

By Mr. BASS of Tennessee:
H. J. Res. 499. Joint resolution relating to 1956 burley tobacco marketing quotas and acreage allotments; to the Committee on Agriculture.

By Mr. FINO:
H. J. Res. 500. Joint resolution designating July 1, 1956, as Civil Air Patrol Day; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:
H. J. Res. 501. Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. RHODES of Pennsylvania:
H. J. Res. 502. Joint resolution to provide for the observance and commemoration of the 50th anniversary of the official founding and launching of the conservation movement for the protection, in the public interest, of the natural resources of the United States; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:
H. J. Res. 503. Joint resolution requesting the President to proclaim the week March 16 to March 22, inclusive, as National Youth Partnership Week; to the Committee on the Judiciary.

By Mr. DONOHUE:
H. Con. Res. 208. Concurrent resolution to express the sense of the Congress with respect to the loss of the famous Wayside Inn; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. BOGGS:
H. R. 8966. A bill for the relief of Mrs. Traversa G. Usellini; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:
H. R. 8967. A bill for the relief of Paul Levitt; to the Committee on the Judiciary.

By Mr. JACKSON:
H. R. 8968. A bill for the relief of the Qashqai (Ghashghai) family; to the Committee on the Judiciary.

By Mr. KING of California:
H. R. 8969. A bill for the relief of Gottfried Walter Stingl; to the Committee on the Judiciary.

By Mr. LESINSKI:
H. R. 8970. A bill for the relief of Lydia Stack (Stachulski); to the Committee on the Judiciary.

By Mr. MAILLIARD:
H. R. 8971. A bill for the relief of Hamazasp Psakian, Mrs. Varsenick Psakian, and Nune Nona Psakian; to the Committee on the Judiciary.

By Mr. MILLS:
H. R. 8972. A bill for the relief of Gerda Martha Negrazus; to the Committee on the Judiciary.

By Mr. PELLY:
H. R. 8973. A bill for the relief of Anthony Bauer; to the Committee on the Judiciary.

By Mr. QUIGLEY:
H. R. 8974. A bill for the relief of Joh Pyung Nam; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:
H. R. 8975. A bill for the relief of Harry B. Landers; to the Committee on the Judiciary.

By Mr. UTT:
H. R. 8976. A bill for the relief of Sho Ging Wong; to the Committee on the Judiciary.

By Mr. WALTER:
H. R. 8977. A bill for the relief of Ada Kabilka; to the Committee on the Judiciary.

By Mr. WRIGHT:
H. R. 8978. A bill for the relief of Mrs. Marie B. (Winkler) McClendon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of XXII,
468. Mr. DODD presented a petition of Mrs. Norma Burgess Moore, president of the Woman's Christian Temperance Union of Connecticut, Inc., and 504 others, of the State of Connecticut, urging Congress to pass legislation to prohibit alcoholic beverage advertising over the radio, television, and in the magazines and newspapers, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Peace Needs Good Faith

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. PHILBIN. Mr. Speaker, for the past several years I have been honored by the Marlboro, Mass., Chapter, Disabled American Veterans by being designated as guest speaker at the annual banquet of this fine group. On October 29, 1955, I addressed the organization and ask unanimous consent that part of my remarks before the Marlboro DAV be printed in the RECORD.

The material follows:

"Veterans are the most important single force defending the Nation against subversion," said Congressman PHILIP J. PHILBIN, of Clinton, addressing the DAV banquet at Marlboro last night.

"You who know the real meaning of patriotism are best fitted to guard our institutions," said the Clinton Congressman, "and your spiritual strength, unity and loyalty furnish an inspiring example to all our citizens."

Outlining current world conditions at some length, PHILBIN declared that the Soviet Government is now playing its old, dual role in international diplomacy—"playing a waiting game until she can catch up to the free world in terms of hydrogen bombs and other scientific weapons, and at the same time brazenly continuing the internal penetration of weaker nations.

"Smiles have replaced scowls on the faces of her diplomats, but her world objectives remain the same and she is pressing them with unabated vigor, skill and persistency.

"There can be no permanent peace in the world until the Soviet negotiates pending

questions in sincerity and good faith, and in a willingness to do justice to the oppressed and the tyrannized," he said.

The American Government must continue its own zealous efforts to secure enduring peace, but we cannot permit our armed strength and potential to diminish, in fact, "implemented with fantastic new weapons growing more amazing every day, we must continue to build even more powerful military strength because that is our best safeguard against possible aggression in a world filled with conspiracy and intrigue."

PHILBIN gave the veterans an assuring report on the current status of national veterans programs. "Congress will always safeguard and seek to strengthen basic laws in behalf of veterans and their dependents because that is what the American people want for those who have done so much for the country."

The Congressman congratulated the local post for conspicuous interest and invaluable work for the cause of the veteran. "You can be proud that you have cooperated so loyally and effectively with the other great veterans organizations in carrying out this work," he said.

Ambassador John E. Peurifoy

EXTENSION OF REMARKS

OF

HON. EUGENE J. KEOGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. KEOGH. Mr. Speaker, in these days of international crises the sudden, tragic death of Ambassador John E. Peurifoy was a great loss not only to our Nation but to all of the free world. Jack Peurifoy was a brilliant diplomat and a fine example of the career public serv-

ant. He devoted his life to his country and to the cause of world peace. Assigned to the trouble spots of the world he served with great distinction as Ambassador to Greece, Guatemala, and Thailand.

Ambassador Peurifoy was born on August 9, 1907, in Walterboro, S. C., and came from a family of lawyers and jurists. He resigned from West Point in 1928 and completed his education by attending night school at American University and George Washington University. Entering the Department of State on October 1, 1938, as an economic analyst he rose rapidly and on January 23, 1947, at the age of 38, he was appointed Deputy Assistant Secretary of State for Administration, then the third ranking position in the Department.

Ambassador Peurifoy was in charge of the United Nations Conference in San Francisco in 1945 and served as Deputy Secretary General of the American Delegation at the first meeting of the General Assembly of the United Nations in London in January 1946.

Joining the career Foreign Service in 1950 at the top, he was appointed ambassador to Athens. It was my good fortune to visit with him in Athens during the period he served as ambassador to Greece and to observe first hand the skill with which he handled his difficult task.

Perhaps Jack Peurifoy will be best remembered as the man most responsible for uprooting the first Communist-infiltrated government established in the Western Hemisphere. The overthrow of the Communists in Guatemala was a major victory for the United States and the credit belonged to Ambassador Peurifoy.

It was my privilege to know Jack Peurifoy as a friend for many years and I shall miss him greatly. My deep sympathy goes to his lovely and devoted widow Betty Jane, and to his young son, Clinton, to whom he left a rich heritage.

What a Difference Between Now and Then in the Adoption of the Appropriation for Un-American Activities

EXTENSION OF REMARKS OF

HON. CHARLES A. WOLVERTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. WOLVERTON. Mr. Speaker, today we have under consideration a subject that through the years has proved to be of inestimable importance to the welfare of our Nation and its people.

I refer to the continuing activity of the Committee on Un-American Activities of the House. This committee has had probably more bitter criticism expressed against it than any other Committee of Congress. There is an old saying that under certain circumstances a knock is a boost. Certainly this had been true in its application to the unjust criticism that has been directed against this committee by Communists and other subversive factors in our midst. I can well remember the caustic, untrue, and deceptive charges made against Hon. MARTIN DIES, of Texas, in the early days when fighting communism and subversive activities in our Nation was no easy task. In those days it was a constant encounter between the patriotic forces under the leadership of Congressman DIES and those who sought to break down our American way. Congressman DIES did not receive all the help he was entitled to have in those days. Our people were not as fully aware of the dangers involved as they are today. It can be said to the everlasting credit of MARTIN DIES that he never faltered nor did he deviate in the slightest degree from the patriotic course he had set for himself to pursue. In that day of trial that tested the courage of many in the Congress there was always sufficient to gain the victory when the issue was whether funds sufficient in amount would be granted by the Congress to carry on this great work of ferreting out those who did not believe in our form of Government and would destroy it if they could.

Today, we have before us a resolution—House Resolution 352—from the committee which now has jurisdiction of the same subject, appropriating \$275,000 to carry on the work of the committee. Under the leadership of the present chairman of the committee, Hon. FRANCIS WALTER, of Pennsylvania, we have confidence that he and his distinguished committee will continue to carry on effectively and forcibly the work of the committee in the future as in the past. But, as we adopt this resolution, I cannot help notice the ease with which it passes as compared to that day long ago when

MARTIN DIES fought almost single-handed. His accomplishments in this respect will ever be a monument to his patriotism and courage.

Speech by Hon. Alexander Wiley, of Wisconsin, Before Neenah (Wis.) Junior Chamber of Commerce

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, January 31, 1956

Mr. WILEY. Mr. President, it was my privilege last night to speak before the junior chamber of commerce at Neenah, Wis. I ask unanimous consent that the address which I made be printed in the CONGRESSIONAL RECORD.

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

SENATOR WILEY SAYS RESPONSIBLE CITIZENS SHOULD URGE INTENSIFIED UNITED STATES EFFORT IN COMPETITIVE COEXISTENCE RACE—ANNOUNCES COSPONSORSHIP OF BILL TO MAKE PERMANENT PRESIDENT'S TRADE FAIR PROGRAM ABROAD, PLUS CULTURAL, ATHLETIC EXCHANGES

I am happy to attend your distinguished service award banquet, to pay tribute to your Jaycee program, and to this outstanding young man of your community.

If I may, I'd like to use your criteria for your distinguished award selection—achievement, leadership, service to the community, and personal ability and character—as a foundation upon which to build my talk with you tonight.

EVERY CITIZEN PLAYS A DUAL ROLE

In our great country, each citizen plays a dual role.

First, each of us leads a private, personal life. We work at our vocations; we build our homes and care for our families; we pursue our personal careers and goals in life.

Second, each of us is a member of a community, with a civic responsibility. Our country is not kept free and dynamic by a "Let George do it" attitude on the part of our people. The successful working of a representative democracy requires selfless service and dedication by all of us—at the local, State, and National, and now, international level.

Tonight, we are honoring a young man for achievement both in his personal life and in service to the community—a fine example of the dual role we all must assume.

ROLE OF ALL JAYCEES

As members of a great nationwide organization of 160,000 Jaycees, you are all projected into the forefront of activity and progress on the American scene.

You have put yourselves in the category of people who are big enough to live beyond themselves, to become responsible members of community life.

You have concerned yourselves with the problem of education, finance, taxes, sanitation, and general progress of your community.

As dual role citizens, you have concerned yourselves with the problems at the State and National level. You are attempting likewise to achieve a constructive knowledge of international problems, and of how these reflect upon yourselves and our country.

As members of the Jaycees you are molding, not only the future of Neenah, Menasha, and Winnebago County, but of the State and Nation, and yes, the world, as well. Of this, I shall have more to say a bit later on.

AMERICA'S BEST FRUITS ARE ITS PEOPLE

There are different ways by which to measure our progress and success.

For myself, I believe that the most important achievement of our great country of 165 million people is not necessarily a political system, although ours is the best in the world; not our economic progress, although we have attained the highest standards of living in the history of mankind; and not our scientific and technological developments, although these are unsurpassed.

Instead, I hold the firm, unshakable belief that the best fruits of our years of work and progress are our people—free, humble, creative, independent people, dedicated, under God, to the preservation of human dignity; devoted to high ideals and progress; believing strongly in the principles of representative democracy, aware of the opportunities and responsibilities in our atomic-nuclear age; and, all of us, strong in our conviction that freedom is a must for all peoples, yes, including the enslaved peoples behind the Iron Curtain.

ERA OF PERIL; ERA OF PROMISE

The cycle of history has indicated two kinds of future prospects: an era of peril, and an era of promise.

ERA OF NUCLEAR PERIL

The era of peril, of course, has been created for us by the existence of a fanatic political and economic theory—communism—whose ultimate goal is still the conquering of the world.

In recent times, the dictators of the Kremlin have been traveling about the world under the disguise of "social reformists," attempting to deceive new peoples and nations on the real nature of totalitarian rule.

Meanwhile, the long tentacles of communism, above ground and underground, reach into all countries on earth.

COMPETITIVE COEXISTENCE

As you well know, the relatively new Communist line of "competitive coexistence" is being intensified.

The "line" definitely does not rule out the possibility of war.

It does, however, indicate that the Communists have entered a new phase of operation—trying by so-called soft means to alienate our friends, undermine our prestige, and subvert new peoples to communism.

Basically, the aim of the Kremlin is to discredit, weaken, and ultimately destroy our own political system, our Republic, our way of life.

ACCEPT "COMPETITIVE COEXISTENCE" OPTIMISTICALLY

I think, however, that we ought to accept the challenge of "competitive coexistence" optimistically. For this is the thing we are best at—providing good things for a better life.

We have achieved the best kind of life for our people at home.

And we have helped its progress in many countries around the world by sound economic aid and technical assistance.

IMPROVE SALESMANSHIP OF UNITED STATES ABROAD

However, we must improve our salesmanship of the United States abroad.

The United States Information Agency has been doing, generally speaking, a great job abroad. However, because of many obstacles it faces and because of the massive Soviet propaganda effort (which expends many times what we do), this fact emerges:

The true story of the free way of life unfortunately, isn't getting to the people of the world, as well or as fully as it should be.

Particularly in the so-called neutralist countries our capitalist system is frequently misrepresented. Our national character is often smeared. We are called "imperialist" and "colonialists" even though:

(a) Our entire history, from the days of our Thirteen Colonies' revolution, onward, refutes that charge:

(b) Not in man's history has there been a more savage, heartless, or widespread imperialism and colonialism than that of the Soviet Union (and it, of course, is the source responsible for most of the false charges against us).

And, so we must strengthen our salesmanship. We have the best product in the world to sell—freedom. And we must back up our salesmen—our United States Foreign Service, our United States Information officers, and others abroad, who are ably displaying our products.

COSPONSORSHIP OF BILL TO MAKE TRADE AND CULTURAL PROGRAMS PERMANENT

One of the ways by which we can do so is by making permanent what has thus far been merely temporary and on an emergency basis the authorization for the United States to participate in international trade fairs and to help defray expenses in sending our artistic troupes throughout the world.

Our participation in trade fairs and particularly, our sending of dance, theater, orchestral, athletic and other groups and individuals abroad—have met with spectacular success.

On this cultural point, I emphasize that man lives "by more than bread alone." He lives for and reveres the things of beauty in this world: great music, great art, great poetry, great drama, great literature, great ballet.

We want to share the fruits of American culture with other peoples, and I say, incidentally, we are willing and eager to enjoy more of the fruits of their cultures as well.

We Americans, we Wisconsinites are not "crass materialists" as the Reds like to picture us. We are vitally interested in the things of the spirit.

TRIBUTE TO AMERICAN NATIONAL THEATER AND ACADEMY

Fortunately, we have a grand instrumentality which has been helping to perform our overseas cultural presentation for us. It is the splendid American National Theater and Academy, chartered by the Congress, functioning through its International Exchange Program. This is a program in which Wisconsin performers, among others, I am glad to say, have contributed in full measure, and in which all the other rich artistic resources of America are fully represented.

United States ambassador after ambassador, now representing our country abroad, has written to me, praising our theater and other groups overseas. They have told me that the visit of a single artistic group, like the famed "Symphony of the Air" in music-minded Japan, has done more to get across the truth regarding America's cultural interests, its devotion to the good life, to the ways of peace, than would mountains of speeches or press release "handouts."

I shall, therefore, in the next few days be cosponsoring legislation to make authorization for this type of activity permanent, precisely as President Eisenhower has wisely recommended. I point out to you that up until recent times the Soviet Union and its satellites had tended to be ahead of us in the trade fair and cultural troupe program. The Reds, with vast expense budgets committed to the task, had already achieved considerable success.

Fortunately, we are now catching up. Fortunately, too, the business world of America and the artistic world have so fine a product, so to speak, to display before the world, that

we know we can surpass the Soviets in any fair competition.

But we must not allow this program to lag.

I want all the world to see what the free American enterprise system has produced. Let trade fairs in Indonesia or India or Pakistan display the skills of Green Bay industry, for example. And let audiences, especially, in the neutralist world, see what the great artistic talent of America has achieved.

WHY EACH ADDITIONAL COUNTRY IS SIGNIFICANT

We want no free nation—large or small—to drift into the Communist orbit, or to be softened up by the Reds for new aggression or internal revolution.

Each country that is kidnaped from the free world behind the bamboo or Iron Curtain is a potential military base for further subversion and aggression elsewhere.

Each country that falls or is pushed behind these curtains provides a reserve of natural and economic resources that will be raped and pillaged to support the Communist war machines.

Each captured country provides a reservoir of manpower that the Communists will not hesitate to use as cannon fodder in acts of aggression, now or in the future.

We must face these facts realistically, and strengthen our program to deter communism at every possible point.

Aggressive communism is a universal menace, even across the once wide Atlantic and Pacific Oceans. There are no longer any real natural barriers. There are no shelters anymore. All places are vulnerable. On the military front, a Communist-launched guided missile could hit Neenah and Menasha in less than 30 minutes from takeoff from a Soviet base. We are no more than 6 hours away from jet-bomber bases in Siberia.

INTERNATIONAL SCENE

As you know, on the international diplomatic scene, we are faced with a multitude of new and old problems. Most of these are serious, for a spark anywhere might emblazon the whole world in atomic fire. We must, therefore, keep constantly informed of the actions and events around the globe that may determine our own future. For example:

1. The recent announcement of a new 5-year plan by Russia warrants that we review our own programs and progress as regards strategic economic goods.

2. In Asia the stepped-up air and artillery action around Quemoy and Matsu Islands—off Formosa—requires us to take a new look at that hot spot.

3. In Latin America the bait that is being dangled to the 20 Republics merits our and our friends' careful scrutiny, for we Americans must above all safeguard our Western Hemisphere.

4. The fighting in and around the Holy Land and unrest throughout the Middle East and Africa require our alert and skilled efforts to avoid more explosions.

5. We must strengthen our allies in NATO, SEATO, the Middle East pacts and other agreements and mutual-support treaties.

There is no area in the world in which we can relax and say "this is safe." For the Communists are working, propagandizing, and subverting on a succession of insidious 5-year plans.

ERA OF PROMISE

We must, however, remember also that we live in an era of promise.

We have attained great and unprecedented heights of prosperity and standards of living.

We have more jobs, automobiles, TV sets, and stations, radios, and household appliances than ever before. We have better homes and more comforts of living than anywhere else in the world.

We live in an air-jet age and travel at supersonic speed.

We produce goods in automatic factories.

Our scientists have equipped us with electronic eyes and ears.

Yes; as we approach November 1956 we can even hazard election predictions with such complicated devices as Univacs.

ST. LAWRENCE SEAWAY

Domestically, one of the great landmarks of our times of course, is the St. Lawrence Seaway. At completion, this great seaway will mean to the trade of Wisconsin and the United States what the Panama and Suez Canals have meant to the trade of the world.

It will open new markets, both foreign and domestic, for the products of our farms, dairy plants, paper mills, machine shops, and other industries. It will transform many of our Wisconsin cities into true, deep-water world ports.

Every one of you can help create the most effective seaway by giving your personal and organizational support to legislation now before the Senate Public Works Committee. This legislation, for which I testified only last Thursday, would authorize the deepening of the connecting channels, west of Lake Erie to 27 feet.

ECONOMIC OUTLOOK BRIGHT

Economically, if we are alert and act on opportunities, the outlook for Wisconsin and the country is of course excellent.

That fact is confirmed by the President's latest economic report. We are at the highest level of prosperity in our history. Our national income is at the \$327-billion level. The total national product is almost to the \$400-billion mark. Over 65 million people are employed—the most in our history. And the best is still to come.

FARMERS NOT SHARING IN NATIONAL PROSPERITY

Yet, as we review our problems, there is one segment of our economy that is not sharing proportionately in our national prosperity: farming.

A price "squeeze" has caught the farmer between rising costs of production and falling prices for his milk, pork, beef, and other products.

As you know, the Senate concluded hearings on farm parity proposals last week. The drafting of the final bill is expected to take about a week.

We must come up with some good, non-partisan constructive legislation to relieve the distress in price-depressed farm areas—and we must do so now.

For myself, I believe that the price-support program needs a real overhauling. As for example, milk—which we produce, in amounts of 16½ billion pounds a year in Wisconsin—certainly should receive equal treatment under the law with the so-called 6 basic commodities.

OTHER LEGISLATION

To cope with other problems—foreign and domestic—which we face today, there is additional legislation pending before the Congress.

These concern such important matters as defense, tax reforms, social-security liberalization, aid to education, modern road construction, mutual security, yes, too, the dangerous natural-gas bill, and many others. They are of vital interest to all of us.

The best judgment of Congress and the Nation must be applied to these issues so as to result in a sound, comprehensive program.

MINIMIZE PARTISAN POLITICS

This is an election year, and, of course, it will be difficult to keep politics out of the legislative work.

But I, for one, have made this fact very plain: I consider the times too critical, and the consequences of failure, or even delay, on top international issues too great to allow ourselves to become overly involved in petty partisan politics.

NEW FRONTIERS

In our complicated, complex world, we face new frontiers of outer space with a so-

called space satellite, new frontiers of atomic-nuclear development, and of improved human relations.

We need dedicated people—willing to work, study, think, and act—to resolve those many problems.

WE NEED YOU

We need you—every last one of you—to assume the dual role of citizenship, to take up the challenge of our times, to guide our Nation through the uncharted future, at home and abroad.

Man does not live by bread alone.

Man does not live for himself alone. So let us rally to our Republic, beacon of the world.

Constitutional Liberties

EXTENSION OF REMARKS
OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

Tuesday, January 31, 1956

IN THE HOUSE OF REPRESENTATIVES

Mr. PHILBIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include a news story about my speech before the Serra Club at Gardner, Mass., on November 2, 1955. The material follows:

"The enemies of religion, democracy, and patriotism constitute a powerful active force attacking our way of life," said Congressman PHILIP J. PHILBIN before the Serra Club at Gardner, November 2, 1955, "and it will require not only continuous vigilance, but united, responsible leadership to mobilize American public opinion against them.

"Divide and conquer" is their slogan as they drive the abrasive wedges of racial hatred, religious intolerance, and class animosity into the very foundation stones of our great free system," PHILBIN said.

"The un-American zealots who spread hate between various groups of our people are the very ones who also discredit our most precious spiritual principles, make a mockery of the Bill of Rights and foster the absolutism and economic determinism of the police state.

"They cast aspersion and doubt on the sanctity of the human family. They mock and deride our parliamentary institutions. They denounce patriotism as an obsolete tomfoolery. They pillory and misrepresent the servants of the people. They scorn and insult the Constitution and hurl epithets and invectives at our great free enterprise economic system that has served to give us the highest standards ever enjoyed by man.

"These people are not alone the radical doctrinaires of Union Square. Many of them hold influential positions in American life. There is hardly a place in American life where they have not set up their cells of subversion, of conspiracy, against this representative Government and this economic system.

"America will either soon find the way to cope with this grave problem, or American freedom, as we have known it, will face greatest peril. No nation can live half slave and half free, and this Nation cannot preserve its vigor and strength, its Bill of Rights and its Constitution, its liberties for the individual and its basic freedom unless our citizens unite to combat the poisonous anti-religious, antidemocratic, antipatriotic propaganda and conspiracy that is brazenly operating in the Nation.

"This task challenges every one of us, because the poison of subversion and anti-Americanism reaches every part of the land and every part of the land must move to fight and counteract it."

Calling for renewed respect for constitutional principles and safeguards, PHILBIN declared that "in this task let us not fall prey to the folly and the fallacy of violating, in letter or in spirit, our great Constitution, in order to check the malefactors who would destroy it.

"Let us remember that in this Nation above all nations, every man is entitled to a fair hearing and a fair trial and we must never let star chamber proceedings and hysteria be substituted for the processes of equal justice under the law for everyone regardless of race, class, creed, or persuasion.

"And remember this," said the Congressman, "the man who hates or discriminates against another because of his religion or his race is not a good American.

"From Nero to Hitler, men and women have been beaten and slaughtered for their faith and for their political ideals, but love of God, like liberty, is immortal, and it can no more be killed than the human soul."

Albert Gallatin

EXTENSION OF REMARKS
OF

HON. HERMAN P. EBERHARTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. EBERHARTER. Mr. Speaker, under leave to extend my remarks, I am today inserting in the CONGRESSIONAL RECORD my remarks at ceremonies on January commemorating the 195th birthday of Albert Gallatin:

ALBERT GALLATIN

(Remarks of Congressman HERMAN P. EBERHARTER, Democrat, of Pennsylvania, at ceremonies on January 29 commemorating the 195th birthday of Albert Gallatin)

It is a privilege for me to participate in this ceremony honoring the 195th birthday of that great Swiss-American patriot and statesman, Albert Gallatin. I feel it a personal privilege, for two reasons in particular. First, Albert Gallatin served in the Congress as a Representative from western Pennsylvania and it has been my good fortune to serve as Representative in Congress from the same area. Secondly, Albert Gallatin's most important contribution as a Member of Congress was to conceive and establish the Committee on Ways and Means of which he became the first chairman. It has been my honor to be a member of that committee.

Of all the tributes that one can rightfully shower on his name, it seems to me that it is most fitting today to mention Albert Gallatin's abiding concern for fostering commerce between nations as the keystone of international amity. Gallatin believed and worked for the principle that lower tariffs, not higher tariffs, were the way to expanding international trade to the mutual benefit of the trading partners. Such mutuality of interest, he felt, was the essential mortar that bound nations together in an amicable partnership. The wisdom and virtue of this philosophy are of compelling importance today.

I am drawn to speculate about what Albert Gallatin would think, were he alive today, of the actions that have been taken to limit the mutually beneficial trade between the United States and his native land, Switzerland. The imposition of higher tariffs on Swiss watch imports by the administration violates the high principles laid down by this famous Founding Father and would cause the Swiss-American statesman great dismay and anguish.

Thus, in honoring the memory of Albert Gallatin, we honor the principles and ideals that were the guideposts of his life. The greatest honor we can accord him today is to reaffirm our own deep commitment to one of his major guiding principles that world peace will be fostered if trade among nations is encouraged to grow and expand.

The Harris-Fulbright Bill

EXTENSION OF REMARKS
OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. CURTIS of Missouri. Mr. Speaker, under unanimous consent, I insert into the RECORD a letter which I have just written to the editors of the St. Louis Post-Dispatch along with the editorial appearing in the St. Louis Post-Dispatch to which I refer.

I am very disturbed about the smear attack which seems to be gaining momentum which has been embarked upon by certain groups who disagree with the philosophy of the Harris-Fulbright bill. There is plenty of honest argument on both sides of this issue and there should be no occasion whatsoever to resort to this kind of procedure. Incidentally, if what has been referred to as the gas and oil lobby has been using improper or possibly illegal tactics in promoting this legislation, these matters should be investigated and brought to light. However, there seems to be no specific charges made against the gas and oil lobby of improper or illegal conduct. Unless a bill of particulars is forthcoming I think, in fairness, the attacks should cease inasmuch as they would then properly be dubbed smear attacks.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., January 26, 1956.

EDITORS,

St. Louis Post-Dispatch,
St. Louis, Mo.

GENTLEMEN: I read with interest your editorial appearing in the Monday, January 23, 1956, Post-Dispatch, entitled "The New Gas Gouge," in which you discuss the proposed Fulbright-Harris bill to exempt natural-gas producers from Federal regulation.

I am enclosing for your consideration an editorial appearing in the Chicago Daily Sun-Times of January 23, 1956, a newspaper which has the reputation of being independent and liberal in its thinking. I think this would be excellent material for your Mirror of Public Opinion so that your readers will realize that there is more to this issue than the activities of what your editorial refers to as the oil and gas lobby.

Tragically, your editorial is geared to impugning the motives of those with whom your editors disagree instead of presenting the facts and logic of your own position. Can't we keep public discussion on a higher plane? It appears to me that the smear approach is resorted to when facts and logic are absent. If this is so we, all being interested basically in the consumer, are hurting the consumers' interest when we avoid honest debate.

Yours very truly,

THOMAS B. CURTIS.

P. S.—I am also enclosing some comments made on the floor of the House and the additional prepared remarks appearing in the January 25, 1956, CONGRESSIONAL RECORD in which I call attention to what on the surface appears to be a serious smear attack by the Columnist Drew Pearson on the integrity of the majority of the House Members who supported the Harris bill. Knowing that your newspaper carries Drew Pearson's syndicated column and being a newspaper which has the reputation of being a responsible journal, my remarks are quite pertinent to your policy of publicizing Mr. Pearson's statements.

[From the St. Louis Post-Dispatch]

THE NEW GAS GOUGE

Almost every St. Louis householder uses gas in some form—in stoves or furnaces or water-heaters. Industries here are heavy gas customers. To each of these consumers, and to millions more across the country, the present Senate debate on the Fulbright bill should be a matter of personal concern. For the bill would cost gas consumers money.

The oil and gas lobby, which the Wall Street Journal reported was spending \$1.5 million to promote the bill, naturally denies this. Gas producers argue that their prices will not rise rapidly if Federal controls are prohibited by the Fulbright bill. Suspicious consumers might then ask why the lobby is putting so much money and effort into its campaign if it expects no return.

This has been a most persistent campaign. Repeatedly the gas industry has tried to prevent or escape from field regulation by the Federal Power Commission. The Moore-Rizley bill of 1947, the first attempt, did not pass. The Kerr bill of 1949 was vetoed by former President Truman.

In 1954 the Supreme Court held that producers were subject to FPC regulation, and the new legislation is an attempt to escape from the High Court's ruling. The House passed the bill by 209 votes to 203. If the Senate passes it, President Eisenhower is expected to sign it. Then what?

In 10 years the field price of gas sold to pipelines has increased more than 100 percent. Testimony on the present bill referred to further increases up to 15 cents per thousand cubic feet, which would make the price about 25 cents. Consumers would have to pay this added expense of unregulated gas prices, but that is not all they would have to pay.

Much of the gas consumed locally goes to industries at a low rate because they agree to burn other fuels when a utility needs their gas for residential heating. This gas already is sold at less than 25 cents. If the price rises to that figure, many industries will convert to other fuels. The residential consumer will have to pay for this loss of revenue to utilities and pipelines.

Senator DOUGLAS, of Illinois, who has fought the gas-oil lobby constantly, estimates that the full effect of a 15-cent gas field-price rise would be to add 27 cents to the residential consumer's bill. That would be a 35-percent increase.

There are more than 18 million residential gas customers in the Nation. Their average annual gas bill would be increased \$23.45, Senator DOUGLAS believes. In Chicago's colder latitude (and this would be true of St. Louis, too), the average gas-heating bill would go up by \$41.25.

Senate opponents of the Fulbright bill think it would gouge consumers out of some \$600 million to a billion dollars a year in behalf of gas producers. Of course the lobby denies this, too, and the answer all depends on just what price increases the producers intend if they are free from Federal regulation.

If the lobby does not really intend to increase prices much, then why all the long

fuss and bother about escaping from price regulation? That is the unanswered question which should make millions of gas customers and their elected representatives suspicious of the Fulbright bill.

Led by big oil companies, the lobby is making one more desperate effort to avoid utility regulation. Let the customers beware. Let the Senators who represent the consumers stand up and be counted for them when the vote comes.

The West Is the Future

EXTENSION OF REMARKS

OF

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. RHODES of Arizona. Mr. Speaker, under leave previously granted, I would like to include in the RECORD an address of Senator BARRY GOLDWATER before the Advertising Association of the West, Paradise Inn, Phoenix, Ariz., January 21, 1956:

THE WEST IS THE FUTURE

(Address of Senator BARRY GOLDWATER before the Advertising Association of the West, Paradise Inn, Phoenix, Ariz., January 21, 1956)

When you honored me by asking me to speak with you this afternoon, I accepted readily, because it not only gave me a chance to visit my native Arizona again, but it also provided me with an opportunity to fly once more across this great land of America. It always rekindles my pride in being an American to travel over the vastness of this country—to see the greenness of its farms, the sprawling bigness of its cities, and the compact tidiness of its small towns; to go through State after State, and to realize as I go that the people I see are Americans like I am, and that, in their hearts, beats the same intense pride of that possession.

Yes, America is God's land, with its mountains and its canyons and its lakes. It is God's land for these things, and His, too, because our concept of freedom, as coming from Him, has given us the spiritual will to create the material might that is also ours. Our material accomplishments of the past can be nothing as compared with the almost unimaginable potential that we face today as a Nation.

Part of this great future stems from the tremendous expansion of our population which is taking place at the present time, and which will continue. Another part of our future rests with what man does with his new knowledge of the atom. Its promises of peacetime developments almost stagger the imagination of men. Another part of our future comes from the over-expanding and dynamic free enterprise system, which is our system of economy. This is a material expression of our spiritual might—the expression of a people constantly seeking higher standards of living, constantly seeking and achieving greater opportunities, and constantly endeavoring to build a better America.

Included in this future will be the ever-increasing demands for goods, services, and jobs from this new population; the constant demands for a higher standard of living from the current population; and the overall increased needs for schools, hospitals, churches, highways, power, and water and sewage facilities. All these, and more, are the needs of a dynamic society.

Naturally, in this future is included the future of business, and business is potential. But business, as potential, means not only opportunity, but also problems and responsibilities. Business must provide the jobs and job opportunities for the expanding labor force. It will take money to provide these jobs. That means new capital for investment, expansion, production, distribution, research, and product development.

You, as citizens of this great community of America, face a great potential, likewise, and, in this potential you, too, have responsibilities and problems. Your particular responsibility is better advertising, more vigorous promotion, and better dissemination of knowledge, so that business can more readily sell its new goods to the new population. As advertising people, your responsibilities also embrace the selling of our free-enterprise system and our constitutional form of Government.

America faces a future that challenges the imagination; and, in that future, the West looms dominantly. Here, in the western part of these United States, we will see the real great growth of this country in the coming years. Here, in the West that is still new and, in many respects, undeveloped, we will see the marvels of tomorrow unfold. Here is our challenge. Here in the West are the opportunities for tomorrow.

I hesitate to bore you with figures on this happy day, but, nevertheless, figures are necessary to prove my point that America's future lies in the West. Nowhere in the Nation has the growth been more rapid, or, likewise, the potentials or the problems greater than here in the West. For the 11 Western States, the 10-year period from 1950 to 1960 is certainly a decade of opportunity. During the previous 10-year period, from 1940 to 1950, the center of the population of the United States took its greatest strides toward the open spaces of the West. In fact, that movement westward is the greatest since the period between 1880 and 1890. Between 1940 and 1950, the West had a 40.9 percent increase in population, while, during that time, no other region increased by more than 13.3 percent. Of the 11 States comprising what we call the West, 7 increased their population by percentages ranging from 25 to 53 percent, and in only 1 of the Western States was the increase less than 10 percent.

During the decade between 1940 and 1950, more than 3 out of every 5 counties of the West increased in population. At the same time, in the United States as a whole, nearly one-half of the counties lost population, and nearly one-fourth lost 10 percent or more—this, despite the record gain of 19 million in population. This extreme rate of growth is further evidenced in the cities of the West, and, to mention but a few, Denver, Colo., increased 38 percent in that period; Los Angeles, 49.8 percent; and this great, thriving city of Phoenix had an increase in population in that 10-year period of over 78 percent. These figures compare with a 22 percent overall average increase for the standard metropolitan areas in the Nation.

All of that took place between 1940 and 1950, but, the latest figures available show that the West continues to be ahead of the Nation in the rate of population growth since the last census. These figures show that, since the census was taken, the population of the West has increased by 11.6 percent, or twice the national average of 5.1 percent. The Pacific Division alone shows a 12.1 percent growth, and the Mountain Division 10.3 percent. Of the 28 States in the Nation that increased by 5 percent or more, 9 were located in the West. Of the 9 States which increased by 10 percent or more, half were Western States.

Looking into the future at our population estimates, the Bureau of the Census predicts a 35 percent increase for the Western States,

against 17 percent for the United States as a whole for the current decade. Prof. Morris E. Garnsey, who wrote the interesting book, *America's New Frontier*, has said that it is not inconceivable that the population for the Western States should provide residence for as much as 33 percent of the Nation's population by 1975. This same economist predicts a 1975 population for the United States of 200 million, which would mean, if his predictions are true, that between 60 and 65 million people would reside in the West by 1975.

Yet, I said earlier that this growth brings problems, and these problems are reflected in the West by an increasing need for labor and capital investment funds. This rapidly growing population has had to find jobs, and jobs have been created for them, jobs in industry that have moved from the East, or industries which have been born and grown in the West.

Arizona is a typical example of industrial progress in the West. In the middle 1930's, manufacturing was practically nonexistent in this State, and yet, today, manufacturing contributes the largest share to our total State economy. Arizona's remarkable rise in the manufacturing fields can be matched by other States of the Far West, but I use this State because it is my home State, and I have a natural and deep regard for it. You will pardon, then, these exclusive references to Arizona statistics.

The Bureau of the Census estimated that our population would be 1,036,000 in 1960. It has already exceeded that figure, and is approaching 1,200,000. The labor force in 1950 was 265,000, but the estimate for 1960 is 362,600. This means an estimated investment in Arizona of slightly over \$1 billion.

To bring this down to more reasonable and more understandable figures, I might remind you that this population increase in Arizona is running along at the rate of slightly over 1,400 persons per week. A new population means new jobs. New jobs mean new capital to provide money for jobs, job opportunities, and for goods and services. We can expect to see growth in a number of business firms maintain the same ratio as it has always had, and we find, in studying this, that, as human population grows, so does business population. The ratio of growth between the two has been fairly constant in the past. Now, to give you some idea of what we here in Arizona can look forward to in the way of new business firms, let us recall that, in 1950, Arizona had 18,900 business firms. By 1960, using the ratio of the number of firms to nonfarm population, we can expect to see something in the neighborhood of 32,000 businesses in operation in Arizona by 1960. In fact, if we use this same ratio figure and apply it to the projected population of the West, we westerners can expect to be doing business in 1960 with an excess of 750,000 new businesses.

You ladies figure prominently, too, in this new picture we are viewing, for, in 1950, in the State of Arizona, there were 68,000 of you employed, and, by 1960, we can expect that figure to be approximately 100,000.

To provide power for this expanding population and economy of the West will require capital expenditures in excess of \$5 billion in the 1950-60 period. I mention this figure only to show you the tremendous amount of capital that is going to be needed in our West as we grow.

One might sit here and listen to these astounding figures and think that this migration to the West has just started. In truth, it has been going on ever since the early days of our history, but it has only reached these gigantic proportions in the last 10 or 15 years. What is the reason for this continuing trek toward the West?

The West is new, and the West will be new tomorrow and for many tomorrows to come. We are not bound by tradition. Our

legislatures have kept up with the modern needs, and we find new laws, instead of antiquated ones, existing in most of the Western States. Young men and young women have come to the West from the East with new ideas, and they have developed these ideas unhampered by existing local traditions or laws, both of which, in many cases, are obsolete for the times.

To these young people who have come to the West, we who were born in the West owe our undying thanks. The pioneer of yesterday was important in laying out the land and describing its boundaries and in settling this great country, but the pioneers of today have provided the youth and the vision and the capital and the know-how to build this West into the thing that it is, and to keep it growing in the future. As the population swings to the West, more of the need for factories and distributing points in the West grows with that population, so that we can see more and more of this migration from the East and central portions of the United States.

The challenge which exists in this growth is not only to fields of capital, but also, to you, as I mentioned earlier. Upon your shoulders rests the job of selling these products, and upon your shoulders rests the job of selling that which has made this country and this West the thing that it is, both in the field of economy and in the field of government. Yours must be a constant vigil to see that the freedom of our enterprise is maintained: to see that our young people understand this great system of economy, and realize that no other system in the world has produced so much for so many people—and no other system in the world can do it, because all have been tried in the thousands of years of recorded history. None has produced like the free enterprise system, and the only obstacle which I can see on the horizon is that which rests in the apathy of our people toward our freedom, whether that freedom be the personal freedom of man or the freedom of our enterprise.

There are far too many in this country who, whether knowingly or unknowingly, advocate a little bit of socialism. There are too many people who feel that the Federal Government should have a greater and greater hand in guiding our local destinies. I like to be charitable to these people, and think that they know not what they do, and I like to devote my time to attempting to change their views.

Ours is a freedom that comes from God, and by our adherence to that concept, we have become a strong, spiritual people; and because of this spiritual strength, we have, likewise, become strong materially. Freedom, not the Government, has created this material wealth. Nothing comes from Government that is not first put into Government; and if we ever forget that to the point that we fall to live by our spiritual standards, if we ever forget that to the point that we fail vociferously to proclaim our allegiance and belief in that concept, then this great constitutional government of ours will go, and with it will go the economy that has produced more for more people than any in the history of the world.

Yes, you have a grave and abiding responsibility in this future of the West; just as I and all the people of the West have. Under our guidance and work, the West can grow to unbounded proportions, but its growth can be directed, and we can profit by the mistakes of the past that have been made in other sections of the country. Out of this, someday, our children can gather and thank us for our firm belief in the things that have made America good, just as we, today, thank our fathers and our mothers and those who came before us to settle this land and to give it to us in the form that we received it.

The Goal of Peace

EXTENSION OF REMARKS

OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. PHILBIN. Mr. Speaker, on November 5, 1955, it was my privilege to address the Southbridge, Mass., Veterans' Council at its annual Veterans' Day banquet. I ask unanimous consent to have printed in the RECORD part of my remarks to this outstanding patriotic organization.

The material follows:

Speaking November 5, 1955, at the Armistice Day celebration of the Veterans Council at Southbridge, Congressman PHILIP J. PHILBIN declared that "the best way to honor those who fought and died for the Nation is to intensify our efforts for peace."

"The veterans of every war who paid the supreme sacrifice, or who offered their lives to preserve our freedom, are enshrined in the hearts of the American people in grateful remembrance," said PHILBIN, "but their unselfish work will not be complete until peace and security shall come to this troubled world."

Stressing the dilemma of our present international position, he said: "The fact that another world war would bring untold death and desolation must prompt world leadership to speed its work for peace, regardless of obstacles and disappointments."

The Congressman touched on the power of modern weapons.

"No nation can afford to remain unmoved by the dreadful power of modern weapons," he said. "If there are those in the world who insist upon putting ideological penetration and plans for conquest before peace, this Nation and the free world have no choice than to build effective strength to protect their liberties."

"It is most discouraging that our many repeated proposals for worldwide disarmament and control of nuclear energy have been rejected up to this time, but we must vigorously press these questions with the Soviets and before the bar of world opinion, and we must never lose an opportunity to employ every means of argument and persuasion, and every resource we have, to drive home to the Communist world the paramount urgency of peace."

Hailing historic American foreign policy, PHILBIN said: "Our Government has already proclaimed and emphasized on numerous occasions the traditional American policy against aggressive war and designs on other nations. It remains for the Soviet to give similar assurances, not by words alone, but by deeds, that it will keep the peace, and that it will desist from further conspiracy against the territorial integrity and political independence of other nations."

"As a nation we have no right to barter away the freedom of oppressed peoples and any agreement looking toward lasting peace must be predicated on complete justice and liberation for enslaved nations and all others."

"Since there can never be any compromise of our basic liberties, or of the principles of our Constitution, failure to attain the goal of peace will require us, for our own protection, to maintain armed forces of great power and magnitude, lamentable though that be in this age of advanced civilization when real international amity and cooperation could bring such great blessings."

PHILBIN hailed the leadership of veterans as "a most potent force in keeping the Nation

militarily, economically, and spiritually strong. Let us all emulate their great faith and courage, and the good Lord will continue to strengthen our cause."

Problem of the Small-Business Man

EXTENSION OF REMARKS

OF

HON. ARTHUR G. KLEIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. KLEIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I made for publication in the newspaper printed by the East Side Chamber of Commerce of the City of New York. This problem of small-business men has long been a source of concern to me; and it is my hope that this Congress will take appropriate action to assist the small-business man, who is, in my opinion, the backbone of American business and industry.

STATEMENT FOR EAST SIDE CHAMBER OF COMMERCE BY CONGRESSMAN ARTHUR G. KLEIN

I hope that Congress, during its second session will give full consideration to the problems and to the needs of the small-business man. I, for one, mean to do everything I can to have this consideration given because I believe it to be basic to the well-being of millions of people and to our general economic welfare.

I expect that Congress will have to make many exertions in this respect. The administration's warmth for big business has been manifest, and has taken many forms. For instance, in the past year, corporation profits have gone up 26 percent; corporation take-home pay has had an equal rise, and big-business failures have gone down 15 percent. As against that, we have the sad fact that small-business failures have gone up by 21 percent.

It seems to me that it is possible to embody in our legislation further help to small business and for the prevention of monopoly. I have nothing against big business as such. But monopoly is another matter and the squeeze on the small-business man must be lifted.

I believe, too, that the small-business man will be helped by economic programs such as increased housing. We learned from the President's state of the Union message that the administration proposes authority to contract for 35,000 additional public housing units. This is utterly inadequate; 135,000 units were provided for in the bill passed by the Democratically controlled Senate in 1955. This should be a minimum figure. For such public housing is indispensable to the broad housing needs of our growing population and constitutes an important spur to small business. Every young married couple that is able to set itself up in a home of its own means a customer for the small-business man who has commodities to provide and services to render. Housing equipment, furniture—all that goes into the maintenance of a home and the growth of a family, are important to the small-business man. They are also a key to the continued high standard of the American people which became a goal of government during the F. D. R. New Deal and the Truman Fair Deal administrations.

I have also felt it a matter of some concern that provisions should be made for aged widows and widowers, and single people generally, to have access to public-housing projects. They, too, are an integral part

of our population; and with the rise in the general age level of the American people, ordinary decency requires that we give some thought to and make adequate provisions for aged, single people to be able to live in the public housing that takes the place of the slum buildings from which they have been evacuated. Theirs, too, is a case of important, economic value to the small-business man. The elderly man or woman who has to move out of his district because of a public-housing project, or that has to move in with a child of the family, has far fewer economic needs than one who maintains a home of his own or her own. Small business, it seems to me, has a vital stake in this, and should give support to the legislation on this score that I have introduced into Congress.

A school-building program of suitable dimensions and adequate to meet the needs of our largely increased school population is still another project that should appeal to the community at large and to the small-business man in particular. They are all interlocked. Adequate school facilities and ample teacher forces mean that much more for the neighborhood store and business-man.

Another concern of the small-business man is the administration's proposal to increase the first-class postage rates. I am strongly opposed to this as unjustified in and of itself, and as imposing a particularly heavy burden on the average family, the average laboring man, the average storekeeper, and the average businessman. As a matter of fact, the Post Office losses are not due to the first-class mail. They are due, largely, to the second-class mailings. In any event, the Post Office is not and should not be regarded in the same way as we regard a private business venture any more than a municipal fire department or police department can be so regarded. A fair and moderate postage rate is absolutely essential to the normal conduct of our business life. It is a stimulant to exchange. It would be an unjustified saddling of still another burden on every individual small-business man, and every individual family to increase the postage rate. I am against it.

Above all, I am concerned with the fact that since the last half of 1952, and under the policies of the present administration, small-business profits are down 66 percent, small-business investors' returns are down 57 percent, and small-business failures are up 36 percent. I am concerned because in 1954 alone there were three times as many business mergers as occurred in 1949. This is a trend toward monopoly that is most disturbing. I am concerned that the small-business man's share in the defense procurement dollar shrank in the years 1954 and 1955. This is a trend that must be resisted. Ours should not be a government of big business any more than that of any other segment of the population. Ours should be a government of all the people. That definitely includes the small-business man.

Command Management School

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. CELLER. Mr. Speaker, it was recently my pleasure to appear as a guest lecturer at one of the newest additions to the Army school system, the Com-

mand Management School at Fort Belvoir. The importance of the Army's schools in the success of our Armed Forces has been universally recognized. I am confident that this new activity will prove its great value in terms of increased efficiency in the Army.

As the appropriating agency of the Government, the Congress has a special responsibility for the effective utilization of the national resources. Our defense program must be so administered that the American people receive the maximum value for every dollar spent and the maximum effectiveness from every man. It is most gratifying to realize that the Department of the Army, which of course shares this desire, has taken such worthy action to provide its senior commanders with a development program commensurate with their managerial responsibilities.

The school was established in November of 1954 to provide commanders and key staff personnel in the ranks of colonel, brigadier and major general and civilians of comparable grades with an intensive 3-week course in the most advanced concepts and practices of modern management. Although fully aligned with the Army's tradition of excellence in its school system, under the direction of Col. Frank Kowalski, Jr., commandant, the Command Management School is unique in its methodology and atmosphere. It employs the case method and offers no fixed or formal solutions. Free discussion and creative thinking are the standard operational procedures here and the results in improved understanding and technology are very encouraging. Programs and policies are being examined on their merits and in the light of present and past experiences.

The Department of the Army is to be congratulated for its vision in making the program available to its commanders. The motto of the Command Management School is a fitting one for those entrusted with the great responsibility of our military leaders, "From knowledge the power of decision."

Anniversary of Ukraine Independence

EXTENSION OF REMARKS

OF

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. GARMATZ. Mr. Speaker, on January 22 the observance of the 38th anniversary of the independence of the Ukraine was celebrated all over the world, that is, all over the free world, where people could give expression to their thoughts and feelings, without fear of reprisal.

This observance should cause us all to pause and think again of the wonderful blessings of liberty and the terrible price which has been and still is being paid to regain and preserve freedom.

As far back as the ninth century, the Ukrainian Kievan State has been struggling to maintain its independence.

Ukraine was one of the first victims of the Communist conspiracy, but despite the destruction of its national churches, the horrible famines, the mass murders, purges, and deportations, the fires of patriotism have not been extinguished. On the contrary, these scourges have but served to strengthen their national pride and loyalty and their determination to continue their fight for freedom and independence.

What does all this mean to the citizens of our country? It means that we must use every resource at our disposal to make known to those nations which are still free, the real meaning of communism, with its policy of enslavement, domination, and destruction of all personal liberties. We must encourage them, and our own people also, to be constantly vigilant and alert to the spread of communism, so we may all be enabled to fight it at every turn, to retain our freedoms.

It means also that we must, by whatever means it can be done, let the people of the Ukraine know that we are in sympathy and full accord with their efforts to regain their freedom and stand ready to do everything in our power, as a nation, and through the United Nations, to help them, so they may again be restored to the community of free and independent nations of the world.

Thomas G. Masaryk, Great Leader

EXTENSION OF REMARKS

OF

HON. ISIDORE DOLLINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. DOLLINGER. Mr. Speaker, I join with the many thousands of Americans of Czech and Slovak ancestry who are honoring the memory of Thomas G. Masaryk, who has taken his place in history as one of the great champions of the cause for freedom.

He is hailed as the founder and liberator of the Czechoslovak Republic; under his inspired leadership the people of Czechoslovakia achieved freedom, democracy, and independence. He was a great patriot who, by his high ideals, faith, and courage, led the people of Czechoslovakia so nobly that between the years of 1918 and 1937, when he died, they had built their country into a strong and flourishing nation.

The freedom of his country was short-lived, for shortly after his passing, Czechoslovakia lost its independence first to the Nazis and later to the Communists. However, the people of Czechoslovakia are ever mindful of the example set by Thomas Masaryk, his sacrifices in their behalf, his unwavering belief in the principles of freedom, democracy, justice, and honor; his prayers that his people should remain free from tyranny. Although the people of Czechoslovakia suffer under tyranny today, they have not forgotten their past freedom or the principles of the man who helped them achieve it. They will not miss any op-

portunity to grasp that freedom again for the spirit of Thomas Masaryk lives on in their hearts as it does all over the world where men adhere to the principles of liberty and abhor totalitarianism and dictatorship.

It is fitting that on the anniversary of the birth of the great Thomas Masaryk, we who are free of the shackles of bondage and tyranny, should rededicate ourselves to the principles for which he stood and to the tasks which lay before us. We must work unflinchingly to preserve our own freedom and to do all we can to help others, less fortunate than we, to regain and to maintain theirs.

Does Greater Boston Suffer From Hardening of the Arteries?

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. LANE. Mr. Speaker, under leave to extend my remarks, I wish to include the following radio address I delivered over station WMEX, Boston, Mass., on Saturday, January 21, 1956:

DOES GREATER BOSTON SUFFER FROM HARDENING OF THE ARTERIES?

Ladies and gentlemen of the radio audience, greetings. What happens to Boston, the nerve center of New England, is not only of importance to people living in the city and in the metropolitan area, but has an effect on everyone who visits Boston to shop or to transact business.

Boston is an old city, that must adjust itself to many new and compelling circumstances.

Realizing this need, and in an effort to focus attention on the most urgent problems so that solutions may be forthcoming, Boston College has sponsored a series of seminars to explore the economic, fiscal, and political problems of this key city.

Public officials, leading merchants, professional men, and citizens contributed their valuable comments on all aspects of the situation.

I cannot possibly cover or do justice to all factors in this brief broadcast. So, I am taking the liberty of selecting some of the highlights that will be of interest to the average citizen.

Any diagnosis of Boston would have to include a recognition of the need for regional planning and the seriousness of Boston's financial problem.

Because I do not have the time to report what the conference of last year had to say on these vital issues I have decided to bypass them in my remarks and dwell instead on some aspects of the transportation problem. For the motor age is exerting the greatest impact on our cities.

Mr. P. A. O'Connell, general chairman of the second annual conference, presented some revealing facts on the parking problem.

He stated that "parking is absolutely necessary if we are to attract people to trade and do business in Boston."

He stressed the fact that suburban cities and towns are taking a substantial amount of business away, because people cannot find a place to park in the traffic jungle of Boston.

Christmas retail trade, nationwide, was the largest in history. Yet a recent report tells us that trade in Boston, during December of

1955, was less than the corresponding period in 1954. The colder-than-average weather of last December, plus the press of all-day parkers in the center of Boston, were given as reasons for the failure of trade to keep up with the national average.

It was almost 10 years ago that the State legislature gave Boston permission to arrange with private parties for the construction and operation of a garage under Boston Common, in an effort to meet parking demands. At long last the project appears to be shifting into first gear, but in the meantime, the congestion has become much worse.

In the center of Boston, there are 50 million square feet of general business accommodations. Office space accounts for 48 percent of this total; retail facilities 29 percent; manufacturing space 18 percent. Three hundred and fifty thousand people a day use these accommodations. One hundred and fifty thousand come by passenger cars. As of last May there were about 21,500 parking spaces in the downtown business district, of which 15,700 were off-street, and 5,800 on-street. Unless a tremendous effort is made, thousands of cars carrying potential customers will never find room to stop in the business district. Their only alternative is to stay out of Boston.

By contrast, the city of Washington, D. C., with a population about the same as Boston, has parking facilities for 27,000 cars in an area much smaller than Boston's. The Washington Board of Trade cooperates by printing and distributing maps showing where the parking spaces are located for the convenience of shoppers. In the midtown area alone there are 170 off-street parking places.

Failure to provide accommodations for the automobile is costing downtown merchants in Boston, not only a lot of customers, but also a considerable real estate investment.

Other cities, as Mr. O'Connell pointed out, are desperately trying to catch up with the automobile age as they finally realize that major adjustments are necessary. One of them is the sprawling community of Los Angeles. In 1919, the downtown area did 74 percent of the business of Los Angeles County. By 1950, it had dropped to 35 percent, and in 1954, to 29 percent. Dallas, Tex., has had the same experience. Retail sales in downtown Dallas, through 1947 to 1953, stayed at \$170 million, while total retail sales for the metropolitan area rose from \$226 million to \$837 million, or a gain of \$611 million. Downtown marked time while the outskirts picked up all the new business.

In 1929, Harvard College paid \$510,000 for the property located at 161 Tremont St., in Boston. In 1954, it was sold for \$80,000, or less than one-sixth of its original cost. In 1924, Harvard paid \$612,000 for the property at 165-6 Tremont Street. In 1954, it was sold for \$100,000. These deteriorating values are tied up with the fact that, when business leaves downtown in order to reach the customers who cannot, or will not, brave the battle for parking space, it seldom if ever returns.

Municipal off-street parking is good business. It helps the city government, the taxpayers, industrialists, merchants, customers, and citizens.

The United States Chamber of Commerce figures that each new off-street parking space generates about \$20,000 in retail sales and creates new jobs.

With each passing day, there are more cars on the streets.

It is imperative that we provide more space for them, both at rest, and in motion, if downtown business is to survive.

The Commonwealth of Massachusetts with great courage and realism, is building great arteries to free the circulation of motorcars upon which the economic life of Boston depends.

The modernization of highways, which is the largest program of the State government, bears witness to the need of providing room for the vast number of people who are transported by automobiles.

In this connection, I want to speak of a new public instrumentality that has been developed to meet the situation.

It is the toll-financing method.

By it, the legislature authorizes the creation of a revenue authority, that is able to build certain facilities with greater speed, and at less cost, than they can be built as a purely public undertaking.

The first one, and it is highly successful, is the Mystic River Bridge Authority.

It built—and it operates—the great double-deck bridge that links Boston with Chelsea and the north shore.

Ephraim A. Brest, chairman of the authority, testified concerning the problem, and how it was conquered.

For nearly half a century there had been proposals to replace the old drawbridge, but they were chilled by estimates of cost, and by lack of funds.

Finally, when draw openings had mounted to more than 7,000 a year, creating a bottleneck of not only vehicular traffic, but waterborne traffic as well, the long-deferred job had to be done.

The Mystic River Bridge Authority was organized, and it went to work. The bridge was completed in less than 23 months.

It was a model of efficiency during construction.

And it is operating in the black.

At no stage was it hampered by the bureaucratic redtape which hampers even the best of State officials. For example, the authority had to relocate 700 families to make way for the structure. There were many understandable protests that might have delayed and even defeated the project if it were beholden to political pressures. In the public interest, the families had to be relocated, but the authority was sympathetic and cooperative. Arrangements were made for the moving of 54 two-decker and three-decker houses in Chelsea, to a new location 2 miles away. In the movement, the tenants were not forced to leave their homes for even one night, because temporary utilities were provided for them.

Boston could well use similar authorities.

The consolidation of several vehicular facilities with the airport, and the port of Boston under one revenue bond authority, the combined responsibility to be self-sustaining, would help to solve another Boston problem.

The mystic River high-level bridge was built, and is operated, without cost to the Commonwealth or the cities that are joined by it. Not one penny of Federal funds is involved.

Another element of transportation that is directly tied in with the automobile, is Logan International Airport in East Boston. Potentially, because it is nearest to Europe, and because of its size, it could be the finest in the world.

It has the longest commercial runway in the United States. In 1954, it handled more than 5 million pounds of mail; more than 7 million pounds of express, and 25 million pounds of freight. It was an air terminal for one and one-half million passengers.

Arthur D. Cronin, former member of the State Airport Management Board, reiterated the fact that commercial airports have just scratched the surface of their revenue potential. This does not refer to the revenue that comes directly to an airport from rentals, leases, and fees from the airlines themselves. He emphasized the much greater revenue that could be built up from nonaviation revenue * * * from restaurants, parking concessions, sightseeing facilities, observation decks, etc.

In 1954, the observation roof at the Newark Airport took in paid admissions of more than \$350,000, while the airport restaurant grossed more than a million dollars.

In the same year, and although it was handling more passengers, Logan produced less than one-half in one category, and less than 10 percent in the other category.

The reason?

According to Mr. Cronin, this was due to the lack of an adequate terminal building at Logan despite repeated requests to the legislature for appropriations for such a building, and even though the need was recognized and plans were drawn and accepted for such a building as far back as 1945.

Again, we come up against the problem of parking.

There is plenty of land available for parking on the 2,200 acres, but there were facilities a year ago for only 530 cars. Both travelers and visitors complain about the congestion.

The management must go hat in hand to the legislature for funds, instead of being able to act efficiently under a self-sustaining independent authority with the right to raise and spend its own money.

Transportation is but one of the many problems affecting the economy of Boston.

The College of Business Administration of Boston College is to be commended for promoting the series of conferences that will lead to a better future for the city that is the very heart of New England.

Thank you for listening.

Contributions of Ahepa

EXTENSION OF REMARKS OF

HON. PHILIP J. PHILBIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. PHILBIN. Mr. Speaker, on November 13, 1955, I spoke at the anniversary banquet of the Ahepa in my hometown of Clinton, Mass. I ask unanimous consent to have printed in the RECORD a news account of my remarks at this affair.

The material follows:

Before the Ahepa anniversary banquet at Clinton November 13, 1955, Congressman PHILIP J. PHILBIN hailed the local chapter as an inspiring example of Americanism—a fine group devoted to blending the highest values of Greek civilization with the best traditions of America.

Lauding Dr. Nicholas Despotopolus, Ahepa district governor, for his vigorous leadership in promptly seeking aid for Greek coreligionists recently persecuted and outraged in Turkey, PHILBIN declared that in response to his own strong protests, the State Department had advised him that it had taken urgent action and had been assured that there would be no repetition of these outrages and that damages would be indemnified.

Denouncing the outrages as diabolical and to a degree Communist inspired, the local Congressman asserted that free religious worship was not only a most precious American possession, but should be safeguarded zealously by all nations in and out of the United Nations. We must pledge our efforts to that end, he said.

Commenting on the Cyprus question, PHILBIN said that the real issue is whether the right of self-determination, for which this and other nations fought, would be re-

spected. This is a basic right of free men and women and it must be protected and observed at all times and all nations save the Soviet police, slave state recognized that fact.

PHILBIN paid tribute to the contributions of Ahepa and stated that the town of Clinton is famous for many things, but for none more than its strong, loyal attachment to constitutional principles and ideals, particularly its devotion to toleration and respect for the right of every creed and race to enjoy and be protected in their faiths and beliefs.

"I am proud of your friendship, your contributions and your patriotism," he said, "and I wish for you the successful continuance of your great work."

Middle East Crisis

EXTENSION OF REMARKS OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith a speech I made before the Farband Labor Zionist Order on January 21, 1956:

Eight hundred Israeli lives have been lost by the daily incursions of Arab infiltrators into the territory of Israel. Thousands of dollars' worth of property have been destroyed or stolen by the infiltrators. The Arab economic boycott of Israel has resulted in the impeding of economic growth to a scandalous extent.

We do not hear any anguished cries against the Arab nations by any power individually or collectively in the United Nations. The headlines do not scream with motions for censure, strong censure, motions for compensation, motions for dismissal, against the Arab tactics. When Israel hits back, the air immediately becomes thick with condemnation, postures of horror are struck, from the United Nations comes motion after motion of censure against Israel.

I think it is pertinent to ask, "Where is the United Nations in all these acts of vandalism and murder perpetrated by the Arabs?" and again, "Where was the United Nations when seven Arab countries attacked Israel in 1948 in an unprovoked aggressive war?" Are we to conclude from this that the drip, drip, drip method of torture indulged in by Arab countries, that the rabid hate propaganda of the Arab nations against Israel, that the economic boycott, are to be dismissed by the United Nations, that in weighing the evidence, Arab provocations are to be thrust aside and ignored by the United Nations. Whether Israel's retaliatory acts are right or wrong is not at issue. What is at issue is that the world understand, and understand rightly, what is happening in the Middle East, what really are its tensions, and unless the world understands and sees the full picture, not only in part, not only the slice United Nations so far presents, but all of it, totally, will peace be served. I was in Israel in 1948 during the siege of Jerusalem. I was in Jerusalem when the Arab bullets whistled through the air and the whirl of Arab planes beat upon our ears throughout the night, and the rest of the world was silent. The defense of Jerusalem, the Holy City devoted to three great religions, was left completely to the Israelis to defend. Is it that the world,

thrusting justice and balance aside, is permitting itself to be blackmailed?

First the Western World seemed to be paralyzed by the fear that if Arab sensibilities were wounded, the Arabs would turn to the Soviet world to give it comfort. Now that the Arab world is playing games with the Soviets and the satellite nations, the free world stands trembling with fear before it, and the game goes on to wrest them away from complicity with communism. What the Arabs are saying actually is "Heads I win, tails you lose." In the cold war Arabs have placed themselves in the enviable position of playing one faction off against the other, and at this time it seems as if they are succeeding.

The United States has announced its policy that the United States would help that side in the Middle East dispute which acts for peace. To me that is a very odd statement, not because on the face of it it is not a sensible and just attitude, but because the United States officialdom knows, and knows it well, that since 1948 the Arabs have refused to make peace, have talked about a second war, have excited their people to live in constant hatred, have refused to acknowledge and accept the existence of the State of Israel, have perpetrated act upon act of murder and destruction. Officialdom knows that tiny Israel has been forced to place frontier guardsmen around the edges of the small country, guardsmen who work all day and watch all night. Officialdom knows that the Arab nations have kept alive the problem of displaced Arabs, have refused to cooperate in any matter of resettlement, have refused even to discuss any regional water plan, and have been successful to a large degree in their economic boycott. All this officialdom knows. But this, officially, we do not say.

There are 40 million Arabs and only a million and a half Israelis. There are seven Arab nations and one little democracy. Shall history say of the Western World that so great was its desperation that one little nation, which it itself brought into being, had to be sacrificed in the name of expediency? That in its struggle to preserve the conscience of mankind, dedicated to democratic principles, the Western World concluded that one little nation itself a democracy could be deemed expendable, while the Arab nations sat back righteously and smiled inwardly at the success of its maneuvers? That a little democracy, the only democracy in one region of the world, could be left alone to be pushed into the sea? Surely, we cannot believe that.

In the meantime, the United States does not act upon Israel's request for defensive arms. And while the United States waits, Soviet penetration of the Middle East grows deeper and deeper.

Israel must have arms. Let us remember this: Wherever you stand in Israel, you can see a border line with scarcely the twist of a neck. Thus, if there is an attack upon Israel and Israel is unprepared to meet it, Israel will be forced into the sea before any aid whatsoever can be rushed to her.

The only defense Israel can have against an attack is to be able to meet it head on. A Pearl Harbor would mean the end of Israel. There is no space for retreat.

Israel asks for arms for another reason which, above all else, most certainly should be understood by the United States. The United States has consistently pursued the policy that the most effective deterrent against war is to maintain adequate arms for herself and her allies. To that end, we have devoted the major portion of our budget, keeping strong our Armed Forces and trying to keep ahead in military developments and supplying our allies with military aid.

Is it, therefore, unreasonable—can we possibly view it as unreasonable—that Israel, small and friendless, should likewise view an

adequate defense as the best deterrent against war, and as the best assurance for peace? We in the United States have sought, through a system of defense pacts—NATO, SEATO, and the encouragement of pacts like the Baghdad Pact and the Northern Tier arrangements—to promote the cause of peace in the world. Is it, therefore, unreasonable that Israel, in her isolation—the only democratic country in the world so isolated—should seek a pact with the United States, the country which once befriended her, the country which once, through legislative action and through Presidential proclamation, gave so much sympathy and understanding to the ideals of the Jewish homeland?

The situation in the Middle East has deteriorated where it now constitutes one of our weakest points, securitywise. Through our lack of firmness, our obvious indecisiveness—so open to the Arab States that they played the East against the West—we now face Soviet penetration of the Middle East. Right now we seem to be running around in circles, crying loudly at the Communist apparition in the area, obviously distraught, now patting the Arab nations on the head, now murmuring sympathetically to Israel, promising and withdrawing, promising and withdrawing again.

Let us make no mistake about it. We have been less than forthright. The Western World has reason for its alarm.

To me it is amazing that the Western World, dedicated to the preservation and even to the expansion of democracy, should have turned its back on the one practicing democratic nation in that area of the world. The British Government is openly pro-Arab, so openly pro-Arab, so vigorously pro-Arab, that the voices of protest are heard around the land.

Great Britain has been feeding the Egyptian maw great supplies of arms, including 64 Centurion tanks, scores of jets, and some 180 to 190 reconditional British Valentine tanks.

A shipment of these arms is part and parcel of Eden's policy of Arab appeasement. Eden is like a man who keeps feeding steaks to a tiger in the hope of making him a vegetarian.

Is it that the Government of Great Britain considers Israel a small price to pay for Arab favor? Even if we accept this shabby thought, is Arab favor dependable? Can Eden on one hand deprecate an arms race in the Middle East and on the other condone the supply of arms (all out of proportion to that of Israel) to the country of declared and open hostility?

Eden will soon be in the United States conferring with our officials on tensions in the Middle East. We have reason to believe that Eden will press for a Caesarian operation upon the body of Israel, to truncate the Negev, or ask that Israel cede a portion of her territory so that a corridor can be formed across the Negev, connecting Egypt and Jordan. Aside from the fact that historically such a corridor had not previously existed, under the Ottoman rule or the mandatory rule; aside from the fact that again it is Israel which is again and the only one asked to cede territory; aside from the fact that such concession could not relieve the tensions of the Middle East nor compel the Arab nations to sue for peace; aside from the fact that it can only further whet the appetite of the Arab nations, leaving them with the knowledge that the louder you cry the more you get, aside from all this, the fact remains that such a corridor would mean that the Soviet personnel now operating in Egypt would have another road opened to them, enabling them to proceed ever further. For make no mistake about it, the presence of Soviet arms and the personnel to train Egyptians is a most acute danger signal for the Western World. Even now there are submarines in Mediterranean waters flying the Egyptian flag, manned by Soviet personnel.

In all this, where is United States policy? Will our leadership go by default?

We cannot, of course, conclude—since we do not know—that our Government will steer the wrong course. We do know that there has been too much reliance on wishful thinking. We do know that there has been—and still exists—a split among the State Department advisers. We do know that our diplomacy has failed in Egypt. But the course must be set and set soon—with realism, with staring of the facts straight in the face. We cannot afford any conflagration in that area in the name of our own security.

As Prime Minister David Ben-Gurion said, eloquently and with wisdom, in a recent address to the Knesset, the Israeli Parliament: "We know that any war—one even in which we gain the upper hand—involves ruin and destruction for both parties and intensifies hatred between nations. We know that, after our victory in one war, a second round is possible, and after our victory in a second war, a third round may come, and there is no end to this business."

Address by Hon. Alexander Wiley, of Wisconsin, at Wisconsin Dells, Wis.

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Tuesday, January 31, 1956

Mr. WILEY. Mr. President, during the past weekend I was pleased to deliver an address in Wisconsin Dells in my State, in the course of which I referred to one of the most significant problems affecting the fourth estate in our country and, indeed, affecting every American citizen. I refer to the shortage of newsprint.

I send to the desk the text of my address, and ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

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

SENATOR WILEY SAYS THAT CONTINUED UNITED STATES PROSPERITY CALLS FOR BOLD PROGRAM OF ECONOMIC INSURANCE—SUGGESTS THAT EXPANSION OF NEWSPRINT PRODUCTION IS A KEYNOTE TO OUR FUTURE ECONOMY—URGES ACCELERATED AND EXPANDED PROGRAM OF RESEARCH AND DEVELOPMENT ON NEWS-PRINT

It is a real privilege to be present at this testimonial dinner for Miss Isabelle Drumb. For 20 years Miss Drumb has been with you in Wisconsin Dells.

She came to this community one day to help her esteemed father in his time of need and stayed to help all of you. Wisconsin Dells is a finer, better and more prosperous place to live, because she did her job well as publisher of your paper.

Isabelle, your many friends and neighbors here tonight know and respect you as an effective crusader for community betterment.

Your many colleagues from Wisconsin's newspaper fraternity, who are here tonight, know you and respect you as a most ardent champion of the constructive role that the press plays in America.

The fact that we are tonight paying tribute to the tremendous contribution that Miss Drumb has made to this community and to

the newspaper profession, suggests the main themes for my comments tonight.

I wish that we had time tonight to review the past—to examine these last 20 years. They hold many important lessons for the future.

But I am certain tonight that Miss Drumb would like to have me look to the future and share a few facts and thoughts on a subject we are all interested in—America's present and future prosperity.

FACTS ON UNITED STATES BRIGHT ACHIEVEMENTS

What are a few of the facts of our economic prosperity?

1. We have all heard a lot recently about reaching the threshold of a \$400 billion economy.

Consider that fact in this perspective:

When you sent me to Washington as your Senator 17 years ago, I recall that the gross national product—that is, the dollar value of our total output of commodities and services—was only \$70 billion.

Last year it was \$388 billion, and now we are well on the way to the \$400 billion mark.

2. The number of persons employed is another index of our prosperity.

In July 1953, when we reached another peak in our economic growth, nearly 62½ million were employed. Our employment reached nearly 65 million this December.

3. This record prosperity has brought income disbursements to an annual rate of \$318 billion.

Because our average consumer prices have stayed the same, while taxes have been somewhat lower, this increase has given our country nearly \$2 billion of increased buying power.

4. This expanding income has shown up in an increased weekly wage to more segments of our population.

For example, the average weekly wage of manufacturing workers was at a new high—nearly \$80 a week at the end of last year.

5. We are able then to spend more. Our spending has increased from \$248 billion in early 1954 to \$275 billion in the last months of 1955.

In nearly every area of economic activity there is evidence of progress and prosperity.

These multi-billion-dollar figures may not be too easy to comprehend, but they do translate into more dollars and cents right here in Wisconsin Dells and elsewhere throughout Wisconsin and all America, in United States savings banks' deposits, savings and loan associations' accounts, defense bonds, equities in homes and farms, home appliances, shares in United States corporations, life insurance, and other readily tangible yardsticks of our well-being.

INCOME PRODUCING SOLUTIONS FOR FARMERS OUR MOST URGENT PROBLEM

Now, unfortunately, there are important exceptions in our booming economy.

We are quite aware of the widespread condition of depressed farm income.

This, of course, is the sobering fact which casts the darkest shadow on our economic prosperity.

Farm income has definitely not kept pace with the soaring income of our general economy.

This is not the occasion for a speech on the farm problem. So, let me simply say that there are few more urgent problems before Congress and the American people than to provide sound and realistic income-producing solutions for our farmers.

The cornerstone of a bold new program of economic insurance for future United States prosperity must be an adequate farm program.

EXPANSION OF NEWSPRINT PRODUCTION A KEYSTONE TO FUTURE ECONOMIC HEALTH

Tonight, I should like to devote the bulk of my comments to another phase of insurance,

I want to refer to your own profession, and one of its most significant problems—the shortage of newsprint and the related problem of the price of newsprint.

Ninety-four percent of all the newsprint consumed in our country is for the printing of newspapers. And the plain fact of the matter is that our papers simply aren't getting enough newsprint.

NEWSPRINT ONLY A PART OF THE PAPER PICTURE

Let me set forth a few facts on the newsprint situation. I don't presume to be an expert on it, but I have studied it, to a fair extent, as opportunity permitted.

We are all, of course, aware that the tremendous complexity of American industry, our terrific output of goods and services has skyrocketed the uses of paper and paper products in our country.

For example, paper containers are being used in virtually every single step of American production, distribution, and consumption today.

Newsprint production and consumption, although a considerable part of the paper picture, nevertheless represents only one phase of the huge expansion in paper needs. Thirty-four and one-half million tons of paper were used last year—417 pounds per person.

It is estimated that a baby born today in America creates a lifetime demand for no less than 15 tons of paper—for all types of needs.

WISCONSIN'S AND AMERICA'S GREAT PAPER INDUSTRY

The flourishing paper industry of America is one of the great miracles of America.

The paper industry of Wisconsin is one of the great pillars of Wisconsin's economy. From the paper industry have come not only the sinews of economic health for our State, but great contributions in terms of leadership in every community throughout our State.

Meanwhile, newsprint demand is also soaring.

It is estimated that the demand for newsprint in our country in 1956 will be 6.7 million tons. This will represent an increase of 125,000 tons over 1955.

By 1965, newsprint requirements will have further increased, and to such a point as to involve a potential deficit of 1.3 million tons of newsprint per year. That represents an exceedingly serious situation facing the newspapers of the United States.

Few developments could strike harder at the heart of future American prosperity than to be faced with stringent restrictions on the capacity of American newspapers to reach the American consumer. The recent experiences during the press stoppage in Detroit showed that the lack of this vital advertising medium, for example, was directly responsible for a drop of 25 percent in the sales of used cars.

SMALL PAPERS PARTICULARLY AFFECTED

The newsprint shortage is a source of particular concern to the small weekly newspapers of America. A weekly paper with a circulation of, say around 3,000, and with a varying number of pages from 8 to 16, uses around 1,000 and 2,000 pounds of newsprint per week.

This newspaper cost for newsprint would be anywhere from \$65 to \$130 per week. It is estimated that the cost of newsprint represents around 15 percent of the total cost of the average small weekly, and up to as much as 55 percent of the total cost of large metropolitan dailies.

NEWSPRINT EXPANSION COSTLY, DIFFICULT

The big problem, obviously, is to assure an adequate and continuing supply of newsprint and at a fair price. But the expansion of newsprint production is not an easy or quick matter.

The capital investment required for a new newsprint mill is enormous, around \$100,000 to \$120,000 per daily ton. Thus, the total capital outlay for 1 new mill could run from \$30 million to \$48 million, and that wouldn't include the cost of the purchase of any forest lands.

It is estimated that a mill of minimum economic size requires, on a sustained yield basis, nearly 500,000 forest acres. And they must be located near enough to the mill site to permit economic transportation of pulpwood.

These, then, are but a few of the aspects of this situation. I could refer at length to the situation up north with our good neighbor. I note, for example, that the president of the Canadian Pulp and Paper Association estimates that demands for Canadian newsprint will rise from 6.2 million tons last year to 12½ million tons by 1980.

But time does not permit too detailed a presentation on my part.

MANY FACTUAL STUDIES

Now, there have been study after study made of the newsprint shortage.

Congressional committee after committee has surveyed the subject, and they have made a considerable number of important recommendations and findings.

What we need, however, basically, is more newsprint, and not simply more volumes of studies.

Of course, the studies can contribute to getting more newsprint, and I am in favor of them.

Thus, the Department of Commerce believes that it would be desirable to expand the collection of statistical information on the United States paper and publishing industry, and on world consumption and production of newsprint. These surveys would be carried on in cooperation with the newsprint manufacturing and newspaper publishing industries.

As the long-term trend in production and consumption becomes more clearly understood, all sections of the industry would be in a better position to cope with the problem.

But studies must provide a basis for action, and it is definitive action that is required.

EXPAND PAPER RESEARCH

One type of action which is required is to speed and expand our research and development programs into new methods of obtaining inexpensive and large supplies of newsprint.

Already there have been considerable experiments with bagasse. There has been research and expanded use of hardwoods, research and experimentation on expanding the production of newsprint from waste paper.

In my judgment, every encouragement should be given to the private sources working on all phases of such experimentation and research. And the fullest possible use of our own governmental facilities, particularly our great Forest Products Laboratory at Madison, should be directed to this task.

Research and development on newsprint will pay impressive dividends, tangible and intangible.

The time to start is now. The quicker we get underway on expanding the program, the better off we will be. Each passing day of action in low gear will cost us something in the days and years to come. Pennypinching in Federal research is not only shortsighted; it is self-defeating.

We can ill afford to have weekly or daily newspapers go out of business because of shortage of modest-priced newsprint, or because of any other solvable problem.

A healthy American newspaper industry is a sure standard for a healthy economy as a whole.

An informed America will be a safe and secure America. An America denied adequate

newsprint can hardly be sufficiently informed of all the tremendous problems at home and abroad requiring our attention.

CONCLUSION

In conclusion, may I say that I am sure none of us are interested only in setting new records of material prosperity. The life work and philosophy of the person we are honoring tonight suggest the real and abiding goals of our Nation. We want to see an America healthy in mind and body. We want to see more useful work for everybody. We want greater opportunities for education and greater protection against the problems of complex, modern life.

We must constantly seek out solutions that will protect and strengthen our Nation from foreign peril and help keep the world at peace. We, in Wisconsin, can take pride in the fact that we have pioneered in finding constructive solutions to our problems.

We can take pride in the example set for us by Isabelle Drumb.

Liberalism

EXTENSION OF REMARKS OF

HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Tuesday, January 31, 1956

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article entitled "Liberalism," which I wrote some months ago, and which was published in the American Scholar, in its issue for the autumn of 1955.

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

LIBERALISM

(By HUBERT H. HUMPHREY)

Liberalism, as a political philosophy, is based on the assumption that freedom is essential for the full development of the human personality and that, therefore, men should be free. The ancestry of liberalism may be traced back to the beginnings of literate man, but its name and formal identity did not become current until early in the 19th century, when it was adopted as a party label in Spain and by a British reformist bloc of radicals and Whigs.

The roots of liberalism are religious, philosophical and scientific. The doctrine represents the culmination of a development which goes back at least to the words of the Hebrew prophets, the teachings of the Greek philosophers, and the ethics of the Sermon on the Mount.

The fusion of these influences—some of them largely incompatible with the secular humanism of the Renaissance and the enlightenment of the 18th century—combined with the political and economic environment of the 19th century to create the philosophy and form the movement of liberalism. In its essence, liberalism was antiauthoritarian; its one distinctive aim was the liberation of man from traditional restraints.

Equating liberalism with freedom, as we have, and taking note of liberalism's ancestry help us to understand the confusion which today is frequently associated with the term. Although the emancipation of man has been the enduring hallmark of liberalism, the variable ingredient, which has differed with men and with the passing of years, is emancipation from what? The practical application and, in fact, the rele-

vant definition of liberalism thus vary with the forces, institutions and traditions which restrain men. The problems of freedom are quite different in a feudal age from what they are in a technological age.

The authors of the liberal creed are heterogeneous. There is a broad gulf between the Whig aristocrats, content with the revolutionary settlement of 1689, and the Benthamite radicals of the 19th century. There are profound differences among the Physiocrats, preoccupied with the problems of French agriculture, the Manchester economists of England's industrialized Midlands, the Founding Fathers and the Jacksonian "Democrats." It is argued—and with good reason—that their agreements far exceed their differences and that they all partake of the same tradition; but the fact that vital differences do exist makes the use of the term "liberalism" quite difficult in political communication. Difficult as an understanding of the term may be today, however, the growth of liberalism is indeed the story of man's striving for civilization and dignity.

The evolution of the liberal creed paralleled the progress of Western society from a status-based church-dominated culture to an ever more democratically oriented civilization. The striving for freedom in every age helped change the structure of society. This in turn meant that the locus of power criticized by liberals shifted from church to state and from state to private concentrations of economic power.

In the late Middle Ages and during the Renaissance, the prevailing society was organized on the basis of status: the rights and responsibilities of the individual were determined by his place in the stratified and hierarchic system. The social stress was upon acquiescence and conformity.

Tendencies toward liberalism are early discernible in generations of protest against this authority. The protest was twofold: the religious revolt was closely associated with a desire for economic freedom.

The medieval system was bound to be challenged successfully as both theological and economic forces strove for freedom from the existing order. The bearers of the challenge were aided by the development of new needs and interests, generated by the slow commercialization and urbanization of Europe, which in turn fostered the emergence of a new middle class.

The new commercial class was the most active force throughout Europe in the struggle for freedom from the restraints of the medieval order. It was the natural enemy of the medieval political organization, primarily because the divisions and disorder of the feudal "state" constituted a serious barrier to trade and commerce. In the late medieval period, therefore, the new middle classes allied themselves with the monarchs against the nobility and, through the success of this alliance, gained freedom from the complicated and conflicting economic regulation of the feudal aristocracy.

Once the claim of the monarchy was successfully established and a unified system of law imposed within the new nation-states, the middle classes turned their attention to means of controlling the "divine right" of the kings they had brought to power. Freedom was now conceived as a problem of the ruler and the ruled. The ruled, in this case the commercial classes, now demanded a rule of law binding upon king as well as subject. The work of Hobbes and Locke focused on the problem of liberty as it related to ruler and ruled, and while their specific conclusions differed, they agreed with each other and with later liberal thinkers that governments were instituted to serve men.

This individualism was a basic characteristic of 18th-century thought. Since liberalism as a coherent and defined philosophy was a product of a series of great economic, social, and intellectual changes which culminated in the 18th century, it even today

bears the stamp of the Enlightenment. The period of the Enlightenment was characterized throughout Europe and America by a more or less unified set of principles, attitudes and beliefs. It was a period of optimism and revolution, of naive faith and debunking. It was, above all, a period of emancipation in religion, politics, economics, and art. The unifying concept of the Enlightenment was the belief in natural law. The discoveries of Newton had been interpreted as proof that there was a natural order of things in the universe, that the laws of this order might be discovered by human reason, and that these laws furnished absolute and immutable standards for the conduct of governments and men. The implications of this doctrine were many.

First, it suggested that the potentialities of human reason were limitless. If reason could discover the laws of God and nature, there was nothing it might not do. Man could reform himself, his society, and his government. And if he could accomplish all this, was he not good and, even more important, was he not perfectible? The optimism of the century was based on this view of man's relationship to society and the universe. Problems were to be solved by an application of reason, and defects of character were to be removed by education. Men of the Enlightenment could, to a certain extent, agree with Condorcet that at last reason had burst into history and progress was inevitable. The Enlightenment's linear concept of progress saw all history as a process of progressive emancipation from superstition and restraints. Not only the mind of man, but history as well, was a blank tablet on which each generation could write its own record.

Second, the concept of natural law as applied to the political scene became the doctrine of innate natural rights inherent in each individual. This concept of natural rights has been persistent in the history of Western civilization. It was expounded by both the Cynics and Stoics in the ancient world, systematized and expanded by St. Thomas Aquinas for the medieval church, and formed the basis of the 18th-century struggle for political freedom. In this latter period the doctrines of natural rights and individualism were joined to produce the belief that all men had the right to possess that which they acquired by their own labor, to speak and write as they chose, to petition and to form combinations, and to worship according to their consciences. There is no clearer embodiment of these principles than the Declaration of Independence and the American Bill of Rights; and there was no clearer exponent of these principles than Thomas Jefferson.

Third, in economics the doctrine of natural law again combined with individualism to become the basis of 18th-century laissez faire. The economists, beginning with Adam Smith, maintained that there were certain simple, universal laws governing the economic realm, which if left to function undisturbed would bring order out of chaos and general welfare out of private interests. The content of these laws was not only known by their exponents, but was pressed upon the populace with a rare, religious vigor. These simple, immutable laws were as follows: (a) All men were born with the natural propensity to trade and barter; (b) human actions were dominated by the profit motive; (c) the profit motive stimulated maximum productivity; and (d) maximum productivity was the greatest social good. Therefore, the pursuit by each individual of his own self-interest, or profit, resulted inevitably in the greatest degree of social welfare.

The liberalism of the late 18th and early 19th centuries had much in common with the attitudes described above, as well as with the earlier concepts of Hobbes and Locke. Although Bentham discarded the doctrine

of natural law as "nonsense upon stilts" and substituted the principle of utility, the economists associated with utilitarianism retained its content in developing the principle of the natural harmony of interests. Ricardo, Malthus, and later, Herbert Spencer described the preestablished harmony of the economic realm in much the same terms as Adam Smith.

Liberalism indeed showed itself to be a product of the Enlightenment. Individualism, unrestrained independence, the individual as a law unto himself, and pseudo-anarchism characterized the spirit of liberalism for that day. Liberalism was thus a reflection of the political, social, religious, and economic aspirations of a rising middle commercial class, influenced by scientific naturalism and the spread of rationalism and secularism. The influence of the Christian faith of human brotherhood under a common Father likewise remained strong, even though the Reformation had destroyed the concept of an intervening priesthood. In fact, the elimination of the priestly hierarchy caused individual personality and conscience to acquire even greater significance. Each individual had the responsibility even for salvation.

Individual initiative was also of paramount importance economically. The introduction of private enterprise replaced the rigid system of status by a more flexible system of contracts. Privilege based on birth was being destroyed by enterprising individuals. Francis Bacon's lesson that knowledge is power fitted well with the growth of science, and man saw new knowledge challenging old authority.

Liberalism had barely begun to express itself as a formal political philosophy when it ran into the impact of industrialism. It grew out of an essentially preindustrial, commercial environment and yet almost immediately had to cope with the economic, social, and intellectual consequences of the industrial revolution. The rise of huge concentrations of wealth which dwarfed the individual rendered obsolete the society of small enterprisers which Adam Smith and Jefferson had in mind. The human values of liberalism were threatened by industrialism; and the political and economic noninterventionist doctrines of liberalism made it difficult for liberals to act to protect those values.

The economic manifestation of 18th century liberalism, already referred to above, based itself on a "natural harmony of interests." If individuals were left free to pursue their self-interest in an exchange economy, based upon a division of labor, the welfare of the group as a whole would automatically result. The classical liberals described a self-equilibrating economic mechanism free from all teleological influences. Moral goals and ethical criteria were to be available for passing ultimate judgment on the system but did not play a part in determining the sequence of events. The one propelling force was the self-interest of the individual which was harnessed to the public good because, in an exchange economy, man must serve others in order to serve himself. The free market operated in accordance with the free choices of individual buyers and sellers, which determined the allocation of resources in the society. The assumption was that in a freely competitive economy, in which no one would be prevented by status from engaging in economic activity, the income received from such activity would be a fair measure of its value to society.

The logic of such an economic creed implicitly supported the institution of private property. Private property, however, accompanied by the onward rush of industrialism, led to the development and triumph of free capitalism and the institution of the factory and its accompanying evils. The development of absentee ownership, which stemmed from private property, further ac-

celerated the difficulties faced by a liberalism geared to a commercial small-entrepreneur economy. With the state abdicating many important areas of activity, private interests readily stepped in to fill the vacuum. To meet these new problems, liberalism in the 19th century split in a number of directions.

The Manchester laissez-faire school, represented by Cobden, Bright, and Herbert Spencer, tended to remain orthodox and insisted on restricting the role of the state. Cobden opposed factory legislation, and Spencer, in the name of liberalism, opposed almost every state activity. Spencer, idol of two generations of American businessmen, would even forbid government, either local or national, to assume responsibility for the paving, lighting and sanitation of cities.

The radicalism of Bentham and Francis Place represented a school which was prepared to make some adjustment in the anti-statist philosophy in order to preserve the human values of liberalism, although Bentham's chief advice to the state was "Be quiet."

The political thinking of John Quincy Adams, as a part of American federalism, represented another approach to the problem. His ideal of abolishing poverty was to come into being by exploiting and distributing the technological fruits of science through state industries, and he thus strikingly anticipated some American liberal departures of a century later. However, the defeat of Adams by Jackson in 1828 put an end to this brief era, and presaged the beginning of a new concept of government serving as a balancing and regulatory force in the political economy.

The career of John Stuart Mill, the most articulate of the 19th century liberals, summed up the transformation of liberalism under the impact of industrialism, from laissez faire to radicalism to a near-socialism. Caught between theory and fact, die-hard utilitarians at first opposed measures such as child labor regulations as unwarranted interference with economic laws and individual liberties. The moral and economic dilemmas of this position, however, were soon felt, and a new collectivist approach developed. Living conditions of the poor, as Marx and others pointed out, belied the assumptions of classical economists. This new thinking embraced such odd allies as Owenite Socialists, old-line Tory paternalists, trade unionists, Church of England moralists, and romantic-humanitarian followers of Southey and Coleridge. Soon John Stuart Mill's concessions to collectivism signaled British liberalism's withdrawal from doctrinaire individualism toward compromise with the necessity of state controls. The contributions of T. H. Green played an important part. In a series of such compromises, British liberalism broadened its ideological base to include progressivism of all stripes, from individualism to Fabian socialism. America alone remained a stronghold of classical laissez faire. In America, the enlightened conservatism, which in England as early as the 1820's, exerted a decisive restraint upon economic individualism, did not play the same role. Here enlightened conservatism was diverted by the slavery issue.

In historical perspective, we can see that the complex forces which comprised liberalism yielded emancipating principles. The feudal system was destroyed. Capitalism replaced the static society of the Middle Ages. A functionless aristocracy was removed from control. Tyrants were challenged and curbed. The middle class was left free to employ its creative energies in expanding the means of production and vastly increasing the wealth of society. In setting about to limit the sovereign power, liberals helped make constitutional government, with its accompanying civil liberties, a reality. Liberalism, as formulated in the 18th and 19th centuries, indeed seemed relevant to its time.

One other major byproduct of this liberalism was the impetus given to political democracy. Most of the early liberals were not democrats and feared popular government, but democracy, as expressed by representative government, was the logical outcome of their position. The names of liberals like Jefferson, Bentham, Mills, and de Tocqueville became inseparably linked with the struggle for universal suffrage.

The identity of democracy and liberalism, however, was by no means universally granted and still is a subject of serious discussion. Guido de Ruggerio wrote in his *History of European Liberalism*:

"From a formal point of view, democracy does not deny the right of private associations and local bodies; but, in substance, it corrupts them by its failure to understand the constructive value of the liberty which should govern their creation and operation. * * * Thus, the democratic state is the result of depriving the citizens of their rights and conferring them upon a general will, a single and indivisible sovereign people. * * * The general will, as democracy demonstrates in practice, is only the will of the numerical majority. The omnipotence of the majority is the practical corollary of democracy; and the formal respect for the rights of minorities loses all effectual sanction just because the individuals have forfeited all power to insist upon their rights, by conferring them bodily upon the state.

"The concentration of an immense power in the hands of an often fictitious majority is genuinely tyrannical; and it is therefore no error to place democracy and despotism on the same plane. * * *"

Efforts were made to harmonize the objectives of liberalism with the processes of democracy. The term liberal democracy was used by some to breach the gap in an attempt to modify majoritarianism and relate it to the concept of individualism. Many liberals, of course, denied that a gap existed and used the terms liberalism and democracy interchangeably. In fact, however, a clash was inevitable between democracy and liberalism as it developed and reached fruition in the 19th century.

The new industrial society which came into being in the late 19th century brought with it problems not contemplated by the philosophers of the 18th and early 19th centuries. A new power came into being. It was represented by concentrations of vast wealth in relatively few hands and was used to influence and control government, destroy competition, and increase the maldistribution of wealth. Here, then, was a new menace to freedom, as threatening to the individual as the power of a 17th-century despot, which required new strategy and new attitudes from those desiring to protect individual liberty.

Anatole France incisively expressed the dilemma of the liberal whose "law, in its majestic equality forbids the rich as well as the poor to sleep under bridges, to beg in the streets, and to steal bread." It became clear to many that more than political liberty was needed to achieve freedom for man.

It was in such circumstances that a new generation of liberals, hostile to concentrations of power which threaten the individual and keep him from realizing his potentialities, began to call upon government to intervene in behalf of preserving freedom and restoring balance in the society. This new liberalism came to see that the same forces which had once released the productive energies of Western society now restrained them; and that the very forces which had demolished the power of despots now nourished a new despotism.

Twentieth-century liberalism thus tried to adjust itself to the realities of an industrial civilization. It met with both partial success and tragic failure. The failure was in Europe. Only in England under a brilliant Lloyd George government before

World War I was a belated effort made to catch up with industrial realities. In France, the Radical Socialist Party (Liberal) participated in the Popular Front of the 1930's, but even here the efforts were too late and the forces of economic power too great. Instead of liberalism, socialism, communism, and fascism seemed to represent a more specific response to the industrial challenge and therefore swept the working populations and the middle classes.

In the United States, liberalism did seem to make the turn and remains today a dominant political force. An expanding frontier and the blessings of natural resources were partly responsible. They provided greater freedom for action, delayed the rise of the trade union movement, and, in turn, severely handicapped efforts of Marxism to gain a foothold here. Partly responsible too were a series of brilliant political leaders who helped reshape liberalism into an instrument for dealing with industrial society. They included Theodore Roosevelt, who first saw the democratic possibilities in big government and the need for big government to meet big business; Woodrow Wilson; and Franklin D. Roosevelt, who completed the transformation of American liberalism from an antistatist creed to a philosophy willing to use the State to achieve freedom—an end shared with traditional liberalism.

It would be well here to refer to Franklin Delano Roosevelt's observation with regard to liberalism in America. In 1938 he wrote:

"Generally speaking, in a representative form of government there are usually two general schools of political belief—liberal and conservative. The system of party responsibility in America requires that one of its parties be the liberal party and the other be the conservative party. This has been the division by which the major parties in American history have identified themselves whenever crises have developed which required definite choice of direction. In Jefferson's day, in Jackson's day, and in Lincoln's and Theodore Roosevelt's and Wilson's day, one group emerged clearly as liberals opposed to the other—the conservatives.

"One great difference which has characterized this division has been that the liberal party—no matter what its particular name was at the time—believed in the wisdom and efficacy of the will of the great majority of the people, as distinguished from the judgment of a small minority of either education or wealth. The liberal group has always believed that control by a few—political control or economic control—if exercised for a long period of time, would be destructive of a sound representative democracy. For this reason, for example, it has always advocated the extension of the right of suffrage to as many people as possible, trusting the combined judgment of all the people in political matters rather than the judgment of a small minority.

"The other great difference between the two parties has been this: The liberal party is a party which believes that, as new conditions and problems arise beyond the power of men and women to meet as individuals, it becomes the duty of the Government itself to find new remedies with which to meet them. The liberal party insists that the Government has the definite duty to use all its power and resources to meet new social problems with new social controls—to insure to the average person the right to his own economic and political life, liberty, and the pursuit of happiness. That theory of the role of government was expressed by Abraham Lincoln when he said, 'the legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot do so well, for themselves, in their separate and individual capacities.'"

Liberalism today stands generally committed to the qualified use of state power

to achieve the values of freedom and human dignity. Like their ancestors, modern liberals recognize that concentration of power, whether in private or public hands, is the enemy of freedom.

In the economic realm this has led the mainstream of American liberalism in the direction of a form of mixed economy which would include within it a diversification of ownership. Government power would be exercised through the indirect controls of fiscal and budgetary policy, rather than through direct physical control and central committee planning. This has been accompanied politically by an emphasis on the preservation of rights, particularly as they relate to the need for dissent and opposition within a democratic society. The guideposts of Justice Holmes have thus been an essential element of modern American liberalism.

In Europe this new resurgent liberalism is attempting to find a home within the social democratic movement. An increasing number of liberal socialists have come to see that total concentration of economic power in the state apparatus is a threat to political freedom, and that economic planning through the price mechanism and a relatively free market is, in many respects, more efficient than planning by state direction.

The liberalism of today does not seek the abolition of the price system, but it does seek the regulation and control of the profit system so as to bring about modifications to suit the requirements of a changing world. In thus invoking the agency of government to protect and assist the individual, liberals call attention to two profoundly important changes which government itself has undergone since the day when Gournay, the 18th-century Physiocrat, proclaimed the ideal of *laissez faire*.

First, despite the notorious shortcomings of bureaucracy, the techniques of public administration are incomparably superior to the prescientific methods of the 18th and 19th centuries.

Second, and foremost, the Government agency invoked by liberals is one democratically controlled and subject to the will of people who speak, write, and assemble freely and who are effectively organized into political parties, trade unions, business and professional groups, fraternities, religious, and other independent associations.

Accordingly, liberals have evolved a program of government action which, by a striking consensus of both critics and adherents, has come to be known as the welfare state.

The welfare state is based, in the first place, upon acceptance of collective responsibility for providing all individuals with equality of opportunity. This implies, as a minimum, the elimination of disparities brought about through racial and religious discrimination, and the universal availability of adequate educational facilities.

Second, in a society as richly endowed as our own, the welfare state assumes responsibility for the basic economic security of those who are unable, through no fault of their own, to provide such security for themselves. This implies aid to those who are disabled by reason of accident, illness, youth, or old age; minimum wage legislation and unemployment insurance for all workers; and aid to economically disadvantaged groups through support of labor unions, consumer organizations, small farmers, and independent business.

Third, the welfare state assumes the responsibility for reducing great disparities in the distribution of wealth and bringing about a closer coincidence between the income of the individual and his contribution to society. This implies an appropriate tax policy and a forthright attack upon monopoly and

other business arrangements which exaggerate differences in income.

Finally, the welfare state assumes the responsibility for promoting the full employment of our manpower and the full utilization of our resources. These, in turn, spell the objective of full production within the limits of an intelligent human and natural resources conservation and utilization program. Thus, contrary to the contention of its critics, the welfare state is concerned with the production of wealth as well as with the spending and distribution of wealth.

One other modern challenge to traditional liberalism is represented by Sigmund Freud and the development of psychoanalysis. As man began to learn more about himself, some of the earlier conceptions of liberalism came into sharp question. The liberal faith had been based on the judgment of man as a reasonable and good being. By acquiring knowledge and applying the scientific method, man could discover the laws of the universe as they related to his problems and solve them. The end result would be good, since man was good.

Man's study of his own psyche, however, raised disturbing doubts about these presuppositions of liberalism. Even with education, men were not necessarily guided by reason; and psychoanalysis discovered that evil was perhaps as essential an ingredient of man as good. In the latter sense, the psychoanalytic challenge to liberalism came close to the Christian theological notion of original sin, which has had its modern political expression in the works of Reinhold Niebuhr. Since men could be children of light and children of darkness and since man's subconscious was a cauldron of complexes and neuroses which interfered with the supremacy of reason over emotion, the liberal's faith in man's reason, man's goodness, and the scientific method was severely undermined. The Nazi eruption was the cold historical symbol of man's capacity for evil.

How liberalism responds to this challenge will in large measure determine its propensities for survival. The new discoveries need not in any way lead us to doubt that the goals of liberalism are as valid today as they always have been. The new insights into man which we have achieved now make our earlier faith appear naive, but this new understanding can give us strength and direction as it places the problems faced by liberalism into clearer focus. One essential adjustment which we must make is the need to embrace morality as an active, aggressive force in modern life. We can no longer take morality for granted and assume its superiority in man or its eventual victory over the forces of evil.

The liberalism of today, therefore, must strive to achieve freedom for man within the context of the problems which now face him. It should have no set of fixed dogmas concerning the kind of society in which individuals most fully realize themselves. Beyond a basic commitment to the dignity and worth of the individual, the content of liberalism from age to age and from nation to nation will vary with varying conditions. Liberalism may one day challenge and another day cherish the church; in one age it may seek less government intervention in economic affairs, and in another age, more; it may at one time be hospitable to the specific interests of the business community and at another time it may be hostile. The liberal approach must be experimental, the solution tentative, the test pragmatic. Believing that no particular manifestation of our basic social institutions is sacrosanct or immutable, there should be a willingness to reexamine and reconstruct institutions in the light of new needs.

Liberalism, therefore, lacks the finality of a creed, and thus it is without the allure of those dogmas which attract the minds of men by purporting to embody final truth. Whether liberalism can survive in a world

seeking security and finality cannot now be predicted. If it does not, our civilization perishes with it. Our task, therefore, is to strengthen and support it with all of our energies and intelligence. We must release ourselves from the shackles of yesterday's traditions and let our minds be bold. Our striving for liberty, must relate itself to and come to terms with the historic demands of equality—which, likewise, has a noble tradition tracing back to the Stoics and the Christian Fathers. With Hobhouse, we must remember that "liberty without equality is a name of noble sound and squalid results."

Finally, liberalism must cement its destiny with that of democratic self-government and the need to protect democracy against its totalitarian enemies from within and without. In the struggle for survival between democracy and totalitarianism, liberalism finds its own struggle for life intimately interwoven. Liberalism, therefore, even as it recognizes the necessity to preserve the spirit and fact of dissent in the political community, must recognize its ultimate loyalty to a majority-rule society and to the protection of all the factors which make such a society possible.

Our faith is that liberalism will survive and prevail. Our faith is bolstered by awareness of man's disquieting sense that no individual and no generation can discern the content of freedom for all time. We state for all to hear that liberalism possesses a durability as strong as man's eternal quest for freedom.

The Dairy Industry

EXTENSION OF REMARKS

OF

HON. WALTER NORBLAD

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. NORBLAD. Mr. Speaker, under leave extended to me today, I include herewith the address by the Honorable JOHN BYRNES of Wisconsin before the Wisconsin Farm Bureau Federation:

TEXT OF REMARKS OF REPRESENTATIVE JOHN W. BYRNES, OF WISCONSIN, BEFORE THE WISCONSIN FARM BUREAU FEDERATION, GREEN BAY, WIS., NOVEMBER 15, 1955

I face you with mixed emotions. I am, of course, honored that you include me on your program. I've greatly admired your organization and its splendid and constructive work at National, State, and local levels. On the other hand, I recognize that I am a novice speaking to experts. That puts me on a bad spot.

You are farmers. You have spent your lives building the dairy industry into the principle economic force in Wisconsin. You have intimately experienced the problems of that industry. As Representative in Congress from this area and this State, I have been only a student of your problems. My endeavor has been to learn about them as best I can in order to judge what Government can and cannot do to assist in solving them—not only for your best interest but for the best interest of all of our people.

I hope you will excuse my presumption, therefore, in speaking to you about the dairy industry. I promise to confine myself to those aspects with which I am most familiar—the economics and politics of the dairy problem.

We're hearing a lot from the politicians these days about the role of the Federal Government in solving the dairy problem.

In the western part of the State, Congressman JOHNSON calls for the maintenance by the Government of a fixed, high price for milk—with the details worked out pretty much by the Farmers Union.

Congressman REUSS, who represents the lush green pastures of Milwaukee, calls for Federal payments to farmers to make up any deficit in their income—with the details to be worked out by the Department of Agriculture.

Mr. Adlai Stevenson opposed high rigid Government price supports from this same platform last month. Within a few weeks, however, he changed his mind and supported them.

Our junior Senator from Wisconsin wants the Government to provide 100 percent support for milk. And our senior Senator wants the Government to guarantee a minimum return for milk with direct subsidy payments to make up any difference.

These are all political solutions for the dairy problem. They are political because they rely entirely upon massive action by the Government for success.

We will never solve the dairy problem, or the farm problem, as long as politicians feel they must compete with one another in offering bigger and better pie-in-the-sky in the hope of getting the farm vote. A basic responsibility of the politician, it seems to me, is being honest and practical in dealing with public questions.

These political solutions fail on both counts.

The vote-catching gimmicks each one offers are of dubious practicality. The dairy problem will not be solved with gimmicks.

On the score of honesty, each plan suffers from a lack of candor. They stress what they hope you will get, not what you have to give.

Each one of these political solutions would necessarily put the Federal Government smack in the middle of your milk house, watching you like a hawk every time you patted the rump of your best producer.

Make no mistake about it. Every plan that makes it mandatory for the Government either to maintain high prices through loans or purchases, or provide producer subsidies in the form of deficit or production payments, must inevitably provide for Government control of the volume or amount to be produced. To work at all, such plans must include effective controls because, without controls, they are doomed to failure before they even start.

Their purpose is to provide a Government-guaranteed high return for milk. Unless curbed in some way, the natural result of such guaranteed high return is greater production and no program can long be continued which produces milk for which there is no market.

We can't forget that the overall 7 percent increase in milk production in 1953 and 1954 under 90 percent supports, piled up over a half-billion dollars worth of dairy products in Government warehouses, resulting in storage charges alone of \$1¼ million a month. And, costly as a high support purchase program is, the cost of direct producer payments is even more. A direct payment program, at 90 percent of parity, based on present levels of production, would result in a charge of \$1¼ billion a year upon the Federal Treasury. What it would be under the vastly increased production which would result from such a program without production controls is impossible to estimate.

Let us also face the political realities.

Such programs will never be authorized by Congress without production controls—no matter what the politician promises in his speeches.

The House of Representatives had an opportunity to vote for higher milk supports last May. The House turned the amendment down overwhelmingly, much to the chagrin

of those who had so glibly promised the adoption of a higher milk support program during the congressional election just 7 months earlier.

It was made clear during that debate that, if you want higher milk supports from Congress, you have got to take production controls to get them.

The chairman of the House Dairy Subcommittee put it squarely on the line. He said, "when dairy farmers ask for a control program and are willing to accept marketing quotas in consideration of 90 percent supports * * * I will be on their side." His position was confirmed by the chairman of the full Committee on Agriculture and other committee members.

Let me repeat.

Adoption of any of the political dairy plans we have heard throughout Wisconsin this fall means imposition of production controls upon the Wisconsin dairy farmer. Without controls, they will not work. Without controls, they have no chance of being enacted.

It seems to me, therefore, that it is high time we took a close look at milk production controls. With high-ranking politicians criss-crossing the State all proposing programs which lead to such controls, we have a heavy obligation to ourselves and to this great dairy industry in Wisconsin to find out exactly what they would mean. Already, some farmers in Wisconsin, attracted by the wrapping on the package have indicated they are ready to buy. The time has come to take a closer look at the price tag, and when I say "price tag," I mean more than just dollars and cents.

What are the problems involved in Government control of milk production? How will it work, and how will it effect the Wisconsin dairy farmer?

Fortunately our experience with Government controls a few years back is still fresh in our minds. Price controls, rent controls, wage controls, indirect production controls by means of allocation, we had them all. Our memories certainly are not so short that we have forgotten the redtape, the inequities, the individual hardships resulting from these programs. Let me say this. Those inequities, redtape, and hardships will be like child's play compared to those which will raise from any program to control milk production.

Leaving aside the problems of determining overall production levels, enforcement, and the administrative complications, let's take a brief look at the problem of distributing any sales quota among over 3½ million farmers producing milk.

Keep in mind that the object of these controls will be to reduce the amount of milk being produced. That means that some dairy farmers are going to be forced to cut back their present volume. Will the cutback be applied to all areas proportionately? Of course not. It will be necessary to define certain areas—such as those serving fluid-milk markets—as nonsurplus areas. Because of the problems growing out of the distribution of milk, the tendency will be to select certain areas for exemption and to define other areas as surplus producing areas. The cutbacks will be applied, of course, to the farmers in so-called surplus producing areas.

In addition to the area distribution problem, there is the problem of determining individual quotas within an area. For the same reason that areas with a high volume of manufacturing, or surplus, milk will bear the brunt of control, so the individual farmer within an area who is shipping to processing plants will bear the chief burden of the cutbacks.

It must be expected that individual quotas will be allocated on the basis of actual production during some arbitrary period which may or may not represent normal production.

If a farmer was just starting operations during that period, or if he had met with some unfavorable production conditions, his quota will be lower than it should be. His entire operations will be frozen by what is bound to be an arbitrary and discriminatory formula. He will be at the mercy of some Government bureau.

Now, let's turn from generalities to the specific. Let's examine a production control for milk which has seriously been proposed by a national organization which purports to speak in the interest of the farmer—the Farmers Union.

The president of the Wisconsin Farmers Union, as a matter of fact, presented this program to Congress last June.

Under the plan, a national quota would be set and then distributed to the States, by the States to the counties and by the counties to the individual farmers. Compliance would be obtained by depriving non-cooperators of support payments as well as fining them for every pound of milk sold above the quota. Farmers with less than 5 cows, or less than 30,000 pounds in sales, or farmers selling class I milk under a Federal order, would be exempt from quotas.

The Farmers Union plan sounds simple. Combined with high support prices, it may even sound attractive. It is neither. It is a snare and a fraud upon the Wisconsin dairy farmer.

Note the exemptions. Note those who will not be controlled, who will not have to cut back their production but who, if they desire, can even increase their production.

First, it removes the 5-cow or less than 30,000 pound producer. That doesn't cut out many Wisconsin farmers, but it does exempt a lot of other farmers in the country. It exempts, in fact, over 2 million of the 3½ million farms with milk cows.

More important, it exempts all farmers "producing solely for class I sales under a Federal or State milk order."

In Wisconsin, about 22 percent of our milk falls in this exempt category. That means that 78 percent of our production would be subject to control. Take a look at some of the other big dairy-producing States. In New York, 80 percent of the milk is sold under Federal or State milk order. In Pennsylvania, 100 percent of the milk is sold under such orders. Mr. Hones has concocted a device which puts a lovely squeeze on Wisconsin farmers, exempting every pound produced in Pennsylvania, 8 out of every 10 produced in New York, and controlling 80 percent of Wisconsin's production. Keep in mind that these fluid milk areas would be free of controls even though a good share of their milk goes into manufactured products.

When I say the burden would fall upon Wisconsin farmers under the Farmer Union plan, let me get specific. That plan would have resulted in 9-percent reduction on the 107 million pounds produced in 1954. But this 9 percent would have to come from the 80 billion pounds produced in nonexempt areas outside of the marketing-order areas. Instead of a 9-percent reduction, it would have amounted to a 15-percent cut in production for nonexempt farmers—8 out of 10 Wisconsin farmers. If the quotas furthermore, as Mr. Hones implies, apply to milk sales only and do not include sale of farm-separated cream, the reduction required would have been 20 percent.

Let me make it clear that the disastrous results of the Farmer Union plan upon Wisconsin dairy farmers apply equally to almost any production-control plan devised. Wisconsin is a surplus-milk-producing State. We produce 13½ percent of the Nation's milk with only 2 percent of the population. We are the No. 1 State in the production of manufacturing milk. With 10 percent of the milk cows, we produce over 20 percent of the milk used in manufacturing in this country. In any production-control plan,

as I mentioned earlier, Wisconsin will be considered the No. 1 State as far as surplus production is concerned. Wisconsin will be the No. 1 State so far as cutback in production is concerned. The Wisconsin farmer will bear the brunt of any control program which can be devised.

The exemption of marketing order producers will put the Wisconsin farmer at a further disadvantage. The exempt farmer, already overproducing beyond the needs of the fluid-milk area, under the impetus of high prices would do everything he could to further increase his production—and profits. The Wisconsin farmer would be a controlled farmer forced to reduce his herd and his milk volume. The New York or Pennsylvania farmer would be a free farmer, taking advantage of Government-guaranteed prices with unlimited opportunity to increase his production and sales.

I am amazed that such a plan could be authored and fostered by an organization representing Wisconsin farmers. Mr. Hones and the Farmers Union would serve the Wisconsin farmer better by fighting such a plan every step of the way.

Yes, the price tag of milk-production controls comes high.

In my opinion, to shackle the Wisconsin dairy farmer with such controls would be a disaster not only for him but for his industry and the general economy of our State. Nationwide, it would be a long, possibly fatal step along the path toward Government regimentation of the farmer.

Yet, that is the price that must be paid for the pie-in-the-sky schemes offered by those who have become panic stricken as the result of the unfavorable price developments in the milk industry during the past 2 years.

They seize upon such calamitous solutions because they ignore the causes of this decline and are seemingly unaware of what has happened since.

We have had falling milk prices because of two great economic forces at work at the same time. In 1953, urged on by high milk prices in 1952, we had a gigantic increase in milk production. In the same year, we had the lowest per capita rate of milk consumption in our history. The result was inevitable—drastically lower milk prices. Such prices, combined with high production costs, have produced a tragic decline in net income to the dairy farmer.

Certainly, we must all be concerned with this development. We cannot turn our backs on it. We'd better make up our minds, however, that there is no simple and easy panacea for our troubles.

Fortunately we have had a Government which unlike some politicians, has refused to panic. It has taken the hard, unpopular, undramatic steps necessary to correct these two great maladjustments. Those steps are aimed at leveling off production and increasing consumption. In taking them, the Government, and particularly the Secretary of Agriculture charged with executing its policies, has incurred the wrath and resentment of many dairy farmers.

This search for a handy whipping boy is understandable in view of the hardships which falling milk prices have brought about.

It's time, now, however, to be honest with ourselves and ask whether it is realistic to blame our troubles on those taking the painful measures needed to correct a critical condition, or if it is not more in accord with the economic facts to place the blame where it belongs—on the war and rigid supports which largely caused the disastrous overproduction and the lowest per capita consumption in our history.

The time has come, too, to decide whether we wish to accept political solutions which would go far toward destroying our industry, or whether we wish to give wholehearted support to a program, however painful at the

start, which has taken us through a critical period and is putting us on the road to recovery.

The panic-stricken have failed to consider what is happening in the dairy industry today. They have failed to read the signs pointing toward a solution to the dairy problem in the market place—where the only sound solution to our problems is possible.

Under the policies pursued by your Government, there has been a dramatic change in the outlook for the dairy industry.

Whereas, 2 years ago, milk prices were headed down, today they are headed up.

Whereas, consumption then was hitting all-time lows, today it is steadily growing.

Whereas, then, production was increasing way out of proportion to demand, today it is leveling off to manageable proportions.

Government stocks of cheese have been cut from 120 days supply to 80, butter stocks from 120 days supply to 28, and powdered milk stocks from 300 days supply to 18. We are disposing of dairy products in Government hands faster than we are purchasing them.

Of particular note are the dramatic increases in dairy products shipped abroad which your Government has been able to achieve. In the last fiscal year, we sent overseas 25 percent more powdered milk, 4 times as much cheese, 10 times as much butter oil, and 15 times as much butter as in the year before.

Barring a large increase in production next year, we can look forward to a comparative balance between production and consumption which will have a beneficial effect upon milk prices everywhere.

This is no time, I respectfully submit, to trade a working program for a gimmick and a noose.

I do not contend that the present program is perfect or complete. No program ever is. One of the particularly urgent problems which must be solved is the problem of keeping acres diverted from basic crops out of milk production. Such diversion is a major factor in bringing about large, sudden increases in milk production with their disastrous effect upon prices. The soil-bank program, on which the administration is working, and on which it is receiving such valuable advice from your federation, holds great promise. And, it goes without saying, there is much more that can be done, through cooperation between producer and government, to bring about increased efficiency in production and distribution and increased consumption.

Combined with realistic price supports, these steps will give us a dairy program which looks to the market place, instead of a Government bureau, for the farmer's income.

That market place in 1960, I am advised by the Census Bureau, will comprise 179 million people. This means that, in 5 years, there will be 14 million more people to feed with a potential consumption of 10 billion more pounds of milk each year.

To capture and hold that market we must cultivate it. We will not cultivate it by pricing ourselves out of it, by accepting Government-imposed cuts in production, or by making ourselves unprepared to serve it. It will be captured like any other market in America—by furnishing the best possible product in the quantities needed at the lowest profitable price.

It is this choice we must make.

I urge your rejection of any solution which places your economic freedom in the hands of a few men in Washington and your income in the lap of a fickle Congress. If you choose wisely, I for one have no doubt concerning the future of dairying in Wisconsin. It will continue, as it has in the past, to form the solid economic base upon which we can build, in this great State, the good life for us and our children.

Economic Freedom and the Automobile Industry

EXTENSION OF REMARKS

OF

HON. PHIL WEAVER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 31, 1956

Mr. WEAVER. Mr. Speaker, as a Member of the Congress and as an automobile dealer, it affords me a great deal of pleasure to commend to the Members of this body for reading, an address by Hon. JOSEPH C. O'MAHONEY, Senator from Wyoming. It was delivered yesterday to the annual convention of the National Automobile Dealers Association assembled here in Washington.

This is typically an American statement in that it offers encouragement to small-business men throughout America who are in the automobile business. Senator O'MAHONEY recognizes the right of an individual under our free enterprise system to choose his destiny without fear of reprisal or undue pressure from the giants of the automobile industry. It calls for a spirit of fairness and equality for these dealers in their contractual relationship with the automobile manufacturers.

The remarks of the Senator are fair and, I feel, indicative of the viewpoints of every franchised new car dealer in this country.

ECONOMIC FREEDOM AND THE AUTOMOBILE INDUSTRY

(Address of Senator JOSEPH C. O'MAHONEY, Wyoming, before the 39th annual National Automobile Dealers Association convention, Sheraton Hall, Sheraton-Park Hotel, Washington, D. C.)

Two congressional investigations of 1955 have, without a single line of legislation having been written, already produced some beneficial results in the automobile industry. I know that Senator A. S. MIKE MONRONEY, of Oklahoma, who headed the subcommittee of the Senate Committee on Interstate and Foreign Commerce, and I, who had the honor to be in charge of the work of the Judiciary Subcommittee on Antitrust and Monopoly, agree that without the cooperation and assistance of NADA and of the automobile dealers of America little could have been done, so I begin by expressing my deep appreciation to this organization and to the thousands of automobile dealers all over this country who wrote me and who responded to the questionnaire sent out under Senator MONRONEY.

The staffs of both of these committees worked diligently and effectively to assemble the information which you presented us, and by the public hearings we were able to place the facts in a written record for all to see. For the first time, in our hearing dealers and manufacturers were enabled to sit around a congressional table in an open hearing and state their views, face to face. Open discussion is good for the soul. It can now be said that signs are already appearing to indicate a better relationship between the factory and the dealer. The pressures which the dealers felt were used by the factories to compel them to distribute at their own loss more cars than the market could soundly absorb are apparently disappearing and there come to the Senate Office Building expressions from men who ought to know that 1956 may see a new spirit of good will.

FACTORY PRESSURES CAUSE BOOTLEGGING

We shall make a mistake, however, if we believe that the problem of factory-dealer relationship can be solved, or that a rule can be developed which without the sanction of law will preserve the economic freedom of local dealers from the power of central management. It is true that bootlegging in the automobile business was generated because the factories were manufacturing more automobiles than the market would absorb, and that the manufacturer, while insisting upon full payment at the factory gate, pushed more cars upon the individual dealer than he could profitably handle. Indeed, the manufacturer could not have been oblivious to the evils that resulted including the operations of the vacant-lot dealer who, without salesroom or repair shop, entered into competition with the distributor holding a formal franchise from the factory.

The inventory of unsold automobiles at the beginning of 1956 is actually greater than it was at the beginning of either 1955 or 1954 and, if the fears of financial failure which so many dealers entertained before the problem was brought to Congress are to be allayed, the relationship between the manufacturer and the dealer must be placed upon a more equitable, sound and bilateral basis than it has heretofore been. The factory in its own interest must work through contented distributors, whose charters of operation cannot be modified by telephone orders, or private tips from factory representatives who, with or without the knowledge of central management, have presumed to tell the dealer what he must do or else.

No one will deny that automobile manufacturers, the six of them that are left, are managed by able, efficient gentlemen who, in man-to-man dealings, follow a high standard. No one can doubt, however, that a system which places all the risk on the distributor while the manufacturer receives cash on the barrelhead is obviously one which in the end would be as bad for the manufacturing corporation as it has proved to be during 1954 and 1955 for the dealer. A system which allows the manufacturer to convey his orders orally and without record establishes an atmosphere of arbitrary power which inevitably breeds not only discontent, but fear, and finally resentment that is bound eventually to explode to the detriment of all concerned.

THE FRANCHISE SHOULD PROTECT DEALERS' INDEPENDENCE

In my opinion there can be no sound and stable relationship established between automobile manufacturers and automobile dealers unless there is an agreement binding upon the manufacturer that whatever suggestions or orders management desires to convey to the dealer shall be in written form.

The dealer by his reports to the manufacturer lays bare his whole financial status. He has no secrets from the central offices of management and he has no security from the desires and plans of central management or its spokesmen so long as they can be transmitted to him without a record upon which the dealer may make his appeal.

In this position, he stands helpless before an appeal to a board made up by management.

The American system of settling disputes among citizens is through an impartial court sworn to do justly by all parties to the dispute. That is why in almost every community throughout the land we see above the courthouse as the symbol of justice, the goddess with the scales in her hand and the blindfold on her eyes to shut out all impressions that might tempt her to allow the scales to be tipped by anything but the truth.

The lawbooks are full of cases which dealers have lost in their suits against central management because the nature of the sales agreement under which they operated was

such that they had signed away their basic rights and had in fact voluntarily made themselves little more than vassals of the manufacturer. Baseball players and even football players, who are bought and sold by their managers like chattels, have nevertheless contracts which are enforceable in the courts, contracts under which both parties have rights and responsibilities. The defect of the automobile franchise is that the manufacturer's right of termination is an instrument by which the car dealers are reduced to a defenseless position. Despite all the protestations of manufacturers that they wish to be fair and just to the dealer, they have contrived by the common form of franchise to put themselves in an impregnable position, while the dealer is at their mercy. When the holder of a 1-year franchise finds himself approaching the renewal date he is in no position to bargain. Even though he may be a dealer who has made large profits during the post war years when the public was ready to buy anything that ran on four wheels, he is nevertheless just as powerless as the poorest dealer in the land when he sits across the renewal table with the spokesmen for the manufacturer.

DEALERS HELPLESS AGAINST GIANT INDUSTRY

This is not the American pattern under which business is carried on at arm's length by equals whose obligations are assumed by mutual consent. It is a new pattern which has been developing in the fields of industry in which individuals find themselves dealing with large corporations by which they are as clearly outclassed as a featherweight would be in the same ring with Marclano.

Sometimes the man on main street engaged in business with his friends and neighbors imagines that he belongs in the same class as the mighty corporations which deal in interstate and foreign commerce. Let us see how completely dissimilar are the individuals who are the local distributors of motorcars and the manufacturers who make them. The local distributor, even when it is a local corporation, is still primarily an organization that is owned and managed by the same persons. That is not the case with automobile makers like General Motors, Ford, and Chrysler. These corporations are owned by thousands or hundreds of thousands of stockholders whose only participation in the handling of the money they paid for their stock is to sign a proxy for the managers. In the case of the General Motors Corp., the owners or stockholders number over half a million and, as shown in the General Motors Handbook of Information, although more than 90 percent of the stockholders are individual persons, no one individual owns as much as 1½ percent of the common shares. These shareholders live in every State and in many foreign countries, and more than 60 percent own 50 shares or less. In the economic state, which General Motors can properly be called, the individual owner sinks to insignificance. But at least he has a vote, while in the new plan just announced by the Ford manufacturing company little people with small sums of money to invest have been invited to buy voteless stock of the Ford corporation so that they do not have the right even to sign a proxy as in the case of General Motors.

GM A PRIVATE ECONOMIC STATE

In General Motors the 50 largest stockholders own 38.9 percent of all the outstanding stock. The 15 largest own 32 percent. Every lawyer and every business expert who is at all familiar with the control of large-scale corporations knows that the group which can control 30 percent of the outstanding stock in any corporation, in which the great majority of the individual stockholders are the owners of only a few shares, are in fact in control of the corporation.

These few stockholders are the rulers of an economic state, the geographical extent of which exceeds local, State, and even international boundaries.

General Motors, for example, has plants in 64 American cities and in 18 foreign countries through subsidiaries created under the laws of those countries. It does business in every State of the Union. The raw materials it buys from steel to plastics, wood, glass, fabrics, copper, chrome, and countless other commodities constitute the economic life of many communities in which they are produced and fabricated. General Motors boasts in its Information Handbook that it has 21,166 suppliers, located in every State and ranging in size from small shops with a dozen or so employees to large mass-production companies in the steel, rubber, and chemical industries.

The dictionary of complimentary adjectives does not contain words enough to praise the engineering skill, the manufacturing efficiency, the managerial genius of the men who have built this organization. Its products include the tools of other industries, the household appliances that make housework so easy and comfortable for the modern housewife, tanks and guns, rockets, guided missiles, and ammunition with which to make war, and its financial strength is so great that imagination can scarcely place a boundary on the activities in which it may engage.

Add to its 500,000-plus stockholders, its 600,000-plus employees, the employees of its 21,000 suppliers, and of its 18,000 dealers, you find that the population of this economic state is greater than the population of some of the States and of most of the cities in the United States. Its gross revenues, which in 1955 were approximately \$12 billion, are more than one-third of the total gross income of all the farms and ranches of America in the same year. I make this comparison because the farm industry is carried on by individuals for the most part, while the manufacture of automobiles is carried on by huge corporations. In the instance of General Motors, the world's largest manufacturing corporation, its gross revenue amounting to more than one-third of the gross revenue of the entire agriculture industry, illustrates the nature of the problem that this generation must solve if it is to preserve political and economic liberty for the people of the United States, to say nothing of the people of the world.

While the economic status of the farmer is deteriorating that of the great corporations is improving and by means of steadily increasing mergers and combinations they are exercising such control over the whole national economy that the States have lost the power to protect the public interest while the pressure for the expansion of Federal power continues apace. Federal boards and commissions multiply in number and assume more authority over the lives of the people.

Regulation of private activities by Government was never popular and is not popular now. During both World Wars in which this Nation was engaged, when Congress found it necessary to mobilize all our industrial resources to win, it passed laws giving Government the power to regulate prices, to allocate materials, to place restrictions upon many peacetime businesses in order that the terrible business of war could be carried on to a successful conclusion. In every such act Congress provided that the power should end as of a certain date. When victory did not come as speedily as had been hoped, these grants of emergency power were extended, and even now, in the name of defense and in international relations, the Federal Executive asks authority greater than Congress likes to give—witness the request for power during the next 10 years to make commitments for foreign aid.

Only a few days ago the President, in submitting his annual economic report, advocated a study of the problem of restoring the Government's power to regulate the terms of consumer installment credit, saying that "installment credit has repeatedly been tested and found excellent." He went on to say that, "nevertheless, installment credit sometimes accentuates swings in the buying of automobiles, furniture, television sets, and other consumer durables, thereby exposing the rest of the economy to the hazard of widened fluctuations."

CONCENTRATION OF ECONOMIC POWER CHANGING OUR SYSTEM

What I am pointing out is that concentrated economic power has grown so great that it is changing our entire economic system. It is changing the relationship of citizens to one another, the relationship of citizens to corporations, the relationship of corporations to Government, and, above all, the relationship of Federal Government to the States and to the people. Our system is changing before our eyes, but we don't see it.

Government has the responsibility imposed upon it by the Constitution to regulate commerce in time of peace and in time of war, but Congress has always been slow to regulate and rigidly reluctant to impose Government controls over the activities of its citizens. It yields to such grants only in times of emergency when the life of the Nation itself is at stake. In normal times of peace it desires only to exercise its constitutional power of regulation. By regulation we mean only the establishment of those rules under which the citizen may pursue his private life without the intervention of the Government to say what he may or may not do. The American people are instinctively loyal to the Jeffersonian principle "that government is best which governs least."

The members of this organization, however, have learned from their experience in the last few years that government is not the only institution which assumes the power of control. I dare say it was one of the most important events of the 20th century when the automobile dealers of America in 1954 and 1955 became aware of the fact that they as individuals had to submit to the controls of the manufacturers whose products they thought they were selling as free and independent enterprisers. Now they know that though they themselves were the owners of the properties they operated, they were frequently compelled to surrender their own judgment as to what they thought was best for their business affairs by the pressure of factory representatives who bore no responsibility for the orders they gave or for the results that followed.

Lest it be thought that I am overemphasizing the General Motors Corp. in this discussion of the concentration of economic power, I want to point out that it has been known to economists and others for almost 50 years that in modern organized business the giant units which have appeared have separated ownership and management and have stepped with controls into the vacuum Congress left by failing to regulate. The stockholders don't manage. They merely furnish the capital. Management is concentrated in a few hands, and a comparatively few such organizations are greater in economic power than many of our States and cities.

Statistics available in the Library of Congress show that there are 25 corporations in the United States whose revenues are larger than those of any State or municipality, except the 5 largest, namely, the city of New York, and the States of Pennsylvania, California, New York, and Ohio. New York City ranks second to the Federal Government among all the public bodies of this Nation in the amount of revenue it collects. In 1954 our largest city received total revenues amounting to \$2,866,000,000. Six corpora-

tions, national and in some cases international in scope, collected more money from the people that year than did New York City. They are, in the order of their magnitude, (1) General Motors, (2) Standard Oil Co. (N. J.), (3) American Telephone & Telegraph Co., (4) United States Steel Corp., (5) Sears, Roebuck & Co., and (6) General Electric Co.

The Metropolitan Life Insurance Co. collected \$2,176,000,000, which is more than the State of Pennsylvania, the largest revenue gatherer of all the States. Chrysler Corp. collected \$2,072,000,000, or more than the State of California, the State of New York, or the State of Ohio, the revenues of which were respectively \$2,003,000,000 for California, \$1,924,000,000 for New York State, and \$1,090,000,000 for Ohio.

"SO WHAT?" TOTALITARIANISM

This is a situation which cannot be waved off with a toss of the head or with the derisive jibe "So what?" We know now that the economic decisions which are reached behind closed doors in the offices of these great economic states reverberate throughout the land and affect business not only in every State, city, and county, but affect likewise whole segments of the population. Our very way of life is being altered and methods of totalitarianism are succeeding the methods of democracy.

National business of the size above indicated cannot be conducted without affecting all interstate and foreign commerce. The Constitution gave to Congress the power and the duty to regulate such commerce in the public interest. If that constitutional authority is not exercised so as to preserve our economic freedom, political freedom itself will be in danger. We cannot afford to close our eyes to the cold war which envelops the world for it is an economic war. There are two contrary principles involved in this conflict. One is the principle of Soviet Russia that the dictators of the proletariat shall tell all the people of the world what they can or cannot do, both economically and politically. The other principle is the one which we have inherited from the framers of the American Constitution, namely, that no individual, no dictator, no group, no class can govern this land, either politically or economically, according to its own will. To the latter principle all Americans still adhere.

If we wish this principle to prevail, then we must quickly get about the task of providing through the Federal Government the rules—not the controls—under which our economic system shall work, the laws to guide business, not the discretionary boards to control it.

THE AUTOMOBILE INDUSTRY HAS LEARNED THE FACTS OF LIFE

The automobile dealer has learned the economic facts of life the hard way. Management in the automobile industry has likewise seen the writing on the wall and seems ready to make adjustments. To be just, however, these adjustments must have the force and effect of law. They should be adjustments of freedom, not mere adjustments of control. They must be adjustments that will clearly define powers, duties, and responsibilities. If that be done, we in America can show all the peoples of the world that dictatorship of any kind need not be tolerated because social justice can be achieved by the people themselves.

There are certain steps which it seems to me should be taken immediately. I shall not here discuss proposals which the Committee on Antitrust and Monopoly have before it covering the larger field, but I do not hesitate to express the first step which I feel should be taken by which the automobile industry can lead the way on the road back to economic liberty.

LET'S WRITE A CONTRACT ENFORCEABLE IN THE COURTS

The first step would be the negotiation of a sales contract between automobile manufacturers and dealers carrying provisions of mutual responsibility and enforceable in the courts.

Such a contract should eliminate completely all oral orders or suggestions to the dealers by factory spokesmen with the threat of force.

Such a contract might well be flexible enough to protect the dealer and the factory in years of high or low public demand, of high or low production. It might be feasible, for example, that the allotment of cars

to distributors for sale could be made annually by mutual consent upon the historic basis of public demand with a provision for a bonus of extra cars for the distributor with a good record in an area of high demand, and a provision to the effect that in times of high inventory and difficult sales the factory bear a part of the loss resulting from over production.

If dealer councils are necessary to maintain a sound basis of mutuality between the factory and the dealer, then both the manufacturer and the dealer should have an equal hand in selecting the persons to sit upon the councils. The dealers should have the right to organize in their respective regional areas

and elect the members who are to represent them on such industry councils.

The pattern of procedure should be established by Federal law so that it would have a permanent status, and not be subject to fluctuation with the changes of managers.

This should be a rule of order ratified by the national Congress, and it would point out to every other industry how a self-governing economic system could be established, abolishing arbitrary powers for either management or Government, but establishing under written contracts mutual rights to which all parties concerned could appeal in case of disputes to the judicial system established by the Federal Constitution.

SENATE

WEDNESDAY, FEBRUARY 1, 1956

(Legislative day of Monday, January 16, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

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

God of grace and God of glory, trusting only in Thy mercy would we seek Thy face. We are but frail children of dust. As for every one of us swift to its close ebbs out life's little day, so teach us to number our days that we may apply our hearts unto wisdom.

In a confused day, keep our minds clear and clean and uncluttered by prejudice. In a darkened day, when so many lights have gone out, give us the sight and the insight of the pure in heart that we may see God and the godlike everywhere. In a clamorous day, filled with angry accents of hatred and suspicion, give us ears to hear the voices that speak of justice and freedom and world understanding. In a mad day, grant us sanity of mind in our outlook and a glad and buoyant hope that sends a shining ray far down the future's broadening way. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 31, 1956, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations be authorized to meet this afternoon while the Senate is in session.

Mr. JOHNSON of Texas. Has the Senator from Arkansas cleared the matter with the minority leader?

Mr. McCLELLAN. No, I have not.

Mr. JOHNSON of Texas. Will the Senator from Arkansas withhold his request until I can consult with the minority leader?

Mr. McCLELLAN. Yes.

Mr. McCLELLAN subsequently said: Mr. President, I now renew my request for unanimous consent that the Senate Permanent Subcommittee on Investigations be allowed to hold hearings this afternoon while the Senate is in session.

Mr. KNOWLAND. I have no objection.

Mr. McCLELLAN. I thank the Senator from California.

The PRESIDENT pro tempore. Without objection, consent of the Senate is granted.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Banking and Currency was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on the District of Columbia was authorized to meet during the session of the Senate today.

ORDER FOR HOUR OF MEETING ON MONDAY, FEBRUARY 6, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate meets on Monday next, it convene at 10 o'clock in the morning.

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

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that any statement made in connection therewith be limited to 2 minutes.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT OF BUREAU OF THE BUDGET

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, a report of that Bureau on its Circular No. A-45 upon departments, agencies, and corporations of the Government (with accompanying papers); to the Committee on Appropriations.

REPORT ON REAPPORTIONMENT OF AN APPROPRIATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the administrative expense authorization of the Commodity Credit Corporation for the fiscal year 1956 had been reapportioned on a basis which indicates a necessity for a supplemental estimate of administrative expense authorization (with an accompanying paper); to the Committee on Appropriations.

REPORT OF CAPITAL TRANSIT CO.

A letter from the President, Capital Transit Co., Washington, D. C., transmitting, pursuant to law, a report of the operations of that company, for the calendar year 1955 (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF GENERAL SERVICES ADMINISTRATION

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, his report for the year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

A letter from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AUTHORIZATION FOR COUNTY OF CUSTER, MONT., TO CONVEY CERTAIN LANDS TO THE UNITED STATES

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the County of Custer, State of Montana, to convey certain lands to the United States (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF INTERSTATE COMMERCE COMMISSION

A letter from the Chairman, Interstate Commerce Commission, transmitting, pursuant to law, the 69th annual report of that Commission, dated November 1, 1955 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON FINAL VALUATIONS OF PROPERTIES OF CERTAIN CARRIERS

A letter from the Chairman, Interstate Commerce Commission, Washington, D. C., transmitting, pursuant to law, copies of final valuations of properties of certain carriers (with accompanying papers); to the Committee on Interstate and Foreign Commerce.