forth the Austrian Neutrality Resolution. This is a resolution adopted by the Parliament of Austria, asserting its neutrality, and at the same time asserting its desire to become a member of the United Nations.

Mr. FULBRIGHT. That is correct.

Mr. O'MAHONEY. It seems to me that the language of this resolution is self-contradictory, and that we are in great danger, as parties to this treaty, of finding ourselves in the position of giving indirect approval, if not direct approval, to a course of action which the Soviet Government has clearly laid down with respect to its policies.

The Soviet Government is seeking to establish a pattern of neutrality in Central Europe, wherever there are any nations or former nations the people of which seem to be in a position which offers some possibility of gaining freedom from Soviet domination. At the same time, the Soviets have indicated that, at the conference at the summit they will not entertain any discussion with respect to the status of those nations in Eastern Europe which have

unfortunately fallen under the forcible domination of Soviet Russia, in violation of pledges given by Soviet Russia at Yalta and at Potsdam.

Let me read a portion of the Austrian Neutrality Resolution. I skip the first three paragraphs, because apparently there is a typographical error in the first paragraph of the resolution. Apparently 1 or 2 lines have been omitted. The third paragraph reads as follows:

Austria, in this connection, declares her desire to observe at all times in her relations with other states the principles laid down in the United Nations Charter, and once again voices her willingness and ability to accede to and observe the obligations contained in the charter.

In addition, the Federal Government—

That is the Federal Government of Austria, as I understand—

is requested to submit to the Nationalrat (Parliament) the draft of a federal constitutional law regulating the neutrality.

That seems to be a declaration that Austria will bind herself in a constitutional way to be neutral as between Soviet Russia and the Western Powers.

The neutrality resolution continues:

To take all steps in order to achieve the final admission to the organization of the United Nations, for which Austria has already applied.

Does the Senator believe, and does the Foreign Relations Committee believe, that if Austria should become a member of the United Nations it would be free from its neutrality constitutional obligations, and the obligation it has assumed in the treaty not to engage in war against Soviet forces if the United Nations, as a body, should undertake to condemn Soviet aggression as it already has done through the Assembly?

To make the illustration clear, the Assembly of the United Nations clearly denounced Communist China for aggression in Korea and in response to that declaration by the Assembly, many members of the United Nations rallied to the cause. They all did in theory, but some of them, like Turkey, and a few other nations, sent their forces to fight against the aggression. Can the Senator say, that under this neutrality pledge given by Austria in the language quoted in the report, Austria is not bound to refuse to join in any United Nations declaration of aggression against Communist power?

Mr. FULBRIGHT. I first call the Senator's attention to the comment on the next page, wherein a similar question is raised. It is the comment in the report regarding this matter in committee. First, purely on a very narrow basis, the treaty itself does not, of course, include the neutrality resolution. That is a resolution which I am sure the Austrian Parliament undertook to make in an effort to conciliate the Russians and to help them come to the conclusion to sign a treaty in the first place. However, I think the conflict which the Senator from Wyoming has pointed out, certainly is involved, from a theoretical point of view.

When we look at the treaty itself, we find that the treaty does not include any reference to neutrality. That is a sepa-

rate item. I believe the Senator noticed that fact. Nevertheless, in looking at the whole picture, I believe there is the possibility of a conflict.

Mr. O'MAHONEY. May I interrupt the Senator at that point?

Mr. FULBRIGHT. The Russians have twice already vetoed for the entrance of Austria into the United Nations.

Mr. O'MAHONEY. That is correct.

Mr. FULBRIGHT. Therefore, I am not sure whether this is considered merely an academic problem from their point of view.

Mr. SPARKMAN. Mr. President, will the Senator yield to me on that point?

Mr. FULBRIGHT. I yield.

Mr. SPARKMAN. I would suggest a better illustration. A comparison has been made between the position of Austria and the position of Switzerland. Switzerland is a constitutionally neutral country. It is held that Switzerland cannot discharge the obligations assumed under the United Nations Charter, and therefore it is not a member of the United Nations. However, Austrian neutrality is not properly comparable with that of Switzerland. It is more like that of Sweden.

Mr. O'MAHONEY. Where are those words in the treaty?

Mr. SPARKMAN. They are not in the treaty at all.

Mr. FULBRIGHT. There is nothing at all about that in the treaty.

Mr. SPARKMAN. There is nothing in the treaty relating to it. We have the declaration of Austria, fairly and squarely made before the treaty is entered into, that that is the stand she intends to take. It is a stand, if we will be fair in making the comparison, which is more properly comparable with that of Sweden than with the stand of Switzerland. We know that Sweden is one of the powerful nations in the United Nations.

Mr. O'MAHONEY. Let me call to the attention of both Senators the language of the report. This is the committee speaking unanimously. I am reading from page 6, in the first paragraph, under the heading "Austrian Neutrality."

The memorandum of agreement of April 15, 1955, between Austria and the Soviet Union, by which the Soviet Government undertook to sign the Austrian State Treaty without delay, stated that the Soviet Government was "prepared to recognize the declaration concerning the neutrality of Austria" and was "prepared to participate in a guarantee by the Four Powers"—

I assume the United States is one of the Four Powers—

"of the inviolability and integrity of the Austrian State territory—according to the model of Switzerland."

Here is a declaration with respect to a position to be taken by the Four Powers, recognizing the inviolability of the neutrality of Austria.

Then the committee proceeds to state:

This constituted acceptance by the Soviet Union of a proposition first put forth by Austria at the Berlin Conference in 1954, when Austria declared its willingness to agree that it would join no military alliances and would permit no foreign military bases on its territory if the Soviet Union would agree to the treaty.

What does that mean? It means that the position of Austria will be utterly different from that of Turkey. Turkey sent its troops to Korea to participate with the United Nations. However, we are giving our advice and consent to a treaty to which Soviet Russia and Austria are parties, when it is clearly stated by the Senate Committee on Foreign Relations that the acquiescence of the Soviet Union was purchased by the declaration of Austria that it would maintain neutrality.

Mr. President, my concern about this matter is based upon the fact that there is soon to be held a conference at the summit. I am told, and I read in the press, that this conference at the summit will be composed of the leaders of the Big Four. We know that the President of the United States will attend the conference, and we know that he is the leader of the United States, constitutionally chosen. We know that Premier Bulganin, of Soviet Russia, will attend. But we know that when Soviet Russian representatives went to Yugoslavia to win Yugoslavia back to the Communist fold, Bulganin stood and had his picture second in the line of priority. The secretary of the Communist Party, Khrushchev, was the man who stood first in line.

If we read this treaty and the report which the Senate Committee on Foreign Relations has submitted, we have a clear picture of an agreement which has been purchased not only by the language I quoted from the report, with respect to the neutrality of Austria, but also by the agreement which the Senator from Arkansas has described in different words, but which is set forth clearly on page 5 of the report, to allow Soviet Russia to continue for some 5 or 6 years more to exploit the resources of Austria.

Mr. FULBRIGHT. May I ask the Senator what his alternative is? What would he have done? Would he approve of having Russia continue to take 3 million tons, instead of 1 million tons?

Mr. O'MAHONEY. I agree with the Senator when he speaks about alternatives.

Mr. FULBRIGHT. What does the Senator propose? Would he send an army to Austria and tell the Russians, "You are not going to do this. Get out"?

Mr. O'MAHONEY. That is not an answer to my question.

Mr. FULBRIGHT. What is the Senator from Wyoming proposing?

Mr. O'MAHONEY. I am trying to discuss the impact of this treaty on the further steps we are about to take. Have we bought by appeasement this treaty with Austria? Perhaps I should not ask the question in that way, because I do not believe the United States has done that, but certainly I believe Austria has that idea. All I have to do to prove that statement is to read the language of the report of the Committee on Foreign Relations. I am reading from page 5:

The committee is convinced that the Austrian people recognize that their successful efforts to stave off the economic disintegration promoted by the Soviet Union were made possible largely by the assistance they have received from their friends in the West.

The Soviet Union has not been satisfied, however, by the more than \$1 billion taken during the 10 years since the war.

They have in effect, as one price for the pending treaty, insisted upon the imposition of additional burdens upon the Austrian economy which will run over the next 10 years.

Mr. President, I am reading from the unanimous report of the Committee on Foreign Relations. The report goes to to say:

While the Soviet Union under the terms of the treaty (art. 22) will surrender all control over extensive oil and shipping properties as well as over other industrial and business enterprises, the Austrian Government has agreed: (1) to pay the Soviet \$150 million in goods over a 6-year period; (2) to supply 1 million tons of oil per year for the next 10 years with a total value of about \$170 million; and (3) to pay \$2 million for the return to Austria of the Danube Shipping Co. properties in eastern Austria. Thus, Austria is still obligated to pay the equivalent of more than \$300 million additional to the Soviet Union after the treaty becomes effective.

Is not that appeasement?

Mr. FULBRIGHT. I shall have very few remarks to make, and shall be glad to yield the floor to the Senator if he wishes to make his speech. The Senator from Indiana [Mr. JENNER] just completed a similar analytical discussion of the report.

Mr. O'MAHONEY. I only seek some answers from a spokesman of the committee.

Mr. FULBRIGHT. I have made my answer. I have stated that I do not think all of the terms of the treaty are as good as we would like them to be.

Mr. O'MAHONEY. What would be the effect at the summit if the United States Senate said—

Mr. FULBRIGHT. I am perfectly willing to yield the floor, but I should like to complete my statement by saying that after due consideration of the report, after watching the negotiations which have been going on for some 10 years, with innumerable efforts to reach with the Russians an agreement to end occupation, the ratification of the treaty would seem to augur a better situation than that which has obtained in Austria during the past 10 years. The Senator knows that following wars there have been impositions on conquered countries. Germany required a large payment from France. We can call it appeasement if we like. All wars, I suppose, are immoral in a very true sense. We cannot justify them on the basis of justice, which the Senator would like to apply to this treaty. I do not think the Russians should have \$170 million, but, on the contrary, when I am faced with the alternative of their remaining in control and taking three times as much every year, I say it is a better result than to permit a continuation of the Russian occupation.

Mr. O'MAHONEY. Mr. President, will the Senator permit me to interrupt at this point?

Mr. FULBRIGHT. In a moment. The Senator from Wyoming thinks, as does the Senator from Indiana, that a terrible situation is presented. But unless we are prepared to go to war how can we end the occupation without this

treaty? The only alternative would be for us to lay down an ultimatum and say to the Russians, "You get out within 30 days, or we will start a war." I prefer to take the treaty as the lesser of two evils. The committee was under no illusion—and I believe I speak for the committee—that the Russians, on principles of fairness and morality, are entitled to \$170 million worth of Austrian oil, but we believe the treaty is the best we can get in an imperfect world.

Mr. O'MAHONEY. Will the Senator permit me to say to him that I applaud the statement he has just made, and I think the interruptions which I have made have been productive of goods, since they have brought from the spokesman of the Foreign Relations Committee the explicit and direct statement that he does not believe the Russians are entitled to the payments provided for.

I agree with the Senator that the dilemma in which this country finds itself is whether or not the Austrian people would be better off by a refusal on our part to approve the treaty than by our approval of it; but if the Senate does act to approve it, I wish it to be clear on the record, as it is in the report, that the Senate of the United States is not participating in any appeasement of Soviet Russia.

I wish the record to be a warning to those who carry on negotiations in our foreign affairs that there had better be an end to appeasement. I have seen it at Panmunjom, where the aggression of the Communist Chinese resulted to our great disadvantage, and to that of the United Nations. I do not want to see any more of it. That is why I am delighted that the Senator from Arkansas has made the explicit declaration that he does not believe Soviet Russia, in justice, is entitled to continue the exploitation of the people of Austria, as this treaty will permit them to do for another 10 years.

Mr. FULBRIGHT. I dare say the Senator would find very few treaties concluding wars which he would say were entirely justified on principles of exact Christian morality, and that such treaties were negotiated without any concessions or compromises. I think we can make similar criticism of the treaties ending the First World War.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I think the distinguished Senator from Arkansas and the distinguished Senator from Wyoming are to be complimented for the debate in which they have engaged; but the questions they have discussed were raised during the consideration of the treaty by the committee.

In the Russian-occupied part of Austria there is an oil reserve containing between 40 million and 50 million tons of oil. At the present time the Soviets are taking out of that area 3 million tons a year. This treaty will reduce the amount to 1 million tons. That is 1 million tons too many, but there is nothing we can do about it, because Russia is taking it out of the hide of the Austrian economy. It is all wrong, but the

Austrians are in a difficult position. They have been trying to negotiate a treaty with the Soviet Union, and practically 400 meetings were held during the course of that effort. This is the first chance they have had to get something tangible.

While there are many aspects of the treaty that we do not like, it is the best that can be done at this time. The fact of the matter is that today Russia is taking from Austria 3 million tons of oil a year, and under the treaty the quantity will be reduced to 1 million tons a year for a 10-year period.

Mr. FULBRIGHT. I thank the Senator from Montana for his contribution. I agree completely with what he has said.

But there are many similar situations in regard to Austrian industries which the Russians took over on the theory that they belonged to the Germans, but which they have given up in return for a monetary payment of \$150 million. It is assumed, and I think we are justified in assuming, that the Austrians will more than recoup.

I do not wish to delay the Senate any further. I happen to have had the privilege of living in Austria for almost a year when I was a younger man. I feel a very great attachment to the Austrian people. I think they have shown during the difficult period since the war, particularly the period of the occupation, a stamina and courage which are rare in this world, and almost unparalleled among free peoples.

We should consider that Austria is a small nation, having a population of approximately only 7 million, that they had no real means of defense, yet they stood up to the Russians in the administration of Vienna. Austrians have been extremely courageous. They have been as courageous, I should say, as the Berliners in West Berlin under the leadership of Mayor Reuter. The United States owes Austria a great deal for her example of courage during a very difficult period.

Austria wishes to have the treaty ratified. In spite of its onerous conditions, they are very strongly for it, because it will relieve them of the occupation by foreign troops.

I hope the Senate will ratify the treaty overwhelmingly, in spite of conditions it contains of which I thoroughly disapprove. Yet I know of no better alternative.

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

Mr. FULBRIGHT. I yield to the Senator from Idaho.

Mr. DWORSHAK. Can the Senator state how large a military establishment the Austrian Government will maintain under the Austrian treaty?

Mr. FULBRIGHT. It is my impression that the treaty does not put a precise limit on that at all. As I have said, the treaty itself does not contain a provision about neutrality. There is no limitation in the treaty as to the size of Austrian armed forces.

There are certain limitations as to the equipment; that is, Austria cannot make atomic weapons, and I believe it cannot make submarines, and a few other items like that. But there is no

limitation on the size of the armed forces.

Mr. DWORSHAK. Is there any understanding or implication under the terms of the treaty that the United States will furnish military assistance to the Austrian Government?

Mr. FULBRIGHT. There is none in the treaty; but the Secretary of State, in his testimony and in answer to a question, said he assumed that if Austria needed certain necessary equipment of a military nature, the United States would be willing to furnish it. But there is no obligation and no agreement. Secretary Dulles merely stated that to the committee in the course of the hearings.

Mr. BARKLEY. And there is no prohibition in the treaty with respect to it.

Mr. FULBRIGHT. That is correct; there is no prohibition, either.

Mr. DWORSHAK. In reality, if the drain on the Austrian economy because of paying reparations to the Soviet Government makes it difficult for Austria to raise military forces, and the United States then contributes some military assistance, indirectly the taxpayers of this country will be paying reparations to the Soviet Government.

Mr. FULBRIGHT. If the Senator wishes to put it that way, that is true. But that would not be an unusual situation. What did the United States do in the case of Germany, for example? We have been spending enormous sums in Germany to maintain the German economy.

Mr. DWORSHAK. About \$4 billion since the end of the war.

Mr. FULBRIGHT. At the same time, we know that under the settlements of war, the Germans have made reparations to Russia. If the Senator wishes to apply the same reasoning, he can do so. That is one of the things of which we all disapprove. But again I ask, What is the alternative? What does the Senator from Idaho propose to do about it? It seems to me that seeking relief through some such agreement as is represented by the treaty is about the only thing we can do.

The United States has already spent several billion dollars in Austria during the occupation. It is estimated that the Russians have taken out of Austria about that much. But the alternative, it seems to me, was to permit Austria to disintegrate completely; and in that case, without any question, Austria would have gone behind the iron curtain, just as Czechoslovakia did.

Mr. DWORSHAK. Certainly the American people want the Austrians to have their sovereignty, and to reestablish their nation as an independent one. But the price seems to be terrific and there also appears to be an unfair imposition upon the taxpayers of the United States.

Mr. FULBRIGHT. The Senator from Idaho has reiterated what I have said. The only question in all these cases is the balancing off of the welfare and security of the United States by means of the treaty as against a different set of circumstances.

It is my best judgment, the judgment of the committee, and also the judg-

ment of the administration, that this treaty will serve the taxpayers and the security interests of the United States, because the alternatives are worse. If present conditions are allowed to continue, the cost will be greater. Do we wish to give up Austria and let her go behind the Iron Curtain? I think that is a price we do not wish to pay.

The other alternative, involving a still greater price, is to go to war.

I believe, as I think we all believe, that the treaty is the best possible choice.

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I am perfectly willing to yield the floor, but I yield to the Senator from Montana for a question.

Mr. MANSFIELD. At present it is costing us more than \$50 million to maintain our troops in Austria. In response to a question asked by the Senator from Idaho in reference to the United States furnishing arms to the Austrians, if we do so, they will, I believe, pay for them.

So far as reparations or payments to the Soviet Union are concerned, they will amount to less than 5 percent of Austria's present budget, even less, in comparison with her gross national product. So it seems to me that, economically, the treaty will be better than the arrangement Austria now has.

Mr. FULBRIGHT. The Senator from Indiana [Mr. JENNER] said he was certain in his own mind that, if the treaty were ratified, Austria, because of onerous conditions imposed upon her by Russia, would end up as a Soviet satellite and become a part of the Soviet regime.

I most strenuously and vigorously enter my own opinion that that is not so. Under the very difficult conditions of the occupation, the Austrians have demonstrated a stamina and courage which I think is our guaranty that she can survive, and has the will to survive, as an independent country.

So I have no fear that Austria will give up and join voluntarily the Russians or the Communist regime. I have great hope that Austria will work out of this situation more quickly than we expect and that we will have a vigorous ally in that area.

Mr. O'MAHONEY. Mr. President, as I understand, has the Senator from Arkansas yielded the floor?

Mr. FULBRIGHT. Did the Senator from Wyoming wish to ask me a question?

Mr. O'MAHONEY. I did.

Mr. FULBRIGHT. I yield to the Senator for a question. I thought he wanted the floor in his own right. I thought he was about to make a speech.

Mr. O'MAHONEY. I will propound questions as I go along now, speaking in my own right.

The Senator prompts me to make a speech, because he said the alternative is war. The alternative is not war.

Mr. FULBRIGHT. I said it was one of the alternatives.

Mr. O'MAHONEY. The alternative, it seems to me, which should be taken by the Senate is to add to the treaty a formal reservation in which the United States Senate shall say that by the ratification of this document it is not to be

understood that the United States gives its approval to the unjust demands to be made by Soviet Russia upon the economy of Austria during the next 10 years, demands which the Senator from Arkansas himself has condemned.

It would be perfectly simple to dissociate ourselves by a reservation from any interpretation whatsoever that we are joining in the appeasement of Soviet Russia, which Austria obviously was compelled to do.

Of course, it would not be my desire to keep Austria and the Austrian people from getting out from under the domination of Soviet Russia, so far as they could do so under the treaty. What I am concerned about is the construction the other nations of the world may put on the action of the Government of the United States when it ratified a treaty containing all these unjustifiable surrenders to Soviet materialism.

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

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. I think the Senator from Wyoming has made a real contribution to the discussion today by the very pertinent questions he has raised, both as to the onerous terms which have been imposed by the Soviet Union on Austria and also on the question of membership in the United Nations. I think that is a matter which needs exploration.

If the Senator will read the hearings, as I feel certain he has, he will see that during the hearings I raised certain points with the Secretary of State regarding the fact that Austria itself was not in any real sense an enemy power, but was the first victim of Nazi aggression and was a captive of Nazi Germany, and yet the Soviet Government, unlike the treatment we accorded the enemy powers of Germany, Japan, and Italy, in which, by the generosity of our people, we helped rehabilitate war-torn damage, the Soviet Union, which is presumed to have a velvet glove, but still with the mailed fist within the velvet glove, is imposing very harsh conditions upon Austria.

As was said by the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Alabama [Mr. SPARKMAN], who are handling the treaty on the floor—and I have the highest respect for them, and I serve on the committee with them—we were not happy about some of these conditions; but, as they pointed out, and as President Grover Cleveland said, we are faced with a condition and not a theory—

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. KNOWLAND. Let me complete my sentence, and then I shall yield to the Senator, because he has the floor.

The situation at the present time is that the Soviet is in occupation of Austria for an unlimited period. Russia has been obtaining 3 million tons of oil a year from Austria. I think it is unconscionable that the Soviet Union should have required 1 million tons of oil a year for 10 years. But, from the point of view of the Austrians, who want to get Russian soldiers out of their country so they will not molest their women and other citizens, I think the Austrians felt it was

far better to contribute 1 million tons a year for 10 years, and get it over with, than it was to have Russian occupation continue during their lifetime, and perhaps during the lifetime of their children.

Mr. O'MAHONEY. What the Senator from California has said is altogether unobjectionable. I have no debate with him. Nor do I have any debate with the Senator from Arkansas, or the Senator from Alabama when they say the condition of Austria under the treaty will be better than it has been. That is not what concerns me. I agree it will be better than it has been. What concerns me is that during the 10 years of Soviet exploitation of a victim of Nazi aggression, against all the laws of international relations, the United States Senate never did anything which could be interpreted as an approval of that aggression. We never gave our assent to a treaty which recognized the existence of that exploitation in a manner which the Soviet Chancellery could say was an approval. But now the President of the United States has sent to us a treaty to which the United States Senate is asked to give its approval. Though the committee says in its report, and Senators say upon the floor, that the concessions and the purchase price—and it is labeled as the price of Austrian peace—are unconscionable and unjustifiable, still we are asked to approve the treaty.

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

Mr. O'MAHONEY. That is why I say we ought to make a clear reservation. I do not think it will be done, because I doubt that the committee will submit such a reservation, but I am making my remarks because I want the RECORD to show clearly that the Senate of the United States is not fooled one bit by Soviet propaganda, or by what is contained in the treaty.

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

Mr. O'MAHONEY. I yield.

Mr. KNOWLAND. If this treaty had been arrived at as the result of a four-power conference, in which the representatives of the people of the state of Austria had not participated, first of all I do not think such a treaty would have been sent to the Senate by the administration, and, if it were sent, I do not think it would receive approval—

Mr. O'MAHONEY. But the Senator has said something which the record answers.

Mr. KNOWLAND. The fact of the matter is, and I think the record is very clear about it, that the Government of Austria is a freely elected government of the people of Austria. Elections were held in Austria, contrary to what has taken place in Poland, Czechoslovakia, or in other countries behind the Iron Curtain. Elections in Austria were held not only in the Allied Zone, but in the Soviet Zone of Austria, and the democratic parties and the free parties of Austria won an overwhelming victory. Even in the Soviet Zone, the democratic parties won by an overwhelming vote. The Government of Austria, which was elected by the free people of Austria, is the one which request the West to

ratify the treaty, because they believe it will be in the best interest of Austria. Unlike what happened at Yalta, where the legal governments of the countries involved did not participate, unlike the agreement respecting the Republic of China, in which the legal Government of China did not participate in the discussions, in this case the freely and democratically elected Government of Austria, after negotiating in conferences with the Soviet Union in an effort to improve their conditions, came to us and urged us to ratify the treaty, so they may get rid of the Soviet forces.

Mr. O'MAHONEY. That is beside the point. I acknowledge the accuracy of everything the Senator has said. Of course, what he has said is true. When the agreements at Yalta and Potsdam were reached, the Government of the United States, its political leaders, and its military leaders, including the general who is now the President of the United States, held in their hearts a confident belief that Soviet Russia would not enter upon an era of exploitation. They believed that Soviet Russia would, for example, be willing to afford the people of Czechoslovakia and the people of Poland an opportunity to vote upon their futures. We did not anticipate what happened. But here in the report of the Senate Foreign Relations Committee, at page 7, I read what the committee has to say about Secretary Dulles and his views. Let me read the concluding paragraph of the portion of the report entitled "Membership in the United Nations":

Nevertheless, it must be recalled that the Soviet Union has already twice vetoed Austria's application for United Nations membership, although in recent years it has been willing to include Austria in proposals for simultaneous admission of groups of states.

Secretary DULLES—

May I have the attention of the minority leader?

The PRESIDING OFFICER. Let there be order in the Senate.

Mr. O'MAHONEY. I am addressing my remarks to the minority leader, with apologies to the junior Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. I apologize to the junior Senator from Wyoming for conferring with the Senator from California. I did not know he was addressing the minority leader. I just recently became a Member of the Senate. I do not know its rules. [Laughter.]

Mr. O'MAHONEY. I continue to read:

Secretary Dulles, when questioned on this point during committee hearings, noted that while the Soviet Union has not honored similar preambles relating to admission of states to the United Nations, it was his hope in this case that—

Now I quote what the Secretary of State said—

as indicative of its apparent desire to show that it is turning over a new leaf, the Soviet Union might perhaps at this time honor that indication of the preamble, that Austria should be a member of the United Nations.

Ah, Mr. President. What sort of faith does the Secretary of State place in the Soviet promise? After his experience as Secretary of State, how could he say

what he did when he appeared before the Foreign Relations Committee of the United States Senate? He sent his law partner to Panmunjom to negotiate a cease-fire with the Red Chinese. His law partner returned to the United States, satisfied that the Communists did not mean what they said; and he did not return to continue the negotiations. But the State Department, in its naive belief that communism is turning over a new leaf, went forward with that cease-fire. At that time, Communist airpower in North Korea had not even been found to exist. But now—in violation of the precise terms of the cease-fire agreement—the Communist Chinese, with the aid and assistance of Soviet Russia, have moved into North Korea Russian-manufactured MIG's and jet fighters, so as to make it impossible for the United Nations ever to regain North Korea without much greater sacrifice than that which already has been made.

Mr. BENDER. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I shall yield in a moment.

Mr. President, how can the Secretary of State express to the Senate, to the House of Representatives, and to the people of the Nation any belief that Soviet Russia is turning over a new leaf? Ah, Mr. President, Soviet Russia finally gave up the siege of Berlin when we demonstrated that our air power could continue to supply that city. But only recently Soviet Russia showed that it has not changed its purpose one iota when it made access from the western zone more difficult than it had been before that time.

Are we then to ratify a treaty which has been laid before the Senate by the Secretary of State with the expression of a rather pious hope that Communist Russia is turning over a new leaf? That is why I say we should add to the treaty a reservation declaring that we are not deceived, that we do not repose any faith in Soviet Russia, and that we have no reason to believe that at the Geneva Conference there will be offered anything except what will lessen the tension upon Soviet Russia.

My fear is that by means of this treaty, if it is ratified without including a reservation asserting these things, we shall be saying to the peoples of the small states of Central Europe and of Eastern Europe, "You will have to buy your liberation from Soviet tyranny."

Of course, I think we should do what we can, through this treaty, to improve the situation of the Austrian people. But I do not believe the treaty should be ratified by the Senate until it is made crystal clear that we are not here creating a precedent for a conference at the summit or for any conference which may take place in Germany. While the great leader of West Germany, Conrad Adenauer, is in the capital of the United States, I think the Senate of the United States should make amply clear to him that when we see exploitation, tyranny, robbery, and suppression we know what is happening, and we are not closing our eyes to it.

Now I yield to the Senator from Ohio.

Mr. BENDER. Mr. President, I may remind my distinguished friend, the Senator from Wyoming, that the Secretary of State said:

But we hope in this case that as indicative of its apparent desire to show that it is turning over a new leaf.

Mr. O'MAHONEY. That is what I quoted.

Mr. BENDER. The Secretary of State expressed a hope. But he does not approve, or put his stamp of approval on, what happened in this case.

Furthermore, I wish to say we have a decision to make. On the first page of the hearings on the treaty—

Mr. O'MAHONEY. Mr. President, before the Senator from Ohio gets off the question, let me ask him whether he believes that anything Soviet Russia has done, or any action it has taken is—to use the words of Secretary Dulles—"indicative of its apparent desire to show that it is turning over a new leaf"? Will the Senator from Ohio tell the Senate and the people of Ohio whether he thinks Soviet Russia is turning over a new leaf or has any apparent desire to do so?

Mr. BENDER. Mr. President, I may say to my distinguished and experienced friend, the Senator from Wyoming, that I do not have any faith at all in Soviet Russia. I hope, as the Secretary of State has indicated he hopes, that Soviet Russia is turning over a new leaf. I have my doubts.

Mr. O'MAHONEY. But the Secretary of State said Soviet Russia has an "apparent desire"—

Mr. BENDER. I ask the Senator from Wyoming to wait a moment, please; I should like to finish, and I wish to make a comment. Inasmuch as the Senator from Wyoming has yielded to me, I shall appreciate it very much, since I am a brandnew Member of the Senate—

Mr. O'MAHONEY. I am a junior Senator, too.

Mr. BENDER. I wish the Senator from Wyoming to know that I desire to be courteous and considerate; I hope the Senator from Wyoming understands that it is not my disposition to be otherwise.

But it seems that the rules of the Senate are very different from those of the other body. In the Senate, every Member is very distinguished, and prefaces every remark by addressing the Chair and by using beautiful superlatives. I am not used to procedure of that sort; in the other body, there is a rough-and-tumble fight all the time.

Mr. O'MAHONEY. Perhaps that is why the Senator from Ohio is so ready to accept the declarations of the Secretary of State.

Mr. BENDER. Oh, no. Mr. President, I was not born the day before yesterday. I understand something about the situation in Europe. For several years I have been writing a book on the Munich conference; and I have been studying some of the things which happened before Munich, as well as the things which happened afterward.

I wish to say to the Senator from Wyoming that the President of the United States recommends that the Senate ratify this treaty, but not be-

cause he approves of what has happened heretofore.

When the Senator from Wyoming says that, when a general, President Eisenhower approved all the "deals" at Yalta, Potsdam, and Teheran, the Senator from Wyoming knows he is not saying what is gospel truth. Actually, the general had nothing to do with the arrangements made at Potsdam, Yalta, and Teheran. And I, unfortunately—

Mr. O'MAHONEY. I say—

Mr. BENDER. Let me finish.

Mr. O'MAHONEY. The Senator will pardon me. I have the floor. What I am saying—

Mr. BENDER. That is the most unfortunate part of the whole business. [Laughter.]

Mr. O'MAHONEY. Just a moment.

What I am saying may not come from the Gospel, but it comes from the Crusade in Europe.

Mr. BENDER. I understand about the Crusade in Europe, because the general who now occupies the Presidency was in charge of the Crusade in Europe, and was responsible for our glorious victories on the battlefields of Europe, to a greater degree than any other individual.

Mr. O'MAHONEY. And he stopped the American armies on the Elbe River.

Mr. BENDER. When we approve this treaty today we are not approving the betrayal of the people of Czechoslovakia, or the betrayal of the people of Poland, Hungary, Bulgaria, and all the other countries. We are not closing our eyes to the bad deals which were made, and we shall not be happy in this country until every person behind the Iron Curtain is free. I say advisedly that we in the United States Congress are, in a measure, responsible for their being behind the Iron Curtain, because we did not protest as vehemently as we should have done. When the statesman from Wyoming says that the United States Senate failed to protest, he is telling the truth. We did not protest enough against the wrongs perpetrated upon the poor people behind the Iron Curtain.

Let me say—

Mr. O'MAHONEY. Mr. President—

Mr. BENDER. Just a moment, if the Senator will be kind enough to yield—

Mr. O'MAHONEY. I have the floor.

The PRESIDING OFFICER (Mr. FREAR in the chair). The Senator from Wyoming has the floor. Does the Senator from Wyoming yield to the Senator from Ohio?

Mr. O'MAHONEY. Mr. President, I wish to make it clear that the Senator from Ohio is doing an excellent job of looking backward. What I am trying to do is to have the Senate look forward. The Senator from Ohio began his book on Munich 7 years ago. He has not announced when it is to be printed. But if we continue to look back upon the things that have happened in Europe and in other places in the world since Munich, without looking forward to the things into which we are stepping, we shall be in grave danger.

I am standing here today not to engage in a political discussion or an attempt to place responsibility here or there. I have been making my remarks wholly upon

the basis of the unanimous report of a committee of the Senate. What I am engaged in is an effort to make it clear that the Senate of the United States does not approve now of what Soviet Russia has done in Austria, and what it will do under this treaty during the next 10 years, and that we are not here establishing a pattern for the future action of this Government.

I believe that the Soviet leaders have not changed their spots.

Mr. BENDER. Mr. President—

Mr. O'MAHONEY. I believe that the Soviet leaders are still engaged in the pursuit of their ultimate objective, namely, that of conquering the world. I want to make it clear, from what is said and done here, that the Government of the United States and the people of the United States are not fooled, and that we will not permit ourselves to be led into any indirect approval of the tyrannies and oppression of the arbitrary Government of Soviet Russia.

Mr. BENDER. Mr. President, I am sure the distinguished Senator will wish to yield to me in order that I may complete my observation.

Mr. O'MAHONEY. Certainly.

Mr. BENDER. I commend the Senator from Wyoming for his discussion. I think we need more rather than less discussion of the kind he is providing this afternoon. I think sometimes we are inclined to be a little too careless and indifferent with respect to indications of the feeling of the American people. I think the Senator from Wyoming has rendered an excellent service in emphasizing the questions, the doubts, and the fears of the American people regarding many international agreements and treaties. I commend him for it.

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

Mr. BENDER. I have no quarrel whatsoever with the position of the Senator from Wyoming. The United States Senate is the body which, under the Constitution, has the responsibility of approving or rejecting treaties. The Senate Committee on Foreign Relations, composed of fine statesmen of both parties, unanimously recommend approval of the pending treaty. The President of the United States is recommending such action.

In pointing out our fears the Senator from Wyoming is doing a constructive work. I have the same fears. Let me say to him and to my other colleagues in the Senate that we need more of this kind of discussion. It is well to point out to Soviet Russia and the rest of the world that we are not approving or agreeing to the dastardly things the Soviets have perpetrated on the satellite countries in Europe and on other countries.

But I say that we have no alternative but to ratify this treaty. I should like to vote for another kind of treaty, but I have no alternative other than to vote for the pending treaty, which I think is the only thing we can do under the circumstances. I am sure that every Member of this body agrees with the Senator from Wyoming in expressing fear and apprehension of Soviet Russia. We are not approving her deals. We are not

approving her chicanery, and all the things she has done. We are aware of her tyranny. We are aware of what she has in mind, but we must vote for the pending treaty. It represents the best deal Austria can get. I believe in doing the thing which is best to do under the circumstances. So I shall vote for the pending treaty, not because I approve of what has happened to all the neighbors of Austria, for I think it is a crying outrage that the people of Czechoslovakia, the great Polish people, the people of Hungary, the Bulgarian people, and the people of a third of Germany should be under Soviet rule. But the treaty on which we are soon to vote was approved unanimously by the Committee on Foreign Relations. Fortunately, the Senate is guided by the recommendations of its committees. When the Committee on Foreign Relations says to us, "We unanimously recommend approval of this treaty," I have complete confidence in every one of the members of the committee on both sides of the aisle who have recommended the treaty. Under the circumstances, we have no alternative.

I commend the Senator from Wyoming. I do not disagree with him. He is to be commended for having prolonged this discussion. If we were to talk for several weeks, I do not believe we would overemphasize the feelings of the American people about the situation which Soviet Russia has brought about in the world.

Mr. O'MAHONEY. Mr. President, I am very grateful for the statement of the Senator from Ohio. I do not intend to prolong the debate. I merely wish to remark that this discussion has already been productive of what I conceive to be a pretty definite agreement among the Members of this body that we are not deceived by the action of Soviet Russia, and that we are in no way lulled into any feeling of confidence that the leaders of the Soviet have changed their spots.

I think the signing of the treaty, in the first instance, was received in many places in the United States as an indication that there was a change of view on the part of the new leaders of Soviet Russia. I think this treaty is, in itself, proof that there has been no change of view, no change of purpose, no change of plan, but only another demonstration of the method of procedure laid down by Stalin, namely, that of following many different roads to gain the primary objective of the Soviet Government, which is the capture of the entire world by Communist ideologies.

Mr. KNOWLAND. Mr. President, I wish to say that the Senator from Wyoming has performed a very useful service in raising the point relative to United Nations membership. In chapter 1 of the United Nations Charter it is provided:

The purposes of the United Nations are:

1. To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of interna-

tional disputes or situations which might lead to a breach of the peace;

The point the Senator from Wyoming has raised is a very valid one, and it will need some additional exploration by the State Department, both at the Meeting at the Summit, and when the foreign secretaries meet.

If Austria does gain membership in the United Nations—and of course to do so it will have to get by a Soviet Union veto—does such membership, ipso facto, modify the terms of the Austrian State Treaty and obligate Austria, along with all the other members of the United Nations, to help maintain the peace of the world and to help suppress acts of aggression?

If it does not do so, then in effect we would be creating two classes of membership in the United Nations. We would have first-class members and second-class members. One group would get the benefits and assume the obligations. The other group presumably would get the benefits, but would assume no obligations.

I do not believe that is the intent of the United Nations Charter. I do not believe we can permit a situation to exist whereby nations could come into the organization and claim all the benefits if they were the victims of aggression, but would themselves assume no obligation if another country were the victim of aggression. Certainly, by raising the issue on the floor and by having the colloquy and the discussion on the floor, I believe we are serving notice on the Department of State, and on the Foreign Office of Great Britain, and on the Foreign Office of France, and on Mr. Hammarskjöld, and on the other members of the United Nations, and on our representatives in the United Nations.

This is a very basic issue. I do not believe we should permit a situation to develop in which any nation could come into the United Nations and obtain so-called benefits—if there be benefits—and not assume the obligations of such membership. The Senator from Wyoming has performed a very useful purpose.

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

Mr. KNOWLAND. I yield.

Mr. BENDER. Is it not a fact that the Austrian Parliament, by unanimous vote, has approved this treaty?

Mr. KNOWLAND. The Senator from Ohio is correct. The Austrian Parliament, freely elected by the people of Austria, in free elections, as I pointed out earlier, in which the Soviet Party gained only a very few votes even in the Soviet-occupied zone, ratified the treaty and has appealed to the free world to accept it.

I say that that makes the situation basically different than it would be if the great powers had negotiated it, as was the case in Yalta, where, without the Governments of China and of Free Poland being represented, the great powers made decisions affecting those countries.

This decision is being made on the application of and at the unanimous request of the Parliament of the legally constituted Government of free Austria.

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

Mr. KNOWLAND. I yield.

Mr. LEHMAN. Not being a member of the Foreign Relations Committee, and thus not having had the advantage of hearing the witnesses, of course it is very difficult for me on the matters that have been under discussion today to form an opinion which is at all commensurate with the validity of the opinions formed by the members of the Committee on Foreign Relations.

However, I must say that I have been very much impressed by the points raised by the distinguished Senator from Wyoming and I have also been very much impressed by the remarks just made by the distinguished minority leader. The question I wish to ask the minority leader is this: If the fears he has expressed and the doubts he entertains and the dangers he has pointed out have validity, can they be raised with any degree of usefulness and effectiveness after this treaty has been approved by the Senate, unless we append reservations to the treaty at this time? In other words, if the treaty is once ratified and accepted, it seems to me it will be too late to raise the questions he suggests with the State Department or with the President, or in the Foreign Relations Committee, in order to protect what appears to be in the minds of some of the best informed Members of the Senate.

Mr. KNOWLAND. I will say to the Senator from New York that I believe it is important that these questions be raised on the floor of the Senate. I believe it is important that this history be established on the floor of the Senate. Personally I do not believe that a country may be admitted into the United Nations unless it also assumes the obligations of membership. My belief is that the provision in the treaty with respect to neutrality would keep Austria out of a regional pact with, for example, Italy, or some other country with which it might wish to join in such a pact. Austria has limited its ability to make that kind of defensive pact. It has done so by the free choice of its Parliament and of its constitutional Government.

We might disagree with the decision Austria has made. The distinguished Senator from Indiana [Mr. JENNER] was quite correct when he said that the terms are very onerous, particularly in providing that Austria must give a million tons of oil a year for 10 years to the Soviet Union. However, I submit that at the present time, with the Soviet forces in occupation in Austria, Russia is taking 3 million tons of Austrian oil a year for an indefinite period of time. I suppose that all those factors were given weight by the legally constituted Government of the Republic of Austria.

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

Mr. KNOWLAND. I should like to yield first to the Senator from Wyoming [Mr. BARRETT], who has been on his feet for some time.

Mr. BARRETT. Mr. President, the committee report at page 7 contains this statement:

Nevertheless, it must be recalled that the Soviet Union has already twice vetoed Austria's application for United Nations membership, although in recent years, it has been willing to include Austria in proposals for simultaneous admission of groups of states.

The question I should like to ask the Senator is this: Does he have any idea whatever that Russia will come forward with any proposal to bring Austria into the United Nations without at the same time including a group of satellite nations and Red China?

Mr. KNOWLAND. In that respect I fully concur with the Senator from Wyoming [Mr. O'MAHONEY]. I have expressed myself quite often on the subject, and I have received some criticism in some quarters for so expressing myself. I do not believe that the Soviet leopard has changed its spots in the slightest. The Soviets are zigging instead of zagging at the present time. Unless we go into a conference fully aware of the fact that the Soviets will cut our throat at the earliest opportunity and at the first chance they get to do it, we will be jeopardizing the safety of the Republic. However, I do not necessarily subscribe to the theory that our representatives, who are responsible men, and the legally constituted heads of our Government, must permit our throat to be cut. I should certainly expect them—and I am sure the American people will expect them—to protect the vital interests of this country and the vital interests of the free world, because they will be responsible to Congress and to the American people for their actions.

Unlike the situation of Mr. Bulganin, who will be responsible only to a handful of men in the Presidium, the representatives of our Government will be responsible to the American Congress and to the American people. The representatives of the British Government will be responsible to the elected representatives in their Parliament, and the French representatives will be responsible to their people. I think all those representatives are on due notice as to what the Soviet record has been for the past 30 years in violating every agreement, with possibly two exceptions, whenever it suited their purpose so to do. So we should, at least, make it clear that we do not entertain the view that the Soviet Union is acting on a new and different principle.

Mr. BARRETT. Mr. President, if the Senator from California will yield further, I should like to say that I subscribe wholeheartedly to the statement he has just made, but I think it should be made abundantly clear that we do not consider that we are making any concession to the rulers of the Kremlin. I believe it is plain that they do not intend to let Austria become a member of the United Nations without at the same time bringing in a lot of satellite nations.

Mr. KNOWLAND. I think the Senator is correct. I also have in mind the statement of the Japanese Premier, made only yesterday, that in the negotiations which are now taking place between the Soviet Union and Japan, despite all the talk about peace and their

desire to relieve tensions in the world, the representatives of the Soviet Union are laying down the same type of conditions they tried to lay down at the time of the San Francisco-Japanese Peace Treaty Conference, such as the withdrawal of American forces from Japan, the breaking of our defense pact with Japan, and making permanent the occupation of certain territories which they are now occupying. Though they may wear for the moment a velvet glove, there is the same iron fist on the inside of the glove, and they are going to be just as brutal and disagreeable as they can be. That is why I think we must keep our defense up and why we must not be caught in a second-rate position.

Mr. BARRETT. I am sure the Senator will agree with me that if there is any change of heart in Moscow they could make it abundantly clear by releasing the prisoners they are holding.

Mr. KNOWLAND. I will say to the distinguished Senator, and I am sure his colleague will agree, that if the Soviets really want to demonstrate that they have changed the cruel, hard, cynical approach which they have had ever since their godless tyranny enslaved the Russian people, they could have said to the Austrians, "Forget all this talk of reparation. We are certainly not going to treat little Austria worse than the United States treated its enemy countries of Germany, Japan, and Italy."

There was a chance for them to demonstrate to the world that they had really experienced a basic change of heart, but while they may be talking one kind of language, actually the underlying policies of the Kremlin are precisely the same, and all they are seeking is to gain a little additional time.

I hope I may be wrong. We all hope the time will come when Russia will realize that it has great resources within its own borders and that it does not have to undermine all the other nations of the world. That is why I said yesterday that if the great mass of the Russian people, who themselves, in many respects, have been enslaved and treated worse than captive peoples, could get the impression that we are not unfriendly to them, but our only feeling is that we have a right to protect ourselves from a government which for 30 years has made it its policy to try to destroy legitimate, constitutional governments every place in the world, there would be a much better understanding.

The men of the Kremlin talk about relieving tensions, but they have not shown any real desire to relieve tensions. They could have shown it with regard to a dozen nations, but they have not done so. That is why I subscribe to the statement made by the Senator from Wyoming and why I think it is well on the floor of the Senate to show that this arm of the United States or any other arms of the United States will not be taken in by any temporary change in tactics rather than in basic strategy.

Mr. BARRETT. If the Senator will indulge me for another moment, before I sit down I wish to make this statement on the floor of the Senate.

The Senator from California, the Senator from Montana, and, I think, the

Senator from Arkansas, all members of the Foreign Relations Committee, have stated that perhaps this is the best arrangement the people of Austria could make with the rulers of the Kremlin. I have no doubt that probably that is true. I think, however, we should make the evidence as clear as we can that we are not happy with the manner in which the Russian rulers have exacted tribute from the people of Austria. I do not believe for one moment that they have been in any way fair when they exact from Austria 10 million tons of oil in the next 10 years. During the past 10-year period they have drained every possible barrel of oil out of the oilfields of Austria, they have sold oil back to the people of Austria, and they have exhausted all the oil they possibly could. I doubt very much that there is more than 10 million barrels of oil left in the Austrian fields.

Mr. KNOWLAND. Through the Voice of America the information programs which are beamed abroad are carrying home to the people of Austria the fact that we recognize there has been exacted from them that which we did not exact from any enemy power. I hope it can be understood that while they are agreeing to make some sacrifice finally in order to get the last Russian soldier off their soil, at least we ought to make them feel that there is no particular reason for rejoicing at the terms of the treaty, because I think it is a hard treaty which the Soviet Union is insisting upon.

Mr. BARRETT. I agree wholeheartedly with that statement. In my judgment, the only great resource left in Austria is oil, and the Russians are exacting practically all the oil which will be recovered in the next 10 years.

Mr. KNOWLAND. As of now, under the occupation, they are taking 3 million tons a year for an indefinite period of time.

Mr. BARRETT. The Senator knows full well that the life of oil wells diminishes as time goes on. The Austrian oil wells during the past 10 years have been producing at the maximum limit, and from the best information I can obtain I doubt that there will be much more than 10 million tons of oil produced in the next 10 years in the Austrian oil fields.

I think we have got to make it very clear that we believe very deeply that this is a robbery treaty imposed upon the people of Austria, and that we do not condone it in any way, shape, or form.

Mr. KNOWLAND. I thank the Senator for his contribution.

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

Mr. KNOWLAND. I yield.

Mr. AIKEN. Although the prospects may be very remote that Russia would consent to the admission of Austria to the United Nations without imposing impossible conditions, such as the admission of Red China or some of the Russian satellites, there is an outside possibility that Russia might do so.

In justification of that statement, I simply point out that 6 months ago no one would have believed that Russia would have consented to the type of agreement, harsh as it is, which the

Senate is being asked to ratify today. We do not know what has happened to the thinking of the Russians. It may have been one thing; it may have been another. But 6 months ago no one would even have suggested that Russia would have approved such a treaty as this.

Mr. KNOWLAND. The Senator from Vermont is quite correct. This is the first time within Europe, if I am not mistaken, that Soviet troops have been withdrawn from a territory in which they were once stationed. There was previously a situation in Asia in the Middle East, when Russian troops were withdrawn from Iran. Some persons have said that the withdrawal from Austria will be the first time such a withdrawal has been made. It will be the second time, but the first time Russian troops will have been pulled back in Europe.

Mr. AIKEN. That is correct. There is something else which certainly should be considered. If the treaty should not be approved and should not take effect, then in 2½ years the Russian Government, at the rate it has been making its demands upon Austria, would have taken from Austria as much in the way of oil and other goods as the treaty would require to be paid during the entire period which the reparations would run.

Mr. KNOWLAND. I think the Senator is correct.

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

Mr. KNOWLAND. I yield.

Mr. LEHMAN. The minority leader has expressed an opinion as to the interpretation which would be made by members of the United Nations in the event of Austria's application for admission to the United Nations. I am inclined to agree that his interpretation is a valid one.

But what bothers me, and bothers me very deeply, is whether any opinion which may be expressed by the senior Senator from California or the junior Senator from New York, or any other Member of this body, on the floor or elsewhere, would have any force and effect whatsoever if the treaty were now ratified by the Senate without a reservation or, at least, a formal expression of opinion setting forth the viewpoint of the Senate.

Mr. KNOWLAND. I do not personally feel that that is necessary. I think the beneficial effects of the discussion which has taken place on both sides of the aisle in the Senate, among large numbers of Republicans and Democrats, have pointed up the issue both to our own Government and to governments abroad.

Mr. HUMPHREY. Mr. President, like other Members of the Senate, I have appreciated the expressions which have been made in the Senate today with reference to the treaty and the underlying problems, and I wish to make a very brief comment, because it seems to me there are some disturbing elements which need to be referred to and to be given consideration.

First, there is no one who does not recognize the fact that in a treaty such as this concessions have to be made. I would only say that the people of Austria

were pleased with the treaty. Their Parliament ratified it unanimously. Their Chancellor greeted it with pleasure and approval. The people of Austria stood in the streets and hailed the achievement of the state treaty for Austria.

Furthermore, I think it is quite clear to the world by now that the United States Senate is opposed to communism. I think it should be clear to the world that we are not at all fooled by any kind of change of pace, strategy, or tactics on the part of the Soviet Union.

I hope that what has been said in the Senate is not any reflection upon the executive branch of the Government in the sense that we believe the executive branch is without awareness of the difficulties which lie ahead and of the objectives of the Soviet Union. Very frankly, I, for one, want to believe, and do believe, that our responsible officials are aware of the subtleties, treachery, and the tactics of the Soviets. If they are not, then they have been deceiving the American people.

I realize that from time to time statements have been made which have indicated some underestimation of the complexities of the problem; but I should like to believe, particularly since our country has now agreed to participate in a Big Four conference, that the President is aware of the nature of the Soviet system. I should like to believe that our Secretary of State is equally aware. I am assuming that they are. I do not believe we shall help them in any way by reminding them every day that the Soviet Union has not changed its fundamental objective.

One thing which has disturbed me is the interpretation of the treaty as it relates to the ultimate participation of Austria in the United Nations. This was a matter of discussion in the committee. On page 14 of the hearings, some colloquy appears between the Secretary of State and myself on this very question. Also, there were questions asked by the junior Senator from Montana [Mr. MANSFIELD] pertaining to the United Nations, the ultimate participation of Austria in the United Nations, and the responsibilities of Austria.

I propounded to the Secretary of State this question:

Now, just what are the implications of that particular statement, Mr. Secretary; such as, what is the Swiss model, and does this mean that Austria would need to stay out of the U. N.?

I was referring to the neutrality on the model of Switzerland. I continued by asking:

I wondered whether there was a conflict of interests, so to speak, with reference to the U. N. in the treaty and the Swiss model being referred to in the memorandum between the Soviet and Austria.

The Secretary of State said:

The parallel which was drawn in that memorandum, to Switzerland, is not binding, and that particular reference is deleted from the Austrian neutrality resolution which I referred to here, which has been unanimously adopted by the Austrian Parliament. That neutrality resolution provides, among other things, that Austria voices her willingness and ability to accede to and observe the obligations contained

in the Charter of the United Nations, so that whereas Switzerland has not desired to join the United Nations, the Austrian neutrality resolution, which we may be invited to agree to respect, does explicitly provide for Austria's joining the United Nations.

Further in the discussion a question was asked, again by me, to this effect:

But now we are to understand clearly, as an official representation of our Government, that neutrality as explained herein does not mean a neutrality including nonparticipation under the obligations of the U. N. Charter?

Secretary DULLES. Yes, sir.

So it appears to me, unless some member is willing to question on the floor what the Secretary of State has clearly stated for the benefit of the Senate, that Austrian neutrality does not include a repudiation of the obligations of the United Nations Charter, when and if Austria becomes a member of the United Nations. There are many countries with which we have friendly relations, and which are not members of so-called alliances, collective security pacts, or the United Nations.

The United Nations Charter binds its members—at least those members that are self-respecting—to the obligations of collective security, within the terms of the U. N. Charter. The distinguished minority leader read the pertinent provisions from the charter. I say that if Austria becomes a member of the United Nations, under the treaty, she will be obligated to adhere to the provisions of the United Nations Charter.

Finally, Mr. President, I realize that the reparations which were exacted from Austria are in fact reprehensible, are most unfortunate, and are, indeed, heavy burdens; but the choice of the Austrian people was to pay those reparations or have no treaty which would give them full independence. The Austrian people recognized the realities of the situation rather than the academic point which is attempted to be made here this afternoon. So the Austrian Government accepted those reparation payments, and the Austrian people have accepted them as the best thing they could do in a very difficult situation.

Approval of the treaty by the Senate does not mean we approve of the manner in which the reparations are to be abstracted. It does not mean we are at all pleased with what happened. But it does mean we had to do the best we could do. We have been trying for years to get a treaty which would reassert Austrian independence. We now have one which at least meets with the approval of the principal party, namely, the people of Austria.

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

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. MANSFIELD. I wish to support the Senator from Minnesota in the statement he has just made. I know he will recall the fact that it was the unanimous opinion of the Foreign Relations Committee that the Austrian Government was paying too big a price for the independence which the Soviet Union was finally allowing the people of Austria to

have. He will also recall that the argument which has been mentioned on the floor of the Senate was advanced in the committee. We did not like the treaty, but we recognized that if it were not ratified, it would mean that Austria would have to pay far more, and that occupation armies would remain on the soil of Austria for an indefinite period to come.

Mr. HUMPHREY. I wish to thank the Senator from Montana.

The junior Senator from Minnesota also questioned the Secretary of State, during the hearings, in reference to a statement made by the President of the United States concerning the definition of Austrian neutrality. I believe my colleagues will recall that the President, in a press conference some 3 or 4 weeks ago, said, in reference to Austrian neutrality, that neutrality did not necessarily mean without armed forces. At that time the junior Senator from Minnesota said he thought that was a dangerous statement, because if we were to let that kind of neutrality stand on its own in its relationship to Austria, the Soviet Union might want to press the same point with respect to Germany, because the Soviet Union would gladly accept a neutral Germany which had only her own armed forces, and was not connected with the Western collective security system.

I spoke on the Senate floor about that, Mr. President. I challenged the statement of the President of the United States as to his definition, fearing and feeling that if this definition were to get abroad, it might very well plague us in the days to come as it related to Germany and the possibility of German reunification.

It is interesting to note that about a week after that press conference it was made quite clear that Austrian neutrality as the definition was applied to this Austrian State treaty, was not to be interpreted as acceptable in reference to Germany.

I think we are all aware of the fact that Russia has invited Chancellor Adenauer to discuss Germany and German unity. I think the important point of the discussion is not the details of the Austrian Treaty as they apply to Austria, but the fact that our administration, the fact that our State Department or our President, may have some kind of idea that this same kind of neutrality might be applied to Western Germany. If that were to happen the Western defense system in Western Europe would suffer a stunning blow which would weaken, shatter, and destroy it.

The key question today is not Austria; the key question is what will happen in Western Germany. Will German rearmament take place? Should effective German participation in NATO take place?

The key question in the Far East is not Formosa; it is Japan. That is the country toward which the Soviet Union is bending every effort.

Let us get out of the back alleys and byroads, and get on the main highway of foreign policy. There are two points which are critical in that policy. One is Western Germany, its future in Eu-

rope, and its relation to the United States. The other is Japan. I say now that the administration will be held strictly accountable for whatever negotiations take place regarding those two vital countries.

I was surprised to hear the deep concern expressed in this Chamber about what might happen with respect to the administration's program at the so-called conference at the summit. I, for one, desire to say again that if the President goes to the meeting of the Big Four properly prepared with an agenda, with a program, if he goes there with a full recognition of the nature of the difficulties which beset us, we should have no fear. But I want to know what preparation is being made for that conference. I think it is time the top leadership in America, men and women of both political parties, men of the character of Chester Bowles, Mr. Kennan, Dean Acheson, Paul Hoffman, Mr. McCloy, and others, were brought into the councils of the Government, in preparation for the major conference which will take place.

That will be the important meeting.

The Austrian treaty has been accepted by the Austrian people. It has been ratified by their Parliament. The United States Senate is going to approve it. We are discussing, in fact, very academic issues; but the real issues which will determine what is going to happen in years to come are going to be discussed at the Big Four meeting.

I regret to say that there has been no indication that the administration is properly preparing itself for that meeting. I have heard others say that we must keep our defenses strong. Indeed we must keep our defenses strong. But I wish to submit, for the general review of my colleagues, that the New York Times this morning carries a lead editorial entitled "Soviet Plane Progress." That editorial calls to our attention the fact that the Department of Defense has not been telling the American people the truth. It is pointed out in the editorial that only a few months ago the Secretary of Defense indicated to the Congress of the United States that Soviet Russia was not interested in engaging in long-range bomber production, but only in fighter or interceptor production. Now we wake up to the fact that Russia is away ahead in heavy bomber production and intercontinental missiles. All I ask of the administration is that it face facts. All I ask is that it tell the Congress the facts. All I ask is that it treat us as if we are responsible members of the Government, and not with the philosophy that "Papa knows best," because, frankly, I do not think "Papa knows best" in these situations.

I suggest, as a Member of this body, and particularly as a member of the Foreign Relations Committee, that members of the administration have not been thinking ahead as to the best way to prepare our representatives for the delicate negotiations which will take place at the meeting of the Big Four. If we have apprehensions, I think we should make them a part of the record of the Congress. If we do that, I think we will have done our part. I hope those who

are apprehensive will express their apprehensions to those who are going to do the negotiating, those who are telling us all will go well, those who have been telling us we have been making steady progress. I want to believe that. I wish to see our country so well prepared, so strong in its faith and so strong in its defenses and so strong in its knowledge of the world situation, that we shall be able to capture the imagination of the people throughout the world.

I warn my colleagues in the Senate that the world is tired of war talk. We need to stop talking about massive retaliation and great power. Instead, we need to obtain the power and have it in store, in readiness. Let us stop talking about it, but let us have the power in being. Mr. President, as I have said a number of times, if we have the strength, our enemy will know it, and so will our friends. In that event, we shall not need to tell about it.

Instead, let us let the world know what the world is hungry to know, namely, that the United States is prepared to deal honorably, that we seek no appeasement and no deals for expediency, but that we stand on the basis of principle, and are willing to work for peace, and are willing to go the extra mile to seek peace. But let us do so in full confidence of our strength—but strength in fact, not strength in myth.

As we proceed with our deliberations in the Senate Chamber next week, I think we shall find out how much strength we have. As we consider the appropriation bill for the Department of Defense, I think we shall find to what extent we have been deluded—to what extent we have had big talk, but not big power.

Mr. President, our first duty is to have our country proceed in terms of strength. Then, having the strength in hand, let us proceed in the spirit of true liberty and in the spirit of those who seek peace in the world. On that basis let our representatives attend the Big Four conference, and let them go there with an agenda which will call for an accounting for the many breaches of faith and the many breaches of agreements on the part of the Soviets. Let our representatives at the Big Four Conference call for an accounting. Let them make every effort to settle all disputes which can be settled without sacrificing principle and without sacrificing what we regard as national honor.

Mr. President, I shall vote in favor of ratification of the pending treaty. I shall do so with a feeling that at least we have made some progress. This sick world is not going to be cured overnight by any speech made in the Senate of the United States. This sick world will not be made any more healthy by having us condemn and condemn. This sick world will be better only if we help make it better.

The problems which beset us will take a while to solve. All we have to be sure of is that we have a firm resolve for the long pull: that we are firmly dedicated to the proposition that the freedom we have has no price tag attached to it; and that we are firmly dedicated to the proposition that we can outlast, out-think,

out-create, and out-imagine the totalitarian slavery system.

Instead of running from hot to cold; instead of being 2 months ago, on the precipice or verge of war in the Far East, and then being on the precipice or verge of peace in Vienna, let us take a more steady view. Let us realize that the problems confronting us are complex and difficult; that the answers to them are not simple; that there is no easy way out; but that we shall have to inch along in our efforts for the development of the kind of world in which it will be possible to achieve a just and an enduring peace.

Mr. BARKLEY. Mr. President, I realize the anxiety of the Senate to vote on the pending treaty. I also realize that nothing that any of us may say at this juncture in the debate will affect any vote. But I suppose that those of us who are members of the Foreign Relations Committee, and who participated in the hearings and deliberations which have resulted in bringing the treaty before the Senate at this time, will be justified in expressing briefly our views regarding some of the matters which have been brought out in the course of the debate.

I appreciate, as do all other Senators, the sincerity of those who have criticized the terms of the treaty, which primarily is between Austria and Russia. We are involved in the treaty only because we are one of the nations occupying Austria; otherwise, we would not be involved, and would not be called upon to ratify the treaty, and would not even be a party to it.

For 10 years we have witnessed the ability of the Austrian people to carry great burdens. Austria is but a part of the once great Austro-Hungarian Empire, within whose boundaries occurred the episode which produced World War I. The assassination of an archduke of Austro-Hungary in the streets of little Sarajero, in the small country of Serbia, in July, 1914, was not the cause, but was the occasion, of the beginning of World War I, into which we were drawn, 2 years later, against our will.

During the 41 years which have elapsed since then, it has been interesting to note the great transformation which has occurred in Europe, Asia, and elsewhere in the world, with respect to nations, the kind of governments they have, and our part in the events and struggles which have resulted in these enormous changes.

We are now dealing with a very infinitesimal part of what was once the great Austro-Hungarian Empire, ruled over by Emperor Franz-Josef. At this time we are dealing with Austria, a country of some 6 million persons, one-third of whom live in the city of Vienna, the great cultural center of Europe, in some respects. Vienna is a lovely and a beautiful city.

It is difficult to understand how any country which has been whittled down in area and population to such an extent that one-third of its entire population now lives in its capital city, can support an economy sufficiently strong to support the nation. Yet, Mr. President, in the past 10 years we have seen this small nation do glorious things in rehabilitat-

ing itself. She has endured the occupation of 4 armies—1 of Russia, 1 of Great Britain, 1 of France, and 1 of the United States. They have been a burden—a burden that has been somewhat lifted in recent years, but for the most part—for 7½ or 8 of those 10 years, I would say—that country of 6 million people, with its economy uprooted, with its territory reduced, and with its population frustrated by having 4 alien armies within its boundaries, has been able to strengthen its economy and to survive; and now it has entered into an agreement with one of its conquerors—a most brutal conqueror—over a peace treaty.

In considering this treaty, objectionable as some of its provisions are, we must not lose sight of the fact that, primarily, it is a treaty between Austria and Russia; and we come into it only by reason of our position as a nation which has in Austria 1 of the 4 occupying armies.

The Committee on Foreign Relations has had this treaty before it since the 1st day of June. Complaint has been made that it was reported only 2 days ago. The Senator from Indiana [Mr. JENNER] complained that the treaty had been presented to us only on the 15th of June, and that we are now voting on it on the 17th.

This treaty had been signed on the 15th day of May. It was sent to the Senate by the President of the United States on the 1st of June, with a message which went into the Record. The treaty has been here for 17 days for the inspection of any Senator interested enough to look at it. I do not know how many Senators have read it or even seen it, but it was available if any Senator wished to examine it.

Hearings were held on the treaty. No one asked the committee for leave to appear in opposition to it. Among all the 165 million Americans, not one asked to be heard in opposition, although one statement was received and considered by the committee. If any request to be heard had been made it would have been granted, because the Committee on Foreign Relations prides itself on its willingness to hear both sides of every question. Secretary of State Dulles appeared and was cross-examined rather closely and sharply by all members of the committee with respect to the provisions of the treaty.

We all agree that if we had our way, if we could have dictated the terms, they would have been different. But we did not dictate the terms. We had no power or authority to do so. The substantive terms of the treaty were entered into between Austria and Russia before we ever got to it. There were modifications in the meeting at Vienna on the 15th of May before it was signed by all four of the powers, but the main portions of the treaty had already been agreed to between Austria and Russia, before the meeting in Vienna on Sunday, when it was signed. That meeting was largely a meeting to ratify what had already been agreed to between Molotov and Chancellor Raab, of Austria, in Moscow, and not in Vienna.

At any rate, we did not have the power to initiate the treaty.

As the Secretary of State has indicated, we signed the treaty not only as the best we could obtain under the circumstances, but as what the Secretary considered the best for the Austrian Government and the people of Austria. They get out from under a 10-year burden. They get out from under a 10-year period of occupation by outside soldiers. While they have had, in a manner of speaking, an independent Government elected by the people, it has been handicapped by the occupation by outside soldiers.

Mr. President, I think this discussion has been beneficial and profitable. But, as the Senator from Minnesota [Mr. HUMPHREY] has said, this treaty, important as it is, does not occupy a position of importance equal to that which we shall face in years to come with respect to Germany, Japan, and many other parts of the world.

Suppose we make a reservation. I hope the Senator from Wyoming [Mr. O'MAHONEY] will not offer his reservation, much as I sympathize with his position, because, no matter which way the decision went, it would embarrass the United States Senate. If we adopted the reservation, we would be saying, in effect, "We agree to a treaty, but we do not approve of it." That would be the interpretation. It would be said that we had not really voted our convictions, that we had ratified a treaty which we did not believe in or approve of. That, in itself, would be inconsistent on the part of the Senate. If the reservation were offered and not agreed to, we would be placed in an even more embarrassing position. The interpretation and the propaganda which would emanate from Moscow over the refusal of the Senate to adopt a reservation of this kind in the resolution of ratification would be utilized all over the world against us.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. I want the record to be clear that in my references to a reservation I was seeking the advice and counsel of members of the Foreign Relations Committee, in whom I have the greatest confidence. I have written no reservation. I have expressed no intention of offering a reservation. I was seeking to make it clear that, in the opinion of the Senate, this body and its Members have not closed their eyes to the methods, the policies, and the purposes of Soviet Russia. I believe that the discussion which was provoked and the colloquy which ensued after I took the floor have amply demonstrated that fact.

Mr. BARKLEY. I appreciate that.

Mr. O'MAHONEY. At the same time I do not believe that the Senate would be embarrassed in any way. I would be more concerned about the embarrassment which might be suffered by the people of Austria.

Mr. BARKLEY. As I stated at the outset, the people of Austria were the ones who initiated the treaty. They have agreed to it with enthusiasm.

They have embraced with alacrity this opportunity to get on their own—to get rid of the foreign occupying armies.

I was in Austria in 1947, on the occasion mentioned by the Senator from South Dakota [Mr. CASE]. I believe it was in connection with the activities of the joint committee of the House and Senate of which the Senator from New Jersey [Mr. SMITH] was chairman, but in his absence I acted as chairman of the joint committee in visiting the Iron Curtain countries of Europe, with the exception of Russia and Yugoslavia, which at that time was behind the Iron Curtain, but which has since come from behind it.

I can endorse what he says about the situation in Austria. The Austrian people are a wonderful people. I pay them great tribute for their fortitude in this decade of embarrassment and depression. They have come out of it stronger than they were in the beginning, and they will be able to solidify their economy. I have faith to believe that they will be permitted to join the United Nations.

Let me say, by way of parentheses, that, according to the statement made by the Secretary of State to the Committee on Foreign Relations in the hearing on this very treaty, the bloc of nations which is alleged to be in the Soviet basket to be presented to the United Nations for admission does not include Red China.

Mr. President, I shall vote for the pending treaty with no apologies. I do not intend to foul my own nest by apologizing for the vote which I expect to cast in the next few minutes. Objectionable though some of its provisions are, we cannot hope to get any better if we reject it; and if it is rejected by us it may become a nullity. No man can predict what length of time in the future would be required to obtain another treaty, or, if we did obtain another one, whether it might be better or worse than the one which we are called upon to ratify today.

Mr. President, I hope this treaty will be ratified by an overwhelming vote. I had hoped that the vote might be unanimous, but now it appears that that will be impossible. I hope that the Republic of Austria will continue to improve her economic, political, and social condition, in order that she may be a potent voice in the council of nations, for peace not only in Europe; but throughout the world.

I hope to live long enough to see the day when we as a people and as a Nation, and all the other free nations of the world, may be able to respect the word and the obligation of every nation in the world.

As I have so often said, I still believe that if the people of Russia had the right to vote; if the people of Poland, Czechoslovakia, Rumania, Bulgaria, Hungary, and all the other enslaved nations had the right to vote; if the people of China had the right to vote and have their votes counted as cast on the question of their willingness to cooperate with all the other nations in an effort toward peace, in order that all expenditures for war might be diverted to peace and the constructive energies of man, they would

vote overwhelmingly in favor of such action.

Unfortunately, they are not allowed to do so. In Poland, after the Yalta agreement was entered into, more than 5,000 ballot boxes were filled with ballots by the people of Poland as a result of the Yalta conference and agreements, and only 35 ballot boxes of the 5,000 were opened. Based upon a false report of what was contained in those 35 ballot boxes, an alien government was imposed upon the Polish people.

When I was in Poland in 1947, on the very same trip referred to by the Senator from South Dakota [Mr. CASE], we were told by even those in power at that time—by some of those who had the courage to say it—that if the Polish people could vote on the kind of government they then had, only 15 percent of the people would vote for it.

I believe that to be so. I believe the same thing is true of all the nations behind the Iron Curtain. I believe this opening of the doors of opportunity to Austria will bring encouragement to those who are still enslaved. We may well look forward to the day when all the nations of the world will be free and when all our energies for war will be released in behalf of peace and the constructive enterprises of man, and the encouragement of his initiative and his inventive genius, and when all the great gifts of man which have been bestowed on him by the God of salvation may be used for man's development and advancement, instead of for his destruction.

It is in that hope that I vote for this treaty. I vote for it without apology, and with some pride in the opportunity to do so, not only as a Member of the Senate but as a member of the committee which presents the treaty to the Senate and asks that it be approved.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

If there be no objection, the pending treaty will be considered as having passed through its various parliamentary stages, up to the presentation of the resolution of ratification.

The resolution of ratification will be read.

The Chief Clerk read the resolution of ratification, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive G, 84th Congress, 1st session, the State Treaty for the Reestablishment of an Independent and Democratic Austria, signed at Vienna on May 15, 1955.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. The yeas and nays have been ordered, and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. KNOWLAND. Mr. President, I wish to announce that the senior Senator from North Dakota [Mr. LANGER] is absent on official committee business. If present and voting, he would vote "yea." The Senator from North Dakota also wishes the RECORD to show that he voted in favor of the Austrian State Treaty when it was under consideration by the Committee on Foreign Relations.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from Oregon [Mr. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

The Senator from Kentucky [Mr. CLEMENTS] is absent by leave of the Senate until June 21, 1955, on behalf of the Senate Appropriations Committee to conduct an on-the-spot study of specific matters relating to our foreign-aid program.

The Senator from Texas [Mr. DANIEL] is absent by leave of the Senate to hold narcotic hearings in Philadelphia, Pa.

The Senator from Montana [Mr. MURRAY] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Georgia [Mr. GEORGE] is unavoidably absent.

On this vote, the senior Senator from Kentucky [Mr. CLEMENTS] has a general pair with the junior Senator from Illinois [Mr. DIRKSEN].

The senior Senator from Montana [Mr. MURRAY] has a general pair with the senior Senator from Michigan [Mr. POTTER].

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Texas [Mr. DANIEL], the Senator from Mississippi [Mr. EASTLAND], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from North Carolina [Mr. SCOTT] would each vote "Yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. ALLOTT], the Senator from New Hampshire [Mr. COTTON], the Senator from Connecticut [Mr. BUSH], the Senator from Pennsylvania [Mr. DUFF], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Iowa [Mr. HICKENLOOPER] are absent on official business.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Maryland [Mr. BEALL] are necessarily absent.

The Senator from Maryland [Mr. BUTLER] is absent on official committee business.

The Senator from Indiana [Mr. CAPEHART] is absent by leave of the Senate to attend the funeral of close personal friends.

The Senator from Nebraska [Mr. CURTIS] is necessarily absent on public business.

The Senator from Illinois [Mr. DIRKSEN] is absent on official business for the Committee on Appropriations.

The Senator from Michigan [Mr. POTTER] is absent by leave of the Senate to attend the International Labor Organization meeting in Geneva, Switzerland.

The Senator from Idaho [Mr. WELKER] is absent by leave of the Senate on official committee business.

The Senator from Illinois [Mr. DIRKSEN] has a general pair with the Senator from Kentucky [Mr. CLEMENTS].

The Senator from Michigan [Mr. POTTER] has a general pair with the Senator from Montana [Mr. MURRAY].

If present and voting, the Senator from Colorado [Mr. ALLOTT], the Senators from Maryland [Mr. BEALL] and Mr. BUTLER], the Senator from Connecticut [Mr. BUSH], the Senator from New Hampshire [Mr. COTTON], the Senator from Nebraska [Mr. CURTIS], the Senator from Vermont [Mr. FLANDERS], and the Senator from Pennsylvania [Mr. DUFF] would each vote "yea."

The yeas and nays resulted—yeas 63, nays 3, as follows:

YEAS—63

Alken	Hill	Morse
Barkley	Holland	Mundt
Barrett	Hruska	Neely
Bender	Humphrey	O'Mahoney
Bennett	Ives	Pastore
Bible	Jackson	Payne
Bricker	Johnson, Tex.	Furtell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kilgore	Schoepfel
Case, S. Dak.	Knowland	Smathers
Chavez	Kuchel	Smith, Maine
Douglas	Lehman	Smith, N. J.
Dworshak	Long	Sparkman
Ellender	Magnuson	Stennis
Ervin	Mansfield	Symington
Frear	Martin, Iowa	Thurmond
Fulbright	Martin, Pa.	Thye
Gore	McClellan	Watkins
Green	McNamara	Wiley
Hayden	Millikin	Williams
Hennings	Monroney	Young

NAYS—3

Jenner	Malone	McCarthy
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NOT VOTING—30

Allott	Curtis	Kennedy
Anderson	Daniel	Kerr
Beall	Dirksen	Langer
Bridges	Duff	Murray
Bush	Eastland	Neuberger
Butler	Flanders	Potter
Byrd	George	Robertson
Capehart	Goldwater	Russell
Clements	Hickenlooper	Scott
Cotton	Kefauver	Welker

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to.

Without objection, the President will be immediately notified.

Mr. JOHNSON of Texas. Mr. President, 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.

THE COLORADO RIVER PROJECT

Mr. WATKINS. Mr. President, the United States reclamation policy, which had an illustrious beginning in the days of Theodore Roosevelt, and since then has played a dominant role in the development of the western half of the country, today is under a vicious, unrelenting attack.

Probably one of the most persistent and vociferous foes of the West and reclamation is Raymond Moley, columnist for Newsweek magazine.

I have prepared a statement in answer to the charges made by Mr. Moley, and I ask unanimous consent that the statement may be printed in full in the body of the RECORD.

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

STATEMENT BY SENATOR WATKINS

Mr. Moley authored a series of low blows at reclamation last year, obviously timed to help defeat consideration of the Colorado River storage project bill, one of the most carefully and extensively planned, comprehensive water-resource development programs ever brought before the Congress.

That bill did not come up for a vote last session, so Mr. Moley is back again with his half-truths and dishonest arithmetic, seeking to harpoon the Colorado River project and to cripple reclamation.

Representatives of the Western States affected have gone to the editors of Newsweek, protesting against the bias and inaccuracy of Mr. Moley's intemperate attacks.

However, in the issue of Newsweek of May 9, Mr. Moley in all his intellectual arrogance, injected this statement into the latest of his series of attacks upon reclamation and, in this case, upon the Colorado River storage project specifically:

"Here are some incontrovertible facts about this bill, and neither the piety of WATKINS, nor the wit of O'MAHONEY shall cancel half a line."

Now I am glad to concede the correctness of Mr. Moley's statement that Senator O'MAHONEY is a wit. And many of my fellow Members of this body will testify that he utilized his brilliant wit and his penetrating intelligence and wide background on public resource development very effectively in supporting the Colorado River project in the recent floor debate in this Chamber.

I will ignore Mr. Moley's obvious slur upon me and proceed with a point-by-point analysis of his statement, inasmuch as he mentioned my name in conjunction with his statement that not "half a line" could be challenged.

1. MOLEY'S INCORRECT STATEMENT

"An incredible bill: A year ago I criticized in a number of articles in this magazine, the 1954 version of the plan, which was born in the wedlock of the Bureau of Reclamation with politicians from four Mountain States and blessed by an administration interested in keeping western Republicans in office."

The facts: The Colorado River storage project, as concretely proposed in S. 500, actually was born in 1902, when Congress established the reclamation fund, and embarked this country upon its highly successful, half-century-old reclamation program. This act of June 17, 1902 (32 Stat. 388), provided that the reclamation fund, which was to accrue from public land leasing and sale, was to be utilized for the "examination and survey for and the construction and maintenance of irrigation works for the storage, diversion, and development of waters for the reclamation of arid and semiarid lands" in the public-land States of the West.

This act recognized that these States, which contain extensive land areas still owned largely by the Federal Government, had a primary interest in the development of their admittedly limited water resources.

Comprehensive development of the water resources of the Colorado River, which drains 1 of the Nation's 3 principal arid areas, was proposed on numerous occasions both before and after the signing of the Colorado River compact of 1922, which allocated the river's water supply between its two major basins. On December 21, 1928, the Congress formally authorized such an investigation and provided an initial appropriation of funds in the Boulder Canyon Project Act (45 Stat. 1065). Section 15 of this act directed the Secretary of the Interior to "make investigations and public reports of the feasibility of projects for irrigation, generation of electric power, and other purposes in the States of Arizona, Nevada, Colorado, New Mexico, Utah, and Wyoming for the purpose of making such information available to said States and to the Congress, and of formulating a comprehensive scheme of control and the improvement and utilization of the waters of the Colorado River and its tributaries."

In 1940, Congress exhibited further specific interest in this Colorado River investigation and, in addition, authorized appropriations of \$500,000 a year from Hoover Dam power revenues to finance the studies then underway. Today, 15 years later, these technical studies of the upper Colorado River are probably the most extensive preliminary investigations ever made on a single river system in this country. Through these allocated power revenues, and direct contributions to the Federal Government, the 4 States of the upper Colorado River Basin now have a stake of more than \$10 million invested in engineering and economic studies of the upper Colorado River conducted by the Department of the Interior, in addition to investigations made by the States themselves.

Section 2 of the Boulder Canyon Project Adjustment Act of July 19, 1940, further directs the Secretary of the Interior to continue "the studies and investigations by the Bureau of Reclamation for the formulation of a comprehensive plan for the utilization of waters of the Colorado River system for irrigation, electrical power, and other purposes, in the States of the upper division and the States of the lower division, including studies of quantity and quality of water and all other relevant factors."

On June 7, 1946, Acting Interior Secretary Oscar L. Chapman approved a March 1946 report of the Bureau of Reclamation based on its Colorado River studies. This report recommended "That the States of the Colorado River Basin, acting separately or jointly, recommend for construction, as the next stage of development, a group of projects, the streamflow depletions of which will assuredly fall within ultimate allocations of Colorado River water which may be made to the individual States."

The first specific proposal for the Colorado River storage project and participating projects was made by Secretary Chapman in a detailed report dated December 1950, and formally approved January 26, 1951. Bills for congressional authorization of the project proposed were introduced in the Democratic 82d Congress, and in both the Republican 83d and the Democratic 84th Congresses.

This is the type of serious, bipartisan study that Mr. Moley apparently is unaware of or chooses to ignore. No other water resource development project to my knowledge has had as much advance study, as well as much complete bipartisan support.

2. MOLEY'S INCORRECT STATEMENT

"The 1954 model was priced at about \$900 million. The one now passed by the Senate has a tag of \$1,658,000,000."

The facts: The apparent implication of this statement is that the cost of the project authorized by the Senate recently is \$1,658,000,000. This is simply not so, and both the language of the bill, S. 500, and the report of the Senate Interior Committee make it clear that this statement is not true. The correct "tag" is \$1,092,999,800.

The following summarizing statement is found on page 15 of the Senate Report No. 128, on the Colorado River storage project bill, S. 500:

"The estimated overall construction costs of the projects under each of the several categories set forth in S. 500, as amended, are as follows:

"Storage units:	
Authorized for construction (5)-----	\$733, 578, 000
Authorized subject to report to Congress (1) --	49, 305, 000
<hr/>	
Total storage units (6)-----	782, 883, 000
Participating projects:	
Authorized subject to supplemental reports (12)-----	310, 116, 000
<hr/>	
Total projects authorized in S. 500, as amended -----	1, 092, 999, 800"

The summary then goes on to refer to 21 participating projects "subject to further approval and authorization by Congress," and one project previously authorized, participating in revenue.

In authorizing the six storage projects the Senate bill makes this specific proviso:

"Provided, That the Curecanti Dam shall be constructed to a height which will impound not less than 940,000 acre-feet of water or will create a reservoir of such greater capacity as can be obtained by a high waterline located at 7,520 feet above mean sea level and approved by the Colorado Water Conservation Board, and that construction thereof, and of the Juniper shall not be undertaken until the Secretary has, on the basis of further engineering and economic investigations, reexamined the economic justification of each unit, and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress and to the President that, in his judgment, the benefits of each unit will exceed its costs."

Hence, there is only a qualified authorization of 2 of the 6 storage projects. Two major storage projects, Curecanti and Juniper, are subject to additional investigation and a report to Congress and the President before construction can begin. These two projects will cost a total of \$65,653,000.

Furthermore the following provisos apply to participating projects considered under S. 500:

(1) "That construction of the participating projects set forth in this clause (2) shall not be undertaken until the Secretary has reexamined the economic justification of such project and, accompanied by appropriate documentation in the form of a supplemental report, has certified to the Congress through the President that, in his judgment, the benefits of such project will exceed its costs, and that the financial reimbursability requirements set forth in section 4 of this act can be met. The Secretary's supplemental report for each such project shall include, among other things, (i) a reappraisal of the prospective direct agricultural benefits of the project made by the Secretary after consultation with the Secretary of Agriculture; (ii) a reevaluation of the nondirect benefits of the project; and (iii) allocations of the total cost of construction of each participating project or separable features thereof, excluding any expenditures authorized by section 7 of this act, to power, irrigation, municipal water supply,

flood control, or navigation, or any other purpose authorized under reclamation law. * * * With respect to the San Juan-Chama, Navaho, Parshall, Troublesom, Rabbit Ear, Eagle Divide, Woody Creek, West Divide, Bluestone, Battlement Mesa, Tomichi Creek, East River, Ohio Creek, Fruitland Mesa, Bostwick Park, Grand Mesa, Dallas Creek, Savery-Pot Hook, Dolores, Fruit Growers Extension, and Sublette participating projects no appropriation for or construction of such participating projects shall be made or begun until coordinated reports thereon shall have been submitted to the affected States (which in the case of the San Juan-Chama and Navaho participating projects shall include the State of Texas), pursuant to the act of December 22, 1944, and such participating projects shall have been approved and authorized by act of Congress."

In accordance with the proviso that I have just quoted, the tabulated report on page 15, under the title "Estimated Overall Construction Costs," designates the second group of participating projects as subject to further approval and authorization by Congress, and numbers them as 21, with a total estimated cost of \$558,173,300. By adding the total estimated cost of the 21 participating projects, subject to further approval and authorization by Congress, to the total of \$1,092,999,800, the grand total of all projects mentioned in S. 500, as amended, reaches the total of \$1,658,460,100. But the total of \$558,173,300 is, in effect, not authorized at all by Congress, because it requires approval and authorization of Congress, after these projects in fact have been studied and re-submitted to the Congress. Mr. Moley did not point this out in his article. Congress must still say "Yes" or "No" to these 21 projects before a single dollar can be appropriated or a contract entered into for their construction.

Again it should be repeated that 12 of the participating projects were only authorized subject to supplemental reports and certification by the Secretary of the Interior before appropriations can be made. Those 12 participating projects are estimated to cost \$310,116,800.

These quotations make it clear that it is an easy matter to generalize a situation which is complex. Such a generalization would be completely misleading and would be only a half-truth.

At this point it may be asked, "Why were these projects mentioned at all if they were not actually authorized in this bill?" It is made abundantly clear in S. 500 and the report accompanying it that the Colorado River storage project is a comprehensive project, having as its ultimate objective the construction of all feasible water development projects necessary to bring about the use of as much of the water as possible which is allocated to the upper Basin States by the 1922 Colorado River Compact.

All of the 21 projects mentioned on page 15 of the report as participating projects subject to further approval and authorization by Congress have not been investigated beyond the reconnaissance stage. They do require further investigation before it can be determined that they are feasible, both from an engineering and economic point of view.

So the price tag on S. 500, the bill just passed by the Senate, is actually \$1,092,999,800. To declare otherwise, without any attempt to bring out all the facts, is a deplorable half-truth or a deliberate misrepresentation.

3. MOLEY'S INCORRECT STATEMENT

"In both cases, Phineas P. [the American taxpayer] must pay hidden interest charges amounting to two and a half times the cost."

The facts: This is a blanket charge, wholly untrue. Perhaps this explains why Mr. Moley deals in generalities and does not specify what the exact charge will be, nor how the

general taxpayer will be saddled with such a charge.

The true facts are that the entire amount of the construction costs for the projects authorized under S. 500 will be returned to the Federal Government, except for \$8,238,900, allocated to flood control, recreation, and fish and wildlife development, and, therefore, nonreimbursable. The major portion of the total construction costs—roughly, two-thirds—is assigned to power and municipal water facilities, and will be returned to the United States with interest. These interest payments by our own water and power users are estimated to total \$450 million on projects authorized by S. 500.

The costs identified with irrigation are repaid without interest, in accordance with a national policy (endorsed by both political parties and supported by this and preceding administrations) going back to the original Reclamation Act of 1902. It is considered in the national interest to provide "interest-free money," not only to promote settlement of the West and an expanded tax base there but also to facilitate the development and settlement of family size farms, which is one of the main objectives of the reclamation program.

This national policy has been applied in extensive reclamation developments in the Columbia River Valley, the Central Valley of California, Imperial Valley, the Salt River Valley, and other parts of the semiarid West. Does Mr. Moley now desire that we change the rule and charge interest to the people of the upper Colorado River Basin, and nowhere else? Or would he still oppose water development for this four-State desert-mountain area, even if interest were paid on the irrigation features? Apparently Mr. Moley favors reclamation in California and the Northwest, but not in Colorado, New Mexico, Utah, and Wyoming.

Since the founding of this country, the Federal Government has been investing in growth and progress—frequently up to 100 percent of the value of a public-works project and usually nonreimbursable—through authorizations and grants for such varied activities as:

- (1) Development, operation, and maintenance of rivers and harbors.
- (2) Railroad transportation, including extensive land grants throughout the West.
- (3) Highway construction.
- (4) Construction of ships and operation and maintenance of steamship lines and our merchant marine.
- (5) Development of airlines.
- (6) Operation and maintenance of defense or critical industries.
- (7) Flood control.
- (8) Reclamation.
- (9) Construction of schools, hospitals, and health centers.

It is true that there have been some abuses under these programs, and I am wholeheartedly in agreement that such programs should be kept under close scrutiny and control, by both the executive and legislative branches of Government and under constant scrutiny by the general public, including the press. Also, it is true that some of these are outright subsidies.

In general, I subscribe to the sound fiscal procedures of the reclamation program, under which Federal funds are used to assist people unable to develop water resources with private financing, but which also directs that the principal advanced for construction be repaid, that interest be paid on power and municipal water features, and that participating farmers be required to pay to the maximum of their ability the costs assigned to irrigation.

It is also my belief that these public development programs, in general, have made an impressive contribution to the progress and to the present economic strength of this country. In fact, when one considers the tremendous increase in the gross national

product and general prosperity in recent years, it is difficult to consider how most of these development programs can be considered as subsidies. Actually, most of them have proved to be sound investments in economic and social progress.

Be that as it may, Mr. Moley has charged that the so-called hidden interest charges of the Colorado River storage project amounts to "2½ times the cost." The cost of the project under S. 500 as incorrectly reported by Mr. Moley, was listed at \$1,658,000,000. But I will give him the benefit of the doubt, and use the true cost as listed in the Senate report, \$1,092,999,800. Multiplying this reduced amount by 2½, my arithmetic produces this answer: \$2,732,499,500.

Now, if I correctly understood Mr. Moley's statement, he asserts, therefore, that "hidden interest charges" on the Colorado River storage project amount to \$2,732,499,500.

Mr. Moley doesn't say how he arrived at this ridiculous figure, so I have no way of analyzing his arithmetic. He apparently believes that merely because Raymond Moley says it, people will believe that it is a fact.

Well the fact is that the amount assigned to irrigation costs under the Senate-approved project is \$378,109,700. All other reimbursable costs of this billion-dollar project are assigned to municipal water development or to the power-producing facilities, on both of which interest will be paid by our area residents who use the water and the power.

Mr. Moley does not show how he computes interest, the irrigation allocation, that produces in a 50-year repayment program, a sum 7 times the original principal. Perhaps Mr. Moley intends that Uncle Sam shall apply usurious interest rates to the four upper Basin States, after changing a 50-year-old principle of interest-free money for reclamation, to discriminate against those States.

Under the circumstances, I wish to call these financial facts to the attention of Mr. Moley and his associates, who obviously are bent on using every half-truth or less at their disposal to keep the waters of the Colorado River flowing from the States where the river originates, turning turbines for southern California power users, and wasting into the Gulf of California:

1. More than half of the annual appropriation for reclamation is now coming from the revolving reclamation fund which was established by the Congress by the Reclamation Act of 1902, according to the Commissioner of Reclamation, W. A. Dexheimer. Mr. Moley and his fellow critics of the Colorado River project deceive people by assuming that all money appropriated for reclamation represents borrowed money.

2. During the past fiscal year, minerals leases on public lands in the four upper basin States (Colorado, New Mexico, Utah, and Wyoming) poured a total of \$41 million into the Federal Treasury. Of this amount, 52½ percent is earmarked for reclamation funds.

Hence, it is clear that residents of these 4 States already are pouring into the Treasury more than 7 times the amount required for simple interest on the average unpaid balance of the costs allocated to irrigation on this project by S. 500 during the payout period. Yet, in spite of this fact—which should be obvious to a man of Mr. Moley's wide background—he continues to paint the interest feature of this project as a hidden subsidy which must be borne almost exclusively by taxpayers of the other States.

4. MOLEY'S INCORRECT STATEMENT

"And remember, Bureau of Reclamation actual costs have traditionally been 2 to 4 times its estimates."

Correct facts: This statement suggests a possible source of Mr. Moley's inflated cost figures. If his statement is true—and it must be if Mr. Moley says it—then

ergo, the costs of the Colorado River storage project are not the amount reported to the Congress, but some figure drawn from thin air and estimated at 2 to 4 times actual costs. Nonsense.

Actually, on the last two major Bureau of Reclamation contracts awarded in my home State of Utah, the awards were significantly under the estimates of the Bureau engineers. To be specific, the Bureau's estimate on the Wanship Dam was \$3,603,210, and the low bid for the contract award was \$2,423,004. The estimate for the Davis Aqueduct, another unit of the Weber Basin project now underway in northern Utah, was \$6,275,541, but the contract was awarded on the low bid of \$3,902,977.

This by no means proves that all Bureau estimates are above actual contract awards. But neither is the reverse proved by some hand-picked examples by a biased observer like Mr. Moley.

When Mr. Moley makes a blanket indictment of some very competent Government engineers like those in the Bureau of Reclamation, he most assuredly is aware of the fact that all engineers since the war have been faced with the problem of making estimates in face of steadily increasing costs. This problem has been reflected in Bureau estimates for the past decade. The fact that this problem is now easing and that construction bids are now firm and competitive, undoubtedly is reflected in the two contract awards just cited with respect to the Weber project in Utah.

Bureau engineers have assured the Senate committee that their estimates for the Colorado River storage project have been very carefully prepared and that they are based on more extensive engineering and cost studies than normally made with respect to such projects, thanks to the many years of investigation on this project. We members of the Senate Irrigation Subcommittee, who have sat through two extensive public hearings on this project, are convinced that the estimates are sound and will hold up very favorably when contracts are awarded.

George D. Clyde, Commissioner of Interstate Streams for Utah and an internationally known irrigation engineer, gave this estimate of Bureau engineers before a recent congressional hearing:

"These investigations have largely been made by the Bureau of Reclamation. Its staff of engineers are among the best in the world. They have established an enviable record. No dam designed and built by the Bureau of Reclamation has ever failed. They are competent, sincere, and honest. Their professional ability is beyond question. Their conclusions are sound and, speaking for Utah, we have complete confidence in them."

This is an estimate of our Federal engineering staff from a well-qualified engineer representing a State where works built under the Bureau's supervision are constructed and in operation, and where water users have an admirable opportunity to assess their performance. If their work satisfies the people who have to pay the bill, the unsubstantiated statements from Mr. Moley's ivory tower appear rather beside the point.

I can add that as a result of 20 years of personal experience with the Bureau of Reclamation and its engineers, I can wholeheartedly concur with Mr. Clyde's estimation of their hard-working and competent field engineering staff.

It also should be considered that in those cases where Bureau costs have been appreciably higher than the original estimate, it was usually caused either by an increase in price levels from the time the project was authorized until it was completed, oftentimes covering a period of 10 to 20 years, or it was caused by major changes or additions to the original plan which are clearly

deemed desirable or necessary. Commissioner Dexheimer, for example, has pointed out that the construction cost index advanced 250 percent on 1 major project before authorization and completion.

In my own State of Utah, finishing touches are just being put to a \$40-million reclamation project that was started during the depression years of the mid-1930's. During that period, costs had increased considerably over the original estimates—and we have footed the bill, even though apart from inflationary causes, some of the increased cost is attributable to normal delays of getting authorizations and appropriations through Congress. And it is significant that even at increased costs, the value of the water produced also has increased and those of us who helped promote what some of our neighbors, and some pundits like Mr. Moley, thought was an expensive project, have come to appreciate, along with the contrite critics, the fact that it was a tremendous bargain and that it is making a major contribution to both the area and to the national economy, in spite of the \$40-million price tag.

Critics of the Bureau of Reclamation also should recognize that additional detailed studies leading up to the definite plan after the project is authorized frequently will disclose features in the approved plan which are undesirable and which should be removed. These preconstruction studies also may discover some desirable additions which are of immediate benefit and which should be added to the project. These additions and deletions sometimes can be anticipated—and provisions for such contingencies are reflected in estimates for the Colorado River storage project.

Inasmuch as I feel that the Bureau of Reclamation has been unfairly and unnecessarily abused by Mr. Moley's misrepresentations, I requested the Bureau to give me a cost comparison on all projects initiated since the end of War II. This report is attached herewith.

It is apparent that instead of the costs exceeding original estimates by "2 to 4 times," as Mr. Moley so glibly charged, the present costs have exceeded estimates only by one twenty-fifth. The estimates for these projects at time of authorization totaled \$506,232,898, and today's official estimate—including total costs on all completed projects—is \$526,833,790. If these original estimates had kept pace with the composite cost index of the Bureau of Reclamation, the total present-day cost would be \$581,124,900. And if the costs had increased in line with the increase in the Engineering News Record construction cost index during the same period the total would have been \$657,320,600. Hence, in view of two well-known and respected construction cost indexes, postwar estimates of the Bureau of Reclamation have stood up very well indeed.

5. MR. MOLEY'S INCORRECT STATEMENT

"The 1954 model would have authorized two major power dams and 11 irrigation and storage projects. The 1955 bill contains 5 power dams and 33 irrigation and storage schemes."

Correct facts: As clearly pointed out in Senate Report 128 and S. 500, the 1955 Senate bill authorizes 4 storage units, 2 storage units subject to report to Congress and 12 participating projects, subject to supplemental reports. Actually, the 1954 (S. 1555), would have authorized 5 storage units and 13 participating projects.

Mr. Moley deliberately mislabels the storage units as "power dams," when he should be adequately aware that they are multiple-purpose dams designed to supply holdover water storage on the main stem of the river. The production of power is a byproduct to their storage function. No power dams as such are proposed for this project, and Mr. Moley's reference therefore is not only unfair but misleading and inaccurate.

6. MR. MOLEY'S INCORRECT STATEMENT

"This mammoth spending plan will, if passed, probably cost ultimately between five and seven billions."

Correct facts: If passed, Senate bill 500 will cost \$1,092,999,800.

If additional bills to authorize some 21 other projects mentioned in S. 500 are introduced, justified economically, and passed by Congress, the ultimate cost of all projects considered under this bill could reach \$1,658,460,100, assuming that all are approved and built.

Mr. Moley should explain to his readers how he takes a total cost estimate, studied and accepted by an overwhelming majority of the Senate, and then inflates that figure from 5 to 7 times.

The fact is the Colorado River storage project is an eminently sound, well-planned water-development project. Working with the Bureau of Reclamation engineers, the four States involved have participated in the planning and have approved the financing and repayment conditions. The people of those four States are, in effect, asking the Federal Government to assist them in making available for utilization the water allocated to them under the terms of the Colorado River compact. This water is now going downstream, turning power turbines for southern California power users, and, we presume, wasting into the Pacific Ocean.

We propose to make that water, and supplementary hydropower available for use in the upper basin States where 90 percent of the Colorado's river flow originates, and do so at no cost to the taxpayers, except for interest on the features assigned to irrigation. And I have pointed out that residents of our area using the public domain are already paying in every year in land use fees and royalties far more than could be applied for interest, if Congress decided to so discriminate against them.

We are committing ourselves to repay virtually 100 percent of the construction costs, including interest, on the two-thirds of the project assigned to the production of municipal water and the supplemental production of power. Approximately \$450 million in interest will be repaid by our water and power users, in addition to the full construction costs.

For this investment, underwritten by our residents as well as the Federal Government, the Federal Government will derive direct benefits, within 10 to 15 years after construction begins, from Federal taxes on personal and corporate income derived from increased economic activity resulting from this great project. These benefits from a broadened tax base and from increased income tax receipts may exceed the total cost of the project by as much as 2½ times in the project's first hundred years.

Even though the major multiple-purpose or storage-power dams are to be amortized in 50 years, they will last many lifetimes over and thereby constitute a continuing source of revenue of considerable importance to the Federal Government, once the construction costs are repaid. Let me explain it this way. At 6 mills, the power produced will be worth \$22,500,000 annually, after amortization of the entire project is completed.

The additional water, farmland, and hydropower to be developed will be an asset of extreme importance in the event industrial dispersal is pushed by the Government as a defense measure. Civil Defense Director Val Peterson is one of the witnesses who appeared in favor of this project at recent Senate hearings and strongly supported it as a civil-defense feature. It is my strong personal conviction that even if the area residents did not want this project, the Federal Government would be justified in going ahead with it anyway, purely as a civil-defense measure.

Furthermore, if the cold war eases as a result of the forthcoming international conferences, the availability of such reimbursable projects, already on the planning boards will be even more important as an adjunct to the eventual economic transition to a more stable peace.

Under these circumstances, it is difficult to see why a columnist of Mr. Moley's national reputation, would continually misrepresent the economic facts of this project.

In all fairness, I do not wish to suggest that Mr. Moley is alone in this "numbers game" on the Colorado River project costs. Here are some estimates of total costs on this project, made in all seriousness by supposedly responsible individuals or groups in the past few months: Colorado River Association of California, \$4 billion; Oklahoma Public Expenditures Council, \$4 billion; Mr. Moley, \$5 billion to \$7 billion; Dinosaur National Monument Council (California), \$13 billion; Council of Conservationists (New York), \$15 billion.

One would think that these individuals and groups, all allied in their destructive campaign against this four-State water project, at least would get together on their inflated cost figures.

7. MR. MOLEY'S INCORRECT STATEMENT

"When T. R. started reclamation in 1902, projects were to pay out in 10 years. This one will run 75 or more."

The facts: This is another of Mr. Moley's half-truths. It is true that in the early days of reclamation activities, irrigation projects were believed able to pay out in 10 years. At that time, reservoir sites were available near the land to be served and irrigation diversions were simple and cheap.

However, as Mr. Moley's own book shows, this original payout period was extended in 1914, 1926, and in 1939.

Today, the need for water for all purposes is greater than ever, but the best and most accessible reservoir sites have been utilized. This has increased both the need for more extensive investigations, the costs involved and has necessitated a longer repayment period. Today's projects are complex and multiplepurpose. Those of the early 1900's were simple and single-purpose irrigation developments.

In the case of the Colorado River storage project, we were faced with both the necessity of basinwide, long-range planning, as directed by Congress in 1923, and by downstream delivery commitments incorporated in the Colorado River compact of 1922. We not only have to build reclamation works, but before we can do so, we have to guarantee delivery to the lower basin States (California, Arizona, and Nevada) an aggregate of 75 million acre-feet of water every 10 years. This has both complicated our planning and increased our expense.

However, we were able to work out a sound program of meeting such requirements, controlling a wild and unruly river in its deep canyon gorges, and working out a program of repayment, from water and power revenues, that is acceptable to the President, the Bureau of the Budget, and to the Senate.

Construction and repayment of project units under this bill, incidentally, may exceed 75 years, as Mr. Moley indicated, but will not exceed 50 years for any individual project or unit, after allowance is made for a development period of 1 to 10 years.

8. MOLEY'S INCORRECT STATEMENT

"Senator Douglas said in his masterful speech against the bill there could not be found in the whole, wide Nation land less suitable for cultivation."

The facts: One need only refer to the number of successfully irrigated acres in the four upper basin States of Wyoming, Colorado, Utah, and New Mexico to reveal the nonsensical nature of this assertion. According to Dr. O. V. Wells, Administrator, Agricultural Marketing Service, USDA, there

are in these 4 States 18,632,000 acres of cropland, of which 6,097,000 acres are irrigated.

My own State of Utah had in 1949, according to the latest Census Bureau figures, 2,053,000 acres of cropland, of which 1,138,000 acres constitutes irrigated land. In 1949, Utah farmers received \$149,179,000 from the marketings of agricultural products—not an insignificant income for a State whose total land area is 52 million acres of which only 6 percent is arable.

Utah's share of the upper Colorado River water, proposed for development under the bill passed by the Senate, will provide water for an estimated 32,170 acres of new land, and supplemental water for 168,690 acres now under cultivation but whose maximum economic potential cannot be realized without additional water.

How important is the need for developing additional water for irrigation to Utah agricultural economy? Writing in the March 1954 issue of Farm and Home Science, published by the Utah State Experiment Station, Dr. W. Preston Thomas, head of the agricultural economics department of Utah State Agricultural College from 1928 to 1952, has provided the answer.

"The home market and the California market normally need, for example, more dairy products, more slaughter beef, more pork and pork products, more chicken meat, more potatoes and similar products. Because they cannot be produced here, it is necessary to pay transportation costs on them from the Middle West. In some cases, beef for example, the animals are shipped from Utah, Nevada, or even California to the Corn Belt for fattening and then back to the coast for consumption. The only reason for this is that it is not possible under existing conditions to produce sufficient feed to fatten cattle here. Additional land is available for the production of feed, but sufficient water is not available to irrigate the land. All other factors necessary to satisfactory production exist here in abundance—soil, climate, labor, institutions of every kind and competent management. Only water for irrigation is lacking."

Verification of Dr. Thomas' conclusion was voiced last week at the spring meeting of the Interstate Commission on the Potomac River Basin by Dr. H. N. Young, of Virginia Polytechnic Institute, who told the assembled delegates that "if we (Southeastern States) are to meet the competition from the irrigated valley of the West, we shall need to establish a water code such as the West has—one which encourages the maximum beneficial use of water."

Yet, from a practical standpoint, it is evident, as Dr. Sherman E. Johnson, Director, Farm and Land Management Research, Agricultural Research Service, USDA, told the National Association of County Agricultural Agents last October in Salt Lake City with respect to western agriculture that "the land in the valley may be almost valueless without a right to use some of the water stored in a mountain reservoir." And as President Truman's Water Resources Policy Commission so ably phrased it in 1950: "Crop production in the Colorado River Basin is dependent almost wholly on irrigation."

In the light of these facts, I believe that a reasonably prudent person would conclude with me that it is perfectly obvious, and quite contrary to Senator DOUGLAS' statement, made in the heat of debate, that there can be found in the whole, wide Nation land less suitable for cultivation than the 132,360 acres of new cropland and the 250,330 acres of land now under cultivation which will be provided water by the construction of the 12 participating irrigation and reclamation projects which S. 500 would authorize.

9. MR. MOLEY'S INCORRECT STATEMENT

"Not only would such arid land be grievously wasteful of water, but when watered, its product would be mainly alfalfa, hay, and

some corn. And since it lies in very high altitudes, it would have short growing seasons. Therefore, it cannot be compared with the successful Imperial and Salt River projects in California and Arizona."

The facts: It is correct that the high altitude lands of the upper basin States have a shorter growing season than at locations such as the Imperial Valley, but contrary to the implication which Mr. Moley makes this does not mean that irrigated agriculture at higher altitudes is grievously wasteful of water. Why?

First, the arable land of the upper basin States requires less water due to the shorter growing season. Land at the lower elevation such as the Imperial Valley has approximately three times the growing season as that of the upper Colorado Basin area and requires approximately three times the water.

Second, additional water on these higher altitude lands will permit the introduction of late season crops which, due to deficiencies of water when coupled with a shorter growing season, cannot be produced at this time. Experimental studies indicate that in areas confronted by a short growing season an adequate water supply hastens crop maturity with these results: (1) Larger yields and (2) better quality.

It is evident, therefore, that the principles of plant science clearly indicates that additional water means better utilization of our limited land resources, not a grievous waste of water. As to whether this land compares in productivity with those of the Imperial Valley is immaterial in any discussion about the economic feasibility of the Colorado River storage project, as I shall point out in a moment.

The production of "alfalfa and hay," the latter which I take it refers to native grasses, and corn, is not a wasteful nor unprofitable farming activity as concerns the agricultural economy of the upper Colorado River Basin States. In the upper basin States of Wyoming, Colorado, Utah, and New Mexico, cattle and sheep and dairy products are the principal agricultural commodities produced. For example, 70 percent of the income which Utah farmers received in 1942, according to United States Census Bureau data, was derived from the sale of livestock. This compared with a national average of 55 percent from such sales.

Thus, whether the land in question has the general level of productivity which that of the Imperial Valley enjoys is absolutely immaterial in any discussion about the economic feasibility of the Colorado River storage project. The major point to be considered is this: Are these lands now and will they hereafter be used in the productive capacity for which they are best suited? Is there a demand for the products produced on this land? In this respect President Truman's Water Resources Policy Commission observed that—

"Range use and irrigation developments are somewhat complementary in the Colorado Basin. Although the range is used by a large proportion of the livestock year long, the production of hay for feed and the use of irrigated lands for pasture contribute an important farm use. In the upper basin, livestock farms predominate, averaging nearly 40 percent of all farms and ranging from 78 percent in Wyoming to 28 percent in New Mexico. In the lower basin, almost 37 percent of the farms are livestock and dairy farms. * * *

"Cropland is a necessary adjunct to the range because of the need for providing supplemental feed to carry stock through severe winters and dry summers. Effective use of the range is not possible without forage from croplands, and many croplands would have little value except in connection with the use of rangeland. * * *

"Unquestionably as additional water is made available for irrigation, there will be an expansion in pasture feeding, permitting

greater integration of range and pasture use. As population in nearby States increases, the percentage of finished stock is almost certain to increase * * *." (10 Rivers in America's Future: No. 5, Colorado River, vol. 2, pp. 80-81.)

This Commission also came to the following conclusion with respect to the economic impact and desirability of the Upper Colorado River storage project:

"The several water resources programs in the Colorado River Basin should bring in some additional areas of new land besides providing more adequately for lands now suffering water shortages. This irrigation will greatly aid in stabilizing the range economy by providing wider opportunities for marketing livestock, by creating greater feeder possibilities, and by increasing the economic base so that the range need not be so badly abused. * * *

"To the extent that these programs can be spread into new areas and into the sparsely inhabited portions of the basin, even greater benefits will be provided by permitting close integration of livestock and feeding." (Ten Rivers in America's Future: No. 5 Colorado River, vol. 2, p. 81.)

Now, these questions might logically be asked: Is it desirable that livestock production be increased? If so should steps be taken now to insure an adequate supply of livestock products? The testimony of Dr. Byron Shaw, Administrator, Agricultural Research Service, USDA, before the House Appropriations Committee on February 1, 1955, gives affirmative answers to both of these questions. On that occasion Dr. Shaw stated:

"In considering what the shifts ought to be and what possibilities we would have of making shifts that may be profitable to farmers, I think the greatest single factor that has an influence on the use of substantial acres of land is the meat consumption of the United States population. * * *

"Now, if we were to have per capita consumption at the average of the last 3 years, or the 151 pounds, by 1962 it would require 27 billion pounds of red meat. That is roughly 10 percent more than was actually consumed in 1954. This would require about 3½ million more cattle, about 2 million more sheep, and about 9 million more hogs to supply the increased meat that would be needed by 1962.

"If you take the upper level or 156 pounds of red meat per capita, you would have to add still another 3½ million head of cattle, another million sheep and another million hogs to provide for the needs in 1962.

"The feed for that livestock would require 20 million acres more to produce the feed based on the 151 pounds per capita consumption (1952 to 1954 average) over the land that was used in 1953.

"In other words, it would require 10 million more acres of feed grains than was used in 1953 and 10 million more acres of hay and pasture than we used in 1953. This is a 3 million-acre smaller increase in feed grains than actually took place between 1953 and 1954. There was no shift to hay and pasture going from 1953 to 1954. It would require a 10 million-acre shift in that direction by 1962. * * *

"If we were to consume 156 pounds of red meat, which was the consumption in 1954, it would require in 1962 some 35 million acres more land to grow feed than was used in 1953. * * *

"That again would provide opportunity for the use of the 17 million acres that were used for growing wheat and cotton in 1953 that would not be needed in 1962. But it would indicate a deficit this time of roughly 18 million acres. In other words, the small difference in meat consumption—from 151 pounds per capita, which was the average 1952 to 1954, to 156 pounds, which was the average per capita consumption in 1954—would take an extra 15 million acres of feed

to provide that meat. (Hearings, Agriculture Department appropriations, 1956, pt. II, pp. 447-551.)

Congressman H. CARL ANDERSON gave the reason why we are faced with this situation and what it means in the way of increasing our agricultural productive plant. In a few words he summed it up as follows:

"The surplus of 17 million acres that has to be shifted from wheat and cotton, allows for 5 million acres more wheat and cotton in 1962 than was actually grown in 1954. It allows for 14 million acres more wheat and cotton than is provided in the 1955 allotments.

"This is all an evolution which will come into being because of the fact that we will have at least 2.6 million more human beings each year in this Nation from now on, and on an ascending curve. Evidence was given to us last year that by 1970 we would need the production from 115 million additional acres of land above that we have now."

The livestock industry of the great upper-basin States can help—but the extent of its contribution depends upon the full development and efficient use of its water resources. The Colorado River is the last and only great source of water for such development.

10. MR. MOLEY'S INCORRECT STATEMENT

"Phineas P. is already stuck for subsidies on surplus food and fiber to the extent of \$3 billion. The Department of Agriculture experts say that we shall have surpluses for years to come and that by 1975 scientific progress will supply the population with a measurably small increase in cultivated acreage. Moreover, if we used new land, there are 20 million acres east of the Mississippi and in Oklahoma and Texas which can be prepared for cultivation at an average cost of \$100 an acre."

The facts: There is no doubt that the high rigid 90-percent price-support program has resulted in surpluses of wheat, corn, tobacco, cotton, and rice and the other basic commodity, peanuts, at certain times.

But Mr. Moley didn't mention the fact that there is absolutely no connection between these surpluses on basic commodities and the crops which will be produced on the lands irrigated by Colorado River water when the 12 participating projects are completed. Why? Because the primary crops grown in the four upper-basin States are neither now in surplus nor are they crops which enjoy the privilege of price support.

In Utah only 7 percent of the cash receipts of farmers in 1953 came from the sale of basic commodities, notably wheat, 9.9 percent of which is nonirrigated. In Wyoming, farmers received only 8 percent from the sale of basic commodities. Colorado farmers received 18 percent of their income from basic commodities, of which 17.6 percent is derived from wheat. This wheat, by and large, however, is grown in eastern Colorado on dry farmland, land which will never see one drop of Colorado River water. New Mexico farmers received 38 percent of their income from the sale of basic commodities of which cotton, grown in southern New Mexico, constitutes 37 percent. Likewise, no water from any of the 12 participating projects authorized by the bill which has passed the Senate will find its way into the agricultural-crop production of this area.

It may be news to Mr. Moley and others to know that alfalfa is not in surplus—this crop is in relative short supply and has been so for several years. And as of April 15, 1954, the average market price for alfalfa was \$23.60, which figures out at about 90 percent of parity. It is not under price support and has not been supported at any time. Yet it constitutes the major forage grown in the upper basin States for cattle, sheep, and dairy feeding. Also he may be interested to learn that great quantities of alfalfa are dried, chopped, and prepared for poultry feed, an agricultural product which likewise is not eligible for price support. Also many

thousands of tons are shipped to other States whose alfalfa is in short supply. Meadow grasses, or wild hay, as we call it, which are harvested in the higher altitudes in the mountain States, also, are not found among the commodities entitled to price support.

Perhaps Mr. Moley does not realize that reclamation projects come into production slowly. Experience over the past 50 years shows that 25 to 30 years elapse between the beginning of construction of a reclamation project and full production. On large basin-wide projects the time interval is even greater. For example, it has taken nearly 40 years to bring the Columbia Basin project from initial planning to its present construction stage, and it will be another 25 years before it is at full production as a project. The Central Valley project in California has been underway for more than 25 years.

Now the Colorado River storage project, which has been nearly a quarter century in the planning state, may require another quarter century to complete the authorized storage units and bring them into full operation. To completely develop the entire project may require as much as 75 years. So it is evident that even if the primary crops—alfalfa and other forage crops—which are produced in the upper basin States did constitute a surplus problem, which, as I have explained, they do not, it would be impossible for their increased production, due to project water, to add to our surpluses of agricultural commodities.

Contrary to Mr. Moley's assertion, Department of Agriculture experts do not "say that we shall have surpluses for years to come and that by 1975 scientific progress will supply the population with a measurably small increase in cultivated acres." Had Mr. Moley bothered to read an article entitled "Food: Not Less, But More" in the April 25, 1955, issue of Newsweek he would have learned as the article pointed out that—

"To some experts—the ones who can see beyond the misleading mountains of today's surpluses—such advances [scientific] are deceptive. They are not nearly enough to assure that United States agriculture will continue to get its job done.

"One of these men, Dr. Byron T. Shaw, Farm Research Chief of the United States Department of Agriculture, estimates that, if the average American is to continue to have as much meat to eat as he did last year, all acreage that is currently idle will have to be back at work by 1960. By 1975, even if all marginal lands are used, there might be a deficit of more than 100 million acres. To meet this, livestock production alone will have to be nearly doubled on the land at home (pp. 110-112).

Now Dr. Shaw, it might interest Mr. Moley and others to know, is the Administrator of the Agricultural Research Service of the United States Department of Agriculture. He is the "boss" of the experts Mr. Moley misquotes. Three things are significant about his statement:

1. By 1975 this Nation will be a deficit agricultural production area, even if the "20 million acres east of the Mississippi and in Oklahoma and Texas," which Mr. Moley says can be prepared for cultivation at an average cost of \$100 an acre, are brought into production. I shall discuss this item more in detail later.

2. Livestock production will have to be nearly doubled on the land now in cultivation if our increasing demand for meat products is to be met.

As you will recall, Mr. Moley complains that land brought into production and lands which will be supplied supplemental water by construction of the participating projects if the Colorado River bill becomes law will primarily produce alfalfa and hay. You also will recall my discussion a few minutes ago in which I pointed out that livestock production is the primary agricultural industry of the upper-basin States. We can supply,

as I pointed out, a greater quantity of meat and dairy products, but our farmers need additional forage and feed to supplement pasture and range grazing of livestock. This is dependent upon development, however, of the last great water resource we have in that area—the waters of the Colorado River.

3. Department of Agriculture experts do not "say that we shall have surpluses for years to come. Dr. Shaw testified before the House Appropriations Committee on February 1, 1955, that "it would take until about 1962 to bring production into balance with demand." (Hearings, Agriculture Department appropriation, 1956, pt. II, p. 449.)

However, as I have already pointed out, whether the surpluses of basic commodities disappear by 1962, 1975, or 2000, is immaterial to this discussion, since, although Mr. Moley is either ignorant of the fact or merely delights in distortion of the facts and misleading his readers on this point, the crops grown on the upper Colorado Basin lands, for which this bill will provide additional water, are not the basic crops—wheat, cotton, corn, tobacco, rice, and peanuts—which are our surplus crops.

The crops and commodities now produced and for which additional water is needed are principally feed and forage and livestock, commodities which are not now and which have not been under price support. We should be concerned about surpluses created by a rigid 90-percent price-support program even in the short run, but it is not material to a discussion of the merits of the upper Colorado River project.

Mr. Moley, in spite of his misstatement of the facts which led him to fallacious conclusions about the economic necessity and feasibility of the upper Colorado River project, has carried two very interesting questions which warrant attention: First, exactly what are going to be our consumptive food requirements in light of population changes by 1975? Second, how can these requirements be met?

Three independent studies on population trends have been made within the last 5 years:

- (1) The President's Water Policy Commission (1950).
- (2) The Shaw Report, USDA (1953).
- (3) The Paley Study of Material Resources (1953).

All three have one thing in common: They agree that by 1975 the population of the United States will be in the neighborhood of 190 million to 205 million people, and that to provide food and fiber, even at present dietary standards, will require approximately 100 million acres of additional cropland. For example, President Truman's Water Resources Policy Commission estimated in 1950 that this estimated need for an additional 100 million acres of cropland would have to be met from three potential sources which take into account the reduced need of cropland acreage for horses and mules, increased efficiency on present lands under cultivation, and reclaimed land, as follows:

Source:	Acres
1. Acre equivalent of ordinary land reclaimed through clearing, drainage, and flood protection	21,000,000
2. Newly irrigated land equivalent (9 million acres of land in the humid areas will produce about as much as 6 million under cultivation)	9,000,000
3. Increased productivity on present land under cultivation (liberally assuming that productivity would increase 18 percent by 1975 over the low period, 1945-49)	46,000,000
Total available	76,000,000

These potential acreage resources leave a need for an additional 24 million acres. In all probability, as I have mentioned, in the not too distant future, we will be a deficit agricultural nation. This deficit will have to be met by importation.

But what is the relationship between that portion of our potential land resources identified by the Commission as "newly irrigated land equivalent" and reclamation projects such as the upper Colorado River? Namely this, as Dr. George D. Clyde commissioner of streams for Utah and formerly the Dean of the School of Engineering, Utah State Agricultural College for 10 years, and more recently Chief of the Division of Irrigation Research in the Soil Conservation Service of the United States Department of Agriculture, told the House Interior and Insular Affairs Committee on March 15, 1955:

"Nine million acres of land in the humid areas will produce about as much as 6 million under irrigation. * * *

"Six million new acres of irrigated land will require that every acre of arable land within the reach of an adequate water supply will have to be put under irrigation. This means full and complete development on a basin-wide basis of every river basin in the West. It will require the completion of projected reclamation programs in the Columbia, Missouri, Arkansas, White, and Red, the Colorado drainage basins and in all drainage basins in California and the great basin States. * * *

Dr. Clyde concluded his testimony with the astute observation that—

"This country has become great because it has great natural resources, but also because its people looked forward. They did not wait for crises to develop. They anticipated them and prepared for them. We must anticipate our agricultural needs and prepare for them. The future needs are evident, the way of meeting them is clear. Begin now to develop the means of production of food and fiber to meet our needs 25 years from now.

"This is the reason why * * * the Colorado River storage project and participating projects, a basin-wide development which will require at least 25 years to bring into full production the lands in the initial phase should be authorized and construction started as soon as possible. It is a self-liquidating project and an investment in the Nation's future."

Mr. President, I am sure you will agree with me, in light of these facts, that Mr. Moley is something less than an expert on western reclamation, irrigation, and agriculture. It is too bad that Phineas P. has to be subject to his inaccurate statements on a subject—inaccurate statements which the analysis I have given indicates his article contains. Phineas P.'s best interests are clearly represented in and tied up with the enactment of the upper Colorado River legislation, but not in the light which Mr. Moley attempts by distortion to place it.

11. MR. MOLEY'S INCORRECT STATEMENT

"The construction cost on the 1955 project would average \$1,000 or more, but since the repayment period would run 75 years or more, the hidden interest cost would be \$5,000 per acre."

The facts: The average cost per acre for the 12 participating irrigation projects conditionally authorized in S. 500 actually is \$537. Per acre costs for the 12 units are as follows: LaBarge, \$210; Seedskaadee, \$383; Lyman, \$260; Silt, \$450; Smith Fork, \$321; Paonia, \$398; Florida, \$343; Pine River, \$332; Emery County, \$400; Central Utah, \$794; Hammond, \$627; and Gooseberry, \$349. The net average cost per acre for central Utah project is only \$620, when project power revenues are subtracted.

Where Mr. Moley got his figures and how he doubled the actual average acre cost for

the 1955 project to \$1,000 is a mystery to me.

Furthermore, his additional statement that hidden costs would be \$5,000 per acre is totally false and ridiculous, and he should know it.

It is true that costs per acre reach a very high level where Navaho Indian lands are involved. One reason for this is that the Southwest Indians, notably the Navahos, were shunted off onto huge reservations comprising some of the driest and most inaccessible land in the country. But to them, the reservation is home, and water is vital not only to their continued growth but also to their very survival.

The provision of a water supply for these people actually is a responsibility not of the residents of our area but of the entire country. However, since the Indian people live along the river and are our neighbors, and since we see no possibility of their getting such needed assistance from any other source, we have included admittedly expensive Indian water development units in the overall project. This makes the Navahos eligible for project power revenues—which will be paid essentially by white consumers in the four-State area—to help pay the difference between the financial burden they can assume and the total cost of such units. It also increases the average acre costs of the project unit embracing Navaho lands.

For this concession that the Indian needs water, too, we obviously are being censured by Mr. Moley.

12. MR. MOLEY'S INCORRECT STATEMENT

"Excessive power costs: Senator DOUGLAS cannot be accused of hostility to public power or to hydropower. He said that the cost of producing power on the Tennessee is 1.1 mill per kilowatt, and 1 mill on the Columbia."

The facts: The cost of producing power on the Tennessee River and on the Columbia River has absolutely no bearing on this project. We are considering a project for four Rocky Mountain States, which deserve Federal cooperation in solving economic problems, beyond available financing, just as much as do the good people of the Tennessee Basin and the Columbia River. We wish that we could get power at comparable rates to those mentioned, but the fact is that we cannot and Mr. Moley knows it.

Mr. Moley should know that spokesmen for all the privately owned electric utilities in the four States concerned appeared at both 1954 and 1955 congressional hearings on the Colorado River storage project and committed themselves to purchase all of the power produced by the project above that delivered to preference customers, such as REA's and publicly owned power systems. Spokesmen for the REA's in the area also appeared in support of the bill, pointing out that project power at 6 mills would have effected a total savings of \$419,909 for the electric cooperatives in the area in 1953.

Echo Park Dam also has been endorsed by the Northwest Public Power Association, Inc. Hence the project is supported by all advocates of hydropower, both private and public, in the area most directly concerned.

13. ANOTHER OF MR. MOLEY'S MASTERFUL HALF-TRUTHS

"Power from coal can be produced for less than 4 mills."

The facts: Regardless of the cost of electric power produced from coal steam plants, the fact is that residents of our area want to build the Colorado River storage project to produce water. We have plenty of coal in our area, but it may never have occurred to Mr. Moley that we cannot drink coal, nor irrigate crops with it. And we cannot drink uranium either, another future source of fuel for power production. Industry must also use large quantities of water in industrial operations.

In dealing in half-truths of this kind, Mr. Moley is totally ignoring the true cost of the power to be produced by the Colorado River storage project. This true cost, of course, is the average cost of the plant's output over its expected years of operation. These project power plants will function effectively for hundreds of years. After the construction cost is amortized, in a 50-year repayment program, with interest, the major expense of power production will be simple maintenance, and operating including part-replacement costs. The river flowage rights will cost nothing.

Hence, Mr. Moley should have pointed out that if the most efficient coal-fueled steam-power unit can produce power for 4 mills today, the power production from that unit probably will cost as much, or more, 50 years from now. Power produced by Glen Canyon and Echo Park Dams, on the other hand, will cost less than 2 mills at the end of the 50-year amortization period.

The cost to area consumers of 6 mills per kilowatt-hour reflects construction with interest, operation, and maintenance expense; the cost of transmission facilities to load or market centers; and the application of power revenues to help pay the total costs of the project. And inasmuch as the people who use and benefit from the water also will use and pay for the power, the complete costs of this project are being paid by the residents of the four States involved who benefit from the project. This is sound financing of public works projects.

14. MOLEY'S INCORRECT STATEMENT

"The plans in this bill call for power production costs of about 4½ mills at Glen Canyon and 6 mills at Echo Park."

The facts: The costs of power production during the amortization period were estimated at 4.7 mills for Glen Canyon and 5.9 mills at Echo Park Dam. After construction costs are amortized, both of these highly efficient dams will produce power, for many generations, for less than 2 mills.

15. MOLEY'S INCORRECT STATEMENT

"This bill actually assumes in its alleged pay-out plan that 6 mills can be charged for 75 to 100 years. And the region has enormous unused coal and shale oil for power production. It also has a lot of uranium. If power is to be sold competitively in such a region, it will have to be below cost, and that means a subsidy for power as well as irrigation."

The facts: The bill does not "assume" that the project will pay out in the prescribed period. The area power market has been thoroughly studied, both by the Bureau of Reclamation and the Federal Power Commission. Commitments were made during the 1954 and 1955 congressional hearings by representatives of all the private electric utilities as well as the cooperative groups in the area, to the effect that they will buy all the power produced from the project at the proposed 6-mill rate. This estimated power rate, it may interest Mr. Moley to learn, is lower than the average power production rates in the four-State area at the present time.

Calamity howlers made similar charges against Boulder Dam back in the 1920's. At that time, it was charged that Boulder Dam, located on the best power site of the entire Colorado River, would never pay out, that the power would be delivered in Los Angeles at 4.5 mills, and never sell. This great dam not only will pay out on schedule, but on the basis of earnings, the rates actually have been readjusted downward so that the southern California area has some of the lowest power rates in the country. Time has proven those pessimists wrong, and with the next two best power sites on the river included in the Colorado River storage project, I have no doubt that the project will prove its critics wrong, and that the country 30 years from now will be just as proud of this great project

as we are of Hoover Dam and allied hydro-power development on the lower Colorado River.

16. MOLEY'S INCORRECT STATEMENT

"This knocks into pieces the already rickety financial plans for the project."

The facts: This is Mr. Moley's opinion, and from the batting average on the soundness and accuracy of his statements in this article, after several years of acknowledged study of this project, he most certainly does not qualify as an expert on the economic feasibility of the upper Colorado River storage project. But let us continue with the examination of his remaining half-truths regarding this project.

17. MOLEY'S INCORRECT STATEMENT

"Hoover bypassed": The Hoover Commission already has a task force report on reclamation. The Commission itself will report about June 1. The Senate and the administration have now ignored, affronted, and frustrated the Commission which they piously created 2 years ago.

The facts: The Hoover Commission most assuredly was not "bypassed" on this project. The Hoover Task Force on water resource facilities was appointed only last year. Comprehensive water resource development of the upper Colorado River was recommended by the Department of Interior in 1946 and 1950, and legislation proposals have been introduced during the last three sessions of Congress.

The Hoover Commission recommendations will not pass upon the feasibility of any particular water resource development projects. Instead, it undoubtedly will confine itself to general policy recommendations.

These recommendations will be reviewed by the President's Cabinet Level Committee on Water Resource Facilities, which has announced that it will not go into the merits or demerits of any specific project. Furthermore, the chairman of this higher level committee, Secretary of Interior Douglas McKay, has been on record as approved the Colorado River storage project even before either of these water resources study groups was formed. Furthermore, the President, who appointed both groups, also is strongly on record in favor of the Colorado River storage project.

Mr. Moley's statement, therefore, can only be accepted as an attempt to confuse and deceive the public on this matter, because as a student of this subject with his assiduity, surely he must have known these simple background facts.

The mere fact that a few members of the Hoover Task Force may have made public statements against the project neither proves that they are right nor that the Hoover Commission, as such, is against the Colorado River storage project. On the contrary, one member of the task force, Gov. J. Bracken Lee, of Utah, who has established a national reputation for economy in government, also has come out publicly in favor of the Colorado River storage project. This fact was overlooked by Mr. Moley in his completely one-sided statement.

18. MOLEY'S INCORRECT STATEMENT

"Phineas P., the little man who pays the bill, has two hopes left: His House of Representatives and his own capacity to complain."

The facts: The Federal taxpayers in four great upper basin States, and such organizations as the National Congress of Industrial Organizations, which has also publicly endorsed this project, have some real complaints to make concerning the bitter bias and deliberate misrepresentation displayed by Raymond Moley.

It is my hope that this attempt to present the whole truth on this project, will help to clear up the half-truths and misstatements that characterize almost every line of Mr. Moley's article. By such unfair and inaccurate reporting, Mr. Moley is rendering an out-

rageous injustice to 3 million residents in the four upper basin States and to all the States which have benefited from and which will continue to grow and progress through development of water resources under the reclamation program, tested and proved highly successful in half a century of operation.

UNITED STATES FOREIGN POLICY

Mr. BENDER. Mr. President, in the past few weeks, I have completed a most interesting survey of public thinking on our foreign policy. I believe that the people who are vitally affected by these critical decisions should be heard before the decisions are made. My questionnaire was directed to the Formosa problem and I asked three questions.

The first question was: Should the United States defend Formosa? The second asked: Should we defend Matsu and Quemoy if Red China attacks these islands? My last question was: Should we use atomic weapons, if necessary, to repel a Red Chinese attack upon Matsu and Quemoy?

More than 50,000 voters in the State of Ohio received this questionnaire. They were not required to sign their names if they did not wish to do so. Well over 38,000 people replied to one or more of the questions, and thousands of them not only signed their replies but also added a series of extremely interesting comments.

The results of the poll showed an overwhelming majority in favor of an all-out, realistic, determined stand by our Government. To the defense of Formosa, 32,484 men and women replied "Yes." Only 6,785 said "No." On the second question, the defense of Quemoy and the Matsu Islands, 27,825 voters said "Yes" against 7,715 "No." On the third issue, the use of atomic weapons, if necessary, to defend the coastal islands off Formosa, 24,660 replies voted "Yes"; 8,327 said "No."

There is no quibbling in the views of Ohio citizens on these questions. They are clearly in favor of using every means necessary to stop further Communist aggression. They do not differentiate between an attack by the Red Chinese on Formosa or an attack on the islands leading to Formosa. There was a marked drop in the number of people replying to the question involving atomic weapons, but the results still favored using such weapons to defend Quemoy and the Matsus by a margin of almost 3 to 1.

Hundreds of letters accompanied the replies to my poll. Several thousand voters simply wrote their own comments right on the questionnaire. By the hundreds, these writers emphasized their determination to stop any further Communist aggression, in the Far East or anywhere else. There were dozens of strong replies attacking any element of "appeasement" in Uncle Sam's approach. I found frequent references to the Bricker amendment and its importance as a warning to the Soviet Union and Red China. Statements protesting the continued imprisonment of Americans by Communist China were written by scores of people.

Taken as a whole, the results of this survey were most positive and reassuring.

They reinforced my own belief that the American people are far more determined than many Members of Congress to back a strong stand by our country. Wherever the Communist question arises, I shall be thinking of this overwhelming response by the voters of my own State.

During the past few weeks in Congress, we have been moving slowly ahead on other major questions before the Nation. Many people ask why we continue to spend large sums of money on foreign spending. They object strenuously to much of this. Sometimes they challenge Congress to stop pouring good American tax dollars down "ratholes." I have often sympathized with this viewpoint myself. There is no doubt in my mind that much of our spending abroad has been wasted, particularly in years gone by. But there can be no doubt today that at least part of the credit for a revived Europe must go to American dollars. Today, we have shifted our attention from Europe to the Far East. Here, the needs are far more evident than they were in Europe.

We have learned to our bitter sorrow that communism does not really appeal to men's minds. It only pretends to do so. It does its work through empty stomachs. Those countries which have succumbed to the Marxist propaganda have done so because they were hungry. They have listened to Moscow because the Kremlin promised them everything they wanted. I do not believe for a moment that the Chinese people, with their ancient traditions, have accepted the theories of Lenin and Stalin. What they have accepted is a bowl of rice.

If we are to have a chance to keep the people of Vietnam, Laos, Cambodia, and Thailand from falling into the Communist trap, we must keep them alive until they learn how to resist for themselves.

I have every confidence in the honesty and integrity of the Eisenhower administration. I do not see wise men like Secretary of the Treasury George Humphrey accepting a foolish financial policy. He is not the kind of public official who can be misled or kidded. If he agrees that we must still spend large sums of money to protect our fundamental interests in Asia, he knows what he is doing.

Let there be no misunderstanding about this. I believe in a balanced Federal budget. I believe in it because I want to see American taxes cut. I do not believe that we should cut taxes until the budget is balanced, and I shall do everything that I can to balance it. But we must not make the unfortunate mistake of eliminating spending that helps to safeguard our way of life. Helping those countries which we rely upon to help us is a good investment. We saw how well it paid off at the recent Bandung Conference. There, country after country spoke up for America in defiance of Red China. We have made mistakes in our foreign spending, to be sure, but we have also made friends.

Our friendships all over the world are one of our greatest assets. They will become increasingly important in the light of the approaching Big Four Conference. There are many Americans who look with great concern at this meeting.

They are mindful of previous sessions at the summit. All of us remember the work of Mr. Roosevelt, and Mr. Truman at Yalta, Teheran, and Potsdam. Some of us go back a good deal further to Versailles, where Woodrow Wilson's 14 points were blunted by diplomatic manipulations.

I for one do not expect any miracles to be achieved at the Big Four meeting. We have too many areas of basic disagreement to expect any overnight reversal of the trend. Much as we may dislike the prospect, the evidence points to a long struggle to prove that freedom is still better than Communist slavery. No conference is likely to change Communist policies in Indochina or Formosa. The Reds are not going to give up their political organizations in France or Italy or the United States. It would be unrealistic to expect the Soviet Union to surrender its grip on East Germany and allow the unification of Germany. Nor can we count on the Russians to accept a universal and honest atomic weapons control plan.

These are the mental reservations which must accompany President Eisenhower to the Conference. Nevertheless, I do not think our President is going to be hoodwinked, hornswoggled, or bulldozed in Europe. I am positive that his predecessors at these international conferences were. Mr. Eisenhower knows the Russians. He knows that one of their fundamental party lines calls for the right to change their position as rapidly as a chameleon changes his color. He knows that treaty obligations are scraps of paper to Communists.

Why is he going under these circumstances? I think the answer is clear. This time, America is going with nothing to offer. We are going to listen to what the other side has to say. If they keep quiet, we are not going to start the conversation.

This is a vastly different situation from what we had a few years ago. America today is not a Samson with a haircut. We have our strength back. We are not going to give it up. President Eisenhower's greatest triumph has been the reestablishment of America's might, not only as a military power but also on the domestic front.

When our country speaks today, it speaks with power. We shall not go to Switzerland as a suppliant, nor as an appeaser.

These are some of the developments which have taken place in the past few weeks on the international scene and at home. I am an optimist by nature. There are many serious problems before us. Our difficulties are by no means at an end. Formosa may erupt into a shooting war. But the big difference between America under Eisenhower and America under the Democrats is this—today we are prepared. We have stopped falling for the propaganda dished out by the Kremlin and its echoes.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1956

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

DEDICATION OF LEE MANSION IN ARLINGTON NATIONAL CEMETERY AS A PERMANENT MEMORIAL TO ROBERT E. LEE

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee, which was, on page 3, strike out lines 3 through 7, and insert:

Resolved, That the magnificent manor house situated in its prominent position at the brow of a hill overlooking the Potomac River in Arlington National Cemetery, and popularly known as the Lee Mansion, be officially designated as the Custis-Lee Mansion, so as to give appropriate recognition to the illustrious Virginia family in which General Lee found his wife, and that the Custis-Lee Mansion is hereby dedicated as a permanent memorial to Robert E. Lee, and the Secretary of the Interior is authorized and directed to erect on the aforesaid premises a suitable memorial plaque, and to correct governmental records to bring them into compliance with the designation authorized by this joint resolution.

Mr. JOHNSON of Texas. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I submit Senate Concurrent Resolution 41 and ask for its immediate consideration.

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

The legislative clerk read as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the joint resolution (S. J. Res. 62) dedicating the Lee Mansion in Arlington National Cemetery as a permanent memorial to Robert E. Lee, to make the following changes, namely: On page 2, line No. 1, of the engrossed joint resolution, strike out the word "Resolved" and in lieu thereof insert "Resolved by the Senate and House of Representatives of the United States of America in Congress assembled"; and on page 2, line 9, and page 3, line 3, strike out "Resolved," and in lieu thereof insert, respectively, "Sec. 2." and "Sec. 3."

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

There being no objection, the concurrent resolution (S. Con. Res. 41) was considered and agreed to.

CONSTRUCTION OF TOLL BRIDGE NEAR RIO GRANDE CITY, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 518, H. R. 4573.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4573) authorizing Gus A. Guerra, his heirs, legal representatives, and assigns, to construct, maintain, and operate a

toll bridge across the Rio Grande, at or near Rio Grande City, Tex.

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

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

Mr. JOHNSON of Texas. The bill, which comes from the Committee on Foreign Relations, involves a bridge. The bill was unanimously reported by the committee.

By this proposed legislation, subject to the approval of the International Boundary and Water Commission, United States and Mexico, and of the Republic of Mexico, Gus A. Guerra is authorized to construct, maintain, and operate a toll bridge in the vicinity of Rio Grande City, Tex. Tolls will be fixed and charged in accordance with applicable United States and Texas laws. This legislation conforms to the provisions of previous legislation which authorized construction of bridges across the Rio Grande between Texas and Mexico. Congressional authorization is required because the proposed bridge will cross international waters. There will be no costs to the Federal Government.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF TOLL BRIDGE NEAR LOS EBANOS, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 519, H. R. 2934.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2934) authorizing E. B. Reyna, his heirs, legal representatives and assigns, to construct, maintain, and operate a toll bridge across the Rio Grande at or near Los Ebanos, Tex.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief statement as to the purpose of the bill, as contained in the report.

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

This bill authorizes the construction, maintenance, and operation of a toll bridge across the Rio Grande at or near Los Ebanos. Construction, maintenance, and operation of the proposed bridge will be subject to the approval of the International Boundary and Water Commission, United States and Mexico, and also subject further to the approval of the proper authorities in the Republic of Mexico. The tolls will be fixed and charged in accordance with the applicable laws of the United States and the State of Texas.

No expenses to the Federal Government are involved in this legislation.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

COMPACT BETWEEN THE STATES OF ARKANSAS AND OKLAHOMA RELATING TO APPORTIONMENT OF WATERS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 543, H. R. 208.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 208) granting the consent of Congress to the States of Arkansas and Oklahoma, to negotiate and enter into a compact relating to their interests in and the apportionment of, the waters of the Arkansas River and its tributaries as they affect such States.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

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

Mr. JOHNSON of Texas. Mr. President, I call the attention of the Senator from New Mexico [Mr. CHAVEZ], the chairman of the committee, to the bill, and ask him if he wishes to discuss it.

Mr. CHAVEZ. Mr. President, the report explains the bill completely. All the bill does is to permit the States of Arkansas and Oklahoma to enter into a compact with respect to the Arkansas River. The Senate has passed similar bills of this nature before.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

EMERGENCY FLOOD CONTROL WORK

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 544, H. R. 3878.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 3878) to amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood control work.

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

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

Mr. CHAVEZ. Mr. President, the Committee on Public Works, to whom the bill was referred, has reported the bill favorably.

On page 1 of the report, section 5 of the Flood Control Act of 1941 is set forth as follows:

That the Secretary of War is hereby authorized to allot, from any appropriations heretofore, or hereafter made for flood control, not to exceed \$1 million for any 1 fiscal year to be expended in rescue work, or in the repair or maintenance of any flood-control work threatened or destroyed by flood.

The bill which is designed to amend the Flood Control Act, would eliminate the present emergency maintenance of flood-control works threatened or destroyed by flood. The bill proposes to

eliminate the present requirement of maintenance since the purpose of the flood-emergency appropriation is for work of an emergency nature and should not include ordinary maintenance of existing flood-control works. The Secretary of the Army advised the committee that because of the word "maintenance" in the present law, it has been administratively difficult to withhold allotments for the repair of flood-control works which should be maintained from other sources. As a result, funds available annually for true emergency work have been reduced. The effect of this elimination would be to permit the use of the entire emergency flood appropriation for the purposes for which it was basically intended.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

TELEPHONE SERVICE IN CONNECTION WITH CONSTRUCTION AND OPERATION OF LOCKS AND DAMS FOR NAVIGATION, FLOOD CONTROL, AND RELATED WATER USES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 545, H. R. 4426.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4426) to amend section 7 of the act approved September 22, 1922, as amended.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

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

Mr. CHAVEZ. Mr. President, H. R. 4426, which was passed by the House on April 18, 1955, is designed to reduce the administrative expenses of the Corps of Engineers. The bill as proposed would permit the issuance of regulations by the Corps of Engineers, upon the recommendation of the Chief of Engineers, concerning telephone installations, and would eliminate the present requirements for individual approval.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

AUTHORIZATION OF FUNDS FOR CONSTRUCTION OF INTER-AMERICAN HIGHWAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 546, H. R. 5923.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 5923) to authorize certain sums to be appropriated immediately for the completion of the construction of the Inter-American Highway.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Public Works with an amendment, to strike out all after the enacting clause and insert:

That the sum authorized in section 7 of the Federal-Aid Highway Act of 1954 (68 Stat. 70) for the Inter-American Highway for each of the fiscal years ending June 30, 1957, 1958, and 1959, is hereby authorized for appropriation immediately, to be available until expended, and the additional sum of \$25,730,000 is hereby authorized for appropriation immediately, to be available until expended, for the purposes of and in accordance with the provisions of said section 7.

Mr. CHAVEZ. Mr. President, we have been discussing for a long, long while the Inter-American Highway. Congress has heretofore authorized appropriations for the road. After the visit of the Vice President some few months ago to that area, the President of the United States sent a message to the Congress, wherein there was expressed the desire to accelerate and complete the road within 3 years.

The purpose of the bill is to make available appropriations, which would otherwise extend for a period of 4, 5, or 6 years, so the work can be done in 3 years, instead of in 5 or 6 years. All the bill does is to accelerate the work of building the Inter-American Highway.

Mr. President, we can talk all we want about it, but nothing would do more good and bring greater economic benefit, not only to the countries involved in the Pan American Highway, but to the people of this country, than would passage of the bill.

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

Mr. CHAVEZ. I yield.

Mr. HOLLAND. I wish to compliment the distinguished Senator from New Mexico, chairman of the Public Works Committee, upon the prompt handling of the bill and upon the favorable action on the bill.

Mr. CHAVEZ. I may say to the Senator that the House passed the bill by a vote of 365 to 13.

Mr. HOLLAND. I thought that, too, was highly commendable. It is the rather general understanding in the Congress that our own interest is extremely well served by this bill, and that a tremendous amount of good will in Central America, and, for that matter, throughout Latin America, is tied in with the early passage of the bill.

I wish to make one further comment as a final observation. I was present with the delegation from Congress and from the Departments of State and Commerce, but a short while ago, when two recently completed links of the inter-American highway were dedicated. One was on the border of Costa Rica and Nicaragua, where only a few months before a bloody conflict had raged. The dedication took place just a few yards away from the Costa Rican customhouse, which was shot to pieces, and at which point nine men had been killed in the fighting a few months before. The border had been closed for many months, with no passage permitted.

There were lined up a great number of cars, estimated to be 400, going from Nicaragua to Costa Rica, and about half that number going from Costa Rica to Nicaragua to spend the weekend, with every evidence of a return of friendship and appreciation of each nation for the other, and, as a matter of fact, with a tremendous amount of good will shown in every direction on that occasion.

I do not see how there could have been a clearer illustration of the fact that with ready communication there is involved the assurance of better understanding.

I strongly approve the measure. I am glad the Senate is about to pass it.

In closing, I call attention to the fact that the Appropriations Committee, in reporting the bill on this subject, went as far as it could to meet the objective by making available in 1956 \$25,250,000, which is one-third of the total authorization. We thereby exhausted all the authorization that was now available. We included in the report the fervent hope that the pending measure would be quickly passed.

I indeed congratulate the Senator from New Mexico, who for many years has shown such a warm personal interest in the project, and has traversed the area in which the project lies, expressing there repeatedly the good will of this Nation for our Central American neighbors.

Mr. CHAVEZ. I am glad the bill is ready to be passed.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from New Mexico yield to the Senator from Pennsylvania?

Mr. CHAVEZ. I yield to the distinguished ranking minority member of the committee.

Mr. MARTIN of Pennsylvania. Mr. President, as ranking minority member of the committee, I wish to confirm what the Senator from New Mexico has stated. The bill was reported unanimously by the Public Works Committee.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment 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 and passed.

RESOLUTIONS TAKEN FROM THE CALENDAR AND REFERRED

Mr. JOHNSON of Texas. Mr. President, I move that Calendar No. 551, Senate Resolution 93, appointing a subcommittee to work toward the goal of world disarmament; Calendar No. 552, Senate Resolution 112, to appoint Members of the Senate to attend the North Atlantic Treaty Organization Conference in Paris in July 1955; and Calendar No. 553, Senate Concurrent Resolution 29, author-

izing the appointment of a congressional delegation to attend the North Atlantic Treaty Organization Parliamentary Conference, be taken from the calendar and referred to the Committee on Rules and Administration.

The motion was agreed to.

EXTENSION AND STRENGTHENING OF THE WATER POLLUTION CONTROL ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 547, S. 890.

There being no objection, the Senate proceeded to consider the bill (S. 890) to extend and strengthen the Water Pollution Control Act, which had been reported from the Committee on Public Works with amendments, on page 1, line 6, after the numeral "1", to insert "(a)"; on page 2, after line 11, to insert "(b) Nothing in this act shall be construed as impairing or in any manner affecting any right or jurisdiction of the States with respect to the waters (including boundary waters) of such States"; in line 22, after the word "or", to strike out "adopt" and insert "develop"; on page 3, line 9, after the word "may", to strike out "deleteriously" and insert "adversely"; on page 6, line 6, after the word "appropriated", to strike out "\$2,000,000 each"; in line 7, after the word "and", to strike out "the" and insert "for each"; and in the same line, after the word "year", to insert "to and including the fiscal year ending June 30, 1960"; in line 8, just after the amendment above stated, to strike out "and such sums as the Congress may determine for each fiscal year thereafter," and insert "\$2,000,000"; on page 8, after line 17, to strike out "the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure)." and in lieu thereof, to insert "the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure)"; on page 9, line 23, after the word "unless", to

strike out "substantially"; on page 10, at the beginning of line 6, to strike out "substantially"; on page 13, line 8, after the word "conservation", to insert "and recreation"; in line 13, after the word "person", to strike out "who shall have shown an active interest in the field of recreation" and insert "representative of interstate agencies"; on page 14, line 5, after the word "terms", to strike out "expiring prior to July 1, 1955," and insert "commencing prior to the enactment of the Water Pollution Control Act Amendments of 1955"; on page 15, after line 2, to strike out:

WATER QUALITY STANDARDS TO PREVENT POLLUTION OF INTERSTATE WATERS

SEC. 7. (a) In order to aid in preventing, controlling, and abating pollution of interstate waters in or adjacent to any State or States which will or is likely to endanger the health or welfare of persons in a State other than that in which the matter causing or contributing to the pollution is discharged, the Surgeon General shall, after careful investigation and in cooperation with other Federal agencies, with State water pollution control agencies, and with municipalities and industries involved, prepare or adopt and publish standards of quality to be applicable (in accordance with subsection (c)) to such interstate waters at the point or points where such waters flow across or form the boundary of two or more States. Such standards of quality shall be based on the present and future uses of such interstate waters for public water supplies, propagation of fish and wildlife, recreational purposes, and agricultural, industrial, and other legitimate uses, as determined in accordance with regulations prescribed by the Surgeon General after such consultation with the State water pollution control agencies, interstate agencies, and Federal agencies concerned as he deems appropriate.

(b) The Surgeon General shall prepare the standards pursuant to subsection (a) with respect to any waters only if, within a reasonable time after being requested by the Surgeon General to do so, the appropriate States and interstate agencies have not developed standards found by the Surgeon General to be acceptable for adoption under subsection (a).

(c) The alteration of the physical, biological, or chemical qualities of such interstate waters, which reduces the quality of such waters below the water quality standards promulgated by the Surgeon General and below the quality of such waters certified, by any State affected by such reduction, to be essential to its present or future uses (whether the matter causing or contributing to such reduction is discharged directly into such waters or reaches such waters after discharge into tributaries of such waters), is hereby declared to be a public nuisance and subject to abatement in accordance with the provisions of section 8 (a).

(d) Nothing in this section shall prevent the application of section 8 to any case to which it would otherwise be applicable.

On page 17, line 3, to change the section number from "8" to "7"; in line 9, after the word "originates", to strike out "is hereby declared to be a public nuisance and" and insert "shall be"; at the beginning of line 13, to insert "such"; in the same line, after the word "pollution", to strike out "declared to be a public nuisance by subsection (a)"; in line 21, after the word "action", to insert "reasonably"; on page 18, line 17, after the word "pollution", to strike out "declared to be a nuisance by" and insert

"referred to in"; in line 23, after the word "pollution", to insert:

The Secretary shall send a copy of such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution, together with a notice specifying a reasonable time (not less than 6 months) to secure abatement of such pollution, and shall also send a copy of such findings and recommendations and of such notice to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate.

On page 19, after line 6, to strike out:

(d) After affording the person or persons discharging the matter causing or contributing to the pollution reasonable opportunity to comply with the recommendations of the board, the Secretary of Health, Education, and Welfare may request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

And in lieu thereof to insert:

(d) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice prescribed in subsection (c) is not taken, the Secretary of Health, Education, and Welfare shall send a further notice to such person or persons, and shall send a copy thereof to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate. Such further notice shall specify a reasonable time (not less than 3 months) to secure abatement of such pollution. If action reasonably calculated to secure abatement of the pollution within the time specified in such further notice is not taken, the Secretary of Health, Education, and Welfare may, with the consent of the water pollution control agency (or any officer or employee authorized to give such consent) of the State or States where the matter causing or contributing to the pollution is discharged or at the request of the water pollution control agency (or any officer or employee authorized to make such request) of any other State or States where the health or welfare of any person or persons is adversely affected by such pollution, request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

On page 20, line 17, after the word "and", to strike out "may" and insert "shall"; after line 21, to strike out:

(g) In carrying out their respective functions under this section, the Surgeon General, the Secretary of Health, Education, and Welfare, and any board appointed pursuant to subsection (c) shall have power to administer oaths and to compel the presence and testimony of witnesses and the production of any evidence that relates to any matter under investigation under this section, by the issuance of subpoenas. Witnesses so subpoenaed shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States. In case of contumacy by, or refusal to obey a subpoena duly served upon, any person, any district court of the United States for the judicial district in which such person charged with contumacy or refusal to obey is found or resides or transacts business, upon application by the Surgeon General or the Secretary or such board, shall have jurisdiction to issue an order requiring such person to appear and give testimony, or to appear and produce evidence, or both. Any failure to obey such order of the court may be punished by the court as contempt thereof.

(h) For purposes of this section, the jurisdiction of the Surgeon General, or any other agency which has jurisdiction pursuant to the provisions of this act, shall not extend to

any region or areas nor shall it affect the rights or jurisdiction of any public body where there are in effect provisions for sewage disposal pursuant to agreement between the United States of America and any such public body by stipulation entered in the Supreme Court of the United States. While any such stipulation or modification thereof is in force and effect, no proceedings of any kind may be maintained by virtue of this act against such public body or any public agency, corporation, or individual within its jurisdiction. Neither this provision nor any provision of this act shall be construed to give to the Surgeon General or any other person or agency the right to intervene in the said proceedings wherein such stipulation was entered.

On page 22, at the beginning of line 7, to strike out "(i)" and insert "(g)"; in line 11, to change the section number from "9" to "8"; on page 23, line 5, to change the section number from "10" to "9"; in line 13, after the word "States", to insert "established by or pursuant to an agreement or compact approved by the Congress, or any other agency of two or more States"; after line 16, to strike out:

(c) The term "treatment works" means the various devices used in the treatment of sewage or industrial wastes of a liquid nature, including the necessary intercepting sewers, outfall sewers, pumping, power, and other equipment, and their appurtenances, and includes any extensions, improvements, remodeling, additions, and alterations thereof.

At the beginning of line 23, to strike out "(d)" and insert "(c)"; on page 24, at the beginning of line 1, to strike out "(e)" and insert "(d)"; at the beginning of line 4, to strike out "(f)" and insert "(e)"; at the beginning of line 5, to insert "county"; in line 9, to change the section number from "11" to "10"; in line 21 to change the section number from "12" to "11"; on page 25, line 2, to change the section number from "13" to "12"; at the beginning of line 12, to strike out "June 30, 1955", and insert "the date of enactment of this act"; in line 13, after the word "such", to strike out "day" and insert "date"; in line 14, after the numeral "4", to strike out "Sections 1 and 2 of this act shall become effective July 1, 1955; except that as" and insert "As"; after line 23, to insert:

SEC. 5. It is hereby declared to be the intent of the Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, insofar as practicable and consistent with the interests of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare, and with any State or interstate agency or municipality having jurisdiction over waters into which any matter is discharged from such property, in preventing or controlling the pollution of such waters.

On page 26, line 9, to change the section number from "5" to "6", so as to make the bill read:

Be it enacted, etc., That the Water Pollution Control Act (33 U. S. C. 466-466j) is hereby amended to read as follows:

"DECLARATION OF POLICY

"SECTION 1. (a) In connection with the exercise of jurisdiction over the waterways of the Nation and in consequence of the benefits resulting to the public health and

welfare by the prevention and control of water pollution, it is hereby declared to be the policy of Congress to recognize, preserve, and protect the primary responsibilities and rights of the States in preventing and controlling water pollution, to support and aid technical research relating to the prevention and control of water pollution, and to provide Federal technical services and financial aid to State and interstate agencies in connection with the prevention and control of water pollution. To this end, the Surgeon General of the Public Health Service shall administer this act through the Public Health Service and under the supervision and direction of the Secretary of Health, Education, and Welfare.

"(b) Nothing in this act shall be construed as impairing or in any manner affecting any right or jurisdiction of the States with respect to the waters (including boundary waters) of such States.

"COMPREHENSIVE PROGRAMS FOR WATER POLLUTION CONTROL

"SEC. 2. The Surgeon General shall, after careful investigation, and in cooperation with other Federal agencies, with State water pollution control agencies and interstate agencies, and with the municipalities and industries involved, prepare or develop comprehensive programs for eliminating or reducing the pollution and improving the sanitary condition of surface and underground waters. In the development of such comprehensive programs due regard shall be given to the improvements which are necessary to conserve such waters for public water supplies, propagation of fish and aquatic life and wildlife, recreational purposes, and agricultural, industrial, and other legitimate uses. For the purpose of this section, the Surgeon General is authorized to make joint investigations with any such agencies of the condition of any waters in any State or States, and of the discharges of any sewage, industrial wastes, or substance which may adversely affect such waters.

"INTERSTATE COOPERATION AND UNIFORM LAWS

"SEC. 3. (a) The Surgeon General shall encourage cooperative activities by the States for the prevention and control of water pollution; encourage the enactment of improved and, so far as practicable, uniform State laws relating to the prevention and control of water pollution; and encourage compacts between States for the prevention and control of water pollution.

"(b) The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) cooperative effort and mutual assistance for the prevention and control of water pollution and the enforcement of their respective laws relating thereto, and (2) the establishment of such agencies, joint or otherwise, as they may deem desirable for making effective such agreements and compacts. No such agreement or compact shall be binding or obligatory upon any State a party thereto unless and until it has been approved by the Congress.

"RESEARCH, INVESTIGATIONS, TRAINING, AND INFORMATION

"SEC. 4. (a) The Surgeon General shall conduct in the Public Health Service and encourage, cooperate with, and render assistance to other appropriate public (whether Federal, State, interstate, or local) authorities, agencies, and institutions, private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, investigations, experiments, demonstrations, and studies relating to the causes, control, and prevention of water pollution. In carrying out the fore-

going, the Surgeon General is authorized to--

"(1) collect and make available, through publications and other appropriate means, the results of and other information as to research, investigations, and demonstrations relating to the prevention and control of water pollution, including appropriate recommendations in connection therewith;

"(2) make grants-in-aid to public or private agencies and institutions and to individuals for research or training projects and for demonstrations, and provide for the conduct of research, training, and demonstrations by contract with public or private agencies and institutions and with individuals without regard to sections 3648 and 3709 of the Revised Statutes;

"(3) secure, from time to time and for such periods as he deems advisable, the assistance and advice of experts, scholars, and consultants as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U. S. C. 55a);

"(4) establish and maintain research fellowships in the Public Health Service with such stipends and allowances, including traveling and subsistence expenses, as he may deem necessary to procure the assistance of the most promising research fellows; and

"(5) provide training in technical matters relating to the causes, prevention, and control of water pollution to personnel of public agencies and other persons with suitable qualifications.

"(b) The Surgeon General may, upon request of any State water pollution control agency or interstate agency, conduct investigations and research and make surveys concerning any specific problem of water pollution confronting any State, interstate agency, community, municipality, or industrial plant, with a view of recommending a solution of such problem.

"(c) The Surgeon General shall collect and disseminate such information relating to water pollution and the prevention and control thereof as he deems appropriate to carry out the purposes of this act.

"GRANTS FOR WATER POLLUTION CONTROL

"SEC. 5. (a) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each succeeding fiscal year to and including the fiscal year ending June 30, 1960, \$2 million for grants to States and to interstate agencies to assist them in meeting the costs of establishing and maintaining adequate measures for the prevention and control of water pollution.

"(b) The portion of the sums appropriated pursuant to subsection (a) for the fiscal year which shall be available for grants to interstate agencies and the portion thereof which shall be available for grants to States shall be specified in the act appropriating such sums.

"(c) From the sums available therefor for any fiscal year the Surgeon General shall from time to time make allotments to the several States, in accordance with regulations, on the basis of (1) the population, (2) the extent of the water pollution problem, and (3) the financial need of the respective States.

"(d) From each State's allotment under subsection (c) for any fiscal year the Surgeon General shall pay to such State an amount equal to its Federal share (as determined under subsection (i)) of the cost of carrying out its State plan approved under subsection (f), including the cost of training personnel for State and local water pollution control work and including the cost of administering the State plan.

"(e) From the sums available therefor for any fiscal year the Surgeon General shall from time to time make allotments to interstate agencies, in accordance with regulations, on such basis as the Surgeon General

finds reasonable and equitable. He shall from time to time pay to each such agency, from its allotment, an amount equal to such portion of the cost of carrying out its plan approved under subsection (f) as may be determined in accordance with regulations, including the cost of training personnel for water pollution control work and including the cost of administering the interstate agency's plan. The regulations relating to the portion of the cost of carrying out the interstate agency's plan which shall be borne by the United States shall be designed to place such agencies, so far as practicable, on a basis similar to that of the States.

"(f) The Surgeon General shall approve any plan for purposes of this section which is submitted by the State water pollution control agency or, in the case of an interstate agency, by such agency, and which meets such requirements as the Surgeon General may prescribe by regulation.

"(g) All regulations and amendments thereto with respect to grants to States and to interstate agencies under this section shall be made after consultation with a conference of the State water pollution control agencies and interstate agencies. Insofar as practicable, the Surgeon General shall obtain the agreement, prior to the issuance of any such regulations or amendments, of such State and interstate agencies.

"(h) (1) Whenever the Surgeon General, after reasonable notice and opportunity for hearing to a State water pollution control agency or interstate agency finds that—

"(A) the plan submitted by such agency and approved under this section has been so changed that it no longer complies with a requirement prescribed by regulation as a condition of approval of the plan; or

"(B) in the administration of the plan there is a failure to comply substantially with such a requirement, the Surgeon General shall notify such agency that no further payments will be made to the State or to the interstate agency, as the case may be, under this section (or in his discretion that further payments will not be made to the State, or to the interstate agency, for projects under or parts of the plan affected by such failure) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Surgeon General shall make no further payments to such State, or to such interstate agency, as the case may be, under this section (or shall limit payments to projects under or parts of the plan in which there is no such failure).

"(2) If any State or any interstate agency is dissatisfied with the Surgeon General's action with respect to it under this subsection, it may appeal to the United States court of appeals for the circuit in which such State (or any of the member States, in the case of an interstate agency) is located. The summons and notice of appeal may be served at any place in the United States. The findings of fact by the Surgeon General, unless contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Surgeon General to take further evidence, and the Surgeon General may thereupon make new or modified findings of fact and may modify his previous action. Such new or modified findings of fact shall likewise be conclusive unless contrary to the weight of the evidence. The court shall have jurisdiction to affirm the action of the Surgeon General or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

"(1) (1) The 'Federal share' for any State shall be 100 percent less that percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the continental

United States (excluding Alaska), except that (A) the Federal share shall in no case be more than 66 $\frac{2}{3}$ percent or less than 33 $\frac{1}{3}$ percent, and (B) the Federal share for Hawaii and Alaska shall be 50 percent, and for Puerto Rico and the Virgin Islands shall be 66 $\frac{2}{3}$ percent.

"(2) The 'Federal shares' shall be promulgated by the Surgeon General between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the continental United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Federal shares promulgated by the Surgeon General pursuant to section 4 of the Water Pollution Control Act Amendments of 1955 shall be conclusive for the period beginning July 1, 1955, and ending June 30, 1957.

"(j) The population of the several States shall be determined on the basis of the latest figures furnished by the Department of Commerce.

"(k) The method of computing and paying amounts pursuant to subsection (d) or (e) shall be as follows:

"(1) The Surgeon General shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State (or to each interstate agency in the case of subsection (e)) under the provisions of such subsection for such period, such estimate to be based on such records of the State (or the interstate agency) and information furnished by it, and such other investigation, as the Surgeon General may find necessary.

"(2) The Surgeon General shall pay to the State (or to the interstate agency), from the allotment available therefor, the amount so estimated by him for any period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid such State (or such interstate agency) for any prior period under such subsection was greater or less than the amount which should have been paid to such State (or such agency) for such prior period under such subsection. Such payments shall be made through the disbursing facilities of the Treasury Department, in such installments as the Surgeon General may determine.

"WATER POLLUTION CONTROL ADVISORY BOARD

"SEC. 6. (a) There is hereby established in the Public Health Service a Water Pollution Control Advisory Board to be composed as follows: The Surgeon General or a sanitary engineer officer designated by him, who shall be Chairman of the Board, a representative of the Department of the Army, a representative of the Department of the Interior, a representative of the Department of Commerce, a representative of the Department of Agriculture, a representative of the Atomic Energy Commission, a representative of the National Science Foundation, and a representative of the Federal Power Commission, designated by the Secretary of the Army, the Secretary of the Interior, the Secretary of Commerce, the Secretary of Agriculture, the Chairman of the Atomic Energy Commission, the Director of the National Science Foundation, and the Chairman of the Federal Power Commission, respectively; and seven persons (not officers or employees of the Federal Government) to be appointed by the President. One of the persons appointed by the President shall be an engineer who is expert in sewage and industrial waste disposal, one shall be a person who shall have shown an active interest in the field of wildlife conservation and recreation, and, except as the

President may determine that the purposes of this act will be better furthered by different representation, one shall be a person representative of municipal government, one shall be a person representative of State government, one shall be a person representative of affected industry, one shall be a person representative of interstate agencies, and one shall be a person who shall have shown an active interest in the field of agriculture. Each member appointed by the President shall hold office for a term of 3 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first taking office after June 30, 1955, shall expire as follows: 2 at the end of 1 year after such date, 2 at the end of 2 years after such date, and 3 at the end of 3 years after such date, as designated by the President at the time of appointment. None of the members appointed by the President shall be eligible for reappointment within 1 year after the end of his preceding term, but terms commencing prior to the enactment of the Water Pollution Control Act Amendments of 1955 shall not be deemed 'preceding terms' for purposes of this sentence. The members of the Board who are not officers or employees of the United States, while attending conferences or meetings of the Board or while otherwise serving at the request of the Surgeon General, shall be entitled to receive compensation at a rate to be fixed by the Secretary of Health, Education, and Welfare, but not exceeding \$50 per diem, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U. S. C. 73b-2) for persons in the Government service employed intermittently.

"(b) The Board shall advise, consult with, and make recommendations to, the Surgeon General on matters of policy relating to the activities and functions of the Surgeon General under this act.

"(c) Such clerical and technical assistance as may be necessary to discharge the duties of the Board shall be provided from the personnel of the Public Health Service.

"ENFORCEMENT MEASURES AGAINST POLLUTION OF INTERSTATE WATERS

"Sec. 7. (a) The pollution of interstate waters in or adjacent to any State or States (whether the matter causing or contributing to such pollution is discharged directly into such waters or reaches such waters after discharge into a tributary of such waters), which endangers the health or welfare of persons in a State other than that in which the discharge originates, shall be subject to abatement as herein provided.

"(b) Whenever the Surgeon General, on the basis of reports, surveys, and studies, has reason to believe that any such pollution is occurring, he shall give formal notification thereof to the person or persons discharging any matter causing or contributing to such pollution and shall advise the water pollution control agency or interstate agency of the State or States where such discharge or discharges originate of such notification. The notification shall specify a reasonable time to secure abatement of the pollution.

"(c) If action reasonably calculated to secure abatement of the pollution within the time specified in the notification pursuant to subsection (b) is not taken, the Secretary of Health, Education, and Welfare is authorized to call a public hearing, to be held in or near one or more of the places where the discharge or discharges causing or contributing to such pollution originate, before a board of five or more persons appointed by the Secretary, who may be officers or employees of the Department of Health, Education, and Welfare or of the

water pollution control agency or interstate agency of the State or States where such discharge or discharges originate (except that the water pollution control agency of the State or States where such discharge or discharges originate shall be given an opportunity to select at least one member of the Board and at least one member shall be a representative of the Department of Commerce, and not less than a majority of the Board shall be persons other than officers or employees of the Department of Health, Education, and Welfare). On the basis of the evidence presented at such hearing, the Board shall make findings as to whether pollution referred to in subsection (a) is occurring. If the Board finds such pollution is occurring, it shall make recommendations to the Secretary of Health, Education, and Welfare concerning the measures, if any, which it finds to be reasonable and equitable to secure abatement of such pollution. The Secretary shall send a copy of such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution, together with a notice specifying a reasonable time (not less than 6 months) to secure abatement of such pollution, and shall also send a copy of such findings and recommendations and of such notice to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate.

"(d) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice prescribed in subsection (c) is not taken, the Secretary of Health, Education, and Welfare shall send a further notice to such person or persons, and shall send a copy thereof to the water pollution control agency, and to the interstate agency, if any, of the State or States where such discharge or discharges originate. Such further notice shall specify a reasonable time (not less than 3 months) to secure abatement of such pollution. If action reasonably calculated to secure abatement of the pollution within the time specified in such further notice is not taken, the Secretary of Health, Education, and Welfare may, with the consent of the water pollution control agency (or any officer or employee authorized to give such consent) of the State or States where the matter causing or contributing to the pollution is discharged or at the request of the water pollution control agency (or any officer or employee authorized to make such request) of any other State or States where the health or welfare of any person or persons is adversely affected by such pollution, request the Attorney General to bring a suit on behalf of the United States to secure abatement of the pollution.

"(e) In any suit brought pursuant to subsection (d) in which two or more persons in different judicial districts are originally joined as defendants, the suit may be commenced in the judicial district in which any discharge caused by any of the defendants occurs.

"(f) The court shall receive in evidence in any such suit a transcript of the proceedings before the Board and a copy of the Board's recommendation; and shall receive such further evidence as the court in its discretion deems proper. The court shall have jurisdiction to enter such judgment, and orders enforcing such judgment, as the public interest and the equities of the case may require.

"(g) As used in this section, the term 'person' includes an individual, corporation, partnership, association, State, municipality, and political subdivision of the State.

"ADMINISTRATION

"Sec. 8. (a) The Surgeon General is authorized to prescribe such regulations as are necessary to carry out his functions under this act. All regulations of the Surgeon

General under this act shall be subject to the approval of the Secretary of Health, Education, and Welfare. The Surgeon General may delegate to any officer or employee of the Public Health Service such of his powers and duties under this act, except the making of regulations, as he may deem necessary or expedient.

"(b) The Secretary of Health, Education, and Welfare, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as may be found necessary to assist in carrying out the purposes of this act.

"(c) There are hereby authorized to be appropriated to the Department of Health, Education, and Welfare such sums as may be necessary to enable it to carry out its functions under this act.

"DEFINITIONS

"Sec. 9. When used in this act—

"(a) The term 'State water pollution control agency' means the State health authority, except that, in the case of any State in which there is a single State agency, other than the State health authority, charged with responsibility for enforcing State laws relating to the abatement of water pollution, it means such other State agency.

"(b) The term 'interstate agency' means an agency of two or more States established by or pursuant to an agreement or compact approved by the Congress, or any other agency of two or more States, having substantial powers or duties pertaining to the control of pollution of waters.

"(c) The term 'State' means a State, the District of Columbia, Hawaii, Alaska, Puerto Rico, or the Virgin Islands.

"(d) The term 'interstate waters' means all rivers, lakes, and other waters that flow across, or form a part of, State boundaries.

"(e) The term 'municipality' means a city, town, county, district, or other public body created by or pursuant to State law and having jurisdiction over disposal of sewage, industrial wastes, or other wastes.

"OTHER AUTHORITY NOT AFFECTED

"Sec. 10. This act shall not be construed as (1) superseding or limiting the functions, under any other law, of the Surgeon General or of the Public Health Service, or of any other officer or agency of the United States, relating to water pollution, or (2) affecting or impairing the provisions of the Oil Pollution Act, 1924, or sections 13 through 17 of the act entitled 'An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors and for other purposes,' approved March 3, 1899, as amended, or (3) affecting or impairing the provisions of any treaty of the United States.

"SEPARABILITY

"Sec. 11. If any provision of this act, or the application of any provision of this act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this act, shall not be affected thereby.

"SHORT TITLE

"Sec. 12. This act may be cited as the 'Federal Water Pollution Control Act.'

Sec. 2. The title of such act is amended to read "An act to provide for water pollution control activities in the Public Health Service of the Department of Health, Education, and Welfare, and for other purposes."

Sec. 3. Terms of office as members of the Water Pollution Control Advisory Board (established pursuant to sec. 6 (b) of the Water Pollution Control Act, as in effect prior to the enactment of this act) subsisting on the date of enactment of this act shall expire at the close of business on such date.

Sec. 4. As soon as possible after the date of enactment of this act the Surgeon General

shall promulgate Federal shares in the manner provided in subsection (1) of section 5 of the Water Pollution Control Act, as amended by this act (and without regard to the date specified therein for such promulgation), such Federal shares to be conclusive for the purposes of section 5 of such act for the period beginning July 1, 1955, and ending June 30, 1957.

Sec. 5. It is hereby declared to be the intent of the Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, insofar as practicable and consistent with the interests of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare, and with any State or interstate agency or municipality having jurisdiction over waters into which any matter is discharged from such property, in preventing or controlling the pollution of such waters.

Sec. 6. This act may be cited as the "Water Pollution Control Act Amendments of 1955."

Mr. JOHNSON of Texas. I ask unanimous consent that the committee amendments be considered en bloc.

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

The question is on agreeing to the committee amendments.

The amendments were agreed to.

Mr. MARTIN of Pennsylvania. Mr. President, on behalf of the Senator from New Hampshire [Mr. COTTON], who is absent on official business, I desire to clarify one point relative to the pending bill, S. 890, to extend the Water Pollution Control Act.

Section 7 of the bill as reported by the committee provides additional enforcement authority to the Federal Government, and this has been a matter of some concern.

Is it the intent of the committee that the Federal Government, under the provisions of the bill, shall take over, preempt, or supersede the enforcement authority of the States or interstate pollution control agencies in the matter of control or abatement of pollution?

Mr. CHAVEZ. That is not the intent of the committee.

Mr. MARTIN of Pennsylvania. Then would it be correct to state that where a State, or an interstate agency, is proceeding under a comprehensive, effective program for control and abatement of pollution, the Surgeon General would not invoke the Federal enforcement provisions?

Mr. CHAVEZ. The Surgeon General would not invoke the Federal enforcement provisions of section 7 of the bill where a State or an interstate agency is proceeding under a comprehensive, effective program for control and abatement of pollution.

Mr. MARTIN of Pennsylvania. I think the chairman of the committee has correctly stated the intent of the committee when it reported the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have a paragraph from the report printed in the RECORD at this point.

There being no objection, the excerpt from the report (No. 543) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE COMMITTEE BILL

The purpose of the bill here reported is to authorize the Public Health Service, un-

der the supervision and direction of the Secretary of Health, Education, and Welfare, to continue and improve the program it is carrying on under the Water Pollution Control Act (Public Law 845, 80th Cong.). It would extend and improve the provisions of that act, which is now scheduled to expire on June 30, 1956. The changes which the bill would make in the act are based on experience with its administration and on the views of public agencies, conservation interests, industry, and others which have testified before or submitted material to the committee in connection with this legislation.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

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

CONSTRUCTION OF HIGHWAY BRIDGE ACROSS THE ST. CROIX RIVER, MAINE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the present consideration of Calendar No. 543, which is S. 1550.

There being no objection, the Senate proceeded to consider the bill (S. 1550) authorizing the State highway commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Dominion of Canada, which had been reported from the Committee on Public Works with amendments.

Mr. MORSE. Mr. President, while I was absent from the floor in connection with business of the Committee on the District of Columbia, I understand Calendar 546, a House bill, was passed. I wish to move that the Senate reconsider the vote by which the bill was passed, in order that I may submit an amendment to the bill.

Mr. JOHNSON of Texas. Mr. President, I wonder whether the Senator from Oregon will make his motion at the conclusion of the calendar? Approximately 15 Members are waiting for the consideration of the other bills which have previously been listed for consideration today. We expect that the consideration of those bills will take only a few minutes. After they are considered, it will be appropriate for the Senator from Oregon to submit his motion to reconsider.

Mr. MORSE. Very well; I shall wait.

Mr. JOHNSON of Texas. Mr. President, is Senate bill 1550, Calendar No. 543, now before the Senate?

The PRESIDING OFFICER. It is, and unless there is objection the committee amendments to the bill will be stated.

The amendments of the Committee on Public Works were, on page 1, line 4, after the word "a", to insert "free highway"; in line 9, after the name "Brunswick", to strike out "Dominion of"; and on page 2, line 5, after the word "authorities", to strike out "in the Dominion of Canada" and insert "of the Government of Canada", so as to make the bill read:

Be it enacted, etc., That the State Highway Commission of the State of Maine is author-

ized to construct, maintain, and operate a free highway bridge and approaches thereto across the St. Croix River, so far as the United States has jurisdiction over the waters of such river at a point suitable to the interests of navigation, between Calais, Maine, and St. Stephen, New Brunswick, Canada, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities of the Government of Canada.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. CHAVEZ. Mr. President, the bill will merely permit the State of Maine and the Province of New Brunswick, Canada, to construct a bridge. It will not cost the American people 1 penny.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question is on agreeing to the committee amendments.

The amendments were agreed to.

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

The title was amended so as to read: "A bill authorizing the State highway commission of the State of Maine to construct, maintain, and operate a free highway bridge across the St. Croix River between Calais, Maine, and St. Stephen, New Brunswick, Canada."

STRENGTHENING AND IMPROVING THE ORGANIZATION OF THE DEPARTMENT OF STATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 550, Senate bill 2237.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2237) to amend the act of May 26, 1949, to strengthen and improve the organization of the Department of State, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

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

Mr. MANSFIELD. Mr. President, the purpose of the bill is twofold. First, it will increase the number of top-level statutory positions in the Department of State by three officers at the level of Deputy Under Secretary of State. Second, it will authorize an increase in the salaries of the top-level officers, exclusive of the Secretary of State, namely, the Under Secretary of State, 3 Deputy Under Secretaries of State, 10 Assistant Secretaries of State, the Counselor, and the Legal Adviser.

The number of Assistant Secretaries of State will continue to be the same; and the pay level will be comparable to that in the Department of Justice.

The PRESIDING OFFICER. If there be no amendment to be proposed, the

question is on the engrossment and third reading of the bill.

The bill (S. 2237) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of May 26, 1949 (63 Stat. 111; 5 U. S. C. 151 (a)), is hereby amended to read as follows:

"There shall be in the Department of State in addition to the Secretary of State an Under Secretary of State, 3 Deputy Under Secretaries of State, and 10 Assistant Secretaries of State."

Sec. 2. Section 2 of said act is hereby amended to read as follows: "The Secretary of State and the officers referred to in section 1 of this act, as amended, shall be appointed by the President, by and with the advice and consent of the Senate. The Counselor of the Department of State and the Legal Adviser, who are required to be appointed by the President, by and with the advice and consent of the Senate, shall rank equally with the Assistant Secretaries of State. Any such officer holding office at the time the provisions of this act, as amended, become effective shall not be required to be reappointed by reason of the enactment of this act, as amended. The rates of basic compensation of the Under Secretary of State shall be \$21,000 per annum, the Deputy Under Secretaries of State \$20,500 per annum, the Assistant Secretaries of State, the Counselor, and the Legal Adviser \$20,000 per annum."

Sec. 3. The President may initially fill 2 of the Deputy Under Secretary positions established in section 1 of this act by appointing, without further advice and consent of the Senate, the 2 Deputy Under Secretaries of State who, on the date of the enactment of this act, held that designation pursuant to authority contained in section 2 of the act of May 26, 1949 (63 Stat. 111).

REPEAL OF FEE-STAMP REQUIREMENT IN THE FOREIGN SERVICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 555, House bill 5841.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5841) to repeal the fee-stamp requirement in the Foreign Service and amend section 1728 of the Revised Statutes, as amended.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

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

Mr. JOHNSON of Texas. Mr. President, before action on the bill is completed, let me ask whether the bill should be referred to the Committee on Rules and Administration?

Mr. MANSFIELD. No.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5841) was ordered to a third reading, read the third time, and passed.

REPEAL OF SERVICE CHARGE IN MAKING AND AUTHENTICATING RECORDS IN DEPARTMENT OF STATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 556, House bill 5842.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5842) to repeal a service charge of 10 cents per sheet of 100 words, for making out and authenticating copies of records in the Department of State.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas for the present consideration of the bill?

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief excerpt from the report on the bill.

There being no objection, the excerpt from the report (No. 551) was ordered to be printed in the RECORD, as follows:

WHY THE BILL IS NECESSARY

Section 213 of the Revised Statutes (5 U. S. C. 166; derived from an act of September 15, 1789) requires that for "making out and authenticating copies of records in the Department of State, a fee of 10 cents for each sheet containing 100 words shall be paid by the person requesting such copies, except where they are requested by an officer of the United States in a matter relating to his office."

H. R. 5842 will eliminate this requirement. The Department of State, which proposed this legislation, contends that the old statute is "obsolete, and its implementation is uneconomical in view of present administrative and accounting costs."

The PRESIDING OFFICER. If there be no amendment to be submitted, the question is on the third reading of the bill.

The bill (H. R. 5842), was considered, ordered to a third reading, read the third time, and passed.

CARRYING OF FIREARMS BY CERTAIN OFFICERS AND EMPLOYEES OF THE STATE DEPARTMENT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 557, House bill 5860.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5860) to authorize certain officers and employees of the Department of State and the Foreign Service to carry firearms.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

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

Mr. MANSFIELD. Mr. President, the purpose of the bill is to permit certain security officers to carry firearms when accompanying distinguished guests around the country.

I ask unanimous consent that a marked portion of the report on the bill be printed at this point in the RECORD.

There being no objection, the excerpt from the report (No. 552) was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

This bill authorizes security officers of the Department of State and the Foreign Service to carry firearms for the purpose of protecting (1) heads of foreign states, (2) high officials of foreign governments and other distinguished visitors to the United States, (3) the Secretary and Under Secretary of State, and (4) official representatives of foreign governments and of the United States attending international conferences or performing special missions. The Secretary of State may prescribe regulations and shall designate security officers who have qualified for the use of firearms for this purpose.

The PRESIDING OFFICER. If there be no amendment to be submitted, the question is on the third reading of the bill.

The bill (H. R. 5860) was ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

Mr. JOHNSON of Texas. Mr. President, at this time I wish to have Calendar No. 558, Senate bill 1966, amending the Interstate Commerce Act, temporarily passed over, as one of our colleagues who is en route here desires to discuss it.

MODIFICATION OF AUTHORIZED PROJECT FOR FERRELLS BRIDGE RESERVOIR, TEX.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 560, Senate Joint Resolution 77.

The PRESIDING OFFICER. The joint resolution will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 77) to modify the authorized project for Ferrells Bridge Reservoir, Tex., and to provide for the local cash contribution for the water-supply feature of the reservoir.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas for the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this measure has been reported unanimously by the Committee on Public Works, of which the distinguished senior Senator from New Mexico [Mr. CHAVEZ] is chairman.

I ask unanimous consent to have printed at this point in the RECORD an excerpt from the report on the bill.

There being no objection, the excerpt from the report (No. 55) was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of this bill is to modify the general plan for flood control on Red River below Denison Dam, Tex. and Okla., to include an increase of approximately 250,000

acre-feet of storage for water-supply purposes in Ferrells Bridge Reservoir, and to provide that local interests contribute the appropriate increased costs, either on a percentage basis as construction of the project progresses, or in a lump sum as soon as reasonably certain date of completion can be made, but no later than at such time as may be determined by the Chief of Engineers that will assure orderly construction to proceed to completion without interruption or delay.

The PRESIDING OFFICER. If there be no amendment to be proposed—

Mr. MORSE. Mr. President, I should like to have an explanation made of the joint resolution.

Mr. JOHNSON of Texas. Mr. President, this joint resolution involves Ferrells Bridge Dam and Reservoir, in Texas. The dam was authorized some 10 years ago. It is a part of the Red River Basin flood-control project, which serves the States of Texas, Arkansas, and Louisiana.

After the project was authorized, Congress passed legislation permitting the communities to purchase water impounded by the dam.

Mr. MORSE. Mr. President, my memory is now refreshed, and I am satisfied.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 77) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, That the general plan for flood control on Red River below Denison Dam authorized by the Flood Control Act of 1946 (Public Law 526, 79th Cong.) is hereby modified to include in Ferrells Bridge Reservoir approximately 250,000 acre-feet of increased storage for water supply: *Provided*, That local interests shall contribute the increased cost, including appropriate interest charges, of planning, constructing, operating, and maintaining such added storage as determined by the Chief of Engineers: *Provided further*, That this contribution may be made on a percentage basis as construction of the project progresses or in a lump sum as soon as a reasonably certain date of completion can be given: *And provided further*, That payment of such contribution, irrespective of the method selected, shall be made no later than at such time as may be determined by the Chief of Engineers that will assure orderly construction to proceed to completion without interruption or delay.

CONSTRUCTION OF A BUILDING FOR A MUSEUM OF HISTORY AND TECHNOLOGY, SMITHSONIAN INSTITUTION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 561, House bill 6410.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6410) to authorize the construction of a building for a Museum of History and Technology for the Smithsonian Institution, including the preparation of plans and specifications, and all other work incidental thereto.

The PRESIDING OFFICER. Is there objection to the request of the Senator

from Texas for the present consideration of the bill?

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a brief, marked portion of the report on the bill.

There being no objection, the excerpt from the report (No. 556) was ordered to be printed in the RECORD, as follows:

The purpose of this bill is to authorize and direct the Regents of the Smithsonian Institution to plan and to have constructed under the supervision of the Administrator of the General Services Administration, a building and all necessary appurtenances, for use by the Smithsonian Institution as a national museum of history and technology.

The bill authorizes the appropriation of such sums, not to exceed \$36 million, as may be necessary to carry out the work of planning and constructing the building and appurtenances.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 6410) was ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN REAL PROPERTY IN ST. CROIX, VIRGIN ISLANDS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 562, Senate bill 2097.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2097) to authorize the transfer to the Department of Agriculture, for agricultural purposes, of certain real property in St. Croix, V. I.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

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

Mr. JOHNSTON of South Carolina. Mr. President, before the bill is passed, I ask unanimous consent to have printed at this point in the RECORD a statement which I send to the desk.

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

EXPLANATION OF S. 2097

This bill would direct the transfer of certain real property by the Virgin Islands Corporation, a wholly owned Government corporation, to the Department of Agriculture. The Department is presently using this property under a cooperative agreement for the research and extension program recently established for the Virgin Islands. It is desirable that the Department have permanent possession of these facilities so that it can make needed improvements and undertake long-range research.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2097) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Virgin Islands Corporation is authorized and directed to transfer and convey to the United States of America upon request of the Secretary of Agriculture, without cost, the real property comprising 60 acres more or less, together with the buildings and improvements thereon, occupied and in use by the Department of Agriculture, which property is adjacent to the southwest corner of the intersection of Centerline Road and Alrport Road on the island of St. Croix, V. I.: *Provided*, Upon the transfer and conveyance of such property by the Virgin Islands Corporation to the United States, the interest-bearing investment of the United States in the Corporation shall be reduced by the net book value of such property.

EXTENSION SERVICE APPROPRIATIONS FOR LOW-INCOME FARMERS' PROGRAM

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 563, Senate bill 2098.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2098) to amend Public Law 83, 83d Congress.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas?

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

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously from the Committee on Agriculture and Forestry. I now send to the desk a brief statement, which I ask unanimous consent to have printed at this point in the RECORD.

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

EXPLANATION OF S. 2098

This bill, which is a part of the President's program to assist low-income farmers, would authorize appropriations to meet the special needs of underdeveloped agricultural areas for extension service. The amounts appropriated for the purposes of the bill would be additional to the amounts now authorized for allotment on the basis of special needs by sections 3 (b) and 3 (c) of the Smith-Lever Act.

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2098) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That the Smith-Lever Act, as amended (7 U. S. C. 341 and the following, supp. 1), is further amended as follows:

(a) By adding a new section, following section 7, to read as follows:

"Sec. 8. In order to further the purposes of section 2 in agricultural areas which, because of special circumstances affecting such areas, are at a disadvantage insofar as agricultural development is concerned, and to encourage complementary development essential to the welfare of such areas, there is hereby authorized to be appropriated such sums as the Congress from time to time shall

determine to be necessary for payments to the States, Alaska, Hawaii, and Puerto Rico on the basis of special needs in such areas as determined by the Secretary of Agriculture. Sums appropriated in pursuance of this section shall be in addition to, and not in substitution for, appropriations otherwise available under this act."

(b) By renumbering section 8 to read section 9.

CONVEYANCE OF CERTAIN TRACT OF LAND IN MACON COUNTY, GA.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 564, House bill 2973.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2973), to provide for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

Mr. JOHNSTON of South Carolina. Mr. President, the bill was reported unanimously from the Committee on Agriculture and Forestry. I ask unanimous consent to have printed at this point in the RECORD a statement regarding the bill.

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

EXPLANATION OF H. R. 2973

This bill provides for transfer to the Georgia State Board of Education of reversionary rights and reserved mineral rights in approximately 226 acres conveyed to the board in 1945 for school and community purposes. It appears that the property will continue to be used for those purposes and that this transfer is necessary to enable the board to qualify for additional improvements from State funds; 39.8 percent of the interests to be transferred are held for the Georgia Livestock Development Authority, and 60.2 percent are held for the United States.

Mr. MORSE. Mr. President, this is the bill I had in mind a few minutes ago, when I referred to Calendar 546. At that time I was advised, inaccurately, that Calendar 564, House bill 2973, had been passed. I then referred by mistake to Calendar 546, instead of Calendar 564, House bill 2973, the bill I had in mind.

Of course, Mr. President, the distinguished senior Senator from New Mexico [Mr. CHAVEZ] the Chairman of the Committee on Public Works, has always been an enthusiastic supporter of the Inter-American Highway, the subject of Calendar 546, House bill 5923.

I wish to address myself to the bill to which the Senator from Texas [Mr. JOHNSON] has just referred, namely Calendar 564, House bill 2973, providing for the conveyance of all right, title, and interest of the United States in a certain tract of land in Macon County, Ga., to the Georgia State Board of Education.

I wish to offer an amendment to House bill 2973. So far as I know, this is the first time in this session of Congress that a bill has been proposed which has sought to transfer Federal property rights to a State without any compensation whatsoever. The objective of this

bill is good, but it is proposed to transfer a Federal reversionary interest in this property.

A reversionary interest is worth something. It can be appraised. I think it is a great mistake, in one session of Congress, to pass a property and retain in the Federal Government a reversionary interest in mineral rights, which is what the Congress did when this property was transferred in the first instance to the educational system of Georgia, and, in another session of Congress, complete the deal by another bill, which transfers the reversionary interest.

I do not know how much this reversionary interest is worth. I do not think it is worth very much, but that is for the appraisers to determine. Of course, it might be worth a great deal, if it should come to pass that oil or mineral deposits should be found on this piece of property.

I think we have gone a long way in the Senate in recent years in establishing a very sound policy in the disposal of Federal property, when we have required, in most instances, with very few exceptions, that a State or local government unit pay 50 percent of the appraised fair market value of the Federal interest in the property which is to be transferred.

Mr. JOHNSON of Texas. Mr. President, inasmuch as the distinguished chairman of the Committee on Agriculture and Forestry [Mr. ELLENDER] is not present, and inasmuch as neither of the distinguished Senators from Georgia is in the Chamber, the distinguished senior Senator [Mr. GEORGE] being indisposed, as my friend knows, and inasmuch as we were unable to get word in advance to the junior Senator from Georgia [Mr. RUSSELL], I wonder if it would be agreeable to the Senator from Oregon to pass on to another bill, and consider this proposed legislation at a later date, when the Senator's amendment can be offered and we can obtain the reactions to it when we have more time. Several Senators are interested in bills which it is desired to consider. I do not wish action on the bill to be taken in the absence of the chairman of the Committee on Agriculture and Forestry, if any question is involved.

Mr. MORSE. It is perfectly satisfactory to me to defer consideration of the bill, with the understanding that I may send to the desk an amendment to the bill, in order that it may be printed and await future consideration.

The PRESIDING OFFICER. Without objection, consideration of the bill will be deferred; and, without objection, the amendment submitted by the Senator from Oregon will be printed and lie on the table.

Mr. MORSE subsequently said: Mr. President, I wish to make a brief statement in connection with calendar 564, H. R. 2974, so that the authors of the bill will have a complete record before them when they come to study my amendment tomorrow.

As I was saying, I believe this is the first bill in this session of Congress—at least it is the first to my knowledge—in which it is proposed to transfer Federal property interests without any compensation whatever to the Federal Govern-

ment. As I said earlier, before I agreed to let the bill go over, we have gone a long way in the Senate in recent years in saving the taxpayers of this country millions of dollars—in fact hundreds of millions of dollars—by requiring payment to the Federal Government for the transfer of property to local governmental agencies.

When the property is to be transferred for public use, the standard formula has become 50 percent of the appraised fair market value of the property. When the transfer is for private use, it has been 100 percent of the appraised fair market value.

In all fairness to the proponents of the bill, I wish to say that with respect to this piece of property it was first transferred in the year 1945. That was before the Morse formula came into being in the Senate.

When the property was first transferred there was a reversionary clause attached to the conveyance, reserving in the people of the United States a reversionary interest in the mineral and oil rights in the property.

I do not believe it is controlling in the premises, so far as the instant situation is concerned, that this property was originally transferred before the Morse formula came into being, because the Morse formula pertains to all Federal proprietary interests in federally owned property.

Therefore the question before the Senate is a very simple one. The question is: Is this reversionary interest of value to the taxpayers of the United States. The answer is in the affirmative. It has a value, which is now vested in the people of the country, for which the State of Georgia should pay 50 percent of the appraised fair market value. There is no question about this property going to public use, although it is interesting that in the committee report there is no assurance that the property will always be used for educational purposes. The committee in effect states that, so far as it knows, the State of Georgia intends to continue to use it for educational purposes. However, there is nothing binding about it. Once we transfer the reversionary interest, the State could proceed to use it for any purpose it pleased. Once the State has vested in it the fee simple title it can do with it what it pleases. It has possession of the property. There are no strings attached.

I do not think we should start making exceptions in the Senate with regard to these matters. I believe we have done a remarkably fine job in such cases by requiring some payment for Federal property. That has not been an easy course for the senior Senator from Oregon since 1946. I have had my ears battered down, if I may say so good naturedly, and there have been times when muscle tensions have not been particularly relaxed toward the senior Senator from Oregon on the part of some of his colleagues.

Nevertheless, the overwhelming majority of my colleagues have said—just as one colleague said to me not more than 15 minutes ago in the cloakroom—"If you will just stick to it, and insist on your formula without exception, I will

back you up." I happen to know that that is the private opinion of an overwhelming majority of my colleagues.

I believe the proponents of the bill, when they come to reflect upon it, particularly when they consider the fact that the reversionary interest will probably not run into a great amount of money, will agree that the Morse formula should be attached to the bill. That means that the State of Georgia, in order to get the reversionary interest, will have to pay 50 percent of the appraised fair market value.

If we start making an exception in the case of this bill, where will the end be? Merely because we have an item before us which may not run into many dollars, I do not believe we can justify violating a very sound public policy principle which has been established by the Morse formula.

We are dealing here with 264 and a fraction acres of land. I hope that when the bill comes up its proponents will voluntarily agree on the floor of the Senate to accept my amendment, which is on file at the desk, and which calls upon the State of Georgia to pay 50 percent of the appraised fair market value for the reversionary interest.

Because some Senators who are not lawyers may believe that this is not of great importance as a matter of principle, let me point out that a reversionary interest in property can become exceedingly valuable. If, hypothetically speaking, oil or a valuable mineral deposit should be found on the land, we would recognize how important is the principle for which I am fighting on the floor of the Senate.

Mr. President, I am rather proud of the fact that since 1946 there has been saved for the taxpayers of the United States, through the application of the Morse formula, in excess of \$450 million in property, including property covered by bills which have come before us with the formula written into them, but not counting, of course, those pieces of property which if the gates had been wide open would have been transferred for the benefit of local constituents.

I hope my friends in the Senate who are proponents of the bill will not feel unkindly toward me because I have once again taken the same position with respect to this bill that I have taken with respect to all other bills involving the same problem. I hope the proponents of the bill will study the amendment and read my remarks so that when it comes up again I will hear them say, "Although we would prefer that the Senator from Oregon did not insist in such a stickler fashion, we are in accord with the principle and we are willing to accept the amendment."

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

Mr. MORSE. I yield.

Mr. JOHNSTON of South Carolina. We all agree that the Senator from Oregon has always interceded in matters of this kind and has objected to giving reversionary rights unless they are paid for. We expected him to do the same at this time. But at the present time

the two Senators from Georgia are absent, and we wished, for that reason, to have the bill go over.

Mr. MORSE. That is perfectly satisfactory.

PROHIBITION OF PUBLICATION OF APPLE PRICES

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 565, House bill 5188.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5188) to prohibit publication by the Government of the United States of any prediction with respect to apple prices.

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

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

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

EXPLANATION OF H. R. 5188

This bill would prohibit the Government from predicting apple prices in any official publication.

The same prohibition has applied to cotton for a number of years.

The growers contend that data as to quantity and quality of the crop and information of this type are a sufficient guide to both producers and buyers and that predictions as to future apple prices, although such predictions may be made in the most general terms can be affected by so many factors not capable of accurate prediction that they are likely to do more harm than good.

FINANCIAL ASSISTANCE TO DESERT LAND ENTRYMEN

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 566, Senate bill 1472.

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

There being no objection, the Senate proceeded to consider the bill (S. 1472) to enable the Secretary of Agriculture to extend financial assistance to desert land entrymen to the same extent as such assistance as available to homestead entrymen, which had been reported from the Committee on Agriculture with amendments, on page 1, line 3, after the word "That", to strike out "(a)"; in line 6 after the word "amended", to insert "(1)"; in line 8, after the word "entry", to insert a semicolon and "and (2) by striking out 'homestead and' and inserting in lieu thereof 'homestead, desert-land, and'"; and at the top of page 2, to strike out:

(b) The last sentence of the first section of such act is amended by inserting after "project," the following: "or to an entryman under the desert-land laws."

So as to make the bill read:

Be it enacted, etc., That the first sentence of the act entitled "An act to enable the Secretary of Agriculture to extend financial assistance to homestead entrymen, and for other purposes," approved October 19, 1949 (63 Stat. 883), is amended (1) by striking out "homestead entry" and inserting in lieu thereof "homestead or desert-land entry"; and (2) by striking out "homestead and" and inserting in lieu thereof "homestead, desert-land, and."

The amendments were agreed to.

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

Mr. JOHNSTON of South Carolina. Mr. President, this bill was unanimously approved by the Committee on Agriculture and Forestry. I ask unanimous consent that a statement which I have prepared in explanation of the bill be printed at this point in the RECORD.

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

EXPLANATION OF S. 1472

This would authorize the Secretary of Agriculture to make loans under the Bankhead-Jones Farm Tenant Act and the Water Facilities Act to persons who are acquiring farms by means of desert-land entries. Such persons do not have clear title to these lands and under the present regulations are unable to give adequate security for such loans. Such assistance is already made available to homestead entrymen.

The committee amendments are clarifying only, and make no changes in substance.

AMENDMENT OF AGRICULTURAL MARKETING ACT OF 1946

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 567, Senate bill 1757.

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

There being no objection, the Senate proceeded to consider the bill (S. 1757) to amend the act known as the "Agricultural Marketing Act of 1946," approved August 14, 1946, which had been reported from the Committee on Agriculture with amendments, on page 1, line 8, after the word "the", to insert "possession or"; on page 2, line 5, after the word "shall", to insert "possess without promptly notifying the Secretary of Agriculture or his representative,"; in line 12, after the word "or", to insert "inspection, grading, or certification"; and after line 14, to insert:

Sec. 2. The farm produce inspection clause contained in various appropriation acts (7 U. S. C. 414) and the second, third, and fourth sentences of section 1 of the Produce Agency Act of March 3, 1927 (7 U. S. C. 492) are hereby repealed.

So as to make the bill read:

Be it enacted, etc., That subsection (h) of section 203 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1622 (h)) is hereby amended by adding at the end thereof the following new sentence: "Whoever shall violate any provision of any regulation promulgated by the Secretary of Agriculture to govern the possession or use of certificates, memorandums, marks, or other identifications with respect to inspection, class, grade, quality, size, quantity or condition,

or devices for making such marks or identifications, issued or authorized under this act, or falsely make, issue, alter, forge, or counterfeit any such certificate, memorandum, mark identification, or device, or knowingly cause or procure, or aid, assist in, or be a party to, such violation, false making, issuing, altering, forging, or counterfeiting, or whoever knowingly shall possess without promptly notifying the Secretary of Agriculture or his representative, utter, publish, or use as true or cause to be uttered, published, or used as true any such false, altered, forged, or counterfeited certificate, memorandum, mark, identification, or device, or in any manner make any false or deceptive representation in connection with any United States standard or inspection, grading, or certification service issued or authorized under this act shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both."

Sec. 2. The farm produce inspection clause contained in various appropriation acts (7 U. S. C. 414) and the second, third, and fourth sentences of section 1 of the Produce Agency Act of March 3, 1927 (7 U. S. C. 492), are hereby repealed.

The amendments were agreed to.

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

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

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

EXPLANATION OF S. 1757

This bill would tighten provisions to prevent deception in connection with inspection of agricultural commodities as follows:

1. It would remove any question as to the applicability of such provisions to inspection under the Agricultural Marketing Act of 1946, which is the authority now being used for all inspection of the type which such provisions are intended to protect.

2. It would cover violations of regulations issued to govern the possession or use of inspection certificates, memoranda, marks, and devices, such as those governing possession of grade stamps, destruction, or preservation of certificates, use or reuse of marked bags, and use of the letters "U. S. D. A." and grade designations on meat.

3. It would apply to memoranda, marks, identifications, and devices, as well as inspection certificates, so that forgery of grade stamps could be covered.

4. It would cover the use, as well as publication or utterance, of false material, so that a retailer who knowingly used false certificates uttered by his supplier would be covered.

5. It would omit the requirement of the act now governing such penalties that the act be done for a fraudulent purpose, as proof of this element has created some problems in the past.

6. It would cover false or deceptive representations in connection with the inspection service so as to prevent false advertising, false labeling of display counters, and similar practices.

7. It would increase the maximum fine to \$1,000 from \$500.

The committee amendments would clarify the bill so that it will carry out its intended purpose, and would repeal duplicating inspection authorities which are neither used nor needed, but serve to complicate the law.

CONSOLIDATION OF AGRICULTURAL EXPERIMENT STATION APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 568, Senate bill 1759.

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

There being no objection, the Senate proceeded to consider the bill (S. 1759) to consolidate the Hatch Act (1887) and laws supplementary thereto relating to the appropriation of Federal funds for the support of agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, which had been reported from the Committee on Agriculture with amendments, on page 3, line 21, after the word "same", to strike out "requirements" and insert "requirement as to use for marketing research projects"; on page 11, at the beginning of line 25, to strike out "Such portions of the" and insert "The"; on page 12, line 2, after the name "Rico", to strike out "as are in conflict with this act"; in line 4, after the numerals "1936", to strike out ", section 2"; and at the beginning of line 14, to insert "That part of the"; so as to make the bill read:

Be it enacted, etc., That the Hatch Act of March 2, 1887, relating to the appropriation of Federal funds for the support of State agricultural experiment stations, is hereby amended to read as follows:

"SECTION 1. It is the policy of Congress to continue the agricultural research at State agricultural experiment stations which has been encouraged and supported by the Hatch Act of 1887, the Adams Act of 1906, the Purnell Act of 1925, the Bankhead-Jones Act of 1935, and title I, section 9, of that act as added by the act of August 14, 1946, and acts amendatory and supplementary thereto, and to promote the efficiency of such research by a codification and simplification of such laws. As used in this act, the terms 'State' or 'States' are defined to include the several States, Alaska, Hawaii, and Puerto Rico. As used in this act, the term 'State agricultural experiment station' means a department which shall have been established, under direction of the college or university or agricultural departments of the college or university in each State in accordance with an act approved July 2, 1862 (12 Stat. 503), entitled 'An act donating public lands to the several States and Territories which may provide colleges for the benefit of agricultural and the mechanic arts'; or such other substantially equivalent arrangements as any State shall determine.

"SEC. 2. It is further the policy of the Congress to promote the efficient production, marketing, distribution, and utilization of products of the farm as essential to the health and welfare of our peoples and to promote a sound and prosperous agriculture and rural life as indispensable to the maintenance of maximum employment and national prosperity and security. It is also the intent of Congress to assure agriculture a position in research equal to that of industry, which will aid in maintaining an equitable balance between agriculture and other segments of our economy. It shall be the object and duty of the State agricultural experiment stations through the expenditure of the appropriations hereinafter authorized to conduct original and other researches, investigations, and experiments bearing directly on and contributing to the establishment and maintenance of a permanent and effective agricultural industry

of the United States, including researches basic to the problems of agriculture in its broadest aspects, and such investigations as have for their purpose the development and improvement of the rural home and rural life and the maximum contribution by agriculture to the welfare of the consumer, as may be deemed advisable, having due regard to the varying conditions and needs of the respective States.

"Sec. 3. (a) There are hereby authorized to be appropriated for the purposes of this act such sums as Congress may from time to time determine to be necessary.

"(b) Out of such sums each State shall be entitled to receive annually a sum of money equal to and subject to the same requirement as to use for marketing research projects as the sums received from Federal appropriations for State agricultural experiment stations for the fiscal year 1955, except that amounts heretofore made available from the fund known as the 'Regional research fund, Office of Experiment Stations' shall continue to be available for the support of cooperative regional projects as defined in subsection 3 (c) (3), and the said fund shall be designated 'Regional research fund, State agricultural experiment stations,' and the Secretary of Agriculture shall be entitled to receive annually for the administration of this act, a sum not less than that available for this purpose for the fiscal year ending June 30, 1955: *Provided*, That if the appropriations hereunder available for distribution in any fiscal year are less than those for the fiscal year 1955 the allotment to each State and the amounts for Federal administration and the regional research fund shall be reduced in proportion to the amount of such reduction.

"(c) Any sums made available by the Congress in addition to those provided for in subsection (b) hereof for State agricultural experiment station work shall be distributed as follows:

"1. Twenty percent shall be allotted equally to each State;

"2. Not less than 52 percent of such sums shall be allotted to each State, as follows: One-half in an amount which bears the same ratio to the total amount to be allotted as the rural population of the State bears to the total rural population of all the States as determined by the last preceding decennial census current at the time each such additional sum is first appropriated; and one-half in an amount which bears the same ratio to the total amount to be allotted as the farm population of the State bears to the total farm population of all the States as determined by the last preceding decennial census current at the time such additional sum is first appropriated;

"3. Not more than 25 percent shall be allotted to the States for cooperative research in which two or more State agricultural experiment stations are cooperating to solve problems that concern the agriculture of more than one State. The funds available for such purposes, together with funds available pursuant to subsection (b) hereof for like purpose shall be designated as the 'Regional research fund, State agricultural experiment stations', and shall be used only for such cooperative regional projects as are recommended by a committee of nine persons elected by and representing the directors of the State agricultural experiment stations, and approved by the Secretary of Agriculture. The necessary travel expenses of the committee of nine persons in performance of their duties may be paid from the fund established by this paragraph.

"4. Three percent shall be available to the Secretary of Agriculture for administration of this act.

"(d) Of any amount in excess of \$90,000 available under this act for allotment to any State, exclusive of the regional research fund, State agricultural experiment stations, no allotment and no payments thereof shall be

made in excess of the amount which the State makes available out of its own funds for research and for the establishment and maintenance of facilities necessary for the prosecution of such research: *And provided further*, That if any State fails to make available for such research purposes for any fiscal year a sum equal to the amount in excess of \$90,000 to which it may be entitled for such year, the remainder of such amount shall be withheld by the Secretary of Agriculture.

"(e) 'Administration' as used in this section shall include participation in planning and coordinating cooperative regional research as defined in subsection 3 (c) 3.

"(f) In making payments to States, the Secretary of Agriculture is authorized to adjust any such payment to the nearest dollar.

"Sec. 4. Moneys appropriated pursuant to this Act shall also be available, in addition to meeting expenses for research and investigations conducted under authority of section 2, for printing and disseminating the results of such research, retirement of employees subject to the provisions of an act approved March 4, 1940 (54 Stat. 39), administrative planning and direction, and for the purchase and rental of land and the construction, acquisition, alteration, or repair of buildings necessary for conducting research. The State agricultural experiment stations are authorized to plan and conduct any research authorized under section 2 of this act in cooperation with each other and such other agencies and individuals as may contribute to the solution of the agricultural problems involved, and moneys appropriated pursuant to this act shall be available for paying the necessary expenses of planning, coordinating, and conducting such cooperative research.

"Sec. 5. Sums available for allotment to the States under the terms of this act, excluding the regional research fund authorized by subsection 3 (c) 3, shall be paid to each State agricultural experiment station in equal quarterly payments beginning on the first day of July of each fiscal year upon vouchers approved by the Secretary of Agriculture. Each such station authorized to receive allotted funds shall have a chief administrative officer known as a director, and a treasurer or other officer appointed by the governing board of the station. Such treasurer or other officer shall receive and account for all funds allotted to the State under the provisions of this act and shall report, with the approval of the director, to the Secretary of Agriculture on or before the first day of September of each year a detailed statement of the amount received under provisions of this act during the preceding fiscal year, and of its disbursement on schedules prescribed by the Secretary of Agriculture. If any portion of the allotted moneys received by the authorized receiving officer of any State agricultural experiment station shall by any action or contingency be diminished, lost, or misapplied, it shall be replaced by the State concerned and until so replaced no subsequent appropriation shall be allotted or paid to such State.

"Sec. 6. Bulletins, reports, periodicals, reprints of articles, and other publications necessary for the dissemination of results of the researches and experiments, including lists of publications available for distribution by the experiment stations, shall be transmitted in the mails of the United States under penalty indicia: *Provided, however*, That each publication shall bear such indicia as are prescribed by the Postmaster General and shall be mailed under such regulations as the Postmaster General may from time to time prescribe. Such publications may be mailed from the principal place of business of the station or from an established subunit of said station.

"Sec. 7. The Secretary of Agriculture is hereby charged with the responsibility for the proper administration of this act, and is authorized and directed to prescribe such rules and regulations as may be necessary to carry out its provisions. It shall be the duty of the Secretary to furnish such advice and assistance as will best promote the purposes of this act, including participation in coordination of research initiated under this act by the State agricultural experiment stations, from time to time to indicate such lines of inquiry as to him seem most important, and to encourage and assist in the establishment and maintenance of cooperation by and between the several State agricultural experiment stations, and between the stations and the United States Department of Agriculture.

"On or before the first day of July in each year after the passage of this act, the Secretary of Agriculture shall ascertain as to each State whether it is entitled to receive its share of the annual appropriations for agricultural experiment stations under this act and the amount which thereupon each is entitled, respectively, to receive.

"Whenever it shall appear to the Secretary of Agriculture from the annual statement of receipts and expenditures of funds by any State agricultural experiment station that any portion of the preceding annual appropriation allotted to that station under this act remains unexpended, such amount shall be deducted from the next succeeding annual allotment to the State concerned.

"If the Secretary of Agriculture shall withhold from any State any portion of the appropriations available for allotment, the facts and reasons therefor shall be reported to the President and the amount involved shall be kept separate in the Treasury until the close of the next Congress. If the next Congress shall not direct such sum to be paid, it shall be carried to surplus.

"The Secretary of Agriculture shall make an annual report to the Congress during the first regular session of each year of the receipts and expenditures and work of the agricultural experiment stations in all the States under the provisions of this act and also whether any portion of the appropriation available for allotment to any State has been withheld and if so the reasons therefor.

"Sec. 8. Nothing in this act shall be construed to impair or modify the legal relations existing between any of the colleges or universities under whose direction State agricultural experiment stations have been established and the government of the States in which they are respectively located. States having agricultural experiment stations separate from such colleges or universities and established by law, shall be authorized to apply such benefits to research at stations so established by such States: *Provided*, That in any State in which more than one such college, university, or agricultural experiment station has been established the appropriations made pursuant to this act for such State shall be divided between such institutions as the legislature of such State shall direct.

"Sec. 9. The Congress may at any time, amend, suspend, or repeal any or all of the provisions of this act."

SEC. 2. The following listed sections or parts of sections of the Statutes at Large heretofore covering the provisions consolidated in this act are hereby repealed: *Provided, however*, That any rights or liabilities existing under such repealed sections or parts of sections shall not be affected by their repeal:

Bankhead-Jones Act, title I, sections 2 to 8, June 29, 1935 (49 Stat. 436; 7 U. S. C. 427a-g).

Section 9, and related provisions of section 11 of the Bankhead-Jones Act, title I, as added by title I of the Research and Marketing Act (60 Stat. 1082; 7 U. S. C. 427h, 427j).

Department of Agriculture Organic Act of 1944, title I, section 105, amending the Bankhead-Jones Act, title I, section 5, by adding subsection (c) (58 Stat. 735; 7 U. S. C. 427d).

Act approved June 7, 1888, amending the Hatch Act (25 Stat. 176; 7 U. S. C. 372).

Adams Act approved March 16, 1906 (34 Stat. 63; 7 U. S. C. 369, 371, 373, 366, 374, 375, 361, 376, 380, 382).

Purnell Act approved February 24, 1925 (43 Stat. 970; 7 U. S. C. 370, 371, 373, 374, 375, 376, 366, 361, 380, 382).

The acts extending the benefits of the foregoing acts to the Territory of Hawaii, the Territory of Alaska, and Puerto Rico: Hawaii, act of May 16, 1928 (45 Stat. 571; 7 U. S. C. 386, 388a, 386b); Alaska, act of June 20, 1935 (49 Stat. 1553), as amended by Public Law 739, approved August 29, 1950 (7 U. S. C. 369a); Alaska, act of February 23, 1929 (45 Stat. 1256; 7 U. S. C. 386c); Puerto Rico, act of March 4, 1931 (46 Stat. 1520; 7 U. S. C. 386d, e, f).

Such portion of the Department of Agriculture Appropriation Act of 1890, approved March 2, 1889, as related to examination of soils by experimental stations (25 Stat. 841; 7 U. S. C. 364).

That part of the act of October 1, 1918, relating to the Georgia Agricultural Experiment Station (40 Stat. 998; 7 U. S. C. 383).

The amendments were agreed to.

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

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill.

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

EXPLANATION OF S. 1759

This bill would consolidate the various laws authorizing appropriations for the State agricultural experiment stations, and thereby reduce budgeting and accounting requirements and expenses for the Government and for the States. Similar action was taken by Congress in 1953 with respect to the extension service. In addition the bill would (1) prevent allotments from shifting with shifts in relative rural and farm populations; (2) freeze the amount earmarked by section 9 of the Bankhead-Jones Act for marketing research at the amount so earmarked in 1955; and (3) repeal a provision exempting the Georgia experiment station from the Secretary's authority to withhold funds from stations not complying with the act. Consolidation has been recommended by the Appropriations Committees of the House and Senate, and the bill has been approved unanimously by a committee representing the Association of Land-Grant Colleges and Universities.

The committee amendments would clarify the language of the bill, making no change in substance.

PROTECTION OF INTEGRITY OF GRADE CERTIFICATES UNDER THE UNITED STATES GRAIN STANDARDS ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 569, Senate bill 1400.

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

There being no objection, the Senate proceeded to consider the bill (S. 1400) to protect the integrity of grade certificates under the United States Grain

Standards Act, which had been reported from the Committee on Agriculture, with amendments, on page 1, line 11, after the word "false", to insert "or incorrect", and on page 2, line 7, after the word "false", to insert "or incorrect", so as to make the bill read:

Be it enacted, etc., That section 9 of the United States Grain Standards Act (7 U. S. C. 85) is amended to read as follows:

"SEC. 9. Any person who shall knowingly violate any of the provisions of section 4 or 7 of this act, or any inspector licensed under this act, or any person sampling grain for inspection under this act, who shall knowingly inspect, grade, or sample improperly any grain which has been shipped or delivered for shipment in interstate or foreign commerce, or shall knowingly give any false or incorrect certificate of grade, or shall accept money or other consideration, directly or indirectly, for any neglect or improper performance of duty, and any person who shall improperly influence or attempt to improperly influence any such inspector or sampler in the performance of his duty, or shall knowingly or willfully cause, or attempt to cause, the issuance of a false or incorrect certificate of grade under this act by deceptive loading, handling, or sampling of grain, or by submitting grain for inspection knowing that it has been so loaded, handled, or sampled, or by any other means, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$1,000, or be imprisoned not more than 1 year, or both."

Mr. JOHNSTON of South Carolina. Mr. President, the senior Senator from Minnesota [Mr. THYE] will explain the bill.

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a brief statement in explanation of the bill, which was unanimously reported from the committee.

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

This bill is designed to protect the integrity of grade certificates under the United States Grain Standards Act by prohibiting the "plugging" of cars or "slugging" of ships. The bill would make it a crime, punishable by fine or imprisonment, for—

- (1) Any sampler to take samples improperly for inspection under the United States Grain Standards Act;
- (2) Any sampler to accept a bribe for improper performance of his duty;
- (3) Any person to attempt to influence any sampler improperly;
- (4) Any person to load, handle, or sample grain in a manner designed to cause the issuance of a false grade certificate under that act;
- (5) Any person to submit for inspection under that act any grain so loaded, handled, or sampled; and
- (6) Any person to do any other act to cause the issuance of a false grade certificate.

By assuring purchasers that they can rely on United States grade certificates, the bill will contribute to the improvement of both our domestic and export markets.

The committee amendment (which was suggested in the Department of Agriculture's report) makes no substantial change in the bill.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

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

FILING OF DOCUMENTS EVIDENCING SALE OF MOTOR VEHICLES BY CERTAIN CARRIERS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 558, Senate bill 1966.

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

There being no objection, the Senate proceeded to consider the bill (S. 1966) to amend the Interstate Commerce Act to provide for filing of documents evidencing the lease, mortgage, conditional sale, or bailment of motor vehicles sold to or owned by certain carriers subject to such act.

Mr. BRICKER. Mr. President, this bill was reported unanimously from the Committee on Interstate and Foreign Commerce. Last year a bill was unanimously reported in the same form, and it passed the Senate without objection.

I ask unanimous consent to have printed in the RECORD at this point a statement in regard to the bill. What it does is merely place trucking companies in the same position as all other carriers, so that financial institutions and trucking companies can be protected—both creditor and debtor—in the filing of documents evidencing the sale of motor vehicles by certain carriers.

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

MEMORANDUM RE S. 1966, A BILL TO PROVIDE THAT A TRUCK LIEN PROPERLY FILED IN THE PURCHASER'S HOME STATE IS VALID IN ALL OTHER STATES TO THE SAME EXTENT AS IF ACTUALLY FILED IN SUCH OTHER STATES

S. 1966 is substantially similar to S. 3185 which passed the Senate in the 83d Congress. Hearings were held on S. 3185 and a report thereon was published as No. 6141, Calendar No. 1475. A similar bill, H. R. 4528, has been introduced in the House.

The objective of the bill is to afford the trucking industry relief from existing sales handicap in the recording of liens on trucks and truck trailers.

Existing Federal statutes regarding the recording of liens provide a benefit to the competing branches of the transportation business, namely, railroad, aircraft, and shipping, which is not now available to the trucking industry. S. 1966 would eliminate this disadvantage to the trucking industry.

At the present time the trucking industry has trouble arranging credit with banks and other lending institutions to finance purchases of equipment. The principal reason is that it is impossible from a practical standpoint to record a lien in every State and other political subdivision such as county and municipality whose laws provide for recording of such liens. Consequently when a manufacturer of trucking equipment or some other seller of such equipment attempts to finance the sale through a bank, the bank's attorneys are not in a position to advise the bank as to the priority of the lien the bank would assume because it is both impracticable and prohibitive in cost for the attorneys to search the records of every State, municipality, and other political subdivision, where the particular truck upon which the lien is being given may travel.

This bill would provide certainty as to the validity of lien instruments essential for financing of motor vehicles and also would encourage banks and manufacturers

to extend necessary credit to the industry. The legislation would reduce substantially the cost of financing motor carrier equipment by effecting savings of recording fees, by eliminating most of the costs incident to enforcing such liens.

Motor carriers generally do not have sufficient capital to purchase equipment on a cash basis. They have difficulty financing such purchases through local banks because of the impracticability of searching State and other political subdivision recording offices for evidence of prior liens or of assuring that a lien against a loan made now would retain its priority.

Most manufacturers do not have sufficient capital in excess of their own requirements to finance such sales and their attempts to negotiate the sale of paper covering such financing to banking institutions meet with the same difficulty, namely, statements that the paper constituting a first lien cannot be substantiated by legal opinion for the reasons previously stated.

Under S. 1966, a lien filed in the home State of the purchaser would be valid in all other States to the same extent that it would have been if actually filed in these other States. Thus one filing would be sufficient, as is true now under Federal statutes for railroad equipment, airplane equipment, and shipping equipment.

The bill applies to motor vehicles belonging to motor, rail, and water carriers, which are subject to the Interstate Commerce Act. The bill has the support of the trucking industry, Railway Express, truck and trailer manufacturers, and the lending institutions concerned. Government departments expressed no objection to the same legislation as proposed in the 83d Congress by S. 3185 and neither did any other group. No departmental or other objections to S. 1966 have been received to date.

Appended hereto is a summary of the drafting changes between the pending bill S. 1966 and S. 3185 which passed the 83d Congress. There are no substantive changes. The drafting changes were designed after discussions with various groups and are of a clarifying nature.

S. 1966 contains no substantive changes from the proposal made in S. 3105 which passed the Senate in the 83d Congress.

Specifically, S. 1966 accomplishes the following changes in S. 3185.

1. Page 2, line 4 and 5 (S. 1966), the language "or the use and possession of which has by such instrument been transferred to" has been added to the language of S. 3185 which read simply, "owned by." This change was believed necessary as a vehicle is not technically owned when purchased under a title retaining contract.

2. Page 2, line 5 (S. 1966), "express" added in line with request of Railway Express Agency.

3. Page 2, line 6 (S. 1966), "or" read "and" in S. 3185.

4. Page 2, lines 14 and 20 (S. 1966), "or other business legal entity" was merely "association" in S. 3185.

5. Page 3, lines 14 and 15 and 21 (S. 1966), "principal place of business" was "principal office" in S. 3185. We feel that this change is in keeping with standard phraseology in corporate charters.

In addition to the above technical changes, S. 1966, in the interest of clarity, places the criteria for having a valid lien at the end of the bill rather than in the middle of the bill as formerly.

Also, in order to eliminate the somewhat confusing language contained in S. 3185 relating to "mortgagor, trustee, lessee, bailee or buyer" (p. 2, lines 6-9, of S. 3185), S. 1966 defines "purchaser" to include these terms. It should be noted that S. 1966 eliminates the term "trustee" (or "trustees" as it appears both ways in S. 3185), as it is our feeling that the term "trustee" is inconsistent with mortgagor, buyer, etc.

Further, the addition of the paragraph in S. 1966 (p. 2, lines 12-15), respecting recording of the instrument in the "home" State of the purchaser, together with the addition of the phrase "if any", at page 2, line 10, of S. 1966 is intended to overcome objections raised relating to the situation where either the State of residence or the State where enforcement of the lien is sought have no recordation statute.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Interstate Commerce Act is amended as follows: After section 212 insert the following new section:

"VALIDITY OF CERTAIN CREDIT INSTRUMENTS"

"Sec. 213. (a) As used in this section the term "purchaser" means any mortgagor, lessee, bailee, buyer, or person holding a motor vehicle under a title retaining contract, mortgage, lease agreement, bailment, trust indenture, or other instrument having the effect thereof.

"(b) Any mortgage, lease, equipment trust agreement, conditional sale agreement, or other instrument evidencing the lease, conditional sale, or bailment of one or more motor vehicles owned by, or the use and possession of which has by such instrument been transferred to, a motor, rail, express, or water carrier subject to any provision of this act shall be valid and enforceable without filing or recording in any State against any person to the same extent that such instrument would be enforceable against such person if the filing and recording statutes of such State, if any, applicable to such documents had been complied with, if

"(1) such instrument has been recorded or filed in the State in which the purchaser resides, or if a corporation or other business legal entity has its principal place of business, and/or

"(2) such instrument is valid or enforceable against creditors of the purchaser and against subsequent purchasers from the first purchaser named in such instrument in the State in which the purchaser resides, or if a corporation or other business legal entity has its principal place of business."

CONSTRUCTION OF TWO SURVEYING SHIPS FOR THE COAST AND GEODETIC SURVEY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 571, Senate bill 847.

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

There being no objection, the Senate proceeded to consider the bill (S. 847) to authorize the construction of two surveying ships for the Coast and Geodetic Survey, Department of Commerce, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I invite the attention of my delightful friend from Maine [Mr. PAYNE] to the pending bill.

Mr. PAYNE. Mr. President, the bill was before the Committee on Interstate and Foreign Commerce, and was unanimously reported by that committee. It has the approval of the agencies concerned.

I ask unanimous consent to have printed in the RECORD at this point a statement in explanation of the bill.

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

BRIEF SUMMARY OF S. 847, TO AUTHORIZE CONSTRUCTION OF TWO SURVEY SHIPS FOR COAST AND GEODETIC SURVEY

The bill would authorize the construction for the Coast and Geodetic Survey, of two 2,500-ton vessels, to cost not more than \$3,700,000 each, as part of a replacement program begun in 1938, but halted by the war after two vessels were constructed. The new vessels would be placed in service in Alaska, where a great deal of work is underway for the Defense Department.

The agency now has in service 4 moderate-sized vessels (2 of which are overage, 25 and 38 years old, respectively), plus 1 old Navy vessel, operated with Navy funds, to carry out its function of surveying and charting the 90,000 miles of shoreline of the United States and possessions and approximately 2,317,000 square miles of adjacent waters. In addition, there are 12 smaller vessels, 85-footers, in operation.

The proposed vessels would release another modern vessel, the *Explorer*, now in Alaska, for needed service in the Atlantic, and would permit scrapping of the 38-year-old, none-too-seaworthy *Surveyor*, and the retirement of the *Hydrographer*, 25 years old. The *Pathfinder*, completed in 1942, would be continued in its present Alaskan service. There would be additional personnel required, totaling approximately 30 men, to man the new vessels.

The need for these vessels can be understood when it is recalled that there were 8 vessels of this class in service in 1938, as against the present 5, of which 3 are not modern.

And more than 60 percent of the water areas adjacent to this country and its possessions are inadequately charted or entirely unsurveyed.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there is hereby authorized to be constructed for the Department of Commerce two surveying ships of not over 2,500 displacement tons each, under a limit of cost of \$3,700,000 each, including costs of preparation of plans and specifications, cost of inspection during construction, and purchase or construction of complete equipment and outfit: *Provided*, That such limit of cost may be exceeded or shall be reduced by an amount equal to the percentage increase or decrease, if any, in ship construction cost generally dating from January 1, 1955, as determined by the Secretary of Commerce.

SEC. 2. There is hereby authorized to be appropriated to the Secretary of Commerce, out of any moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of Senators that following the morning hour on Monday there will be a brief calendar call for the consideration of immigration bills, claim bills, and other bills we have not been able to reach today, beginning with Order No. 523, Senate bill 80. Is that in accordance with the agreement of today?

The PRESIDING OFFICER. Without objection, the previous agreement is modified accordingly.

Mr. JOHNSON of Texas. Then there is no conflict?

The PRESIDING OFFICER. Without objection, the previous agreement is modified in accordance with the announcement of the Senator from Texas.

Mr. JOHNSON of Texas. We shall begin with Order No. 523. I merely wish to make sure that the staff understands the situation.

It is planned next to have a general statement on the Defense Department appropriation bill, presented by the distinguished chairman of the subcommittee [Mr. CHAVEZ], who has done such an excellent job in conducting hearings on the largest appropriation bill the Congress will handle during this session.

If any Senators desire to discuss the bill following the presentation by the distinguished chairman of the subcommittee, we shall be prepared to remain in session as long as Senators may desire to discuss the subject. If there are any Senators who would like to address the Senate tomorrow, the leadership is prepared to have the Senate meet tomorrow to discuss the defense bill. I have had no request along that line, and if I do not have any—and I have discussed the matter with the minority leader, and the distinguished chairman of the committee, who I believe has discussed it with the ranking minority member—we will meet at 12 o'clock on Monday, at which time we will have a morning hour and then a call of the calendar, which should not take more than 20 or 30 minutes. Then we will proceed to the consideration of the defense appropriation bill. Consideration of the defense appropriation bill will be under the unanimous consent agreement to limit debate to 2 hours on an amendment and 2 hours on the bill itself. If I do not get any request from Senators to speak tomorrow, I shall ask that when the Senate concludes its business today it adjourn until noon on Monday.

I appreciate very much the cooperation of all Senators. Again it has been a very productive week. We have ratified a treaty and we have agreed to a conference report on one of the most important trade bills that has ever been passed by Congress, and we have passed an appropriation bill, and also 25 or 30 measures involving general legislation.

That could not have been done except with the cooperation of every Member of the Senate and every member of our staff, which is the most efficient staff in Washington.

I am indebted to everyone for his helpfulness, and, as I have said many times, no one needs help more than does the majority leader, and of course no majority leader has ever received more help than I have. I thank everyone.

TRANSATLANTIC CARGO CERTIFICATE

Mr. DOUGLAS. Mr. President, on May 24, 1955, I made a speech noting that it was time the President acted on the application of an American-flag carrier for a nonsubsidized cargo certificate across the Atlantic, particularly in view of the fact that this American-flag carrier had been waiting 7 years for the

certificate, that during this waiting period a British all-cargo company had been given a certificate by President Eisenhower, and that, in the third place, the Defense Department very strongly backed the certification of a freight line. I inserted editorials from the Chicago Tribune, New York Times, Washington Post and Times Herald and Washington Star, all urging action on this case.

I further pointed out that, faced with the reduction in airline subsidies in the amount of \$24,100,000 for fiscal 1955, and with reductions made by the House in the 1956 appropriation, the best course of action open to the President to insure that essential American services be operated on foreign routes without subsidy costs to the American taxpayers was to issue nonsubsidized certificates.

In our debate on the subsidy appropriation yesterday, the distinguished Senator from Louisiana [Mr. LONG] and the distinguished Senator from Wyoming [Mr. O'MAHONEY] made the point that it was discriminatory to certain airlines and also unfair to the taxpayers to deny certificates for nonsubsidized companies while protecting the certificates of companies requiring more than \$17 million a year in subsidies.

Mr. President, I am glad to announce that yesterday, June 16, 1955, the President signed a 5-year certificate for a nonsubsidized cargo operation in the Atlantic, and I ask unanimous consent to have printed in the RECORD a newspaper account from today's New York Times of this action by the President.

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

TRANSPORT NEWS AND NOTES—EISENHOWER CERTIFIES GI'S ATLANTIC CARGO AIRLINE

EMERGENCY WHITE HOUSE, June 16.—A 5-year certificate for the Seaboard & Western Airlines to fly cargo over the North Atlantic was approved today by President Eisenhower.

His action was in accordance with recommendations of the Civil Aeronautics Board. It was taken over the opposition of the regular American-flag carriers on this route, Pan American World Airways and Transworld Airlines.

The all-cargo case had been before the President for about a year, but the pressure for action increased in recent months after a British carrier, Airwork, Ltd., was licensed to fly cargo.

Seaboard & Western is authorized to pick up cargo at the New York, Philadelphia, and Baltimore airports. It can fly to Newfoundland, Canada, and Ireland. Beyond Ireland, one route terminates in West Germany with stops in the United Kingdom, the Netherlands, and Belgium. Another leg ends in Switzerland with stops at intermediate points in France.

Seaboard & Western, founded on May 10, 1947, by Arthur and Raymond Norden, is one of the few cargo lines started by World War II veterans that survives today. Dozens of similar carriers went into bankruptcy after very few flights.

The Norden brothers, former Army Air Transport Command pilots assigned to the Hump operation in the Far East, began operations with a single DC-4. They gradually developed a fleet of 10 of the 4-engined Douglas and now are operating Lockheed Super Constellations as well.

Seaboard's executives applied for certification on July 17, 1947, and had a weary

wait until last night. Last year the Board accepted an examiner's recommendation that the certificate be granted.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it adjourn until 12 o'clock noon on Monday next.

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

THE REFUGEE RELIEF PROGRAM

Mr. LEHMAN. Mr. President, I have today received a telegram from the American Council of Voluntary Agencies for Foreign Service of New York City.

This Council issued a statement to the press in regard to the need for our Government to take steps to expedite the refugee-relief program. The American Council of Voluntary Agencies for Foreign Service represents all the great voluntary agencies working in the immigration and resettlement field.

Representatives of the following organizations subscribed to the statement I shall introduce into the RECORD: Adventist Relief Agency, American Federation of International Institutes, American Friends of Russian Freedom, American Friends Service Committee, American Fund for Czechoslovak Refugees, American Jewish Joint Distribution Committee, American Ort Federation, Catholic Relief Services, National Catholic Welfare Conference, Church World Service, International Rescue Committee, International Social Service, Lutheran Refugee Service, Lutheran World Relief, National Council of Jewish Women, National Travelers Aid Association, Self-Help of Emigres from Central Europe, Tolstoy Foundation, United Friends of Needy and Displaced People of Yugoslavia, United Hias Service, United Lithuanian Relief Fund of America, United Ukrainian American Relief Committee, Young Women's Christian Association National Board.

The statement, which is directed at the consideration being given in the Senate Judiciary Committee to amending the Refugee Relief Act, is as follows:

At a meeting today of member agencies of the American Council of Voluntary Agencies for Foreign Service, held at the Carnegie Endowment International Center, over 20 national refugee and welfare agencies, representing millions of American citizens, announced, after full discussion, unanimous and urgent support for liberalization of the refugee relief program as now under consideration in Congress. Moses A. Leavitt, chairman, presided at the meeting. The discussion, in which agency representatives recently returned from abroad participated, emphasized the fact that far more people are anxious to emigrate to the United States than can be accommodated under the Refugee Relief Act, and that these oppressed and homeless people are living under conditions of poverty, suffering and unemployment, and constitute a continuing challenge of greatest importance to America's generosity and foreign policy.

The agencies strongly urged that Congress do everything in its power toward the end that there may be 100-percent fulfillment of the objectives of the program.

REVOLT OF CZECHOSLOVAKIAN WORKERS IN JUNE 1953

Mr. HUMPHREY. Mr. President, I rise at this time to memorialize both the revolt of the Czechoslovakian workers in June 1953, and their courageous adherence to the ideals of freedom and liberty. It is fitting that the Congress at this time pause to pay tribute to these great heroes of democracy.

The revolt took place in the first week of June as a protest against the unbearable conditions imposed on the workers by the Communist regime. The rebellion spread all over the country and was suppressed only after an extensive use of large detachments of the police, security forces, and the armed Communist militia, mobilized for this purpose. Thousands of workers were arrested, tried by kangaroo courts and sentenced to terms in prison, the uranium mines or labor camps. The demonstrations were suppressed. But the unrest and opposition among workers has continued ever since and has been admitted on many occasions by spokesmen of the regime.

The demonstrators learned something from their 1953 experience. They now realize that they cannot overthrow the regime alone, that they must use other methods of resistance. Time and time again we hear or read complaints of the Czech Communist leaders about the millions of hours of work lost by absenteeism, loafing, or direct sabotage. They lament the low productivity, continuous unfulfillment of planned output and labor norms. Absenteeism and other examples of the lack of "labor discipline," as they are called by the Communists, are probably the only means open to ordinary citizens of Czechoslovakia to show their dislike for the Soviet-type oppression to which they have been subjected since the Communist coup in February 1948.

We salute the freedom-loving spirit of Czechoslovakia and look to the day when the Czechoslovakians will rejoin the community of free nations.

Mr. President, I desire to refer to another subject.

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

FREE VACCINE PROPOSAL

Mr. HUMPHREY. Mr. President, I wish to register my disappointment at Secretary of Health, Education, and Welfare Hobby's suggestion that free vaccine for all children constitutes a "back-door" approach to socialized medicine.

False branding of a sensible measure, urgently needed for the public welfare, as "socialism" is not only a flagrant misapplication of the word, but also indicates that the administration is willing to play politics with the lives of our children. I strongly question that any authority on political science would confirm Mrs. Hobby's ill-considered apprehension that such a program would in reality be a "back-door" approach to the socialization of medicine. Most of us can remember that not so long ago the bogey word of "socialism" was being flung around with equal abandon by the

Republican Party in regard to TVA and social security. Today, this same party enthusiastically recognizes these projects as an integral part of American life that they would not want to do without.

Perhaps we should also note that in most parts of the Nation a man can have his dog inoculated against rabies at public expense. I ask you, Mr. President, are we to give free rabies shots for dogs and oppose free polio shots for children? What kind of distorted values does this represent?

The Republican administration has urged that Congress appropriate \$35 million to allocate to the States so that they can supply free vaccine to those children only whose parents could not otherwise afford the shots. When asked for a fair and practical method of determining who would get the vaccine, the Secretary of Health, Welfare, and Education could only reply that: "It is obvious that I do not know the answers to all public health practices."

Mr. President, I suggest that it is Mrs. Hobby's business to know the answers on the No. 1 public-health question of the year. The pragmatic problem of determining means is one that we must face up to in considering programs for providing vaccine. I reject the administration notion that children must publicly stand humiliated as needy charity cases before the Government will provide them with protection against polio.

We need to develop a program to protect all our youngsters against the fatal or crippling effects of infantile paralysis. This calls for decisive imaginative dedication to the public good. It is indeed a blow to the American people that the administration is failing in its responsibility to meet that national need.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of the Senator from Minnesota regarding the polio vaccine matter, and I wish to announce that next week I intend to make a major speech on this question, based upon additional information which I have obtained as to the gross incompetency of the administration in handling the problem.

I desire to say, Mr. President, that in my judgment, the administration is trying to cover up for an inexcusable blunder on its part in connection with the vaccine program. I am shocked to see the Surgeon General of the United States, Dr. Scheele, and Mrs. Hobby seek to give the American people the impression that they have been working for safety and caution rather than for speed, when the fact is that the whole program, at the beginning, when the blunder was made, was a program of inexcusable speed. If they had taken the time for proper testing the horrendous mistake would not have been made.

I am pleading for an investigation and a hearing at which every official of the Public Health Department who has had anything to do with the program will be put under oath and be required to testify, step by step, as to what happened in regard to the matter. I am satisfied, Mr. President, that if the testimony is

taken under oath we shall find how wrong the President and Mrs. Hobby are in trying to give the false impression that they have been following a program of safety and caution instead of a program of speed. Their great blunder was that they went ahead with the matter entirely too fast, with the result that the vaccine, batch after batch, was never adequately tested by the Government officials who should have been required to test it. That is why I wish to associate myself with the Senator from Minnesota.

I also desire to say, good naturedly, that I am a little bit amused at the tactics of my smear critics who are seeking to create the impression that my criticism of Mrs. Hobby is due to the fact that I am opposed to women in politics. On the contrary, Mr. President, I am in favor of women in politics, but women, like men, when they take a public office, must be competent; and Mrs. Hobby has been proven to be incompetent for her job. That is why I have said she should be dismissed.

I think what the President should do is to select one of the most able woman doctors in this country and place her immediately at the head of the department. That is my answer to the smear critics. It does not make any difference to me whether a man or a woman is in public office; if he or she makes a record of incompetency such as that which Mrs. Hobby has made, then dismissal should follow. I think the President has too long delayed severing Mrs. Hobby from the position.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent that, immediately following my comments on the polio matter, a press dispatch on the subject be printed in the RECORD.

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

DETROIT.—Gov. Fred Hall, of Kansas, called on Young Republicans last night to help save their party from "the Rip Van Winkle extremists of whom we have too many in our Congress and in our state-houses."

In a speech to the college section of the Young Republican National Convention, Hall said it was time for the GOP to become the "Grand New Party" that will look like President Eisenhower.

Hall criticized Secretary of Welfare Oveta Culp Hobby for telling the Senate Labor Committee that a Salk polio vaccine program might lead to socialized medicine by the back door.

"There is no better established principle of constitutional law than the exercise of police power by the State and Federal Governments to protect public health," Hall said.

THE DEPARTMENT OF AGRICULTURE AND "OPERATION ALERT"

Mr. HUMPHREY. Mr. President, on yesterday I addressed myself to the problem of civil defense, and especially to "Operation Alert," which was carried out by the National Civil Defense Administration.

I ask unanimous consent that two excellent editorials on the subject be printed in the RECORD. The first is en-

titled "Get Out or Die," and was published in the Washington Post and Times Herald of June 15; the second is entitled "Thoughts on Civil Defense," and was published in today's edition of the New York Times.

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

[From the Washington Post and Times Herald of June 15, 1955]

GET OUT OR DIE

Operation Alert, the mammoth civil defense evacuation project scheduled for today, is either a useful practice exercise or a piece of monumental foolishness. This newspaper inclines to the view that, apart from the silly attempt to clothe in secrecy the movement of 15,000 Government employees along public highways, the experience may be worth while. It may be worth while, that is, if the administration will loosen up with enough information about the exercise to enable Congress and the public to evaluate it and profit from the defects and inadequacies that are inevitable. There will of course remain many perplexing questions about civil defense, particularly those concerning the effect of radioactive fallout.

Some foreigners are critical of what they regard as an American preoccupation with the fear of war. Perhaps they are right that there is an air of remoteness about evacuation and shelter plans. The fact remains that, despite the hopes of the free world for a reduction of tensions and some control of armaments, the capability of the Soviet Union to launch a surprise nuclear attack is increasing. Moreover, there simply is no answer to the inexorable logic of a hydrogen bomb blast; for persons in the core of the target area it would be quite literally a question of evacuate in advance of the attack or be pulverized. What constitutes a primary target is debatable. Our own guess is that Strategic Air Command bases would be first on the list. But cities such as Washington certainly would be endangered, and it makes sense to train the public in the sort of evacuation procedure that might someday be imperative. Without practice any evacuation might become hopeless chaos.

There is one essential element, however, in which both today's exercise and much of the other evacuation and shelter planning may be appallingly deficient. Atomic Energy Commissioner Willard F. Libby has confirmed indirectly that the nuclear weapon exploded at Bikini in 1954 was far more than a hydrogen bomb; it used the hydrogen fusion process to fission additional ordinary uranium. This is what caused the fearfully increased danger from radioactive fallout. If the deductions of Dr. Ralph E. Lapp in the Bulletin of the Atomic Scientists are an accurate guide, concentrated radioactivity in a particular area could remain lethal for a long period of time and could in some instances deny territory for as long as 9 months. The effect of radioactive strontium ingested by farm animals or absorbed by food crops, for example, could be lingering—and terrible.

Even if Dr. Lapp overstates the practical danger, would ordinary shelters of the type civil defense authorities are urging families to build in their backyards suffice? Unless there were provisions for filtering the air and enabling persons to subsist underground like moles for long periods of time, might not Government employees evacuated, say, to Hagerstown or Culpepper as protection against blast, still be vulnerable to lethal radiation?

These are not frivolous questions. The administration, particularly the Atomic Energy Commission, has played very coy about fallout and the U-bomb in general. Until Dr. Libby acknowledged the fact of the U-bomb in his speech, for example, the

AEC had denied its existence. There thus remains the deep suspicion that the administration not only has failed to take the public into its confidence, but also that it has not itself fully faced up to the facts about the fallout. Until there is more frank information and more leadership on this point, any civil defense exercise is bound to seem unrealistic.

[From the New York Times of June 17, 1955]
THOUGHTS ON CIVIL DEFENSE

The nationwide civil defense test this week may have had its soft spots, but it could hardly have failed to impress the interested observer with two things: the almost unimaginable destructiveness of the hydrogen bomb and the absolute necessity of preparation to meet a sudden enemy attack.

Think what a blow such as this would have meant in reality to New York City. More than half its population killed or fatally injured; an area with a radius of more than 2 miles so completely destroyed that, in the graphic words of one observer, "we might as well plow it up and start rebuilding from scratch"; another 2-mile ring in which practically every building would be unfit for use; fires spreading throughout the city; utter disruption of normal public services; virtual elimination of the world's greatest metropolis as a productive organism. It doesn't do us any harm to think of New York in these terms, because only when we do so do we begin to realize that it would be criminal negligence for us not to take defensive measures seriously.

The fact of the matter is that the advent of the hydrogen bomb changes the whole aspect of civil defense in kind as well as degree. Not only is the problem bigger; it is different because of the peculiar properties of the thermonuclear weapon. And yet it is not so big nor so different that we as citizens must stand helpless before it. Our first line of defense is a courageous and vigorous-minded people, confident of our democratic strength and unafraid either of external Communist bluster or internal Communist subversion. Our second line of defense is a dynamic foreign policy based on the principles of peace, social and economic progress and, above all, freedom. Our third line of defense is a strong military establishment with due attention to warning systems and protective devices, both active and passive. Provision of passive defenses for our vast urban population should be no more beyond our capacity or our ingenuity than provision of the tools of war.

But because of the enormity of the problem of civil defense, much planning and research is required. Not nearly enough has been done to date; and the recent series of articles in this newspaper, as well as a recent Senate report, showed how extensive is our country's unpreparedness in this respect. It is not good enough for the Federal administration, in line with its peculiar theories of States' rights, to shoulder off major responsibility for a national problem onto local governments hopelessly unequipped to cope with it. We are in the hydrogen age, and we have to face up to it.

Mr. HUMPHREY. Mr. President, I should like to call to the attention of Senators who are still present the fact that one of the most interesting developments in the Operation Alert program was that the officials of the Department of Agriculture, in carrying out their mission, sent orders throughout the land, as a part of the mock or simulated attack, for farmers to cancel all marketing quotas, acreage allotments, and the wheat referendum. This, of course, was done in terms of what might happen in case of a real air attack, but the ac-

tion has caused great consternation with respect to the farm program.

While I have great respect for what was done in Operation Alert, this part of the operation might well be termed "Operation Foul-up," because it surely was fouled up.

I cannot help pointing out that the Department of Agriculture at long last has recognized that in case of a national disaster, such as an atomic attack, we would need our abundance of wheat, cotton, corn, and every other food and fiber product we produce, because the very first thing the Department did, even in a make-believe war situation, was to issue orders throughout the land canceling all acreage allotments, restrictions of production, the wheat referendum, and marketing quotas.

What better evidence do Senators need to underscore the fact that an abundance of farm products is a blessing and should be looked upon as an arsenal, a storehouse of critically needed supplies in time of war.

I trust that the Department has been able to convince farmers, processors, green merchants, and others concerned that the orders which went out were fictitious orders, and that operations are back to normal. But the situation certainly was fouled up by the Department officials for at least the period of the mock attack.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. HUMPHREY. Mr. President, I know that the senior Senator from New Mexico, the chairman of the Subcommittee on the Armed Services Appropriation, wishes to begin his discussion of the defense appropriation. I hesitate to take another minute of his time, but I shall be away next week as an official representative of the Committee on Foreign Relations to the United Nations 10th anniversary conference in San Francisco. Prior to my departure I wanted to make a statement in reference to the United Nations. It is my privilege to be chairman of the Subcommittee on United Nations Affairs of the Committee on Foreign Relations. I shall, with the indulgence of the Senators who are present, make a statement which I feel is necessary and long overdue with respect to our obligations as a member of the United Nations.

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

Mr. HUMPHREY. I yield.

Mr. CHAVEZ. I thank the acting majority leader for yielding to me; but if he thinks I intend to discuss under present circumstances a bill appropriating \$31,500,000,000, he does not understand the feeling of the Senator from New Mexico. The bill provides more than the entire cost of the operation of all the other branches and agencies of the Government. I want to be patient, but I shall not discuss the bill before such a small attendance.

I thank the acting minority leader, the senior Senator from Massachusetts [Mr. SALTONSTALL], who is the ranking member of the subcommittee, and the other two Senators, including the acting majority leader, for at least being present. But I shall not discuss in an empty Senate Chamber a bill which will cost the American people many billions of dollars.

Mr. HUMPHREY. Mr. President, it was my understanding that the Senator from New Mexico wanted to speak. I wanted to yield to him for the purpose of allowing him to proceed.

Mr. CHAVEZ. No; I shall not proceed to discuss this kind of bill to an empty Senate Chamber.

Mr. HUMPHREY. I certainly agree with the Senator's point of view, and I so indicated to him privately a moment ago. But if he wishes to proceed, I want to accommodate him, and I will yield the floor so that he may proceed.

Mr. CHAVEZ. No. I think the Senator from Minnesota has business of his own to discuss. Eventually I shall be able to summarize the bill. The bill will cost the American people, for the fiscal year 1956, \$31,800,000,000, which is more than the cost of operating the rest of the Government in its entirety, including the independent offices.

Mr. HUMPHREY. I thoroughly agree with the Senator that the subject matter of this important measure should be discussed after a quorum call, when every Member of the Senate will have had an opportunity to be present.

Mr. CHAVEZ. I do not want to discommode any Senator.

Mr. HUMPHREY. I think every Senator should have the opportunity to listen to the Senator from New Mexico when he goes into the details of this tremendous appropriation.

Mr. CHAVEZ. That is when I want to discuss it.

Mr. MORSE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. MORSE. I share the point of view which has just been expressed by the Senator from New Mexico. I happen to know something about the nature of his remarks and about the wonderful service he has rendered to the Senate as chairman of the subcommittee.

I think Senators owe it to themselves, more than they owe it even to the Senator from New Mexico—and they owe the Senator from New Mexico a great deal—to be present in the Senate when the Senator from New Mexico discusses this very important bill. I am delighted to know that the Senator does not plan to discuss it tonight.

I sincerely hope that the Senate may adjourn tonight with the understanding that the Senator from New Mexico will be recognized immediately following the morning hour on Monday, so that he may proceed with his discussion of the matter, and so that the Senate, fresh from a weekend of rest, will be present to listen to the Senator's remarks.

Mr. HUMPHREY. The work of the Senator from New Mexico on the committee has caused much favorable comment and commendation from his colleagues. As the Senator from Oregon has so appropriately said, this bill re-

quires the diligent attention of all Senators.

I appreciate the desire of the Senator from New Mexico to withhold his remarks until there has been at least an opportunity to develop a quorum or to have a majority of the Members of the Senate present.

Mr. LEHMAN. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. LEHMAN. I should like to associate myself with the remarks of the previous speakers, the Senator from Oregon [Mr. MORSE] and the Senator from Minnesota [Mr. HUMPHREY], in expressing my appreciation for what the Senator from New Mexico has done, and also to express my great satisfaction in knowing that he will not go into detail in discussing this most important bill unless and until a larger number of Senators are present in the Chamber.

Mr. President, may I address a parliamentary inquiry to the Chair?

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. LEHMAN. I think the Senator from New Mexico, so far as the time at his disposal is concerned, should not be penalized. I know there is a unanimous consent agreement to limit the debate on the bill to 2 hours, and on each amendment to 2 hours. If the Senator from New Mexico wished an additional 20 minutes or half hour, I should certainly be very glad, indeed, to ask unanimous consent that his request be granted. I do not know whether the Senator from New Mexico feels that that would be necessary.

Mr. CHAVEZ. If the expenditure of \$31,800,000,000, which will have quite an impact on the American taxpayer's pocketbook, does not deserve consideration, that is all right.

Mr. LEHMAN. Mr. President, may I propound a parliamentary inquiry?

Mr. HUMPHREY. Will the Senator yield to me?

Mr. LEHMAN. Yes.

Mr. HUMPHREY. I make this suggestion only because I am acting temporarily as the acting majority leader. I would feel constrained to reject the request, because there was another unanimous-consent agreement arrived at. However, I feel that on Monday the suggestion of the Senator from New York should be acted on. I am sure the Senator from New York appreciates that by consenting to such a request I would find myself in an embarrassing situation.

Mr. LEHMAN. Yes; I do.

Mr. SALTONSTALL. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SALTONSTALL. I am confident that there will be a unanimous feeling on both sides of the aisle that the Senator from New Mexico should have an opportunity to proceed for as long as he desires before the unanimous-consent agreement goes in effect on Monday.

Mr. CHAVEZ. Mr. President, it is not a question of a desire by the Senator from New Mexico to hear his own voice. The question is that there is involved the expenditure of vast sums of money, which the American people ought to know about. I realize the co-

operation which I have received from the majority leader and from the full Committee on Appropriations in connection with this particular bill. It was my desire to show the American people that the expenditure of this tremendous amount of money is necessary, and I thought they should know about it.

Mr. SALTONSTALL. I agree with the Senator from New Mexico, and I know of no one who has been more conscientious in working with this problem.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that upon the completion of the call of the calendar on Monday, I may be recognized to proceed to discuss the pending bill.

The PRESIDING OFFICER. Is there objection?

Mr. SALTONSTALL. Reserving the right to object—and I shall not object—I think that the Senator from New Mexico should include in his unanimous-consent request the understanding that the time he may take will not be charged to either side under the unanimous-consent agreement.

Mr. CHAVEZ. That is what I had in mind.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. Mr. President, 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. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

TENTH ANNIVERSARY OF THE SIGNING OF THE UNITED NATIONS CHARTER

Mr. HUMPHREY. Mr. President, the United Nations will be 10 years old next week. That occasion provides a convenient opportunity to look both backward and forward, to see what has happened to the U. N., what have been its accomplishments and failures, its strengths and weaknesses, and also to put in clearer focus the problems which we and the U. N. face in the future.

Abraham Lincoln once said:

If we could first know where we are, and whither we are tending, we could better judge what to do and how to do it.

When one considers the deep antagonisms which rend this world, it is remarkable that the U. N. exists at all. But what is even more remarkable is that it not only exists; it lives, it thrives, as a positive, creative and constructive force for a just and enduring peace.

Looking backward, we cannot fail to be impressed by the ability which the U. N. has shown to adapt itself to changing, unforeseen circumstances. It has demonstrated to a marked degree the flexibility which is characteristic of the most valuable and enduring human institutions. It has likewise shown a high quality of courage and a remarkable singleness of purpose.

The United Nations is in fact a declaration of interdependency. The charter

of the U. N. conceived and written in the United States under the auspices of our Government, is the twentieth century proclamation of peace, freedom, and security. It represents to the world what our own Declaration of Independence and Constitution mean to America.

But liberty and justice are not attained by their mere proclamation. Surely we Americans know that freedom and security represent the continuing challenge to liberty-loving people in every generation. We Americans should be proud of our role in the U. N., and our active participation within its councils. Our traditions, our history, have uniquely prepared us for a role of leadership in creating a world order based on the enduring principles of freedom, justice, and equality. It is to these principles that the United Nations is dedicated.

Rather than withdraw from the responsibilities and task of achieving the hopes and aspirations of the United Nations charter, we should declare to the world, day in and day out, that the United States will proceed with confidence, with determination, and with perseverance, to the end of strengthening the U. N. and all of its agencies. We are people of peace. Ours is a government of law. Ours is a society of equal opportunity. Surely these credentials qualify us as an active participant in the greatest international organization the world has ever known.

The singleness of purpose of the U. N. is worth emphasizing. The discordant clatter of the Soviet bloc sometimes tends to drown out, but never to destroy, the underlying harmony of the overwhelming majority of the members of the United Nations. This underlying harmony, this fundamental singleness of purpose, has been demonstrated time after time on crucial votes which have seen 45 or 50 or 55 nations of the world alined on 1 side and the 5 Soviet bloc members braying to themselves on the other.

It is this singleness of purpose, I believe, which has enabled the U. N. not only to hold together but to grow in stature and prestige, despite the trying events of the last 10 years—events which no one could possibly have foreseen 10 years ago.

The fundamental difficulty which the U. N. has had to survive, and which its founders did not foresee, has been the cold war. The U. N. was founded on the premise of Big Five unanimity. Rarely, perhaps never, in the history of human affairs has an institution built on such a shaky premise flourished so mightily. The fact that the U. N. has flourished is in itself the most eloquent and impressive testimony to the need for the U. N. and to the determination of the people of the world to make it work.

It is important to recognize that in its fight to survive the cold war, the U. N. has gone through structural and institutional changes which make it something different from what it was 10 years ago. As the Security Council has been frustrated by Soviet abuse of the veto, for example, the General Assembly has gradually and of necessity assumed certain functions which the charter contemplates should be performed by the

Security Council. The Uniting for Peace resolutions which the Assembly adopted in 1950 established a procedure whereby if the Security Council is unable, because of a veto, to act on a threat to the peace, the Assembly itself may take up the matter immediately—in emergency session on 24 hours' notice, if necessary—and may recommend collective measures, including the use of armed force.

Let it be noted that the word "recommend" is used. The Assembly cannot compel action. But the action will be taken if the governments of the world want it to be taken. An Assembly recommendation can be effective to the extent that the U. N.'s members are willing and able to make it so.

This is just another way of saying that the United Nations is what its members make it. Those members are all sovereign nations in their own right, and they lose none of their sovereign capacities by participating in U. N. proceedings.

There are some persons who profess alarm over the changes which have taken place in the U. N. as a result of the cold war. In my judgment, the changes, on the contrary, are a cause of satisfaction. What sort of human institution is it that does not change, in the course of time, to adapt itself to changes in its environment? The fact that the U. N. has changed has nothing to do with any imaginary, Machiavellian plot to subvert the sovereignty of the United States; it is, instead, indicative of a healthy vitality on the part of the U. N. And we should all rejoice that this is so.

The member nations of the U. N. have had the courage and the wisdom to meet collectively a series of crises and challenges which, in their gravity and complexity, far surpass the events which led to the failure of the League of Nations. The list of accomplishments of the U. N. in keeping the peace is impressive. I shall name only a few of the most outstanding.

The U. N. was scarcely a year old when it was confronted with the refusal of the Soviet Union to withdraw its troops from the Province of Azerbaijan, in Iran. The U. N. met this challenge to its authority, and the Soviet troops were withdrawn.

The U. N. was scarcely 2 years old when fighting broke out between India and Pakistan, over Kashmir. Through efforts of the U. N., that fighting was halted.

The U. N. also played a prominent role in ending the hostilities between Indonesia and the Netherlands, and in stopping the fighting between Israel and the Arab States.

The gravest challenge to the U. N. came in Korea, and again the U. N. met the test. Never before has the principle of collective security been so firmly established; never before have so many nations acted together in defense of that principle; never before have the rights of the weak against the strong been so stoutly protected.

For one reason or another, some persons in the United States have sought to distort history on this point. Let us keep the record straight. The United States did not fight the Korean war under either the compulsion or the direc-

tion of the United Nations. The truth of the matter is that United States forces had already been ordered into Korea before the United Nations intervened. Despite all the hue and cry which we heard later—after the going got tough—no voice was raised in serious protest at the time.

The principle of collective security was at stake in Korea, and both the United States and the United Nations rose to meet the challenge. But also at stake in Korea were the vital interests of the United States—to a greater extent than those of any other U. N. member, and so much so, in fact, that no less an authority than Secretary of State John Foster Dulles recently told the Foreign Relations Committee, in referring to our intervention in Korea:

I believe that the vital interests of the United States would have justified our taking this action alone, if we had had to.

After all, Mr. President, it was United States forces in Japan which would have been threatened by a Soviet-dominated Korea. It was the United States defense line in the Western Pacific which would have been breached.

Nor is there any basis for the complaint that American troops were sent to fight in Korea under United Nations command. There was a United Nations command, true; but from the beginning to the end of the Korean fighting, an American general was at the head of it; and he got his orders, not from the U. N. headquarters, in New York, but from the Pentagon, in Washington.

It is fashionable to criticize other members of the United Nations for not putting more troops into Korea. We all wish they had put more. We all hope they will do more in the unhappy event that such a situation arises again. But the constant repetition of this complaint, like the playing of a broken phonograph record, becomes monotonous, and obscures the contribution which other U. N. members did make to the Korean action. Ambassador Lodge has estimated that if it had not been for these contributions, the United States would have had to put two additional divisions of its own into the field. The American casualties in Korea were tragically high; but if it had not been for the U. N., they would have been even higher.

To belittle the contributions of other U. N. members is also to ignore the fact that the United States would have fought the war alone, if that had been necessary.

Now, although the fighting in Korea has been ended for almost 2 years, there is still no peace in that unhappy, divided land; nor has there been a definitive settlement in Kashmir or in Palestine. But the situation which exists in all these places is certainly far more satisfactory than open warfare.

Important and impressive as it is, peacemaking is only one of the accomplishments of the United Nations. The flexibility with which the U. N. has met the demands of Asia and Africa for political independence and economic development is only slightly less remarkable than the manner in which it has coped with the exigencies of the cold war.

And in the long run, this phase of U. N. activities may be even more significant and productive of international peace and prosperity.

The United Nations expanded technical assistance program is perhaps the best known of these activities, but it is only one of many things the U. N. is doing to promote human welfare and economic development. There is, in addition, the whole congeries of specialized agencies—the Food and Agriculture Organization, the World Health Organization, the International Labor Organization, the Educational Scientific and Cultural Organization, the International Civil Aviation Organization, the World Meteorological Organization, the International Telecommunications Union, the Universal Postal Union, the International Monetary Fund, and the International Bank for Reconstruction and Development.

But apart from these efforts, vast progress has been made in a number of fields, particularly in regard to technical assistance. In this country, for instance, where many of us are inclined to take for granted our living standard, not many persons realize that out of the world's 2,400 million inhabitants, about 1 out of every 2 persons lives where there is generally not enough food; that his daily diet is only 400 calories above starvation level, and is 750 calories below the diet enjoyed by the more fortunate one-third of mankind. Every day, there are an additional 80,000 new mouths to feed in a world whose farmlands have not yielded enough food to keep pace with population growth.

One person in eight suffers from malaria. More than 8,000 a day die from it, on the average. Even more suffer and die from tuberculosis. In many sections of quite a number of countries, 250 or more children out of every 1,000 die before they reach the age of 1 year. Sometimes this infant death rate may be as high as 400 per 1,000 a year.

About 50 percent of mankind can neither read nor write. Earnings are also extremely low. Two out of every three people earn, on the average, less than \$200 a year, or its equivalent. Of these, half earn less than \$50 a year.

These are ugly, indeed dangerous, facts about the 20th century, which so often has been called an age of progress.

In large part following American leadership and inspiration, the members of the U. N. in 1950 put in motion an action program to send experts from the U. N. and its family of specialized agencies into farms, homes, hospitals, schools, workshops, and government offices in the less developed countries throughout the world, to help people to help themselves. The U. N. also sends young men and young women to study and to be trained abroad.

The UNETAP in 1954 sent more than 1,500 experts of 63 nationalities to 71 countries and territories, and awarded more than 1,500 fellowships or scholarships to nationals of 86 countries and territories.

The technical assistance provided to the recipient countries under the U. N. expanded program covers a wide range of diverse activities. The degree of

underdevelopment differs from country to country; consequently, the nature and the types of assistance vary from one recipient country to another. In some cases, projects may be in the preliminary stage, designed to advise and assist the less developed countries, to survey their potential resources, to formulate general plans of development, and to establish the institutional framework, efficient administrative services, labor legislation and administration, agricultural institutions and services, educational systems and administration, health administration and services, civil aviation directorates, and meteorological and telecommunications services.

In other cases projects may have advanced to the operational stage, where individual experts or teams of experts are provided to carry out specific assignments in connection with the particular development programs of the countries concerned. A number of international experts are assisting in the establishment of plants such as penicillin and DDT factories, steel and cement plants, and fertilizer and food-processing factories. They are helping to carry out manpower organization and vocational and technical training programs. They are cooperating in the development of land and water resources, of livestock production, of modern slaughterhouses, and improved systems of production and distribution of milk with UNICEF assistance for pasteurization plants, mechanization of fishing craft, effective utilization of farm implements, and improvement of the nutrition levels of the populations. They are providing assistance in the organization of schools to train teachers and provide specialized experts to develop courses in particular branches in technological colleges and institutes. They are aiding in programs to eradicate common epidemics and diseases such as malaria and tuberculosis, and are helping to train personnel for the development of civil aviation and telecommunications and meteorological services.

The major emphasis in the technical assistance activities in the various fields is on the training of the nationals of the less developed countries, so that in time they can continue the work which has been initiated by the experts. To this end special training programs are provided, such as regional training seminars or fellowships for study abroad at particular institutions, or for practical observation and training in factories or in the fields in the more advanced countries. Most technical assistance projects also involve on-the-job training of local personnel under the international experts working on particular assignments. As a result of the activities undertaken in the U. N. expanded program over a period of 4 years, training is provided for a host of administrative, clerical, and accounting staff members, engineers, nurses, health workers, general mechanics, leather tanners, plumbers, carpenters, agricultural extension workers, economists, statisticians, teachers, community development workers, radio, telephone, and telegraph technicians, air navigation and aircraft maintenance personnel, and meteorologists.

The U. N. World Health Organization can recruit doctors to help countries deal with tropical disease problems, such as those in the case of yaws, bilharzia, and other tropical plagues, by drawing on doctors from countries where these diseases are found, or by using the services of European doctors who are experienced in the tropics. In many fields the U. N. can recruit from countries that already have learned how to deal with problems found in similar neighboring countries. Often, too, the U. N. can recruit more persons with a knowledge of such languages as the Arabic and the Far Eastern tongues, a knowledge of which is rarely possessed by American technicians. In these cases, where neighbors can be brought to help neighbors, it is less expensive to do so, than to send Americans to distant shores.

The problems of the less developed countries are, by their very nature, slow to resolve. There are no miracles that can be wrought. It takes time and patience to train teachers, doctors, fishermen, foresters, farmers, and technicians to grow more food, to produce more goods, and to use natural resources more efficiently. Obviously it takes time to teach people who cannot read or write, how to grow more food or to use modern machinery. This is a long-term job. It must be tackled vigorously, and must be supported with capital investment if it is to make a lasting impression against age-old primitive conditions and inertia. The U. N. technical assistance program offers one of the best ways in which nations can work together to help people help themselves.

Thus, it must not be assumed that the specialists sent out by the United Nations and specialized agencies to underdeveloped countries come only from the technically advanced, prosperous nations.

Haiti, for instance, has had one of its coffee specialists working in Ethiopia under the United Nations programs; from Rhodesia to Libya has gone an agricultural statistician; Ceylon has used the services of an Icelandic marine engineer; and a Finnish expert has helped the Government of El Salvador reconstruct its airport at San Salvador.

A French mining expert has completely modernized the tin, silver, zinc, and copper mines in Bolivia, which are the key factors in that country's economy.

Prefabricated houses and farms are being erected all over Yugoslavia, and are based on methods developed in a number of Western countries.

Educational training centers have been established in Egypt, Jordan, Iraq, Lebanon, Saudi Arabia, and Syria.

In Brazil, the International Labor Organization is busy training skilled workers to man the machines for the growing industrial economies of Latin America.

Specialists of the International Civil Aviation Organization have built a network of weather-reporting stations in Ethiopia.

In Bombay, scientists of the World Health Organization succeeded in cutting the death rate due to bubonic plague to less than 1 in 10 cases. Pre-

viously, that disease had been almost 100 percent fatal, there.

For the first time in its 3,000 years of history, Saudi Arabia is exporting packaged dates. That began after an FAO expert recommended the introduction of assembly-line packing methods.

With the aid of equipment provided by the United Nations Children's Fund—UNICEF—and advice by a World Health Organization expert, Asia's first penicillin factory, an enterprise of the Indian Government, began production in 1954, in Poona.

An iron foundry in Pakistan has increased its output 54 percent with the advice of United Nations experts.

In Libya, one of the world's new states, scores of workers, who otherwise would have received little or no education of any kind, have now been given basic training—with the aid of the International Labor Organization and the United Nations Education, Scientific, and Cultural Organization—to enable them to undertake clerical and administrative duties.

Fourteen new varieties of coffee have been collected in Ethiopia, by a Haitian expert, for ultimate cultivation in Brazil, Colombia, and Costa Rica. Ethiopia, benefiting from this expert's advice on preparing and packing its coffee, has thus contributed to the economic development of other countries.

In 1951, Thailand was introduced by a Food and Agriculture Organization fisheries expert to 20 specimens of a certain carp, a fish that "eats like mad, grows like mad, and reproduces like mad." These fish were originally confined to a single pond. Today, Thai hatcheries are producing fingerlings of this "mad fish" at the rate of 100,000 a month, thus creating a huge new source of protein food not only for Thailand, but also for neighboring countries.

The death rate from tuberculosis in Guayaquil, chief port of Ecuador, dropped from 500 per 100,000 in 1949, to 200 in 1952, due to the vigorous action of Ecuadorean health authorities whose initiative was backed with technical advice by World Health Organization experts and laboratory equipment from UNICEF. The fall in the tuberculosis death rate has continued.

In varying degrees, most of these agencies are working quietly and unspectacularly to improve standards of living or to remove causes of unrest—sometimes through the expanded technical assistance program, sometimes as a part of their normal activities.

It is worth emphasizing that the urge for political independence and economic development is one of the great phenomena of our times. Since the United Nations Charter was signed 10 years ago, more people have achieved political independence than in any other comparable period in history. The roll of newly independent states includes India, Pakistan, Indonesia, the Philippines, Korea, Vietnam, Laos, Cambodia, Burma, Ceylon, Israel, and Libya. The U. N., of course, cannot claim credit for the independence of all of these; but the U. N. did play a part—particularly in the cases of Indonesia, Korea, Israel, and Libya; and the U. N. can claim credit for

constantly emphasizing the importance of promoting self-government and self-determination.

The U. N. can also claim credit for a good deal of the substantial political progress which has been made toward self-government by territories which are not yet fully independent. The U. N. Trusteeship Council stands as a constant and effective watchdog of the rights and interests of the people of the trust territories. And in regard to other non-self-governing territories, the U. N. is constantly urging more rapid progress.

But the people of Asia and Africa want more than political independence. They want economic development; and in this they are joined by the people of Latin America who have had their independence for more than a century, but who have not shared to the fullest the technological progress of Europe and North America.

This is the field of the Economic and Social Council of the U. N., of the Economic Commissions for Latin America and for Asia and the Far East, and of the specialized agencies. The International Bank has made loans of more than \$2 billion, with increasing emphasis on the economic development of underdeveloped countries. The proposed International Finance Corporation will make an important contribution in this field. So would the proposed Special United Nations Fund for Economic Development, which, in my judgment, deserves more sympathetic consideration than apparently it has yet received from the United States Government.

But perhaps the greatest accomplishment of the United Nations—one which cuts across and transcends all its other activities—is that it has become a living, working mechanism. It has made itself indispensable. If it did not exist, it would have to be created.

It seems to me that frequently we underestimate the basic support which exists among the people of the world for the U. N. as an idea and as an institution. In the United States we hear so much balderdash and claptrap about the United Nations that we are apt to lose our sense of proportion about the noisy little clique which mouths the slogan "Get the United States out of the U. N., and the U. N. out of the United States."

A recent study by the University of Michigan shows that 80 percent of American adults believe that the U. N. and our participation in it is good for America, and that only 5 percent want the United States to pull out of the U. N.

This 5 percent somehow got the idea that the U. N. is inimical to the United States. Their irrational opposition to the U. N., I think, stems basically from xenophobia, from a kind of 20th century know-nothingism. These persons find the state of the world unsatisfactory; which, of course, it is; but their only reaction is one of frustration, and the only solution they propose is the impossible one of seceding from the world.

What really troubles these persons is that the U. N. is composed largely of foreigners, and is therefore un-American.

This small group of Americans cannot get used to the fact that 93 percent of the world is in that sense un-American.

The truth is that the United Nations, far from endangering the United States, actually protects it. In many parts of the world, the voice of the U. N. carries more weight than does the voice of the United States. A good example is the action of the General Assembly in denouncing Communist China as an aggressor.

Another fact which the people who seem to be afraid of the U. N. overlook is that the United States has never lost a crucial vote on a major issue in the United Nations. The Soviet Union, not the United States, is the country which has cause to be apprehensive over the U. N. Time after time after time, the Soviets have been on the little end of lopsided votes. The Soviets are always experiencing defeat in the U. N., and yet they do not leave the U. N. Ambassador Lodge has suggested that the Soviets have a bear by the tail, and are afraid to let go. Russia fears that if she were out of the U. N., it might be made into an even more effective instrument against Communist aggression. Conversely, if the United States were out of the U. N., the position of Russia would be correspondingly strengthened.

Indeed, one of the best pieces of evidence of the strength of the U. N. and of its usefulness as an instrument for promoting world peace and human freedom is the healthy respect with which the Russians obviously regard it. There might very well be a relationship between the prospective U. N. Charter review conference and the recently changed attitude which is apparent in Moscow.

The U. N. is an unexcelled forum for showing up the true nature of communism and for creating solid world opinion against it.

Mr. President, just as it is important that we recognize the strengths and accomplishments of the United Nations, so also is it important that we recognize its limitations. I think much of the disillusionment and frustration which we have noticed in connection with the United Nations is the result of having expected too much from it in the balmy days of 1945. The United Nations is not a world government. It cannot perform miracles. If we expect it to do too much, we are making as big a mistake as we are if we attempt to write it off for having done too little.

Soon we shall be confronted with the problem of whether to hold a charter review conference, and, if so, what changes to make in the charter. The question of holding a charter review conference will automatically be on the agenda of the General Assembly, this fall. Secretary Dulles has indicated that the United States will support the proposal to hold such a conference. A subcommittee of the Foreign Relations Committee, of which I have the honor to be a member, has been holding hearings in various parts of the country for more than a year, to determine what changes, if any, should be made and would be supported by the American people. I do not want to anticipate the report of that sub-

committee, which will be available shortly.

However, this much, I think, is clear: While there can be no objection to reviewing the charter, certainly there should be an abundant spirit of caution about amending it simply for the sake of making a change.

The charter is not perfect, but it has worked well, and it has been flexible enough to grow with the times. There comes a point, as Mr. Dulles once said in another context, when, if one insists on what is best, he is in danger of losing what is good.

What we have is good. Before we change it, let us be very careful that we shall be getting something better.

Mr. President, the United States can be justly proud of its role in the United Nations in the last 10 years, and of its part in the U. N.'s accomplishments. We ought to support an even larger role for the U. N. in international affairs, and we need have no fear of what the U. N. will do. We can be confident of the actions of the U. N. to the same extent that we are confident of the fundamental soundness of our own position. I do not share the qualms on that score which seem to beset some persons. What we need to do is to reinforce the courage of our own convictions.

Today, the U. N. is the most successful of man's many efforts to develop a worldwide international organization for the maintenance of peace and security. It has to be, for it may be the last chance we shall ever have.

Mr. SALTONSTALL. Mr. President, if the Senator from Minnesota will yield to me, let me say that I commend him for the attitude he takes toward the United Nations. As one who has listened to his remarks, and who has faith in the future of the United Nations, and who feels that all of us must have faith that it is going to be a success, I wish to say that we must be patient and understanding, and must work hard to make the United Nations Organization an effective instrumentality for keeping the peace.

Personally, I am glad the United Nations has survived for these 10 years, for I believe that the first 10 years are the hardest; and I have hope and faith that the United Nations will succeed.

Mr. HUMPHREY. Mr. President, I thank the Senator from Massachusetts for his comments. He has always been a staunch supporter of the United Nations and its activities.

DEFENSE DEPARTMENT APPROPRIATIONS, 1956

The Senate resumed the consideration of the bill (H. R. 6042) making appropriations for the Department of Defense for the fiscal year ending June 30, 1956, and for other purposes.

Mr. CHAVEZ. Mr. President—

The PRESIDING OFFICER. The question is on agreeing to the unanimous-consent request of the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I withdraw my request.

The PRESIDING OFFICER. The request of the Senator from New Mexico is withdrawn.

Mr. CHAVEZ. Mr. President, the attendance of only four Senators on the floor at this time may turn out to be a good omen. Under the circumstances, I shall make this address to the American people, and shall try to tell them exactly where their money will go, and for what purposes, in connection with the operations of the Department of Defense.

Mr. President, the Subcommittee on Department of Defense Appropriations of the Senate Appropriations Committee, worked patiently, and for long weeks, in receiving testimony on what we regard as the creation of a fund for national defense which at all times will protect the American people and will keep us ahead of any other nation, insofar as defense is concerned.

Mr. President, as chairman of the Senate Appropriations Subcommittee charged with the consideration of H. R. 6042, the Defense Department appropriation bill for the fiscal year 1956, I should like to summarize the principal provisions of the bill, and to discuss briefly some of the considerations which entered into our recommendations.

The purpose of this measure is to provide financing for the military functions of the Department of Defense for the fiscal year beginning July 1, 1955, and ending June 30, 1956. The bill, as reported by your committee, provides for a total of \$31,836,521,336 of new appropriations, exclusive of those for military public works, which will come before this body later.

This amount is \$3,036,450,850 more than was appropriated for this agency for the fiscal year 1955. It is \$396,293,664 under the revised budget estimates for 1956 of \$32,232,815,000, and is \$348,315,336 over the amount of \$31,488,206,000 voted by the House.

The bill, as now reported to the Senate, provides for an Army active-duty strength for June 30, 1956, of 1,027,000 as compared with an estimated strength for June 30 of this year of 1,114,000—a reduction of 87,000 men. During the coming fiscal year, the Army will be able to support 18 divisions, 11 regiments, and 136 anti-aircraft battalions, as compared with the 20 divisions, 12 regiments, and 122 anti-aircraft battalions it now has—or a reduction of 2 divisions and 1 regiment, but an increase of 14 anti-aircraft battalions.

In the committee there was considerable discussion of a proposal to hold the active-duty strength of the Army at the estimated June 30, 1955, level, namely, 1,114,000, thereby permitting the Army to retain its present 20 divisions. The thought was that by maintaining the Army strength at 1,114,000, the calculated risk would be lessened, and a larger mobile striking force would be provided for the reinforcing of overseas areas, in the event of an emergency. Maintenance of the 20-division army, it was thought, would also serve to encourage our allies, by providing a clear indication that the United States intends to remain strong and active in their support.

The importance of this particular aspect of the problem is underscored by the fact that this country is just about to enter into negotiations with the U. S. S. R. in an effort to seek ways and means of easing international tensions. Many persons feel that whatever success we have had thus far in dealing with the Communists has been achieved primarily through a position of strength—the strength of the United States and the collective strength of the free world. Basic to the unity and collective strength of the free world has been the willingness of this country to accept its full share of the responsibilities and burdens of collective defense. For this reason, some members of the committee felt that this might not be the appropriate time to reduce in any way our military capabilities.

However, the committee realizes that 100-percent security is unattainable under any circumstances. In relying on the assurances of the President that the proposed budget for the Army is adequate, the committee recommends the appropriation of the budgeted funds which will provide an active-duty strength of 1,027,000 as of June 30, 1956. In making this recommendation, the committee wishes to underscore the urgent need for more effective Reserve forces. The great complexity and rapid tempo of modern war have greatly increased the time, effort, and skill required of our citizen soldiers, and have created new problems in their organization, administration, and training. But the character of modern war has not diminished their potential contribution to our military strength in a period of uneasy peace. The full potential of our Reserve forces must be attained if we are to maintain the level of military preparedness we need for the years ahead, at a bearable cost. However, even without new legislation the Army expects to have on its Reserve rolls on June 30, 1956, a total of 2,264,000 men, of which only 644,000 will be on drill pay status. The difference between these two figures gives some indication of the potentials available in the Reserve forces, which should be utilized.

For the Navy the bill provides an end active duty strength of 664,000 men for fiscal 1956. This is some 8,000 less than the estimated strength for June 30 of this year. The manpower allowance for the Navy is tight, and will require a high degree of efficiency on the part of the Navy in the management of its manpower resources. Both the Secretary of the Navy and the Chief of Naval Operations have indicated to the committee that they feel fully confident that, through management improvements, the manpower reduction can be absorbed without affecting the combat effectiveness of the forces. Nevertheless, there will be some reduction in the number of active auxiliary vessels and in the active assault lift. These types of vessels, the committee was assured, could be quickly reactivated in the event of an emergency.

The combat effectiveness of the Navy during the fiscal year 1956 will continue to improve, particularly in the air arm.

The program provides for the activation of one additional aircraft carrier and one additional air group during the coming fiscal year. Testimony indicated that a proposed shift to more atomic power will provide the *Nautilus* and her sister ships with greater striking power in the years to come. The bill also provides for an increasingly high level of shipbuilding and conversion—almost \$300 million more than in fiscal year 1955.

For the Marine Corps, this bill will provide a June 30, 1956, strength of 193,000, 12,000 less than the estimated June 30, 1955, active duty strength. Nevertheless, the Marine Corps will be able to continue to support its 3 ground divisions and 3 air wings during the coming fiscal year, nevertheless, with some reduction in manning, particularly in the reinforcing and support type units. The effect of this reduction on the readiness of the forces was summarized for the committee by General Shepherd, Commandant of the Marine Corps, as follows:

Operationally, the effect of these actions will be to diminish somewhat the staying power of our combat forces, because of reduced depth in personnel and supporting units. Except in these respects, however, the readiness of the operating forces which we are authorized will be undiminished. They are ready to go into combat now, and will remain so during the coming fiscal year.

General Shepherd, however, did indicate during the course of our hearings that he would like to see a Marine Corps of 210,000 to 215,000 which would provide what he called "an ideal optimum peacetime strength." There was considerable discussion in the committee of the advisability of holding Marine Corps strength at about that level during fiscal year 1956 in order to permit a somewhat higher overall level of manning and avoid the necessity of eliminating certain combat support units, thereby increasing the staying power of the forces in the event of an emergency. However, in the light of General Shepherd's statement that the readiness of the operating forces will not be diminished and the President's assurance that an active Marine Corps of 193,000 men is adequate to the present defense needs, the committee has funded for the budgeted strength.

Mr. GORE. Mr. President, will the distinguished Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. GORE. I wish to compliment the senior Senator from New Mexico for a very able and full discussion of a very important bill now pending before the Senate. My purpose in rising is, secondly, to inquire of the distinguished Senator what justification, if any, the spokesmen or witnesses appearing before the committee could give, which, in the opinion of the Senator, would justify the drastic reductions in the defenses of this Nation which have been proposed.

Mr. CHAVEZ. There were two lines of thought before the committee. The civilian personnel from the Defense Department went along with the reduction. The military personnel did not

think it was quite correct. That was true in the case of both the Marine Corps and the Army.

Mr. GORE. Does the Senator think the security of this Nation can more safely be lodged in the opinions of the civilian employees of our defense agencies, or in the trained military staffs thereof?

Mr. CHAVEZ. The trained military staffs are created for the purpose of defense. There are only two good reasons for West Point and Annapolis, namely, the security and defense of the United States.

But even after discussion within the committee, where efforts were made to go along with both the Marine Corps and the Army, the committee decided differently. So what we have before us the committee action on the question involved.

The bill provides for the Air Force a military personnel strength of 975,000 for June 30, 1956. This is 5,000 more than the June 30, 1955, goal. With this military personnel strength, the Air Force will continue to build its 137-wing goal, attaining 131 wings by June 30, 1956. The authorized strength now is from 121 to 136 wings. During the coming fiscal year 10 wings will be reactivated, and for the future we shall have 6 more wings.

The bill provides \$6,306,000,000 for Air Force aircraft and related procurement, \$356 million more than provided by the House. This sum is made up of two parts—a restoration of \$150 million reduced by the House and the addition of \$206 million to the amount originally requested by the President. These \$356 million of additional funds were requested by the Department of Defense for the purpose of accelerating the production of the Air Force's new long-range jet bomber, the B-52.

In other words, after we had the budgetary request and the budgetary information, there came before the committee officials from the Department of Defense who testified—and I believe the American people are entitled to that testimony—that it was necessary to accelerate the program. They said, "Let us not wait 3 years, but build the airplane now, and be ready." That is the reason for the acceleration.

Although Defense Department and Air Force officials assured us that we have an airpower land, they, nevertheless, consider it good insurance to step up production of the B-52 so as to replace, somewhat earlier than originally planned, the older and slower B-36, which has long been the mainstay of our long-range Air Force. The total amount recommended by the committee for aircraft and related procurement in the coming fiscal year is more than \$3½ billion greater than the amount provided by the Congress for this purpose last year.

Mr. President, I should like to describe briefly the action of the committee as it differs from the House bill.

The committee also recommends restoration to the Office of the Secretary of Defense for salaries and expenses the \$250,000 reduced by the House, thus providing the same amount as was appro-

priated last year. There was no increase, but the Department was given the same amount it had last year.

Although the general level of our defense programs has stabilized, the work of the Office of the Secretary of Defense is increasing, particularly with respect to current studies on the organization and operation of the Department as a whole, improvements in the accounting and fiscal systems, and maintenance engineering on new weapons.

The committee has also restored \$20,000 of the \$100,000 requested for the Office of Public Information, which will enable the Office to maintain its present level of obligation. The committee approved the changing of the name of the Office of Public Information to Office of Public Affairs, because the Office does much more than give public information. It passes on security clearances, for example. It is not necessarily limited to giving handouts or press releases, but security matters which are very important.

The bill provides for the restoration to the research and development emergency fund of the Department of Defense the \$10 million deleted by the House. In addition, the bill provides that not to exceed \$200 million may be transferred to the emergency fund from any appropriation available to the Department of Defense for expenditure in fiscal year 1956 upon the determination by the Secretary of Defense that such funds can be wisely, profitably, and practically used in the interest of national defense. The purpose of this action is to give the Department of Defense a much greater degree of flexibility in exploiting significant technical and scientific developments which may occur in the coming fiscal year, but which cannot be anticipated in detail at this time.

Past experience has demonstrated that such situations do arise and breakthroughs do occur which can and should be promptly exploited. During the past several years the Congress has recognized the need for an emergency fund in the research and development area. But instead of providing each military department with its own emergency fund, a much greater degree of flexibility and economy can be obtained by providing a single fund to the Secretary of Defense, to be used at his discretion.

Mr. President, we are all aware that we are living in an era of very rapid scientific and technological progress. Certainly, since the end of World War II this country has been in the forefront of this advance. Recently, however, there has been a growing apprehension that we are lagging in this race for technological supremacy. Even though some of these funds may remain unused by the end of the fiscal year, the urgency of our research and development needs justify, in the view of the committee, the provision of the additional funds and the transfer authority.

The committee has allowed \$7,330,053,000 for the Department of the Army, which is \$235,000 over the House, and \$243,927,000 under the estimate.

The increase in the Army appropriation for the promotion of rifle practice

will assure a more adequate program for the training of citizens in the use of military-type small arms. In addition, the committee also recommends the transfer of not to exceed \$1,200,000, in value, of ammunition from the Department of Defense for use in this program, which we are convinced is of very great value to our national defense.

The committee has recommended striking out the provision inserted on the floor of the House which would have drastically curtailed recruitment in all the services.

The committee allowed the Department of the Navy \$9,071,785,166, which is \$48,834 under the House bill, and \$108,371,834 under the estimates. Relatively minor reductions in passenger motor vehicles account for this cut. The committee granted an amendment which will permit the Navy to transfer \$540,000 to the Coast Guard for salary increases of personnel operating weather stations. The committee also inserted the words "long lead time" in the language of the shipbuilding program to limit procurement to only those items which require an excess amount of time to procure technical equipment for ships not yet funded by specific appropriation.

For the Air Force, the committee recommends an appropriation of \$14,739,763,170. This is an increase over the House of \$337,859,170, and a reduction under the estimates of \$43,914,830. It is \$3,811,833,170 over the amount appropriated for the fiscal year 1955 for the same purposes.

A reduction of \$18 million below the amount voted by the House was made in the maintenance and operations appropriation of the Air Force to reflect the fact that certain items of procurement could be obtained for a great deal less than was originally contemplated.

The transfer of \$10,650,000 from the "Air National Guard" to the "Military personnel" appropriation of the Air Force is to remove certain inequities which have occurred as a result of the commissioning of ROTC graduates in the Air National Guard who have been ordered on active duty training with the Air Force.

The bill as reported by the committee restores the \$155 million rescinded by the House from the Air Force industrial fund, and \$225 million of the \$300 million rescinded by the House from the Air Force stock fund. The restoration of the \$225 million will enable the Air Force to go forward with its plans to enlarge stock fund operations during the coming fiscal year, to include all common use standard stock items. The broader use of stock funds by the Air Force is indispensable to the proper management and control of its inventories and should result in significant savings over a period of years.

With respect to industrial funds, title IV of the National Security Act provides for the establishment of working capital funds for such industrial and commercial type activities which provide common services within or among the departments and agencies of the Department of Defense. The wisdom of this provision of the law has been reaffirmed

many times by committees of the Congress and many competent individuals, both in and outside the Government. In order to reassert the interest of the Congress in this effort, your committee recommends the restoration of the \$155 million to the Air Force industrial fund.

In addition, the committee made minor reductions in passenger motor-vehicle procurement.

There are a number of language amendments in addition to the ones already mentioned. The committee recommends that \$55 million of 1953 funds remain available to the Air Force, which, were they to lapse, would force contractors to go to the General Accounting Office for payment of certified claims on contracts which will have been completed.

In section 615, the committee recommends that the amount available from the sale of scrap and salvage operations to be used for transportation and demilitarization of supplies and equipment be reduced from \$40 million to \$20 million.

The committee has amended section 623 to permit the legal training of 3 persons in each of the 3 military departments.

In section 630 of the bill the committee inserted the words "Spun silk yarn for cartridge cloth" in the buy-American provision.

I think my good friend from Massachusetts will discuss that.

Mr. GORE. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. GORE. Does the able Senator indicate by his reference to the Senator from Massachusetts either personal or official interest in the textile industry on the part of the distinguished Senator from Massachusetts?

Mr. CHAVEZ. Testimony was adduced before the committee by constituents of the distinguished Senator from Massachusetts. It is a small industry, but it is very important.

Mr. GORE. The interest of the Senator, then, is entirely laudable?

Mr. CHAVEZ. It is extremely laudable. I believe he made a good case.

This "Buy American" would protect American processors against the importation of processed Chinese silk yarn used for making cartridge cloth.

Section 638 of the bill was changed and clarified. That is the section which permits none of the funds to be used to transfer work traditionally done by the Department of Defense to outside contractors unless justified before the appropriate committees of Congress that the change is economically sound and not detrimental to the national security. The committee deleted the word "traditionally" and inserted in its place the words "for a period of 25 years or more." The committee also included language which would require the Secretary of Defense to certify to the Appropriations Committees at least 60 days prior to any change that it is economically sound and not dangerous to our security.

A new section 639 has been added to the bill which would allow enlisted personnel, on duty, who are unable because

of their duties to eat their meals at messes to be allowed somewhere between the \$1.10 now allowed and the \$2.57 allowed personnel where no messing facilities are available.

Mr. President, for the first time in many years there is a feeling abroad that there may now be a real chance to ease the present tensions existing between the free world and the Communist dictatorships. We all hope these expectations will be realized. But we must all recognize that the road to a durable peace is long and hard and that the final attainment of our goal will not be quick or easy. Experience has taught us that to deal successfully with the Communists we must remain strong. To let down our defense efforts now may destroy the very hope we all cherish—the end to the burdens of vast armaments, and a world truly at peace. The bill now before the Senate provides the funds required for the continued maintenance of our military strength during the coming fiscal year. I urge its prompt enactment.

Mr. JOHNSON of Texas. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. JOHNSON of Texas. Mr. President, I wish to express my personal appreciation to the distinguished chairman of the subcommittee for the many weeks and long hours he spent in conducting tedious hearings and in securing for the Senate and the American people the facts relating to our defense establishment. I am grateful for the comprehensive statement he has made regarding the bill this evening. I hope he will make another statement on Monday when time is yielded to him.

I understand the distinguished Senator from Missouri [Mr. SYMINGTON], former Secretary of the Air Force, plans to offer an amendment concerning a reduction in the ranks of the Marine Corps. The amendment would involve some 12,000 men who otherwise would be discharged from the Marine Corps and it involves in the neighborhood of \$40 million. May I ask whether the amendment was submitted in that form to the committee?

Mr. CHAVEZ. The amendment was submitted, and the committee rejected it.

Mr. JOHNSON of Texas. Does the Senator think this is the time to reduce the number of men in the Marine Corps?

Mr. CHAVEZ. I voted on the losing side.

Mr. JOHNSON of Texas. I think the Senator has again exercised good judgment, and I hope he will not be on the losing side when the question comes before the Senate.

Mr. CHAVEZ. Mr. President, I am representing the committee. The fact that I happen to be chairman of the subcommittee is only incidental. I stand by what the committee did.

Mr. SALTONSTALL. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. SALTONSTALL. I join with the majority leader in congratulating the chairman of the subcommittee, as I have done before. The committee hearings

started on April 4 and closed on June 6. During that time the Senator from New Mexico was present almost all the time and was very patient and considerate with the witnesses and with other members of the committee. I intend, from this side of the aisle, to try to help the Senator support the committee action when the matter comes up on Monday, and I shall be prepared at that time to make a more extended statement.

As the Senator from New Mexico knows, I did not agree with him with reference to the Marine Corps. I agreed with what has been recommended in the estimate, as also with reference to the size of the Army. I shall have on Monday some rather detailed statements which I think will show that we are not reducing our fighting strength by the changes in the numbers of men, most of whom come from the supporting units.

I should like to point out, and I know the Senator agrees with me, that the two fundamental changes from the House bill—and there were only two, other than some amendments which involve a good deal of money but are, in substance, relatively minor—the two important amendments were, first, to increase the Air Force procurement for the B-52 program, primarily by \$356 million.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. We restored \$250 million which the House cut and added a large amount beyond the estimate submitted in the budget. That was our major change.

Another change was to restore \$35 million to the research fund, which had been cut by the House, and to permit the transfer of some \$200 million in case there should be breakdowns in the research program; in other words, if there were sudden developments which required substantial funds. The transfers are to be left to the sound judgment of the Secretary, as to practicability, feasibility, wisdom, and so forth.

During the time we held hearings, many of them in closed session, there were some very interesting discussions showing the tremendous technological improvements—and that is why I mention the change in the research fund—in continental air defense, in our distant aerial warning system, in our program SAGE, which cannot be discussed beyond naming it, and the progress made in the various kinds of guided missiles, and so forth. I think the most interesting afternoon we spent was the afternoon when we were shown the progress with reference to guided missiles, supersonic aircraft, and, in the Navy, the modernized tankers.

There was brought out for the first time the fact that in the budget the Navy requested five diesel-powered submarines. That number has been reduced to 4, and the number of atomic-powered submarines has been increased by 1. We plan to build 4 nuclear submarines instead of 3, and 4 diesel submarines instead of 5.

The other changes, as the chairman of the subcommittee has so well stated, while they involved a good many millions of dollars, were more technical and related to the internal workings of the

department. So there is not a great deal of difference between the House bill and the Senate bill, except in the two instances which I have mentioned. I believe the chairman of the subcommittee will agree with me in that respect.

Mr. CHAVEZ. That is correct, so far as the money items are concerned. The bill involves a great deal of money. The Senator knows there was complete agreement in the committee as a whole.

Mr. SALTONSTALL. That is correct. The only difference at all in the committee was with regard to the size of the Marine Corps and the manpower, as the chairman has brought out, and which I shall discuss with him further on Monday.

Again, I thank the chairman of the subcommittee. I am confident that the Senate will agree in the end with the well-considered program he has brought forth for the security of our country.

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

Mr. CHAVEZ. I yield.

Mr. MONRONEY. I should like to join with my colleagues in expressing appreciation for the splendid speech made by the Senator from New Mexico describing the bill, which represents security for this country. I know of no other piece of proposed legislation which will come before the Senate at this session which may have so important a bearing on determining whether there shall be peace or war than the bill which the Senator from New Mexico has brought to the floor.

Mr. CHAVEZ. I tried to consider the bill providing for the defense of the country from the standpoint of the simple way of the West in the early days. We had our so-called bad men, the Jameses and others, who were despoiling the country. But if a farmer had a couple of guns in his house, the bandits were not likely to annoy him.

Mr. MONRONEY. Particularly if the farmer was a good shot. It is necessary to keep the powder dry and the aim accurate.

Mr. CHAVEZ. I think it is necessary for us to keep a strong defense organization.

Mr. MONRONEY. I am very much worried about the reduction in manpower which the Senator has described. Do I understand correctly that the Armed Forces will lose the services of some 12,000 marines by reason of the reductions which a majority of the committee voted to include in the bill?

Mr. CHAVEZ. The fiscal 1955 current estimated end strength is 205,000. This bill proposes 193,000 for 1956. An effort was made to increase the number by 17,000—12,000 combat forces and 5,000 supporting units. If there is a combat unit of 12,000, it is also necessary to have an additional 5,000 ready to support the combat unit in case of emergency.

Mr. MONRONEY. But what that means is that the Marine Corps will not be as strong, by 12,000 well-trained volunteers, as it is this year.

Mr. CHAVEZ. That is correct.

Mr. MONRONEY. Does the Senator see anything in the international picture to indicate that this action would be advisable for the security of the United States, with our far-flung commitments throughout the world?

Mr. CHAVEZ. I feel that we must keep America strong, and I think we are a little undermanned now.

Mr. MONRONEY. Especially in the Army. Are we not also sustaining great reductions in that service?

Mr. CHAVEZ. Under Secretary Finucane supported the budget figures. General Ridgway indicated that he was still sticking to his idea that there should be an increase in the size of the Army. The matter was discussed back and forth in the committee, and the committee took the action it did.

Mr. MONRONEY. The committee did not follow the recommendations of General Ridgway.

Mr. SALTONSTALL. Mr. President, will the Senator yield for one more statement?

Mr. CHAVEZ. Certainly.

Mr. SALTONSTALL. This matter was brought to my attention this afternoon. A change was made in the plans relative to nuclear-powered submarines since the budget estimates were made because of the success of the *Nautilus*. Our committee recommended that that be done.

Mr. CHAVEZ. That is correct.

Mr. SALTONSTALL. Without discussing the matter further, I may say that no member of the Marine Corps will be released if he desires to stay, and that the fighting forces of the marines will not be reduced by as much as would seem to be indicated by the figures.

I point this out to my friend from Oklahoma, and I shall be glad to argue the question with him on Monday, because the hour is now late.

ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires recognition, pursuant to the order previously entered, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 55 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, June 20, 1955, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 17 (legislative day of June 14), 1955:

FEDERAL COMMUNICATIONS COMMISSION

Richard A. Mack, of Florida, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1955.

DEPARTMENT OF DEFENSE

Gordon Gray, of North Carolina, to be an Assistant Secretary of Defense.

IN THE ARMY

The nominations of Julian J. Fried and 213 other officers for appointment in the

Regular Army of the United States, which were received by the Senate on June 8, 1955, and which appear in full in the Senate proceedings of the CONGRESSIONAL RECORD on that date, under the caption "Nominations," beginning with the name of Julian J. Fried, which appears on page 7888, and ending with the name of Robert J. Yuhas, which appears on page 7889.

UNITED STATES AIR FORCE RESERVE COMMISSIONED OFFICERS

The officers named herein for appointment in grade indicated as Reserve commissioned officers in the United States Air Force under the provisions of the Armed Forces Reserve Act of 1952:

To be major generals

Brig. Gen. John Mirza Bennett, Jr., AO403621.

Brig. Gen. Robert Emmet Condon, AO228877.

Brig. Gen. Lawrence George Fritz, AO191234.

Brig. Gen. Pierpont Morgan Hamilton, AO900788.

Brig. Gen. Henry Christopher Kristoffer-son, AO252676.

To be brigadier generals

*Col. Jay Glenn Brown, AO289764.

*Col. Jerry Winslow Davidson, AO394423.

*Col. Mark Hampton Galusha, AO241376.

*Col. James Porter Hollers, AO214999.

*Col. William Saunderson Johnston, AO144417.

*Col. Harold Pearson Little, AO219618.

*Col. Paul Stuart Zuckerman, AO900133.

(NOTE.—*Subject to physical examination.)

The following-named officers for appointment as Reserve commissioned officers in the United States Air Force for service as members of the Air National Guard of the United States, act of 1952:

To be major generals

Brig. Gen. John Munnerlyn Donalson, AO176345.

Brig. Gen. Fred Calvin Tandy, AO206131.

Brig. Gen. Winston Peabody Wilson, AO398325.

Col. William Dempsey Partlow, Jr., AO255478.

Lt. Col. Sherman Taulbee Clinger, AO358189.

To be brigadier generals

Col. Philip Pendleton Ardery, AO325990.

Col. Earnest Hodges Briscoe, AO291638.

Col. Royal Hatch, Jr., AO426388.

Col. Allison Maxwell, AO393154.

Col. Wilson Vernon Newhall, AO257329.

Col. Clarence Adelbert Shoop, AO341066.

IN THE NAVY

Rear Adm. Charles Wellborn, Jr., United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving under a designation in accordance with section 413 of the Officer Personnel Act of 1947.

IN THE MARINE CORPS

The nominations of Merrill B. Twining and 2,318 other officers for appointment in the Marine Corps, which were received by the Senate on June 6, 1955, and which appear in the Senate proceedings for that date, under the caption "Nominations," beginning with the name of Merrill B. Twining, which is shown on page 7651, and ending with the name of Thomas D. Moffitt, Jr., which is shown on page 7656.