SENATE

THURSDAY, JUNE 24, 1943

(Legislative day of Monday, May 24, 1943)

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:

O Thou great companion of our souls, grant unto us, O Lord, the spirit of understanding, of discernment, and of fair dealing. As we give our minds and hearts to the Nation's need save us from our prejudices, from half truths, and from all attitudes colored by the clamor of the few. May we have eyes to see and to seek the highest good for the whole Commonwealth, whose faithful servants we would be. May we take heed of all judgments of men and gather patiently whatever truth they hold, but teach us still to test them by the words and the spirit of that One whose white and winning life judges us all. If men speak well of us may we not be puffed up; if they slight us may we not be cast down, remembering the words of the Master who bade us rejoice when men speak evil against us and to tremble when all men speak well, that we may have evidence that we are still soldiers of God.

In these dark days of the world's agony let not any shadow of discouragement, of defeatism, or of cynicism oppress our spirits, lest our gloom should darken the light by which others have to live and walk. In these days of crisis and alarm help us to play the man and so help others to face with good cheer and courage whatever tomorrow may bring. We ask it in the name of Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, June 23, 1943, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, informed the Senate that pursuant to the terms of Senate Concurrent Resolution 14, accepting an invitation to have four Members each of the Senate and House of Representatives attend a meeting of the Canada Branch of the Empire Parliamentary Association at Ottawa, Canada, June 26 to July 1, 1943, the Speaker had appointed on behalf of the House of Representatives Mr. BLOOM, chairman, Mr. LUTHER A. JOHNSON, Mr. EATON, and Mr. VORYS of Ohio.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2513) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1944, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MAHON, Mr. COFFEE, Mr. ANDERSON of New Mexico, Mr. GORE, Mr. STEFAN, Mr. DWORSHAK, and Mr. JENSEN were appointed managers on the part of the House at the conference.

The message also anounced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2714) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, and for other purposes.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2481) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1944, and for other purposes; that the House receded from its disagreement to the amendments of the Senate Nos. 10, 18, 20, 21, 22, 25, 26, 78, 79, 80, 81, 86, 93, 94, 100, 118, 124, 125, and 134 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate Nos. 12, 14, 19, 84, 126, 127, and 128, and concurred therein, severally with an amendment; that the House receded from its disagreement to the amendment of the Senate No. 107, and concurred therein with amendments; that the House insisted upon its amendments to the amendments of the Senate Nos. 12, 14, 19, 84, 107, 126, 127, and 128 that the House insisted upon its disagreement to the amendments of the Senate Nos. 87, 88, 92, 97, 98, 99, 116, 120, 121, 122, 123, 129, 130, 131, 132, and 133 to the bill; asked a further conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TARVER, Mr. CANNON of Missouri, Mr. SHEPPARD, Mr. WENE, Mr. LAMBERTSON, Mr. DIRKSEN, and Mr. PLUMLEY were appointed managers on the part of the House at the further conference.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 15) authorizing a change in the enrollment of the bill (H. R. 2612) to extend the effective date of the act of December 17, 1941, relating to additional safeguards to the radio communications service of ships of the United States.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 219) to equalize certain disability benefits for Army officers, and it was signed by the Vice President.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Aiken	Bankhead	Brewster
Andrews	Bilbo	Bridges
Ball	Bone	Brooks
Buck	Kilgore	Robertson
Burton	La Follette	Scrugham
Butler	Langer	Shipstead
Byrd	Lodge	Smith
Capper	McCarran	Stewart
Caraway	McClellan	Taft
Chandler	McFarland	Thomas, Idaho
Chavez	McKellar	Thomas, Okla.
Clark, Mo.	McNary	Thomas, Utah
Connally	Maloney	Tobey
Davis	Maybank	Truman
Downey	Mead	Tunnell
Eastland	Millikin	Tydings
Ferguson	Moore	Vandenberg
George	Murdock	Van Nuys
Gerry	Murray	Wagner
Green	Nye	Wallgren
Guffey	O'Daniel	Walsh
Gurney	O'Mahoney	Wheeler
Hatch	Overton	Wherry
Hawkes	Pepper	White
Hayden	Radcliffe	Wiley
Hill	Reed	Willis
Holman	Revercomb	Wilson
Johnson, Colo.	Reynolds	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Louisiana [Mr. ELLENDER] are absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], and the Senator from Georgia [Mr. RUSSELL] are detained on important public business.

The Senator from Kentucky [Mr. BARKLEY] is necessarily absent.

Mr. McNARY. The Senator from Vermont [Mr. AUSTIN] and the Senator from New Jersey [Mr. BARBOUR] are necessarily absent.

The Senator from South Dakota [Mr. BUSHFIELD] is absent on official business as a member of the Indian Affairs Committee.

The Senator from California [Mr. JOHNSON] is absent because of illness.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS

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

PROVISION PERTAINING TO AN EXISTING APPROPRIATION—PRINTING AND DISTRIBUTION OF FEDERAL REGISTER (S. Doc. No. 73)

A communication from the President of the United States, transmitting draft of a proposed provision pertaining to an existing appropriation for the legislative establishment, Government Printing Office (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, GOVERNMENT PRINTING OFFICE (S. Doc. No. 71)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, Government Printing Office, fiscal year 1944, involving an increase of $17,000,000 in the form of an amendment to the Budget for that fiscal year (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

PROVISION RELATING TO AN APPROPRIATION FOR THE FEDERAL COMMUNICATIONS COMMISSION (S. Doc. No. 72)

A communication from the President of the United States, transmitting a proposed provision relating to an appropriation for the Federal Communications Commission for the fiscal year 1944 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

PROVISION PERTAINING TO APPROPRIATIONS FOR FLOOD CONTROL—DAM AND RESERVOIR ON MOSQUITO CREEK, OHIO (S. DOC. NO. 74)

A communication from the President of the United States, transmitting draft of a proposed provision pertaining to existing appropriations of the War Department for flood control, designed to make available unobligated balances of such appropriations for the construction of a dam and reservoir on Mosquito Creek, Ohio, authorized as a part of the general comprehensive plan for flood control and other purposes in the Ohio River Basin in the Flood Control Acts of June 28, 1938, and August 18, 1941 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Petitions, etc., were presented and referred as indicated:

By Mr. CAPPER:

A petition of sundry citizens of Vilas and vicinity, in the State of Kansas, praying for the enactment of the bill (S. 860) relating to the sale of alcoholic liquors to the members of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. GREEN:

A petition signed by 426 citizens of the State of Rhode Island, praying for the enactment of the bill (S. 569) to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes, and the bill (S. 682) to prohibit the paid advertising of alcoholic beverages by radio in certain circumstances, and for other purposes; to the Committee on Interstate Commerce.

JOINT RESOLUTION OF THE ILLINOIS LEGISLATURE—REPAIR OF RURAL RADIOS AND TELEPHONES

Mr. BROOKS. Mr. President, I present House Joint Resolution No. 24 passed by the Illinois General Assembly and ask that it be appropriately referred and printed in the RECORD, under the rule. This resolution calls attention to difficulties in obtaining repairs for radios and telephones and memorializes the Congress to "foster the change of such priorities and restrictions insofar as they relate to batteries and other necessary material in order to keep such rural radios and telephones in an operative condition."

There being no objection, the joint resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, under the rule, as follows:

House Joint Resolution 24

Whereas telephones and radios in rural and farm communities are not only a great convenience, and timesaver, but are absolutely necessary in securing information relating to farm work, markets, and community affairs related to the war effort; and

Whereas the restrictions and priorities placed on the various materials necessary to keep these utilities in repair by the Federal Government have resulted not only in a great inconvenience but an actual loss in valuable time, thereby retarding the war effort and food production: Therefore be it

Resolved by the House of Representatives of the Sixty-third General Assembly of the State of Illinois (the senate concurring herein), That we respectfully urge and memorialize the Congress of the United States to foster the change of such priorities and restrictions insofar as they relate to batteries and other necessary material in order to keep such rural radios and telephones in an operative condition; and, be it further

Resolved, That copies of this resolution be sent by the secretary of state to each United States Senator and Member of Congress from the State of Illinois, and the War Priorities Board, at Washington, D. C.

COMPETITION BETWEEN COUNTRY BANKS AND GOVERNMENT LOANING AGENCIES

Mr. WHERRY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD at this point a letter I have received from Mr. L. C. Rasmussen, of Colon, Nebr., which has to do with the competition between country banks and Government loaning agencies.

There being no objection, the letter was received and referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

COLON, NEBR., *May 17, 1943.*

Mr. KENNETH WHERRY,
Washington, D. C.

DEAR SENATOR: From newspaper reports it appears that a conflict is taking place between country banks and Government loaning agencies.

My personal experience may be of some help to you in this controversy. In 1932 I was the owner of 160 acres of land, with a $15,000 mortgage, and due to low farm prices and several years of drought I lost my land by foreclosure.

Also, in 1932, I owed to a local bank $5,400 on my personal property, and due to low prices for grain and livestock the bank was asked by the bank examiner to charge my note out, which they did rather than sell me out. The bank officers were very cooperative and lenient and permitted me to keep on farming and pay my notes in an orderly manner, and as a result of such treatment I have reduced my debt to the bank to $620, which will all be paid when I sell my hogs, leaving me with personal property worth $8,000 free of debt.

I think it would be too bad if country banks were forced out of business because of Government loaning agencies. I think there is too much regulation of banks, on one hand, and too much competition, on the other. We cannot get along without our local country banks, and I hope something can be done about it.

Yours truly,

L. C. RASMUSSEN.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Utah, from the Committee on Education and Labor:

S. J. Res. 48. Joint resolution authorizing the President to present a gold medal to James Edward West; without amendment (Rept. No. 337).

By Mr. HATCH, from the Committee on Public Lands and Surveys:

H. R. 1397. A bill to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument; without amendment (Rept. No. 338);

H. R. 2047. A bill to correct an error and to confirm, as of March 2, 1861, the title to certain saline lands in Jackson County, State of Illinois, to Edward Holden; without amendment (Rept. No. 339); and

H. R. 2527. A bill to amend the description of the area affected by the act of May 28, 1928, entitled "An act for the relief of the town of Springdale, Utah," and for other purposes; without amendment (Rept. No. 340).

By Mr. LANGER, from the Committee on Civil Service:

S. 878. A bill to amend the act entitled "An act to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended," approved January 24, 1942, and for other purposes; with amendments (Rept. No. 341).

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 23, 1943, that committee presented to the President of the United States the following enrolled bills:

S. 134. An act for the relief of the heirs of John J. Shields;

S. 170. An act for the relief of W. Cooke;

S. 241. An act for the relief of Rachel Acerra;

S. 262. An act for the relief of Walter C. Blake;

S. 373. An act for the relief of Charles Favors;

S. 410. An act for the relief of James B. Lewis, Jarvis T. Mills, and Richard D. Peters;

S. 414. An act for the relief of Thaddeus C. Knight;

S. 510. An act for the relief of Inez Smith;

S. 516. An act for the relief of the Nashville, Chattanooga & St. Louis Ry.;

S. 520. An act for the relief of Freddie Sanders and Edd Harris;

S. 625. An act for the relief of A. C. Blount and Oscar Williams;

S. 628. An act for the relief of Lawrence Anthony, R. E. Murphy, Mary E. Armstrong, and R. E. Murphy as administrator of the estate of Ella Murphy;

S. 671. An act for the relief of Charles Francis Fessenden;

S. 684. An act for the relief of Lt. M. V. Daven;

S. 695. An act for the relief of Joseph F. Bolger;

S. 717. An act for the relief of Cinda J. Short;

S. 743. An act for the relief of Mr. and Mrs. Walter H. Kindon;

S. 765. An act for the relief of Viola Dale;

S. 807. An act for the relief of Mary Frances Hutson;

S. 839. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman;

S. 879. An act to amend the act entitled "An act authorizing a reduction in the course of instruction at the Naval Academy," approved June 3, 1941 (55 Stat. 238);

S. 954. An act for the reimbursement of certain enlisted men of the Navy for personal property lost in the loss of the *Hugh L. Scott;*

S. 972. An act to amend section 7 (c) of the act of May 21, 1920 (41 Stat. 613), as amended by section 601 of the act of June 30, 1932 (47 Stat. 417);

S. 1025. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; and

S. 1067. An act to amend the first paragraph of section 10 of the Pay Readjustment Act of 1942 to provide for allowances to midshipmen of the Naval Reserve for quarters and subsistence when not furnished in kind.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. KILGORE:

S. 1265. A bill for the relief of Sherman W. White; to the Committee on Claims.

By Mr. MURRAY:

S. 1266. A bill to transfer to the Petroleum Administration for War the powers and functions of the Office of Price Administration with respect to petroleum and petroleum

products, and for other purposes; to the Committee on Banking and Currency.

By Mr. CLARK of Missouri:

S. 1267. A bill to provide relief to farmers whose property was destroyed or damaged by floods in 1943; to the Committee on Appropriations.

By Mr. MURRAY:

S. 1268. A bill to facilitate the termination of war contracts; to the Committee on Military Affairs.

S. J. Res. 67. Joint resolution to provide priorities with respect to farm machinery and equipment to farmers in areas affected by floods in 1943; to the Committee on Military Affairs.

S. J. Res. 68. Joint resolution authorizing the Secretary of Agriculture to suspend limitations on production in areas affected by floods in 1943; to the Committee on Agriculture and Forestry.

CONTINUATION OF COMMODITY CREDIT CORPORATION—AMENDMENTS

Mr. GEORGE and Mr. JOHNSON of Colorado each submitted an amendment intended to be proposed by them, respectively, to the amendment proposed by Mr. CLARK of Missouri to the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes, which were ordered to lie on the table and to be printed.

APPROPRIATIONS FOR THE LABOR DEPARTMENT AND FEDERAL SECURITY AGENCY—AMENDMENT

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to House bill 2935, the Labor Department and Federal Security Agency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place, insert the following:

"Any funds available to the United States Public Health Service for the treatment of patients may be used, upon the request of State and local health authorities, to provide for the hospitalization, treatment, and subsistence in hospital facilities operated by the United States Public Health Service of Selective Service registrants infected with venereal disease, and for the transportation of such Selective Service registrants between their homes and such facilities when necessary."

PRINTING OF ADDITIONAL COPIES OF HOUSE DOCUMENT 237, QUESTIONS AND ANSWERS RELATIVE TO TAX ACT OF 1943

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 30, which was read, as follows:

Resolved etc., That there be printed 53,000 additional copies of House Document numbered 237, "Questions and Answers containing an analysis relative to Public Law No. 68, 'An act to provide for the current payment of the individual income tax, and for other purposes' ", approved June 9, 1943; of which 45,000 shall be for the use of the House document room, 5,000 copies for the use of the Senate document room, 2,000 copies for the Committee on Ways and Means of the House, and 1,000 copies for the use of the Committee on Finance of the Senate.

Mr. HAYDEN. Mr. President——

Mr. McNARY. Mr. President, my attention was diverted for a moment. What is the matter before the Senate?

Mr. HAYDEN. It is a House concurrent resolution providing for the printing of additional copies of a House document relating to the current tax-payment act.

I ask unanimous consent for the present consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

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

DESTRUCTION OF FOOD IN TRANSIT

Mr. DAVIS. Mr. President, I have recently received a number of communications from various sections of my State, calling attention to the fact that even in these times of food scarcity and food emergency, a considerable amount of perishable food is being destroyed in transit, long before it can reach the civilian markets for which it is destined.

There is no more valuable commodity in our possession at the present time than food, and storm warnings of impending food shortages have already been raised by competent authorities and officials. In view of the extensive food requirements and demands which the food production resources of America will be called upon to meet—food for our armed forces, food for our allies, food for the starving peoples of Europe and Asia, and food for our own civilian population—a determined effort should be made to insure that every ounce of food produced finds its way to the ultimate consumer in a firm and palatable state. Every ounce of food that is wasted or lost, no matter from what cause, will only serve to undermine our war effort to a comparative extent.

I have before me a brief article from the Pittsburgh Press of June 16, 1943, which calls attention to the fact that more than 10,000 bushels of potatoes destined for the Pittsburgh market spoiled in transit, thus depriving many hundreds of citizens of sorely needed food.

Mr. President, I ask that the article referred to be printed in the RECORD at this point as a part of my remarks, and that it be referred to the Committee on Agriculture and Forestry. I sincerely trust that effective measures will be taken to insure the fullest possible use of all the food which we produce, especially during the heavy harvest season which lies ahead.

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

SORT OF A ROTTEN DEAL—10,000 BUSHELS OF SPUDS SPOIL IN SHIPMENT HERE—HIGH RATE OF SPOILAGE IN POTATOES FROM SOUTH RESULTS FROM LACK OF ICED CARS

Ten thousand bushels of potatoes—enough to provide every man, woman, and child in Pittsburgh with at least four spuds for dinner tonight—have rotted in transit during the past week before reaching Pittsburgh.

The terrific spoilage, produce men here reported today, is due to a ruling of the Interstate Commerce Commission and the Office of Defense Transportation prohibiting use of ice in railroad cars to refrigerate potatoes coming in from the South.

The ruling was attributed to a shortage of ice resulting from heavy demands for food refrigeration among Army camps in the South. The Interstate Commerce Commission and Office of Defense Transportation since have relented, permitting 5,000 pounds of ice per car—half the normal amount—but all cars arriving from the South at the terminal still lack refrigeration.

Produce men here said at least 600,000 pounds of potatoes have decayed in transit in the past week and that the spoilage rate in railroad cars arriving from the South ranges from 2 to 90 percent.

So heavy has been the spoilage that yesterday a wholesaler abandoned a carload of 500 bushels of potatoes, valued at $1,449, to the railroad to cover transportation costs.

The railroad then sold the 30,000 pounds for $155 to peddlers willing to cut open individual sacks and salvage the few good spuds.

In another instance, a produce man sold part of his shipment at 45 cents a sack, although the ceiling price is $4.83.

Spoilage has occurred in all shipments from Florida and South Carolina, produce men said. Potatoes from California, however, have been arriving in "splendid shape," wholesalers said, because railroad cars from the far West are iced twice on the cross-country run.

CONSERVATION OF PAPER

Mr. DAVIS. Mr. President, yesterday I received a copy of a letter which was written by one of my constituents to the Office of War Information, in reply to a circular letter which he received from that office advising him what to write and what not to write to his son in the armed forces.

I could discuss this matter in considerable detail, but since my constituent has covered the situation rather fully, I ask unanimous consent that the letter be referred to the Committee on Military Affairs, and be printed in the RECORD at this point as a part of my remarks.

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

BEAVER FALLS, PA., *June 19, 1943.*

To the DIRECTOR,
Office of War Information,
Washington, D. C.

DEAR SIR: I have just received from your Pittsburgh, Pa., office, over the name of Harry Kodinsky, a letter "in the interest of military morale," suggesting what I say and what I refrain from saying to my son in the armed service.

Since my taxes help pay the expenses, I wish to protest against extravagances such as this letter, which I assume is being mailed broadcast over the Nation from your various offices.

To begin with, since our Government claims there is a paper shortage, it would be in the interest of conservation to refrain from such unnecessary letters; second, it is on legal size paper, while it could have gone on a smaller sheet. Again it is unnecessary to make the included suggestions for people of good sense write—or refrain from writing, as the case may be—the proper things. If they do not have good sense, a letter such as your office communication would be useless.

Among other things, it is suggested that correspondents do not tell men in the service "about the things you are deprived of." Why not? My son, for instance, is much interested in what goes on here at home. Is your request based on the theory that, if I tell my son that I am deprived of something so that he and his fellow soldiers may have it, he may say, "Well, we are not getting it. What becomes of it?" I, myself, often ask that particular question. For instance, why my fa-

vorite magazines and newspapers must conserve paper while offices at Washington throw it away in useless letters and publications.

And lastly, but not of least importance, may I ask—if you have so many workers that they can waste time on such useless letters, why not discontinue useless letters and put some of the "workers" in the Army to help my son in the South Pacific and my friend's son in Alaska, or put them in essential war industries so that I won't have to pay more taxes to keep them.

Cut out some of these useless expenditures and put the money into ammunition, which we civilians are supposed to provide by saving our toothpaste tubes, our bits of drippings, and our hard-earned tax dollars.

Yours very truly,

H. W. CORRELL.

Mr. DAVIS. Mr. President, I sincerely trust that my colleagues will avail themselves of the opportunity of reading the letter, so that they may come to appreciate the ends to which the various governmental bureaus are going in attempting to regulate and regiment the lives of the American people.

WAR MOBILIZATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a radio address entitled "War Mobilization" delivered by Senator THOMAS of Utah on June 22, 1943, which appears in the Appendix.]

STUDENTS AND THE TIMES—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a Phi Beta Kappa installation address entitled "Students and the Times" delivered by him at the University of Florida on February 18, 1938, which appears in the Appendix.]

POST-WAR RELATIONSHIPS—TIME MAGAZINE COMMENT ON SPEECH BY SENATOR LODGE

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article from Time magazine for June 28, 1943, commenting upon a speech by Senator LODGE on the subject of the United States participation in the post-war world, which appears in the Appendix.]

THE NATIONAL GALLERY OF ART—ARTICLE BY A. D. EMMART

[Mr. GREEN asked and obtained leave to have printed in the RECORD an article entitled "The National Gallery—War Boom in a Museum," by A. D. Emmart, published in the Baltimore Evening Sun for June 24, 1943, which appears in the Appendix.]

IMPORTANCE OF SPORTS IN THE WAR EFFORT—ARTICLE BY GRANTLAND RICE

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article relative to the importance of sports in the war effort published in the Washington Evening Star of Wednesday, June 23, 1943, which appears in the Appendix.]

CONTINUATION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

The VICE PRESIDENT. The clerk will state the first committee amendment.

The CHIEF CLERK. On page 2, line 8, before the word "Corporation", it is proposed to insert "Commodity Credit."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. REED. Mr. President, I am very happy to participate this morning in the debate upon a very important policy, perhaps the most important single policy now under consideration by the Congress, that is to say the use of subsidies in connection with the Price Control Act. I shall not at any length undertake to engage in a discussion of the differences between various policies. That subject was very well covered in the debate of yesterday. I wish to express my appreciation of the very frank handling of the question by the able Senator from Ohio [Mr. TAFT]. I agree with many of the conclusions arrived at by the Senator from Ohio, especially the conclusion which he stated more than once, that in his opinion the present use of the subsidy policy in connection with food prices is illegal. That is my own opinion. I think there is no authority anywhere for the use of subsidies in the way the Price Administrator, under direction of the President, is now using them. Such use of subsidies is clearly without sanction of law. The amendment offered by the Senator from Ohio, which is before the Senate, would legalize the present method.

The Senator from Ohio stated yesterday that he thought there was no foundation in the law as it stands for the use of these subsidies, but he has written into his amendment a definite legalizing of the use of subsidies, not to increase production—which is already provided for—but to prevent increases in prices. This is the first time any language has been presented touching this subject. No language which legalizes or permits such use of money has been incorporated by Congress into law since the emergency arose.

Mr. President, I am opposed to such procedure. Therefore I shall oppose the amendment offered by the Senator from Ohio, and probably oppose the bill should the amendment be included in it. I desire to discuss the reason for my position. I think it is entirely proper, legal, and justifiable to use inducements to increase production. One may call them subsidies if he wishes, for that is what they are. After all in this period of high prices, with the fear of spiraling prices, which we all entertain more or less and which has been so freely expressed, particularly by the administrative authorities responsible for this policy, the best way to control an increase in price or a threatened increase in price, is by greater production. The amendment offered by the Senator from Ohio is not deflationary, it is inflationary. In other words, when we subsidize consumption we do not increase production.

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

Mr. REED. I yield.

Mr. TAFT. The amendment is not inflationary. The administration of the amendment may be either inflationary or deflationary. The discretion is left with the administrator under the amendment. The amendment itself does not prescribe any particular method of subsidy. Many subsidies may be deflationary. Others, as I have pointed out, may be inflationary.

Mr. REED. I am sure the Senator from Ohio did not misunderstand my statement. The amendment he has offered would permit the use of subsidies to prevent increase in prices, and, I repeat, a decrease in prices does not increase production nor the volume of the commodity being bought.

Mr. TAFT. The Senator means that a decrease in prices does not increase production.

Mr. REED. Yes. I may remind the Senator from Ohio that his amendment permits the use of subsidies to prevent increased prices, and preventing an increase in prices does not necessarily increase production. The way we are increasing the national debt, issuing more bonds, requiring the banks to take more bonds—and, as I recall the figures, the banks already have about 70 percent of their assets tied up in Government securities—is in itself, Mr. President, the greatest inflationary factor in the whole situation. The policy permitted by the amendment of the Senator from Ohio would increase the national debt, which in itself is the most inflationary factor present in the whole situation.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. REED. Certainly.

Mr. TAFT. I think it is very clear that that is not necessarily true. Let us take the copper subsidy by which, it is true, the national debt is increased, we will say, $10,000,000, by reason of the necessity for borrowing the money with which to pay the subsidy, but we may thus save $50,000,000 in connection with the material the Government buys, thereby decreasing the national debt by $40,000,000. If by subsidizing one unit we enable the consumer to buy four units at a lower price, I think such a policy is distinctively deflationary, and not inflationary. As I admitted yesterday, it is only when we have a subsidy all across the board of all of a certain kind of thing the consumer is buying, that in my opinion it becomes inflationary. I agree with the Senator as to the general effect of that kind of subsidy.

Mr. REED. The Senator from Ohio and I are not in any very great difference. Possibly I did not make my position clear. The Senator's amendment permits the use of subsidies to prevent an increase in price. When it comes to copper or other critical materials, if the Government is the only customer, as it is today the only customer, I agree with the position taken by the Senator.

I have never quarreled with the subsidy theory as to the use of copper. I have never quarreled with the subsidy theory when it is used on a basis of that kind. I do quarrel most violently with the theory that we can control inflation

by any method permitted under the amendment of the Senator from Ohio. I think such methods are inflationary, not deflationary.

Mr. President, the president of the National Grange, Mr. Albert Goss, wrote a letter to President Roosevelt on June 22. On this subject Mr. Goss is one of the clearest thinkers in the whole United States, and particularly among farm organization leaders.

I desire to read at this time a few paragraphs from Mr. Goss' letter. Mr. Goss said, in dealing with the point to which I am particularly referring:

If we are to prevent inflation we must remove the cause instead of treating the symptoms. There are two chief causes of inflation: The first is the pressure of excess income on an insufficient supply of consumer goods, and the second is the loss of confidence in the Government's ability to pay its obligations in dollars having the same purchasing power as the dollar it borrowed.

Mr. Goss goes on to say:

Price ceilings as a remedy for inflation have been tried hundreds of times during the past 2,000 years. Not once, so far as we can learn, have they succeeded over an extended period. On the contrary, they have resulted in creating food shortages, black markets, and, finally, the very inflation they were supposed to prevent.

* * * * *

As a matter of fact, subsidies, as now employed, do not reach many of the small producers at all, so they are the direct victims of the roll-back. Neither are they sufficient to aid many of the high-cost producers. It follows, therefore, that the ceilings are cutting off production just as they have always done whenever tried.

Thus it will be seen that the ceiling method increases the inflationary gap by reducing production.

I shall not take time to read further from the letter, but I ask unanimous consent that the entire letter be printed at this point in the RECORD, as a part of my remarks.

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

JUNE 22, 1943.

Hon. FRANKLIN D. ROOSEVELT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: Since the winning of the war and the establishment of a sound and enduring peace depend so largely upon an adequate food supply, any policy that restricts or stifles production should not be tolerated. The situation with which we are confronted calls for the maximum production of foodstuffs.

It is also our duty to do all in our power to halt the drift toward inflation. If we are to prevent inflation we must remove the cause instead of treating the symptoms. There are two chief causes of inflation. The first is the pressure of excess income on an insufficient supply of consumer goods, and the second is the loss of confidence in the Government's ability to pay its obligations in dollars having the same purchasing power as the dollar it borrowed.

Price ceilings as a remedy for inflation have been tried hundreds of times during the past 2,000 years. Not once, so far as we can learn, have they succeeded over an extended period. On the contrary, they have resulted in creating food shortages, black markets, and, finally, the very inflation they were supposed to prevent.

On the basis of today's prices, we have an annual income of approximately $40,000,000,000 in excess of the consumer goods available. Assuming that half this sum will go into savings, we still have the serious problem of an excess income of some $20,000,000,000, all seeking something to buy. It is impossible to dam this rapidly increasing surplus income by price ceilings. It is increasing at the rate of a billion and a half to two billion dollars per month, and history proves that it cannot be dammed.

Whenever rising production costs bump into price ceilings, production is strangled. These production costs vary greatly in different sections of the country, and local markets have normally adjusted themselves to these different costs. With inflexible ceilings, the high-production-cost areas are put out of business.

To overcome this difficulty we began the use of subsidies. Nevertheless, no system of subsidies has ever been devised which is effective enough to reach only these high-cost areas. Any subsidy system which is effective in maintaining production must be flexible enough to keep the high-cost producer in the field. Under such a plan the low-cost producer would receive an unwarranted profit.

As a matter of fact, subsidies, as now employed, do not reach many of the small producers at all, so they are the direct victims of the roll-back. Neither are they sufficient to aid many of the high-cost producers. It follows, therefore, that the ceilings are cutting off production just as they have always done whenever tried.

Thus it will be seen that the ceiling method increases the inflationary gap by reducing production. On the other hand, when used in connection with subsidies, it increases the gap at the other end because the Government has to borrow the money paid in subsidies and most of this is borrowed from banks. This increases our national spendable income. The subsidy therefore defeats itself. The present plan attempts the impossible by putting economic law into reverse. Higher prices encourage production and discourage consumption. The subsidy program encourages consumption, and to the extent that the subsidies fail to reach the producers they discourage production.

After everything reasonable has been done to increase production, including a compensatory price, if the supply will not meet the demand, the next step is to reduce the demand to fit the supply. This can be done in two ways. First, by increased taxes and increased savings, or both. Second, by rationing. Where goods are scarce, rationing should be applied so that the supply will be divided equitably. Commodities can be rationed to produce a surplus which can be used to hold prices at reasonable levels without the use of ceilings; although ceilings to prevent profiteering may be necessary in some instances. Ceilings should be used for no other purpose.

If we do not take practical steps to close our fast-increasing inflationary gap, plain economics will do it for us, as has always occurred in the past. More and more goods will flow through black markets at higher prices, reducing the purchasing power of the dollar until it comes into balance with the supply. That is inflation.

If this Nation is unwilling to pay the cost of its food bill during these years of record income largely based on Government outgo, how can we ever expect our price structure to become balanced? In launching upon a subsidy program in our efforts to hold down the cost of living, it cannot be too strongly emphasized that there is only one basis upon which any government can endure, and that is that the people must support the government. Any attempt to reverse this principle, asking the Government to support the people, cannot fail to have disastrous results.

Why should we cut the price of coffee 3 cents per pound; butter 5 cents per pound, and meat 2 cents per pound to everybody, including the wealthy and those whose incomes have increased more than the cost of living, in order to aid the few with fixed or low incomes? If subsidies are necessary for the relief of, say, 10 percent of our population, it is an enormous waste to subsidize the other 90 percent who do not need it. A far better scheme would be to use the stamp plan which was employed during the late thirties. Thus the subsidy would go to only those who need it, and it would not be necessary to place ceilings which fast curtail our already diminishing food supply.

England has been cited as an example for us to follow in the matter of price ceilings and subsidies. However, the English economy is almost the reverse of our own. England is an industrial nation, with only 7 percent of her population engaged in agriculture. Her interest lies in maintaining a low level of food prices and the 93 percent of her people can well afford to subsidize the other 7 percent to keep food prices at the desired level.

In England the consumer pays 60 percent of his income for food, as contrasted with 22 percent in America, believed to be the lowest on earth.

In England they have practically closed the inflationary gap, largely by taxation. Three years ago there were 7,000 people with a net income in excess of $25,000 after paying taxes. Last year this group was reduced to 80. At the other end of the line, England has sales taxes ranging from 12 to 72 percent of the retail price.

England pays a subsidy, but in effect the United States pays it for her. During the 2 years ending March 1 we exported to England under lend-lease $1,449,064,000 in foodstuffs. She sold this food to her people and out of the proceeds paid subsidies estimated at approximately $730,000,000, with a tidy balance left over. Thus, England did not increase her inflationary gap by borrowing the subsidy money from banks.

The English figures do not tell the whole story. In her food index she uses only 14 items, largely those received from America, which are under complete control. She does not include such home-grown products as fresh fruit, fresh vegetables, or any canned goods. The prices on these items have risen sharply. They have had to go up in order to maintain production, but this increase does not show in the food index which England exhibits as proof that food prices have not been allowed to advance.

It should also be noted that England is having a serious time with black markets. She has had to increase the penalty for the sale of food above ceiling prices to 14 years in prison, plus $20,000 fine, yet with these severe penalties, prosecutions have increased 320 percent in the last 2 years and the Ministry of Food has recently reported that black markets are endangering the successful prosecution of the war.

We therefore feel that it is not wise to try to follow in England's footsteps, but rather that our course should be based upon the sound economics necessary to maintain a maximum food supply, for we have no one but ourselves to look to for aid.

Sincerely yours,

THE NATIONAL GRANGE,
ALBERT S. GOSS, *Master.*

Mr. REED. Mr. President, for the last year or more the highest authority in this land, the President of the United States, has been discussing this question. I sat in this Chamber on Labor Day of last year and heard read a message from the President which was so prejudicial to the great farming population of this country that it shocked me. I do not recall another instance when any President of the United States so definitely prejudiced the case of so large a segment of his constituency as did President Roosevelt in his Labor Day message. I took

the floor on the 22d of September of last year and said then what I shall repeat now. Between last September and today, on numerous occasions I have challenged the correctness, almost the good faith, of the policies which were described and which have been followed. The President in his Labor Day speech held up the farmer of this country as a profiteer, described the great injustice which increasing food prices and farm commodity prices might do the country, and asked for authority to control them. We passed the bill. I helped prepare it; I hope I was fairly useful. In connection with the Senator from Maryland [Mr. TYDINGS] we offered an amendment which made possible the final passage of the bill. Immediately, the policy which was inaugurated and which has been followed up to this time, was not and has not been at all in accord with what any of us believed would be done or should be done or with what was authorized to be done under the law Congress passed. I have said that before. I say it again.

Mr. President, the President always has laid stress upon the interest of the wage earner, the industrial worker. The interest of the wage worker is important. It is entitled to consideration. I shall come to a discussion of that point. In that discussion I desire to deal with the position of the wage earners in this whole matter, not, I may say and I think I should say, loosely, as has been done by those around the President, and sometimes by the President himself, but realistically and fairly.

Always, or nearly always, when we come to talk of prices and policies we talk about 1939. The war did break out in Europe in 1939. Therefore, an effort has been made to compare all conditions which have occurred since 1939, either with conditions in that year itself or with conditions in the 5-year period from 1935 to 1939, inclusive. I, myself, have done that for the purpose of this discussion.

Mr. President, I have had placed on the desks of Senators copies of a very simple chart on the basis of which I shall talk. I ask my colleagues to examine it.

I have no quarrel with good wages. The higher the wages which can be paid fairly and reasonably, the better. All I am complaining about is the constant reiteration by the President and his advisers that the industrial wage earner or, more frankly, perhaps, organized labor, is being prejudiced for the farmer's benefit.

So, Mr. President, I asked the Bureau of Agricultural Economics, which is one of the very reliable statistical agencies of the Government, to prepare figures showing the wage situation beginning with January 1, 1939, and to carry them through to the date nearest today that it could. It compiled the wages by hours, the wages per worker, the increase in the cost of living, and the ratio between those elements. The Bureau of Agricultural Economics used as a basis the figures which always are available in the Bureau of Labor Statistics of the Department of Labor. Let me say, Mr. President, that, having had contact with the various statistical agencies, it seems to me there are two agencies in Washington in which all of us, I think, and certainly I, myself, have confidence. They are the Bureau of Labor Statistics of the Department of Labor and the Bureau of Agricultural Economics.

If I have no confidence in the "snake doctors" who pass as economists in the O. P. A., it is their fault, not mine. I am willing to give credence to their opinions and product when they reach the same basis of accuracy as have the bureaus which I have mentioned.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the table to which I have referred.

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

Average earnings per employed worker and per hour in manufacturing, and urban living costs, United States, 1939–43

[Index numbers 1935–39=100]

Year and month	Factory pay roll per employed worker [1]	Average hourly earnings of factory workers [2]	Urban cost of living [3]	Real earnings	
				Per worker	Per hour
1939					
January	101.5	105.7	99.7	101.8	106.0
February	102.7	105.6	99.3	103.4	106.3
March	103.7	105.7	99.1	104.6	106.7
April	101.3	105.4	99.0	102.3	106.5
May	101.8	105.7	98.9	102.9	106.9
June	103.4	105.6	98.6	104.9	107.1
July	100.7	104.7	99.1	101.6	105.7
August	103.8	104.4	98.7	105.2	105.8
September	103.7	105.1	100.6	103.1	104.5
October	108.8	106.2	100.4	108.4	105.8
November	108.5	107.4	100.2	108.3	107.2
December	110.6	109.1	99.6	111.0	109.5
1940					
January	107.7	109.6	99.7	108.0	109.9
February	107.3	109.4	100.2	107.1	109.2
March	108.5	109.9	99.8	108.7	110.1
April	107.5	109.7	100.0	107.5	109.7
May	108.2	110.4	100.2	108.0	110.2
June	109.5	110.8	100.5	109.0	110.2
July	107.9	110.1	100.3	107.6	109.8
August	111.4	110.4	100.0	111.4	110.4
September	113.6	110.9	100.4	113.1	110.5
October	115.4	111.3	100.2	115.2	111.1
November	114.7	112.3	100.1	114.6	112.2
December	119.2	113.1	100.7	118.4	112.3
1941					
January	118.4	114.3	100.8	117.5	113.4
February	122.0	114.6	100.8	121.0	113.7
March	124.0	115.3	101.2	122.5	113.9
April	124.6	117.4	102.2	121.9	114.9
May	130.9	120.6	102.9	127.2	117.2
June	134.8	122.5	104.6	128.9	117.1
July	132.5	123.0	105.3	125.8	116.8
August	134.8	123.1	106.2	126.9	115.9
September	136.6	125.1	108.1	126.4	115.7
October	140.0	127.3	109.4	128.0	116.4
November	139.3	129.3	110.2	126.4	117.3
December	144.3	131.0	110.5	130.6	118.6
1942					
January	149.8	134.0	112.0	133.8	119.6
February	152.7	134.3	112.9	135.2	119.0
March	155.6	135.7	114.3	136.1	118.7
April	158.0	137.5	115.1	137.3	119.5
May	161.2	139.7	116.0	139.0	120.4
June	163.2	141.4	116.4	140.2	121.5
July	165.0	143.2	117.0	141.0	122.4
August	169.3	145.6	117.5	144.1	123.9
September	171.2	149.2	117.8	145.3	126.7
October	176.0	149.4	119.0	147.9	125.5
November	180.8	151.4	119.8	150.9	126.4
December	182.6	151.7	120.4	151.7	126.0
1943					
January	184.0	153.7	120.7	152.4	127.3
February	186.7	154.6	121.0	154.3	127.8
March	189.9	156.3	122.8	154.6	127.3
April	192.9	157.9	124.1	155.4	127.2

[1] The index of factory pay rolls divided by that of factory employment.

[2] Based on cents per hour data reported by the Bureau of Labor Statistics.

[3] Bureau of Labor Statistics data.

Mr. REED. Using the average wage per hour per worker from 1935 to 1939 as a base, the table starts with January 1, 1939. Using the average wages per hour for the 5 years, the wages received in January 1939 were 105 percent of the average. The factory pay roll per employed worker was 101 percent of that average, and the cost of living was 99 percent. Those are the three factors of greatest importance. If this table be followed through, it will be seen that by April 1942 wages per hour have increased 57.9 percent over the average in the 5 years from 1935 to 1939; the pay roll per employed worker has increased 92.9 percent; the hourly wage went up 57 percent. Because of longer hours, overtime pay after 40 hours, and double pay on Saturdays and Sundays, the weekly wage per employed worker went up 92.9 percent.

Let us see how much the cost of living increased. That is shown on the same table, starting with January 1939. At that time the cost of living was 99.7 percent of the average cost of living in the 5-year period ending with 1939. By April of this year the cost of living had increased 24.1 percent over the 5-year average.

Mr. President, beginning in January 1939, there has not been a week or a month when the wages of workers employed in factories and mills have not increased more than the cost of living. In this period the hourly wage has increased 57.9 percent, the weekly wage has increased 92.9 percent, and the cost of living has increased 24.1 percent.

Why all this worry about a class of people whose economic position, beginning in 1939, has been benefited more than that of any other class of people in the country? I challenge the good faith of men in public life, clothed with great authority, and charged with great responsibility, who continually put out to the country their doctrines and policies under false pretenses. If the investment bankers should use the same tactics in describing the securities they have to sell as the various Government agencies use in selling the country upon the validity of their policies, the Attorney General would put them all in jail. I do not think there is any more morality in a responsible officer of the Government of the United States attempting to deceive the people than there is in an investment banker doing the same thing. I am opposed to such practices on the part of both. So far as I am concerned, the investment banker can go to jail if he misrepresents, and so far as I am concerned, the people can turn the other men out of office, which I am pretty sure they will do.

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

Mr. REED. I yield.

Mr. SHIPSTEAD. I have some statistics from the Bureau of Agricultural Economics giving hourly earnings of factory workers, weekly wages per factory worker, cost of living, retail cost of foods, and prices received by farmers for the years 1910 to 1914, and also during the period from 1914 to March 1943. I think the

figures are in greater detail than the figures presented by the Senator from Kansas. Later I shall ask unanimous consent that these statistics, prepared by the Bureau of Agricultural Economics, be printed in the RECORD as a part of my remarks.

Mr. REED. Mr. President, I wish to compare the position of the farmer with that of the wage worker. Much has been said to prejudice the position of the farmer. We who live out in the great open spaces, under wide horizons, know the difficulty we have in reaching the people of the East. The metropolitan newspapers, vociferous on many things, have little except condemnation of the farmer and the so-called farm bloc in this body and in the other branch of Congress, because we have tried to tell a truthful story of the actual situation.

I am a newspaperman. I appreciate the difficulty we have in getting our story into the metropolitan press. I do not know that I can blame the eastern newspapers very much. I have said this before, and I say it again: The man most responsible for prejudicing the farmer's position with the people of the United States is the President of the United States. He has constantly unfairly stated the situation of the farmer, particularly in his Labor Day message of last year. He has done so much to prejudice the position of the farmer that I am not surprised that the eastern newspapers take their lead from the President and not from us.

Mr. President, there is one thing in which the East ought to be interested. I shall touch on it today. In a few days I shall deal with it extensively and in detail. I refer to the volume of food production. The present policies have demoralized—temporarily, at least—livestock production and livestock markets in the West, and have destroyed the peace of mind of livestock producers to the extent that hundreds of important livestock producers in my own State have written or telegraphed me that when they can feed out and sell their present livestock they intend to quit. I am quite sure that the people of New York, New England, Pennsylvania, and New Jersey will then be interested, because I am sure that those areas cannot produce enough food—especially livestock and meat—for themselves.

I wish to read a telegram which I received this morning from a conference of the farm bureaus of 12 Midwestern States. It is dated yesterday, and addressed to me:

WASHINGTON, D. C., *June 23, 1943.*

Hon. CLYDE M. REED,
Senate Office Building,
Washington, D. C.:

At a conference of Midwest farm bureaus, meeting in Chicago today, the following resolution was adopted: "The subsidy and price roll-back on foods proposed by the administration is a subterfuge for increasing wages and other consumer incomes already at inflationary levels. It will be expensive to administer, benefits will be small in proportion to total cost, it will continue the already existing ruinous confusion, it contributes to rather than controls inflation, it will decrease rather than increase both agricultural and industrial production, it will impose further regimentation of production and distribution, and will aggravate our post-war price and income problem. For these and other equally important reasons this conference of Midwest farm bureaus, representing 12 States and 300,000 members, respectfully petitions our Federal administrative authorities to cease their effort to inflict this program upon us. We call upon our Congress to enact legislation which will prevent any general continuance or revival of this ill-advised experiment. Copies of this resolution shall be sent each Senator and Congressman from these Midwest States and also to all proper Federal administrative authorities."

CONFERENCE OF MIDWEST FARM BUREAUS OF THE AMERICAN FARM BUREAU FEDERATION.

Mr. President, I went to the Department of Agriculture and asked the gentlemen in the Bureau of Agricultural Economics upon whom I rely so greatly for information to help me obtain in definite and concrete form information which I could lay before the Senate, information which would be of vital importance to any man who seeks to understand the economic situation of the farmer at the present time and 25 years ago, his relation to the wage earner during those years, and the present situation as it points to the future. So I ask for a moment of the time of the Senate in order to distribute copies of the table to which I have referred. I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

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

SEC. 1.—*Specified commodities: Production, price, farm value, United States, average 1910–14, 1935–39, and ratio of averages*

Item	Unit	Average 1910-14			Average 1935-39			Ratios 1935-39 to 1910-14		
		Production (1)	Price (2)	Farm value (3)	Production (4)	Price (5)	Farm value (6)	Production (7)	Price (8)	Farm value (9)
Group 1:			*Dollars*	*Mil. dol.*		*Dollars*	*Mil. dol.*	*Percent*	*Percent*	*Percent*
1. Wheat	Million bushels	724	0.884	633	759	0.833	610	105	94	96
2. Corn, all	Million bushels	2,614	.642	1,634	2,316	.656	1,436	89	102	88
3. Oats	Million bushels	1,090	.399	423	1,045	.325	312	96	81	74
4. Barley	Million bushels	164	.619	97	239	.506	109	146	82	112
5. Rye	Million bushels	36	.720	26	45	.541	23	125	75	88
6. Rice, rough	Million bushels	24	.813	20	50	.727	36	208	89	180
7. Grain sorghums	Million bushels	(1)	1.21	(1)	87	1.08	94		89	
8. Flaxseed	Million bushels	17	1.69	27	11	1.71	17	65	101	63
9. Cotton	Million bales	14	.124	766	13	.1004	640	93	81	84
10. Hay, all	Million tons	77	11.87	894	84	8.33	694	109	70	78
11. Total, group 1				4,520			3,971			[2] 86
Group 2:										
12. Hogs	Million pounds	11,989	7.27	881	12,998	8.38	1,066	108	115	121
13. Cattle and calves	Million pounds	16,451	[3] 5.42	934	17,927	[4] 6.56	1,195	109	[3] 121	128
14. Sheep and lambs	Million pounds	1,898	[4] 5.88	110	2,423	[4] 7.79	169	128	[4] 132	154
15. Butterfat [5]	Million pounds	(1)	.263	151	1,208	.291	346		111	229
16. Milk, wholesale [6]	Million pounds	(1)	1.60	212	40,270	1.81	727		113	343
17. Chickens, live weight	Million pounds	1,990	.114	231	2,459	.149	375	124	131	162
18. Eggs, farm	Million dozen	2,350	.215	461	3,038	.217	623	129	101	135
19. Potatoes	Million bushels	350	.697	229	356	.753	255	102	108	111
20. Total, group 2				3,209			4,756			148
21. Grand total				7,729			8,727			113

[1] Not available.
[2] Grain sorghums omitted in computing ratio.
[3] Average for beef cattle only; 1910-14 average for veal calves, $6.75; 1935-39 average, $7.80; ratio, 116.
[4] Average for lambs only; 1910-14 average for sheep, $4.53; 1935-39 average, $3.93; ratio, 87.
[5] Sold as cream to plants, dealers, etc.
[6] Sold at wholesale to plants, dealers, etc.

SEC. 2.—*Earnings and incomes in agriculture and industry, United States averages, 1910–14 and 1935–39*

Item	Unit (1)	1910–14 (2)	1935–39 (3)	Ratio 1935–39 to 1910–14 (4)
				Percent
1. Average hourly earnings of factory workers	Cents [1]	21.2	60.8	287
2. Average number of hours worked by factory workers per week	Hours [1]	51.9	37.5	72
3. Average weekly earnings of factory workers	Dollars [2]	10.65	21.26	200
4. Average annual wage income per industrial worker	Dollars	583	1,149	197
5. Average net farm income from agriculture	Million dollars	4,321	[3] 4,900	113
6. Average net income per person engaged in agriculture	Dollars	365	511	140
7. Average nonfarm income	Million dollars	29,625	59,878	202
8. Farmers' equity in farm property	Million dollars	39,604	32,890	83
9. Ratio prices received by farmers to prices paid by farmers, interest and taxes	Percent	100	82	82

[1] Average hours worked and/or hourly earnings are computed from figures reported by establishments reporting manhour statistics for the period 1935–39. Estimates for 1910–14 are as nearly comparable with 1935–39 as can be computed from available data.
[2] Average weekly earnings are based on reports from all cooperating establishments, some of which do not furnish manhour information.
[3] Excluding Government payments.

Source: Bureau of Agricultural Economics. Data for factory workers based on reports of Bureau of Labor Statistics.

SEC. 3.—*Quantities of specified foods that may be purchased by factory workers with 1 week's earnings, 1913–14, 1936–39, and 1942*

Food	1913–14 (1)	1935–39 (2)	1942 (3)	1935–39 as percent of 1913–14 (4)	1942 as percent of— 1913–14 (5)	1942 as percent of— 1935–29 (6)
	Pounds	*Pounds*	*Pounds*	*Percent*	*Percent*	*Percent*
1. Bread, white	178	256	406	144	228	159
2. Flour, white	315	472	666	150	211	141
3. Butter	29	58	75	200	259	129
4. Round steak	47	59	81	126	172	137
5. Pork chops	50	63	85	126	170	135
6. Potatoes	595	850	1,038	143	174	122

Source: Division of Statistical and Historical Research, Bureau of Agricultural Economics. Based on Bureau of Labor Statistics data.

Except as otherwise stated, all information shown on this table was obtained from reports and records of the Bureau of Agricultural Economics, Department of Agriculture. Selection, arrangement, and adaptation was made by Senator CLYDE M. REED.

Mr. REED. I am very happy to see the Vice President in the chair. He is thoroughly familiar with these matters. A few moments ago I went to the desk and laid before him a copy of this large table. Knowing his deep sympathy with and wide understanding of the farmer's problems, I am sure he will follow this subject with some interest, and, I hope, perhaps with a trifle of profit.

I hope my fellow Members of the Senate will follow me in this discussion, which I shall make as brief as I can. This is a matter of urgent importance.

When we resort to statistical information of this nature we must necessarily have a starting point. The starting point has always been the condition of agriculture and the farmer in the 5 years before the beginning of World War No. 1. This table shows the condition of the farmer through that 5-year period. Because the present administration insists upon the use of 1939 and the 5 years from 1935 through 1939 as the basis for its comparisons between the farmer and the wage worker, that information, also, is shown.

The chart is divided into three sections. I invite the attention of Senators to the top item in section 1. The first line gives the figures for wheat. During the 5 years from 1910 through 1914 there was an average yearly production of 724,000,000 bushels of wheat. For that wheat the farmer received an average price per bushel of 88 cents and a fraction. His total average realization from his wheat crop during that 5-year period was $633,000,000.

In the second period the farmer produced an average 759,000,000 bushels of wheat, and he received an average price of 83 cents and a fraction. His average realization was $610,000,000. For more wheat he received less money.

While I am on that point, allow me to invite attention to two items which appear in the table. One of them will be found in section 2, line 1. During the period to which I have referred the average earnings per hour of factory workers increased 187 percent. The nearest approach which can be made to a comparison between a wage earner and a farmer is in the wages per hour received by the wage earner and the prices per unit received by the farmer. That is not an exact and ideal comparison, but it is the best which can be made.

In 25 years—30 years if we start in 1910 and continue to 1939—the situation of the wheat farmer did not improve at all, but the hourly wage of the worker increased to a point where it was 287 percent of the original rate. For all wheat produced in the second 5-year period, ending in 1939, the wheat farmer received 96 percent as much money for his grain as he received in the 5-year period starting in 1910.

Let us take the cotton farmer. I have made the same comparison with respect to the cotton farmer, which will be found in line 9 of the top section of the table. In the first 5-year period, from 1910 through 1914, the cotton farmer raised on the average 14,000,000 bales of cotton. He received an average of 12.4 cents a pound during the 5-year period. For his cotton crop as a whole he realized an average of $766,000,000 in the first 5-year period.

In the second 5-year period, from 1935 to 1939, the cotton farmer raised an average of 13,000,000 bales of cotton. For his crop he received 10 cents a pound. His average realization for those 5 years was $640,000,000 as against $766,000,000 for the first 5-year period. The cotton farmer in that second period got only 84 percent of as many dollars as he actually got in the first period, 25 years previously. In that time the average hourly wage of industrial workers went up 197 percent.

Mr. President, at this point, allow me to invite attention to another item.

In section 2, line 8, is shown the farmer's equity in his property. In the first 5-year period the farmer had an equity in his property—real estate, machinery, and livestock—of $39,604,000,000. In the second 5-year period the average, covering the same type of property, was $32,890,000,000.

In other words, the farmer of the United States had fed the country for 25 years; he had furnished all the food, grain or otherwise, which was exported,

and for the privilege of doing so, he paid out of his capital $7,000,000,000.

Now let me come to the second section of this tabulation. Back in the first period, from 1910 to 1914, the industrial worker—this is on line 2 of the second section of the tabulation—worked an average of 51.9 hours a week. When the second 5-year period rolled around the industrial worker was working 37½ hours a week.

Now let us take the average weekly earnings. The average industrial worker's hours had been decreased from the first 5-year period from 51.9 hours a week to 37.5 hours a week, a decrease of 28 percent; but his weekly earnings rose from $10.65 a week to $21.26 a week, an increase of exactly 100 percent.

I do not think that is too much money for the industrial worker; I am willing that he should get more; but what I object to, Mr. President, what I protest against, what I resent, is the constant stream of misrepresentation as between the farmer and the industrial worker that comes from the White House and from nearly all the men who surround the President. I do not resent the fact that there has been an improvement in the wages of the industrial workers. I am glad of that improvement; I wish it could be greater; but I do object to misrepresentation, whether it be done by the President of the United States, by his advisers, or by investment bankers or public utilities in selling their goods on the one hand and their policies on the other.

Now I should like to have Senators refer to the bottom of the large sheet, section 3, where we come to the question of what the worker can buy with his wages. This table also was prepared by the Bureau of Agricultural Economics; I do not know whether they have ever made publication of it, but I know there is nothing secret about it at all. It shows some rather interesting facts.

Let us consider a week's wages and what they will buy. Back in the period 1913–14 a week's wages of a factory worker would buy 178 pounds of bread made out of white flour. By 1935–39 a week's wages would buy 256 pounds of bread. From 1939 to 1942 the condition of the wage worker improved more than during any other period in history; it improved more than the condition of any other class of people in this country. Following this illustration through, a week's wages of a factory worker, which could buy only 178 pounds of bread in 1913–14 and 256 pounds in 1935 to 1939, would buy 406 pounds of bread in 1942.

Mr. SMITH. Mr. President, may I ask the Senator a question?

Mr. REED. I yield.

Mr. SMITH. What seems to be done now is to roll back and cheapen the farmer's products and increase the wages of the worker.

Mr. REED. This is an effort indirectly to subsidize a further increase in industrial wages at the expense of the taxpayer; that is all it is. I hope I have answered the Senator from South Carolina. There are other illustrations to which I shall refer. Let us take butter, to which I shall refer again a little later. The figures with regard to butter are found on line 3 at the bottom of section 3. Back in 1913 to 1914 a week's wages would buy 29 pounds of butter; by 1935 to 1939 they would buy 58 pounds of butter. We have heard much said, in press releases and statements, including statements from the White House, about the need to keep production going and therefore the necessity to humor industrial workers organized into great unions. I approve of labor organizations, but it is said we have got to do something to keep the industrial workers satisfied, and so we are asked to pass this bill to legalize what was heretofore illegal. Let us see what happened to the industrial worker so far as butter is concerned in this period when his dire condition is being pointed out. In the period 1935–39 wage workers could buy 58 pounds of butter for a week's wages; in 1942 they could buy 75 pounds. All the remainder of the comparisons in that section show about the same result. It is for that class of people that we are being asked to do this thing which I think is wrong in principle, which will be inflationary if it is carried out, and which ought not to be done.

There is a class of people, Mr. President, that are being pinched in these days, and that is people with fixed incomes, such as white-collar workers, school teachers, and people living upon pensions and annuities. They constitute a class of people that ought to be helped, and if the proposal before the Senate was designed to help that class of people, I should look on it with a kindly eye. Instead of using the taxpayers' money indirectly to increase industrial wages, which is the purpose sought to be accomplished here, I would be willing to use the taxpayers' money, if some way could be found to do it, as I think it could, to help the people whose incomes have not been increased at all through this period of increasing prices of commodities and increasing living costs. Those are the people for whom my heart bleeds, and any workable proposition which may be brought before the Senate to reach that class of people shall have my sympathetic attention.

Now let me go back to butter for a moment, and let me examine the application of subsidies to butter and to the probable effect, as an illustration, of the result that might follow the extension of such a subsidy to other foodstuffs. In the first place, let us consider the effect upon production. Undoubtedly the administration of this subsidy will tend to reduce the amount of butter which the wage earners who are to be protected will find available in the market.

Since the subsidy of 5 cents a pound is to be paid only to creameries making more than 1,000 pounds of butter a month, a considerable part of the butter now produced will be subject to a reduction of 5 cents without any offsetting return.

The census of 1940 showed 2,930,000 farmers churning butter for home use and for market. The farm production in that year, 1940, amounted to 430,000,000 pounds. That is almost one-fifth of the total butter production of the country, and not a pound of that can get any of this subsidy.

What is going to happen? The farm production in 1940, amounting to 430,000,000 pounds, will have only one place to go. In order to dispose of what he cannot eat the natural place for the farmer to go is the black market. I do not like to use that term, yet here is a plan which will drive one-fifth of the butter made in this country, by force of circumstances, into the black market.

What we want is more butter production. The butter subsidy program is going to cost about $100,000,000, and why do we not take $100,000,000, if we are to use it as a subsidy, and subsidize the producer, help him get more feed, better cows, and produce an increase. We are struggling to increase our production of milk, and we are following a policy here which will decrease the production of the principal milk product, which is butter.

A reduction in the amount available in the market will produce a greater struggle for what is left.

If we take 430,000,000 pounds away from a round figure of 2,000,000,000, we are going to have 1,570,000,000 pounds left. So, instead of making more butter available, we will make less available.

Mr. President, I have lived in the farming section of the country and among farmers and livestock producers all my life. Back in 1920, following the great increase in prices, especially of cattle, during the war period, the Federal Reserve Bank took the floor of loans out from under the cattle producers, and there was a precipitous drop. Every important cattle producer in Kansas, Nebraska, Colorado, Oklahoma, New Mexico, and Texas went broke. There was no other place for them to go. Their prices decreased, and their loans were called.

I am sure the Senator from Nebraska [Mr. WHERRY], who has spoken so earnestly and so eloquently on this floor, and the Senator from Missouri [Mr. CLARK], will agree that the state of mind of the large stock producer has not been so seriously disturbed since 1920 as it is now.

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

Mr. REED. I am glad to yield.

Mr. WHERRY. I have just received a message this morning from Fremont, Nebr., where a group of cattle feeders of 29 counties of Nebraska, which is about one-fourth of the counties of the State, and 30 counties in west Iowa, are meeting tonight to consider what they can do about the demoralized cattle market. The already narrow margin has become so narrow that the cattle feeders cannot operate, and because of this subsidy question, the centralized markets have become so confused that the feeders are in a dilemma. They do not know what to do, whether to put in replacement cattle or not. They do not know which way to turn.

I thought this news might be added information for the distinguished Senator from Kansas, who is making such a wonderful plea this morning in the interest of the producers. I appreciate very

much his remarks, and desire to add this contribution.

Mr. REED. I am very happy to have the contribution from the Senator from Nebraska, and I thank him. He has done his part in this struggle.

This morning I, too, received a letter, from my very good friend, "Bill" Miller, who is sanitary livestock commissioner in Kansas, and a spokesman for the livestock producers of Kansas. The letter is so intimate in its personal allusions that I shall not read it all, but I thought this one sentence might interest Senators. He writes me:

> Senator, the President and Byrnes are certainly raising hell in the meat and livestock situation.

I think that fairly well epitomizes the sentiment of all the livestock growers, the President and "Jim" Byrnes are certainly raising hell, out in the livestock country, with even the announcement of their policy. The letter continued:

> I know of any number of our feeders that are simply not going to feed cattle due to the uncertainty of grain and protein concentrates and the inability to buy at any price.

As a matter of fact, they cannot get corn, they cannot get protein feeds. The conditions already are disturbing enough and difficult enough, and now announcements have come along in the last few days which have broken the market price.

Mr. President, suppose you were a farmer and had a hundred steers, or a thousand steers, or five thousand steers, as some have. I think the Senator from South Dakota cited a case a few days ago of one who had about a thousand steers. And suppose this announcement had broken the price $12 a head, and the livestock producer was immediately faced with a loss of $12,000 on his cattle, which were ready for market. When we come down to the essence of this matter, the consumers cannot eat subsidies, and the subsidy program, intended to further increase the income of industrial workers, will disturb production.

Of course, I know the industrial workers comprise the largest segment of political support left to the President on the home front. I do not desire to inject any partisan tinge into this debate, but that is the truth. All these policies are made, not with a view of aiding the consumer in general, not with a view of protecting this class which needs protection, the people with fixed incomes, but all the policies are made, conceived, and carried out for the purpose of increasing the incomes of that class which has already had the largest actual, relative increase among all the classes of our people.

Lest I may be thought to be perhaps overstating, I wish to refer to a publication edited by my good friend, the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE], who I think publishes one of the finest journals of opinion in the country. I refer to the Progressive.

Mr. LA FOLLETTE. I thank the Senator for that "plug."

Mr. REED. If I am advertising the Senator's publication, I am doing it sincerely and earnestly. I receive the publication at the place where I live, and I think the Senator from Wisconsin knows I read it.

I wish to refer to a statement from the Progressive, of which the distinguished Senator from Wisconsin is the editor and publisher and owner—and I hope it supplements his senatorial income.

Mr. LA FOLLETTE. The Senator need not worry on that score. [Laughter.]

Mr. REED. I read from the Progressive of June 21, 1943:

> Although the administration sought to create the impression that its only labor difficulties were with Lewis and the United Mine Workers, it has been clear enough for some time that all of organized labor is becoming resentful of the run-around it has received in Washington. Last week, for instance, mild-mannered William Green, president of the American Federation of Labor, predicted a "spontaneous revolt" of wage earners unless living costs are cut.

Mr. President, that is what I have been talking about. That is why I have gone to all this trouble to show the relation of the wage earner to living costs. No one can examine the charts I have presented, and which will appear in the RECORD, which contains official and reliable figures, without knowing that the wage earner has been amply protected, better protected than any other class of people in the country, and yet Mr. Green is quoted in the newspaper published by the Senator from Wisconsin as predicting a "spontaneous revolt" of wage earners unless living costs are cut.

I continue to read from the Progressive:

> Calling for a slash in living costs or an increase in wages beyond the Little Steel formula, Green declared that "the workers of the Nation feel that their Government has gone back on its promise to extend them equality of treatment in the cost of living control."

Let me go back, Mr. President, to the first table which I offered for the RECORD, and which will be published in the RECORD. Between January 1, 1939, at which time wages had already doubled through the 25 years preceding, and the immediate period of which Mr. Green complains, that is, between January 1, 1939, and April 1943, hourly wages had increased 57.9 percent, weekly wages had increased 92.9 percent, and the cost of living had increased 24 percent. Yet Mr. Green threatens us with a "spontaneous revolt" unless wages are further increased, or living costs—and he means the prices paid to the farmer—are reduced.

Mr. President, I have about concluded my remarks. I wish to make my position clear. My sympathy goes to the white-collar worker, to the man with a fixed income, who always gets the worst of it in a situation of this kind. I wish there were some way to help him. I think some way might be found if the high authority of government would give this problem some attention from that angle, which it never has done, and which it shows no inclination of doing.

Secondly, I have no quarrel with respect to good wages. I want workers to receive good wages. But I do not want them to receive good wages, and then, through their undue influence with the national administration, having already been preferred above any other class, to come forward with the backing of the administration and threaten a spontaneous revolt unless their already favorable situation is improved at the farmer's expense.

Mr. President, I yield the floor.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CONTINUATION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) The question is on agreeing to the committee amendment on page 2, line 3.

Mr. BROOKS. Mr. President, I wish to speak briefly in opposition to the committee amendment which would authorize the expenditure of $500,000,000 to carry out the roll-back of prices on meat, butter, and coffee, or such other roll-back programs as might be carried out within that amount of expenditure.

Three main reasons are advanced for the adoption of this amendment:

One, that it will result in a saving to the consumer.

Two, that it will prevent inflation.

Three, that it will carry out the announced program of the Chief Executive.

I believe that the adoption of this form of subsidy, which many of the best legal minds in the Senate believe to be an illegal procedure, will be but the beginning of a general program of subsidy which in the long run will not decrease but will increase the cost to the consumer by adding constantly heavy burdens of taxation. I believe that it will not prevent, but will hasten and contribute to inflation. However, the larger, and immediately important problem, is that of production, price control, and distribution of our vital "food for victory."

Every member of the Senate committee who heard the voluminous testimony given during the investigation of the manpower problem is fully aware of the tragic neglect and almost criminal bungling of our food-production program.

The shortage of machinery, the lack of fertilizer, and the excessive draining of men from the farms by both the armed forces and industrial plants by reason of the high wages paid by them, prove conclusively that we will surely fall short of last year's production even if we were to have the most favorable weather conditions.

The extremely late planting season and the destructive effects of floods in the Midwest are certain to have added disastrous effects on our production.

The failure to allow price and wage increases to canners has materially reduced the possibility of saving large portions of our already reduced production of many foods.

The control of the price of corn threatens to close many corn-products factories, which will definitely hinder not only many of our war industries and essential food-products industries, but threatens to force its skilled workers to find employment in other industries and then prevent them from making their highest contribution to our already unprecedented war task.

The dairy herds and poultry flocks are both going to suffer by reason of lack of properly prepared foods because of inability to secure corn, and thousands of hogs and other essential brood animals will be sent to market because of lack of feed.

This will further materially reduce the supply of milk, butter, eggs, cheese, meats, and fats for human consumption, as well as many essential elements so vitally necessary to our industrial war effort.

Now comes the further deterring and distressing program of costly and confusing systems of roll-back subsidies which were never authorized by law.

Confusion on the home front will soon be a more deadly weapon against our American war effort than enemy submarines and airplanes.

The brilliance of our American design and construction engineers plus the daring and courage of our fighting young American men are fast overcoming the weapons and fighting ability of our enemies abroad, while we have wandered farther into the wilderness of confusion on the home front.

Our people in the Midwest are distressed over this constant confusion caused by conflicting directives, orders, questionnaires, releases, and statements coming out of the overlapping bureaus and commissions in Washington. They are disturbed by the conflicting stories of further curtailing their use of gasoline, the conflicting stories concerning the drafting of fathers, the changing controls of the use of manpower, materials, and awarding of war contracts, and now the changing rules concerning the prices of food.

If we were to enact into law the measure now before us we would merely confound existing confusion. When Chester Davis was called back to Washington to assume the role of Food Administrator, many of us felt that a sound and sane program was in the making. Instead, it turned out to be just another makeshift gesture. A capable man was given grave responsibility without adequate authority. It is my firm conviction that unless he is quickly given genuine authority over prices, production, and distribution of food we will lose the beneficial effect of the confidence he commanded in the commercial, financial, and farming population of our country.

The testimony before our committee investigating manpower showed that at no time was food production, through responsible representation, ever given a seat at the table where the strategy, plans, and policies of our gigantic war effort were considered and decided.

When Chester Davis was called in at a critically late hour to tackle the tremendous job of food administration, he was not even then made a member of our War Mobilization Board.

The time has come for Congress, in full possession of these facts, to fulfill its responsibility as the elected representatives of the people and to say "No" to any more half measures, and to insist that full authority be granted to a responsible man to establish an intelligent program of producing, preserving, pricing, and distributing food.

The farmers who produce and the organizations which process our food supply have all made known their dissatisfaction with and their protest against the ruinous confusion and the cost of the proposed additional bureaucratic control over food production, prices, and distribution. To enact a measure providing for such control is merely to fly in the face of those sincere, patriotic American citizens who ask only that we give them a clear program under which they may make their full contribution in producing the principal product needed for the American war effort—food. Further delays are dangerous, for food is the No. 1 essential weapon for victory, and certainly is by far the most effective weapon in establishing and preserving a permanent peace.

The daily stories of the gallantry of the services and sufferings of our young men and women overseas should no longer be a smoke screen to shield inadequate plans and inefficiencies on the vital home front. The warnings against the approaching food shortage and the protest against the confusion that will cause it have been stated time and again. The hour for action has come. We, the Congress, have a definite responsibility to demand that adequate authority be given to the Food Administrator under the vast powers given to the Chief Executive, or we should set up that authority now by further legislative action.

The time for procrastination, evasion, indecision, and makeshift half measures is past. Therefore, we should say "No" to these particular forms of subsidies in order to prevent their hindering rather than helping the production and processing of our already inadequate supply of food.

If we do not stop taking half-step measures farther into the wilderness of confusion, we shall add greatly to the difficulties entailed in defeating our enemies abroad, and the starving people we will liberate will find that we have come with an empty cupboard.

If the general roll-back subsidy program is adopted, very little of the money provided under it will cause a reduction of prices to consumers; but, as heretofore proven in the case of both butter and beef, the result will be a reduction of prices to the producers; and a large portion of the money will be absorbed in the creation of further bureaucratic control and bungling.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Hatch	Reed
Andrews	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Bridges	La Follette	Stewart
Brooks	Langer	Taft
Buck	Lodge	Thomas, Idaho
Burton	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chandler	Maloney	Tydings
Chavez	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Davis	Moore	Wallgren
Downey	Murdock	Walsh
Eastland	Murray	Wheeler
Ferguson	Nye	Wherry
George	O'Daniel	White
Gerry	O'Mahoney	Wiley
Green	Overton	Willis
Guffey	Pepper	Wilson
Gurney	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

Mr. SHIPSTEAD. Mr. President, the bill now before the Senate is in the form of a subsidy to pay commitments which have been incurred by the executive department of the Government. The legality of the commitments upon which the bill is based has been denied by the distinguished Senator and attorney from Ohio [Mr. TAFT]. He said yesterday that he did not believe that there was any foundation for the proposed subsidy in any legislation upon the statute books, or words to that effect, if I do not quote him exactly. I believe the distinguished Senator from Georgia [Mr. GEORGE] made a similar statement. I understand that that is his view. Yesterday I asked the distinguished Senator from Alabama [Mr. BANKHEAD] on what law the proposed legislation was based; and with all due respect to the distinguished Senator, I could not find satisfaction in his explanation.

The legality of the proposed subsidy legislation is based upon the strange opinion of the Attorney General that the packer is a producer. The purpose of the bill is said to be to take care of the producer. This subsidy, if enacted into law, will therefore be paid to the packer of meat, who has already bought hogs and cattle at prices below the ceiling. We know that when the Executive edict with respect to the subsidy program was announced, the prices of cattle and hogs dropped on the market as much as a dollar or more a hundred pounds.

The proposed subsidy would be paid to the packer of meat, who has already bought hogs and cattle at prices below the ceiling; but apparently the farmer has no recourse. The executive department has, under this policy, made commitments without the consent of Congress, and now asks Congress to make good this commitment by check written on a bank with no funds. The question for Congress to decide is, Shall the Congress make good this claim based on the strange legal imagination that the packer is the producer and can collect if this bill is passed, but that the farmer, who has sold his hogs and cattle, has no recourse? He has already taken his loss. The bill, if passed, should specify that the claim for loss should be paid to the original producer. The processors have already protected their losses by reduced prices to the farmer, who is the original producer.

The bill is, in effect, in the form of a claim for damages. If any funds are to be expended, they ought to be paid to those who have sustained the loss. It is my opinion that the Congress has already made good too many post-dated checks. The practice of the executive department in making commitments of expenditures without the sanction of Congress is a subversive activity for the Executive to control the purse, a power vested in Congress. This is not only a post-dated check but is, in fact, also a blank check, to be signed by Congress and filled out for such amount as the executive agencies may find need to meet such commitments as they may assume.

When the executive department has a policy which involves expenditures, it should come to Congress for permission to incur commitments of such nature as may occur to them. The sooner the Congress takes action to enforce that policy and its authority over the purse the sooner we shall have less confusion and greater satisfaction with the administration of the war effort and our national economy and life.

This bill is, in effect, a claim for damages suffered by the producer of beef, pork, and butter as a result of the roll-back policy of the O. P. A., and unless the funds from this post-dated check issued without authority of Congress are paid to the original producer who has sustained the loss, the bill should not be passed at all. I do not see how, under this program, such funds can now at this late date be paid to the farmer, because he has already taken his loss. Therefore, I cannot support the Taft amendment or the bill in its present form.

Mr. President, I ask unanimous consent that a tabulation prepared by the Bureau of Agricultural Economics, dealing with hourly and weekly earnings of factory workers, cost of living, retail cost of foods, and prices received by farmers, to which I referred when the Senator from Kansas [Mr. REED] was speaking, be printed in the RECORD at this point as a part of my remarks.

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

Comparison of wages, cost of living, food costs, and farm prices, 1910 to date

[1910-14=100]

Year	Hourly earnings factory workers	Weekly wages per factory worker	Cost of living	Retail cost of foods	Prices received by farmers
1910-14	100	100	100	100	100
1914	105	103	104	106	101
1915	108	107	105	104	98
1916	123	121	113	117	118
1917	147	143	133	151	175
1918	193	183	156	173	202
1919	226	207	179	193	213
1920	273	247	207	213	211
1921	239	208	185	166	125
1922	219	202	173	155	132
1923	246	224	177	160	142
1924	257	225	177	158	143
1925	257	229	182	171	156
1926	259	231	183	177	145
1927	261	232	180	171	139
1928	265	234	178	169	149
1929	268	235	178	171	146
1930	261	218	173	163	126
1931	244	196	158	134	87
1932	216	159	141	112	65
1933	215	154	134	109	70
1934	256	170	139	121	90
1935	264	183	142	130	108
1936	267	196	144	131	114
1937	300	213	149	136	121
1938	302	195	146	126	95
1939	304	208	144	123	92
1940	318	222	145	125	98
1941	351	264	152	136	122
1942	410	331	169	160	157
March 1943	449	365	178	177	182

Source: Bureau of Agricultural Economics.

	March 1943 compared with May 1942	March 1943 compared with 1919	March 1943 compared with 1939	March 1943 compared with 1926
Average hourly earnings	[1] 12	[1] 99	[1] 47.7	[1] 73.4
Average weekly earnings	[1] 16	[1] 76	[1] 75.5	[1] 58
Cost of living	[1] 5.9	[2] .005	[1] 23.5	[2] 2.7
Retail cost of food	[1] 12.7	[2] 8	[1] 43.8	[2] 2.7
Farm prices	[1] 19	[2] 14.5	[1] 97	[1] 25

[1] Percent more. [2] Percent less.

THE PRESIDENT'S WORK OR FIGHT STATEMENT

Mr. BYRD. Mr. President, yesterday afternoon the President made a public announcement favoring the work or fight principle and amendment of the Selective Service and Training Act to raise the age limit for noncombat military service from 45 to 65 years.

He said:

I shall make that request of the Congress so that if at any time in the future there should be a threat of interruption of work in plants, mines, or establishments owned by the Government or taken possession of by the Government, the machinery will be available for prompt action.

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

Mr. BYRD. I yield.

Mr. CONNALLY. Does the Senator from Virginia understand that in the case of any plant which had any difficulty, the proposal to which he has referred would authorize the President to draft all the workmen in the plant, and compel them to work whether they wanted to or not?

Mr. BYRD. I will say, Mr. President, that I have quoted the language of the President of the United States, and the Senator from Texas can interpret it as well as I can.

Mr. CONNALLY. The point I make is that it seems to me the Senator is correct in the assumption that if the President's plan should be adopted by the Congress, any plant which he might desire to take over, could be taken over by him and he could draft into the armed service every man in the plant, and if the men refused to work they would be guilty of desertion and subject to the penalties for desertion, whatever they may be. That seems to me to be a much more drastic and rigid remedy than anything proposed in the labor relations bill which passed the House and the Senate by such overwhelming majorities, and which approximately 90 percent of the people of the United States are demanding to be approved and made a law.

Mr. BYRD. On March 1, Mr. President, I introduced Senate bill 802, which provides for the amendment of the Selective Training and Service Act of 1940 to give control over all registrants from 18 to 65 and which, with some modifications, is in substance what the President now proposes.

Had this proposed legislation promptly been enacted, the situation which now confronts us with respect to the lack of available governmental machinery to require those who are now striking in the coal mines to go back to work would not exist.

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

Mr. BYRD. I yield.

Mr. HATCH. Is there anything in the legislation proposed by the Senator from Virginia, which he is now discussing, which would conflict in any degree with the bill which now awaits the President's signature?

Mr. BYRD. Not at all. I shall come to that point in a moment.

Shortly after the introduction of my proposed legislation, the different agencies of the Government indicated their disapproval of the work-or-fight principle, which is now proposed by the President of the United States and embodied in the Byrd bill. On April 8, Mr. Donald M. Nelson, Chairman of the War Production Board, wrote to the chairman of the Senate Military Affairs Committee indicating his disapproval of Senate bill 802. On April 3, Mr. Frank Knox, Secretary of the Navy, indicated his disapproval. On May 5, Mr. Paul V. McNutt, Chairman of the War Manpower Commission, indicated his disapproval. On May 11, Mr. Henry L. Stimson, Secretary of War, indicated his disapproval.

Now that the President of the United States will recommend to Congress the work-or-fight principle and the amendment of the Selective Training and Service Act for the purpose of extending the age limit for induction into the armed service from 45 to 65, I assume those

officials—W. P. B. Chairman Nelson, War Manpower Commissioner McNutt, the Secretary of the Navy, and Secretary of War—will withdraw their opposition to the work-or-fight principle embodied in Senate bill 802 introduced by me.

The Senator from Mississippi [Mr. EASTLAND] has introduced proposed legislation along the same general lines.

In view of the announcement of the President of the United States, I am requesting the chairman of the Senate Military Affairs Committee, the Senator from North Carolina [Mr. REYNOLDS] promptly to call a meeting of his committee for the purpose of considering Senate bill 802, introduced by me on March 1, at which time I will present certain amendments, but will retain the work-or-fight principle so that those from 18 to 65 who refuse to work behind the lines in order to supply the boys on the fighting front will be subject to the same control by the Government as those who are inducted into the armed service.

I congratulate the President on his recommendation to Congress that those who have already registered from 18 to 65 for the purpose of rendering the most effective service during the war emergency should come under the control of the Selective Service and Training Act, and give to the authorities the right to require them to work in defense industries, or be inducted into the armed service.

The very least we can do in performing our duty to those who are facing the enemy on many foreign battlefields is to compel those at home to do what may be necessary to produce the implements of war so that these American men may effectively do their part on the foreign front.

Mr. President, we have temporized with this situation long enough. Our domestic front is in the most chaotic condition that this country has ever witnessed. Unless firm measures soon are taken we may lose this war on the home front and certainly the war will be lengthened and many American boys will pay the supreme penalty because of our failure to do what we should do at home in a total war effort which can come only from total sacrifice.

I desire to say, Mr. President, that I sincerely hope the proposal just made by the President of the United States to work or fight is not made as a substitute for the Connally-Smith bill, but that it will be considered only as a measure to implement that legislation.

I believe, Mr. President, that a veto of the Connally-Smith bill would have disastrous consequences on public morale. This legislation, after months of debate and conflict, was finally enacted by both Houses of Congress. It provides strong measures to meet the labor crisis that now confronts us. Implemented by further legislation on the work-or-fight principle, our country can be assured that for the duration of the war there can be no further interruption in the production of those supplies essential for our victory.

I have no means, of course, of knowing what the President proposes to do. In the next few hours he must make his decision. It will be a momentous decision in the history of America. If he vetoes the Connally-Smith bill, millions of Americans will believe that a trade has been made with John L. Lewis—that in return for Lewis permitting the mines to operate an agreement was made that the strike legislation would be vetoed. I do not presume to say whether or not such a belief will be warranted by the actual facts, but I do say that beyond question many millions of our citizens will believe that such was the case.

We should recognize that John Lewis has made the working of the mines conditional on his own terms, namely, that he will continue to work the mines only so long as the Government operates them, and when the Government ceases to operate the mines, he has emphasized, the agreement to continue to work until October is immediately rescinded.

We cannot permit any one man in America to offer terms to the United States Government in time of war in the operation of a vital industry essential to our war production.

Let the President sign the Connally-Smith bill and then implement this bill by work-or-fight legislation, as he has now proposed, and for the duration we can feel assured that no further labor troubles will occur.

I regret, Mr. President, that such strong measures are necessary, but in view of the open defiance to governmental authority by John Lewis, there is no alternative, as I see it. Our labor policies have been weak and vacillating. To delay firm action longer will be to invite certain disaster on the home front.

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

Mr. BYRD. I yield.

Mr. CONNALLY. The Senator referred to a postponement until October 31, conditioned on Government operation. Conceding that the passage of the strike bill had some influence in making Lewis go back to work, or rather, not in making him go back to work but making other people go back to work, what will happen in October when he renews the strike without the strike bill or anything else? What is to hinder him from breaking out again in October? I want to emphasize the necessity both of the strike bill, and then if the Senator can get his legislation through, which probably he will have a hard time doing, well and good.

Mr. BYRD. I realize the Senator from Virginia cannot do it alone, but I thought, with the influence of the President of the United States back of the bill introduced by the Senator from Virginia there might be a chance.

Mr. CONNALLY. I was going to say that it in nowise removes the necessity and desirability of approval of the bill I introduced in the Senate.

Mr. BYRD. I tried to make as clear as I could in my statement that it is very important and vital that the Connally-Smith bill be signed, and that it be made a law.

CONTINUATION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

Mr. HILL. Mr. President, as we know, there are conference reports on appropriation bills now pending for action; the Appropriations Committee will meet this afternoon on the Federal Security and Labor appropriation bill; there are also to be considered the huge War Department appropriation bill, and an appropriation bill for war agencies, and another deficiency bill to come along. These bills must become law by next Wednesday evening. So it is greatly to be desired that the Senate make disposition of the pending bill as soon as we reasonably can. In view of the circumstances, I ask, Mr. President, that during the consideration of the pending bill, no Senator shall speak more than 15 minutes on any amendment, on any motion, or on the bill itself, and that no Senator shall speak more than once on any motion, on any amendment, or on the bill itself.

Mr. McNARY. That, as I understand, would give each Senator a total of 30 minutes.

Mr. HILL. Any Senator could speak 15 minutes on any amendment, and 15 minutes on the bill, which would give a total of 30 minutes.

Mr. GEORGE. Mr. President, this is the most important measure that has come before the Senate, at least this year, and, perhaps, the most important measure that has ever been presented to the Senate. So I object.

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

THE FOOD SITUATION

Mr. WILEY. Mr. President, yesterday I took time of the Senate to speak about the food situation in the State of Wisconsin. I had particular reference at that time to the situation concerning the pea crop. This morning I received a long-distance telephone call, the gist of which is:

> After a cold, wet spring, hot weather has come, and the crop is coming on very fast. It has brought us a bumper crop of peas. If labor is not obtained, will lose between 20 and 25 percent of the food.

Mr. President, I spoke yesterday of the fact that in north Africa and Tunisia, in order to save the food crop of Tunisia American brains there went into action, utilized the armed forces and the gasoline, trucks, and machinery of the Army. In my section—the Middle West—there are great Army camps. I want men of the armed forces used to save the crops.

Mr. President, listen to this quotation from the telephone conversation:

> The United States Employment Service has been doing all it can, but there is no manpower available. It is not their fault.

That means that in that section there have been sucked off the farms and put into plants producing war supplies the men who should now be harvesting the peas and working in the pea canneries.

It means that the men from the cities and villages who were available last year are in war production plants receiving big pay. Something must be done at once. The only available man supply is in the Army camps.

Mr. President, listen to this part of the telephone message which I had my secretary transcribe:

They are sending some soldiers out of Truax Field for a day at a time. They have to be back in camp at 7 o'clock. We pay them for 10 or 12 hours, but they work actually only about 8 hours. It is better than nothing.

The telephone message continues:

Soldiers should be made available with their own living quarters, as most of the places—

Meaning the villages and the cities—

can't house them.

Let us stop and view the situation. When I talked yesterday to one of the military men he said, "Do you think, Senator, that the villages or cities where canning factories are located could arrange to take care of the 50 men you want there?" I said, "I do not know. I do not know how they can."

Suppose the Army was to pursue such a course in Tunisia—ask for quarters. The Army have their own kitchens, and their own tents. We are talking now about preserving or losing from 20 to 25 percent of the pea crop. The Army, located in groups in camps such as Camp Grant, Camp McCoy, and others, say, "Won't you please provide housing, and we will send our boys out by truck, but we must have those boys back in the evening. They cannot stay out when it gets dark." That is the sum and substance of what is said which shows an absolute lack of comprehension of the situation.

Mr. President, this is a serious matter. Twenty-five percent of the pea crop will be wasted unless we can get men into the fields. Ordinarily I do not use language such as I am now employing; ordinarily I try to be calm, but if we do not get that crop in—and I am not talking on behalf of the canneries, I am talking on behalf of the boys in the armed services, I am talking on behalf of the people of this country who have to eat—if the authorities do not learn the lesson in regard to peas, they will not learn it in regard to corn, or tomatoes, or spinach, or any of the other crops. If you please, they will not learn the lesson which our own folks in Tunisia taught when it was necessary to save the wheat crop there.

Listen to this telephone message, which came over the wire just half an hour ago:

Situation particularly critical in Dodge and Columbia Counties, Jefferson, and Fond du Lac.

Yesterday in Columbus 27 vineries should have been running and only 9 were.

Two-thirds of those vineries were out of action, and Senators know what that means. Twenty-seven in one town, Columbus, should have been running, when only nine were. Yet the officials of this Government, who have the over-all picture in their hands, will not see to it that orders are issued to make men available to preserve the food.

The telephone message continues:

The crop in the northern part of the State will be coming end of next week.

That means at La Crosse, Eau Claire, and my own town of Chippewa Falls. In that area the situation is very critical. The telephone message continues:

We were up to Camp McCoy the day before yesterday talking to the commanding officer. He told us his field troops were under field orders and not available. He is going to make some 200 to 500 limited-service men available on 3-day passes. We hope they will get down tonight. However, we still need 500 men in that particular area.

The gentleman who was talking, Mr. Verhulst, secretary of the canneries' association of the State, said:

We are not holding the United States Employment Service responsible—there simply isn't the manpower here.

Meaning that in the villages and cities and on the farms there is not the manpower, but in the camps there is the manpower available to save the food of this country for our armed forces and ourselves. Yet there are not the brains available to get the crops out—release the manpower to save the food for the Nation.

The telephone message continues:

Have been told troops from Fort Meade have been called to harvest crop in Maryland.

Thank God there are some brains somewhere in this country. I hope this news is true. I sincerely hope it is true, and I sincerely hope that whoever is responsible for the exercise of a little brain power in this picture will get credit, I hope, too, that, as in the East, the good work will permeate the whole lump, meaning the whole country, so that as the harvest comes on in the various sections of the Nation, the manpower will be made available.

The important thing now is to get boys out of the camps during the harvest and into the canneries. As I suggested yesterday, the primary problem in our country now is to preserve the food first. Everything else should be secondary. I could take the time to tell the Senate how many millions of men we have in training, and I could tell also how many it is estimated will eventually go overseas. Then I could tell how much of a reservoir would be left in this country to sit around and march around and train around. Of course, the brass hats cannot see the need of preserving the food. They have gotten into a rut and cannot see what is necessary. If the boys do not get the food, later on they will not be in shape to train or fight.

We heard remarks this morning by the distinguished junior Senator from Virginia [Mr. BYRD] in relation to the signing of the strike bill. Is there any difference between men stopping work and thus preventing the production necessary to provide the arms with which our soldiers are to fight, and the lack of brains on the part of those who should have brains to see to it that the food is preserved? One is as bad as the other. In one case there is absolute inaction on the part of men who should be active in production. In the other case there is mental blindness on the part of men who should be active in seeing that the food is harvested, placed in cans, and preserved for the Nation.

I sincerely hope that somewhere someone will be found who will send the word out to the proper officials in the camps in Wisconsin and elsewhere, "First things first. Get the men out to preserve these crops."

I say, Mr. President, that if we lose 25 percent of this food crop, everyone of us will suffer this year.

CONTINUATION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

Mr. LANGER. Mr. President, I ask unanimous consent to have inserted in the RECORD a letter from the Secretary of the North Dakota Stockmen's Association dealing with the matter of subsidies and the price roll-back. I particularly wish to state that the North Dakota Stockmen's Association is the leading livestock association in the State of North Dakota, and it speaks with authority in regard to stock raising. Mr. Arndt, the secretary, is thoroughly familiar with the problem.

Mr. GEORGE. Are the members of this association favorable to the price roll-back or against it?

Mr. LANGER. Let me read the letter and the Senator can judge for himself:

NORTH DAKOTA STOCKMEN'S ASSOCIATION,
Minot, N. Dak., June 21, 1943.

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

MY DEAR SENATOR: The other day I wrote to you expressing not only my personal opinion but the opinion of this association on the subsidy and price roll-back program. I thought you might be interested in just how this subsidy program is affecting the cattle market, and I am enclosing a sheet from the Markets magazine of Thursday, June 17. It would seem to me that in view of the fact that we are supposed to try to encourage production all that we possibly can, this is just about the silliest thing that was ever attempted and the final result must be apparent to everyone.

As far as I am concerned, I believe that if this program is followed out, there will be a genuine crisis in the livestock industry. With all of the uncertainties and confusions in the market, I do not see how we can expect feeders to take cattle out to the feed lots for the additional gain that we need so badly when it is almost self-evident that they are going to lose money. Feed costs are rising every day and feed is becoming scarcer day by day also. Labor costs are all out of sight and just how anyone is going to be able to stay in this business of producing food under circumstances of this kind is something that I cannot answer.

I do not see how anyone representing an agricultural State would even consider supporting a proposition of this kind, and if the administration is permitted to go through with it, we are headed for a lot of trouble.

Further I think that the time has come when we should stop trying to appease labor at the expense of agriculture.

Yours very truly,

L. E. ARNDT, *Secretary*.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the article published in Markets of Thursday, June 17, 1943, referred to by Mr. Arndt.

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

PACKERS FAIL TO REDUCE CATTLE PRICES; SALESMEN REFUSE BIDS OF 75 CENTS TO $1 OFF

(By Federal-State Market News Service)

The sharply lower opening session in the cattle division at South St. Paul was apparently a part of a Nation-wide campaign to reduce live cattle costs in anticipation of a roll-back in meat prices.

Monday's session was by far the slowest of the current season. Sellers being taken by surprise, were hardly prepared for the sharply lower bids, and as a result the entire market was somewhat confused.

Steers and yearlings were bid largely 50 cents and more lower, while on other classes, bids ranged 50 cents to $1 lower. The selling side, however, put up a strong resistance, refusing in some instances to show consignments, and taking a few steers off the market.

The net result was a 25 cents to 50 cents lower market on steers while cows and bulls were unevenly 25 cents to 75 cents lower. The producing faction would not be stampeded, however, and subsequent sessions saw a sharp reduction in salable supplies.

Thus with supplies already running below normal, any further decreases could have only one result, namely a tendency for prices to move upward again toward levels prevailing late last week. At midweek fed steers, yearlings, and heifers were weak to mostly 25 cents lower.

The top for fed steers for the week was $16 paid for a package of choice 1,358-pound fed steers, and there were other lots of strictly good and choice in a range of $15.50 to $15.75. It was largely a $13.75 to $15 market on the rank and file medium and good grades on Wednesday, with numerous lots of medium grade lightweight steers having sold down to $13.25 earlier in the week.

Good and choice yearling heifers sold up to $14.50 on Monday but subsequently there was little available above the good grade. The bulk medium and good heifers changed hands from $13 to $14.25, with a few common dairy-breds downward to $11.25.

Cows recovered around 25 cents of earlier losses, selling at midweek generally 25 cents to 50 cents lower, in a very uneven trade. The practical limit for good beef cows was $13 compared with $13.50 late last week while cutters stopped at $10 compared with instances up to $10.75 last Friday.

Canners were not so severely hit and while odd head had to go below $7.50, the bulk sold above $7.75.

Only odd head good beef bulls realized $12.75 on Monday, but by Tuesday this price was paid quite freely and on Wednesday there was a fair showing at $13. Unlike late last week, however, there were no bulls quoted up to $13.25 making the average loss figure about 25 cents.

Medium and good sausage offerings sold late in a bulk spread of $10.25 to $12.50.

Vealers lost 50 cents as their part of the lower trend, but in this class, there were no violent price losses or recoveries, rather a gradual lower trend.

Good and choice vealers went at $13 to $15, with odd head going to shippers up to $15.50. Common and medium kinds centered around $9.50 to $12.50, with light culls here and there down to $7.

Mr. LANGER. I have before me another letter which may interest the distinguished Senator from Georgia. The letter is addressed to me, under date of June 20, 1943, and is from a group of farmers and livestock producers residing in the vicinity of Mohall, N. Dak. I believe it is one of the most important letters dealing with this problem I have received. It is as follows:

Hon. WILLIAM LANGER,

United States Senate, Washington, D. C.

DEAR SENATOR: Due to the concern of a large number of livestock producers in the vicinity of Mohall over the declining prices of hogs and cattle and the constantly rising price of feed grains, which has been very prevalent in recent weeks, a group of livestock growers gathered last evening at the office of Theo. Clifford and, after considerable discussion, a decision was made to call you by long-distance telephone.

After our fine discussion with you regarding the program, it was decided to call a meeting this morning at 11 a. m., at which time a large number of farmers were present representing both large and small growers of livestock. I am sure that you personally know many of these men: Frank Sandberg, living west of Mohall; Palmer Asheim, east of Mohall; Lawrence Johansen, our local creamery operator at Mohall; Theo. P. Clifford, attorney and farmer; Harry Lohse, farmer and livestock raiser—

I may add that for a long time he was State chairman of the A. A. A.—

Roy Hoke and a considerable number of others.

We have gone about gathering some information which I believe will throw considerable light on the situation as we see it at this time. Constantly during the summer of 1942, and well into the winter of 1943, every effort was being made upon the part of representatives of the Department of Agriculture encouraging livestock producers and grain farmers to grow everything they could possibly grow because of the urgent war needs.

Today we find ourselves confronted with an estimate by the Renville County agent, Mr. Al Strong, to the effect that we have at least a 30 percent increase in hogs, a very marked increase in the number of milk cows, as well as other cattle and a vast amount of sheep and lambs. However, for the past 10 days, because of the increase in barley prices, we find a virtual stampede of immature spring pigs and unfinished packing sows coming to our local market with this explanation by the farmers: That, with 81-cent barley here at Mohall as of June 19, it is impossible for them to see where they can afford to feed this high-price feed and market their hogs at the price of $12.40 per hundredweight, which is the local livestock market. We find this condition existing together with the terrific handicap our farmers are working under because of the shortage of available farm labor and inexperienced farm help, as well as a complete lack of equipment.

With these thoughts in mind, the above mentioned group took it upon themselves to make rapid telephone surveys, and we are submitting this information to you. The amount of barley that has been shipped out of this locality is as follows:

1. Mohall—

A town of about 2,000 population—

has shipped out 6 cars of barley the past 10 days.

2. Tolley—

A town of about 1,000 population—

a rough estimate of 42,000 bushels in recent months.

3. Glenburn—

A town of about 1,000 population—

some 4,000 bushels of barley as well as 4,000 bushels of oats.

When elevator men here were asked why the shipping out of this feed grain, the answer from everyone has been that they can ill afford to hold this grain with the uncertainty of prices, while at the same time everyone was well aware that much of this feed will be needed here locally at a later date.

Furthermore, we find that Commodity Credit has asked for and is accepting the liquidations of 1942 and prior wheat loans to the extent that the Hurley Farmers Elevator at Loraine, managed by H. A. Gates, will be moving 80,000 bushels of wheat as fast as available cars can be obtained. Other elevators in Renville and West Bottineau Counties report the same situation. That brings us to a cleaning out, so to speak, of wheat held by the Commodity Credit Corporation, as well as barley and oats moving because of attractive prices to the local terminals, and an immediate liquidation of the barley and oats because of fear of Office of Price Administration ceiling prices.

It would appear that in the event something should happen to our crops, of having the ridiculous situation of first shipping out such grains as might be needed to feed this livestock—and then, perhaps, following it with a great number of unfinished livestock.

I am sure, Senator, that you are well aware that we here in the western part of North Dakota are never quite sure of a crop until the same is in the bin.

We also took a hurried survey at random, by telephone, of 15 representative farmers, and we are submitting their feed situation and the number of hogs on their farms:

Mr. O. P. Witteman, west of Mohall—170 pigs, 30 sows. Has 800 bushels of barley on hand. Expected to buy local feed in the event that he did not raise sufficient feed himself. Witteman informs us that he has made inquiry to purchase feed within the past week and has been unable to locate feed from any of his neighbors.

Asheim and Johansen, operating south of Mohall—70 sows, 30 feeder pigs, and 400 spring pigs. As of this morning they have 300 bushels of barley on hand.

As the distinguished Senator from Georgia knows, that would be only enough to feed these animals for about a week.

William Witteman, east of Mohall—150 pigs, 20 sows. He figures he has 2 weeks' feed on hand.

Charles Adams, the writer, of Lansford territory, has 100 hogs, 70 ready for market, 10 sows, and 160 spring pigs. Have about 4,000 bushels of feed on hand, and after making this survey this morning, feel that I am much more fortunate than many of my neighbors.

Joe Fisher, southeast of Mohall, has 36 sows, 230 pigs, and 200 bushels of barley on hand. Was planning on buying feed barley, perhaps wheat, but because of this decline in hog prices and upward trend of feed grains, is seriously contemplating discontinuing this project.

John Gates, west of Loraine, has 26 sows, 230 pigs, 200 bushels of barley on hand. Had hoped to be able to avail himself of local supplies of barley and wheat.

This man has just about 10 days' supply of feed.

George Capranos, north of Mohall, one of our larger operators—last year raised about 400 hogs, and has been constantly liquidating until at this date he has 35 sows, 75 pigs, and 300 bushels of feed on hand. He is seriously considering disposing of the balance of the pigs and sows at whatever price he can get because of the uncertainty of market conditions.

L. H. Oberholtzer, of Grano territory, has 44 sows, 170 spring pigs, and 1,000 bushels of feed on hand. Expected to get grain locally until 1943 feeds were available. Reports corn crop making very unfavorable progress and is quite disturbed over this entire situation.

We have had too much rain in this part of the State, and the prospects for corn crops are not good. Of course, if we have considerable good weather from now on, the crops will come through. Out there, as the Senator from Georgia perhaps knows, most of us raise corn which matures early.

Albert Mace, of northeast of Mohall, about halfway between Antler and Mohall. Mr. Mace is one of the smaller operators—has 7 sows, 45 pigs, and 150 bushels of feed on hand. Was attempting to market these hogs Saturday evening because he feels, with feed prices as they are, he is better off without his hogs.

John Asheim, northeast of Mohall, has 60 sows and feeder hogs and 130 spring pigs. Reports that he has plenty of feed and will continue to operate.

Senator W. J. Trout, of Sherwood territory, has 30 sows, 200 spring pigs. Plenty of feed on hand, but very much disappointed with price situation and seriously thinks of selling all but a few hogs for home consumption.

John Mace, west of Mohall, has 12 sows, 100 spring pigs, and 100 bushels of feed on hand. He is undecided what to do, but believes he will market sows as soon as pigs are weaned, admitting they will go to market in unsatisfactory condition.

Frank Sandberg, west of Mohall, sold 75 spring pigs and will be selling his sows this week. He is keeping 1 hog to butcher. Will sell the feed rather than feed it to hogs.

Roy Hoke, of Greene territory, has eight sows which will be marketed immediately. He has sold all of his spring pigs. He feels that ratio between pigs and grain prices makes it impossible for him to grow them out; also confronted with labor problems.

Peder Rice, east of Mohall, has 30 sows, 150 pigs. Mr. Rice reports he has plenty of feed.

I trust this will give you a picture of our local situation.

Mr. President, let me say that, in my judgment, the situation described in the letter is typical of conditions in all the western section of North Dakota. The community the writer of the letter describes is an average community.

The letter continues:

We also made a brief survey of the estimates of the possibility of having matured corn. Peter Asheim reports his corn is just coming up. He says it may make for fodder, but does not look to have any ripe corn—

Let me add, for the information of the distinguished senior Senator from Georgia, that usually by the Fourth of July the corn in North Dakota is at least 2 feet above the ground.

The letter continues:

Al Strong, county agent, reports that corn prospects are decidedly poor and that only about 50 percent of the 1942 corn acreage has been planted this spring;

Let me add that the same situation exists in eastern Montana. Conditions in both sections are identical.

I read further from the letter:

Frank Sandberg feels corn crop prospects very poor and looks for no ripe corn; the writer's corn prospects are very poor due to several contributing factors—poor seed, cold spring, and some seed which is not adapted to our territory; Theo. P. Clifford feels that we do not have a chance for ripe corn;

Let me say that Mr. Clifford is a man of about 45 years of age who was born in North Dakota and is an expert, as things go out there.

The letter continues:

Lawrence Johansen cut his corn acreage in half and expects no corn to reach maturity; Ed Bred, local elevator manager here states that too much southern corn has been planted, and says we can expect but little corn here this year.

This briefly, is a survey of our corn situation here, and I will admit it does not look bright. Our spring has been decidedly wet and backward; even snow storms in June.

In June, they had 5 inches of snow at Minot, N. Dak., and in western Montana.

I read further from the letter:

None of these conditions being conducive to a corn year.

Referring again to a paragraph in the early part of my letter, one can readily see that with our barley in October 1942 at 35 cents—

I, myself, sold some at that time at about that price—

and live hogs marketing at $13.75 to $14 a hundredweight, it was a comparatively easy matter to sell increased production of hogs and livestock by our local agricultural representatives, but when we find ourselves today with barley at 81 cents and hogs at less than $12.50 a hundredweight, there is a keen disappointment on the part of the people who have learned to look to the Department of Agriculture representatives as their advisers and have been accepting their advice and suggestions that it was contributing to the war effort.

I trust that this lengthy letter may help you in your splendid efforts for our people here in western North Dakota, and please feel free to call upon myself or any one of the group which was here at these meetings for any assistance that you may feel we can offer.

Respectfully yours,

CHAS. F. ADAMS,
Chairman, Lansford, N. Dak.

So, Mr. President, I want to say to the Senator from Georgia that the situation in western North Dakota is the very worst it has been at any time since the drought. As the Senator knows, we had 8 or 9 years of drought. We had fairly good crops in 1937, a poor crop in 1938, and splendid crops in 1939, 1940, 1941, and 1942. However, with the corn acreage cut down, the result will be that hundreds of thousands of cattle, hogs, and sheep that we had there last year simply will not be there this year. That is the situation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 2, line 8.

The amendment was agreed to.

The next amendment of the committee was, in section 3, on page 2, line 19, after the date "June 30", to strike out "1947, or the end of the second year following the first day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated, whichever is the later" and insert "1945."

The amendment was agreed to.

The next amendment of the committee was, on page 5, after line 15, to add the following new section:

SEC. 5. Whenever a maximum price or prices shall have been established for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity, including livestock, under authority of the Emergency Price Control Act of 1942 or of the act entitled "An act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes", approved October 2, 1942, no subsidy or other payments shall be made either directly or indirectly to a producer, processor, manufacturer, or any other person engaged in the production, marketing, distribution, or handling of any such commodity for the purpose of compensating any such producer, processor, manufacturer, or other person in whole or in part for any reduction or rollback of maximum prices so established as may have been or may hereafter be ordered, from any funds heretofore or hereafter appropriated to the Commodity Credit Corporation unless the Congress, by appropriation or otherwise, shall have authorized the use of such funds for such purpose. The definition of the term "person" in section 302 (h) of the Emergency Price Control Act of 1942, shall apply to the term "person" as used herein.

Mr. AIKEN. Mr. President, on behalf of the Senator from Iowa [Mr. GILLETTE] and myself, I offer the amendment which has been printed and lies on the desk, as a substitute for the committee amendment on page 5.

The PRESIDING OFFICER. The amendment will be to the amendment stated.

The LEGISLATIVE CLERK. In lieu of the committee amendment beginning on line 16, on page 5, and continuing to line 12, on page 6, it is proposed to insert the following:

SEC. 5. No maximum price shall be established or maintained for any agricultural commodity or commodity processed or manufactured in whole or substantial part from any agricultural commodity, including milk and its products and livestock, under authority of the Emergency Price Control Act of 1942 as amended by Public Law No. 729, approved October 2, 1942, below a price which will reflect to the producers thereof in the market place, the higher of, the maximum prices provided in section 3 of Public Law No. 729, approved October 2, 1942, or the support price therefor as heretofore or hereafter announced by the Secretary of Agriculture or the War Food Administrator and which maximum price shall conform in all other respects to the provisions of section 3 of such act, as amended; nor shall any subsidy or other payments, other than those which have accrued prior to the effective date hereof, be made either directly or indirectly by the Government or any agency thereof, including any Government-owned or controlled corporation, to a producer, processor, manufacturer, or any other person engaged in the production, marketing, distribution, or handling of any such commodity either (1) for any reduction or roll-back of maximum prices so established as may have been or may hereafter be ordered, or (2) as a substitute for or in lieu of increasing maximum prices already or hereafter established, or (3) to maintain any maximum price already or hereafter established, from any funds heretofore or hereafter appropriated to, borrowed under congressional authorization by, or in the custody or control of any governmental agency, including any Government-owned or

controlled corporation, unless the Congress shall have specifically authorized the use of such funds for such purpose, except that the foregoing prohibition shall not apply until the end of the current crop season to any such commodity, other than milk and livestock and the products thereof, with respect to which the Government or any agency thereof was committed to the payment of such subsidies or other payments on June 15, 1943, or to Government-owned wheat sold for feeding purposes only if sold at not less than the parity price of corn, or to prevent such adjustments in the price supports and price ceilings on competitive domestic vegetable oils and fats as may be required to bring about or to maintain the necessary relationship in the prices of such products that is required to assure adequate production for the war effort: *Provided*, That nothing contained in this section shall be construed to prevent the payment of all or any part of the purchase price or adjusted purchase price heretofore or hereafter paid or to be paid for such commodities sold to any governmental agency for governmental use. The definition of the term "person" in section 302 (h) of the Emergency Price Control Act of 1942, shall apply to the term "person" as used herein.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Hatch	Reed
Andrews	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Bridges	La Follette	Stewart
Brooks	Langer	Taft
Buck	Lodge	Thomas, Idaho
Burton	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chandler	Maloney	Tydings
Chavez	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Davis	Moore	Wallgren
Downey	Murdock	Walsh
Eastland	Murray	Wheeler
Ferguson	Nye	Wherry
George	O'Daniel	White
Gerry	O'Mahoney	Wiley
Green	Overton	Willis
Guffey	Pepper	Wilson
Gurney	Radcliffe	

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Eighty-three Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. AIKEN] in the nature of a substitute for section 5 of the committee amendment.

Mr. AIKEN. Mr. President, I have offered this amendment because the bill as written, with the amendment proposed by the committee, does not seem to meet the needs of the present situation, and seems definitely unsuited to promoting agricultural production.

At the outset I wish to have it understood that I have no opposition to legitimate and necessary subsidies. I am opposed to illegal subsidies, and those which are very obviously proposed or applied for purposes other than increasing production.

My amendment has the endorsement of virtually all the farm organizations of the country. I should like to read two or three such endorsements.

The first is from the National Council of Farmer Cooperatives, dated June 23, 1943.

NATIONAL COUNCIL
OF FARMER COOPERATIVES,
Washington, D. C., June 23, 1943.

Senator GEORGE D. AIKEN,
United States Senate,
Washington, D. C.

DEAR SENATOR AIKEN: It is my understanding that you plan to introduce an amendment to S. 1108, a bill to extend the life of the Commodity Credit Corporation.

The National Council of Farmer Cooperatives has no specific policy pertaining to the Commodity Credit Corporation as such, but its membership has been favorable, generally, to the purpose for which this organization was established. The Council does have official policies covering some of the activities of the Commodity Credit Corporation.

The tendency recently for Commodity Credit Corporation to use a large part of its funds for subsidy payments is, in our opinion, unsound. The Council is opposed to the "use of subsidies in place of fair prices in the market place." Therefore, we wish you to know that the amendment which we understand you will offer to the Commodity Credit Corporation bill has our full support.

The National Council of Farmer Cooperatives, which represents some 4,600 individually incorporated associations of agricultural producers, which, in turn, have approximately 2,300,000 farmer memberships, considers the question of subsidies vital to our national war effort, and urges that the Senate take specific action prohibiting the general use of subsidies throughout our wartime economy.

With best personal regards,
Sincerely yours,
EZRA T. BENSON,
Executive Secretary.

P. S.—Similar letter has been mailed to Senator GUY M. GILLETTE.

A similar letter has been sent to the Senator from Iowa [Mr. GILLETTE].

The next endorsement is from the National Cooperative Milk Producers' Federation, dated June 24, 1943, and reads as follows:

JUNE 24, 1943.

Hon. GEORGE D. AIKEN,
Hon. GUY M. GILLETTE,
Senate Office Building,
Washington, D. C.

DEAR SENATORS: Representing this federation and on behalf of dairy farmers generally, I am writing to thank both of you for introducing your substitute amendment to section 5 of S. 1108. This amendment, among other things, is designed to free dairy farmers from the onerous subsidies which have been forced upon them in connection with cheese, butter, and fluid milk in certain great milksheds.

We oppose subsidies as a compensation for roll-backs of maximum prices, as a substitute for or in lieu of increasing maximum prices, or as a means of maintaining maximum prices.

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

Mr. AIKEN. I yield.

Mr. TAFT. They do not appear to object in any way to the subsidy which they have received through the sale of feed wheat at very considerably less than its value. That was a direct subsidy to dairy producers.

Mr. AIKEN. I think there are a good many subsidies proposed——

Mr. TAFT. The Senator has excepted that particular subsidy from his prohibition of subsidies. Apparently dairy producers do not object to being subsidized themselves. What they object to is any subsidy to the consumer.

Mr. AIKEN. Subsidies as an incentive to necessary production are not generally objected to.

The letter continues:

Such devices do not relieve the people of their food costs. They actually increase the food costs by adding the carrying charges to bond issues which some day must be paid if the public credit is to be maintained.

We hope that the Senate will pass your substitute and defeat the amendment offered by Senator TAFT and reported by the committee yesterday. The Taft amendment is unwanted by agriculture and our people resent this effort to fasten on us an unhealthy, undesirable subsidy just because this would be a face-saving action to cover up the mistakes of the New Dealers within the administration.

Sincerely yours,
CHARLES W. HOLMAN,
Secretary, the National Cooperative Milk Producers' Federation.

I will say also that the American Farm Bureau Federation has expressed its support in full of the amendment which has been offered by the Senator from Iowa [Mr. GILLETTE] and myself. The National Grange is fully behind the amendment. The Livestock Breeders' Association, as well as many others from whom I do not have endorsements in writing, also endorse the amendment.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. I am sure that the Senator from Vermont and I have the same objectives in mind. However, I must confess that the amendment which the Senator has offered is so complicated that I, myself, cannot understand it. It seems to me, therefore, that it might be very well subject to construction by the O. P. A., such as occurred with reference to section 2 (e) of the original Stabilization Act, which seemed to me to be very clear. I believe that if we are to do something about this situation we ought to do it very definitely and clearly, and prevent a situation which may become involved. I have conferred with several Members of the Senate who very frankly stated that they were unable to understand what the Senator's amendment meant, as I, myself, was unable to understand it. It is an amendment of two pages in one sentence. I frankly do not know exactly what the Senator's amendment means. It seems to me that the Senator could very well improve the mind of the Senate by explaining his amendment, rather than telling us who are in favor of it.

Mr. AIKEN. I have not reached that point as yet. I shall explain it to the best of my ability. I have had the amendment examined by the most capable attorneys with whom I am acquainted, in order to insure that the amendment states what I intended it to mean.

Mr. President, I have in my hand a page from the June 23 issue of the Nebraska Union Farmer. So far as I know, the Farmers Union as a national organization has taken no official position on the subject of roll-backs and subsidies. However, the Nebraska group is very definitely opposing it. In the June

23 issue of the Nebraska Union Farmer there appears an editorial the title of which is "Food Subsidy Fantastic." I do not wish to read the editorial, as it would take some time, and I do not desire to delay the proceedings of the Senate any more than necessary. I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

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

Paying part of the national grocery bill out of the Federal Treasury, which is the effect of reducing prices of food products to consumers and making up the difference with subsidies supposedly to go to producers, is about as fantastic a policy as could be imagined.

The ostensible purpose of the subsidy program is to hold down prices of food to consumers. But large numbers of consumers already have buying power, in terms of money tokens, far in excess of the foods available for purchase. This subsidy policy will leave more tokens in their pockets. By the very means used to prevent higher prices to consumers, therefore, will come greater pressure for higher prices.

Price control has been inaugurated by the Government to prevent inflation. Inflation is the result of an excess of money tokens in relation to the supply of goods available for purchase. Without changing the supply of goods, the subsidy policy leaves more tokens in the pockets of purchasers. This means that the subsidy policy is inflationary and directly opposed to what is being attempted by the fixing of price ceilings.

Even if the subsidy program should not result in greater inflation, it will not in the long run help the people whom it is supposed to help. What the people as a whole save on their grocery bills they will have to pay in increased taxes to replenish the Treasury. Because these taxes are added to prices, and ultimately fall upon consumers, with profit margins added, the very people supposed to be protected by the price reductions and subsidies, the poorer people, will have to pay the major part of the taxes to supply the subsidies.

A more complicated method of attempting to hold down prices to consumers could hardly be devised. As we understand it, the subsidies are to be paid to processors. An army of checkers will be required to determine the payments to be made. The plan is full of opportunities for inequalities and favoritism. It can be used to build some businesses and destroy others. The subsidies are supposed to be reflected to farmers in prices for their products. But can the enforcement make this certain?

Mr. AIKEN. Mr. President, I now come to the amendment itself:

No maximum price shall be established or maintained for any agricultural commodity or commodity processed or manufactured in whole or substantial part from any agricultural commodity, including milk and its products and livestock, under authority of the Emergency Price Control Act of 1942 as amended by Public Law No. 729, approved October 2, 1942, below a price which will reflect to the producers thereof in the market place, the higher of, the maximum prices provided in section 3 of Public Law No. 729, approved October 2, 1942, or the support price therefor as heretofore or hereafter announced by the Secretary of Agriculture or the War Food Administrator and which maximum price shall conform in all other respects to the provisions of section 3 of such act, as amended.

Mr. President, in the act of October 2, 1942, to amend the Emergency Price Control Act of 1942, section 3 provides two standards with respect to the establishment of maximum price ceilings on agricultural commodities and commodities processed in whole or in substantial part from agricultural commodities. The language of the proposed amendment which I have just read adds a third standard—namely, the support price announced for any such commodity by the Secretary of Agriculture or the War Food Administrator. Hereafter, under this language, a price ceiling on such commodities could not be established below the higher of the support price or the price standards specified in section 3 of the act of October 2, 1942. The objective of this language is to discourage a roll-back in an established price ceiling, and then subsidizing the amount of the roll-back in the case of a commodity upon which a support price is announced.

Both butter and meat are apt examples. A support price of 46 cents a pound for 92-score Chicago base butter was announced in November 1942. A support price for hogs of $13.75 likewise was announced on April 10, 1943. Under the roll-back program both these support prices are above the present price ceilings, and the Government is either subsidizing or intending to subsidize the difference.

Speaking plainly, the purpose of adding the third standard is to prevent the Department of Agriculture from promising the farmers a certain price, and then the O. P. A. cutting that price out from under when the produce is ready to be sold.

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

Mr. AIKEN. I yield.

Mr. TAFT. Frankly, I do not understand the statement of the Senator at all. I cannot see what the roll-back has to do with the support price. The support price is a price which the Government announces it will pay for a certain product.

Mr. AIKEN. That is correct.

Mr. TAFT. The Government then comes along and rolls back the retail price, and pays the processor a subsidy, so it makes good on the support price. The farmer receives the support price. Everyone receives the support price. I cannot see what it has to do with the question of roll-back.

Mr. AIKEN. The Senator from Ohio is wrong about that. The Agricultural Department announces a support price or guaranty which the farmers shall receive for butter, eggs, chickens, or whatever the article happens to be. The announcement is made, and the farmer goes ahead and borrows money and spends it in producing a larger crop. Then, when the crop is ready for market, the O. P. A. comes in, being a member of the same branch of the Government, and says, "We will put the ceiling of a certain percentage," 10 percent, let us say, below what the Department of Agriculture had promised the farmers in the beginning. In effect, that means the Government does not keep its promise to the farmers, and this amendment is designed to put an end to that kind of procedure.

Mr. TAFT. I have heard of no such case. I do not think any such case exists. I challenge the Senator to cite any such case, and I challenge him to produce any case where the support price has been announced in which the farmer has not received the support price, or the Government has not maintained the promise which it has made. If it is necessary to say that the United States Government shall keep its promise, I shall be glad to do so, but I, at least, have had no complaint from any agricultural producer in my State that a promise of that kind has not been kept—and I have received complaints about everything in the world, with most of which I agree. Frankly, if what the Senator has said were true, I cannot see how the first sentence of the Senator's amendment could have the slightest effect on the situation.

Mr. AIKEN. Before I conclude my explanation, I hope the Senator from Ohio will realize that the Department of Agriculture has promised farmers a certain price, and then the O. P. A. has cut that price out from under them.

However, I want to proceed to the next part of the amendment, which reads:

Nor shall any subsidy or other payments, other than those which have accrued prior to the effective date hereof, be made either directly or indirectly by the Government or any agency thereof, including any Government-owned or controlled corporation, to a producer, processor, manufacturer, or any other person engaged in the production, marketing, distribution, or handling of any such commodity either (1) for any reduction or roll-back of maximum prices so established as may have been or may hereafter be ordered, or (2) as a substitute for or in lieu of increasing maximum prices already or hereafter established, or (3) to maintain any maximum price already or hereafter established, from any funds heretofore or hereafter appropriated to, borrowed under congressional authorization by, or in the custody or control of any governmental agency, including any Government-owned or controlled corporation, unless the Congress shall have specifically authorized the use of such funds for such purpose.

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

Mr. AIKEN. I should prefer, Mr. President, to finish my explanation, during the course of which, perhaps, I shall have answered some of the questions which some of my colleagues might ask if I yielded as I go along.

The purpose of the provision I read before the interruption is to prohibit the payment of subsidies or similar payments, whatever they might be called, on agricultural commodities or commodities processed therefrom.

The language permitting the payment of such subsidies which have accrued is simply to protect producers against loss due to a roll-back. In other words,

the 5 cents a pound subsidy on butter which went into effect June 1, 1943, can, under this language, be paid to the effective date of this amendment, but thereafter such subsidy payments are prohibited. This, Mr. President, I would consider to be really the payment of damages which the Government has already inflicted upon butter producers and meat producers.

Cogent examples of subsidy manipulations prohibited by this amendment are the existing Cheddar cheese and butter subsidies. On the former a subsidy in the amount of 3¾ cents per pound is being paid. O. P. A. established a maximum ceiling price of 23¼ cents per pound, Plymouth, Wis., base, and instead of increasing this ceiling, the following arrangement was evolved: The Government through the Commodity Credit Corporation contracts with the cheese factory to buy the cheese at the price of 27 cents a pound and then turns around and sells it back to the cheese factory at 23¼ cents a pound, which is the ceiling. It thus underwrites the production of cheese with a 3¾ cents' subsidy payment which it pays to the cheese factory, and the factory in turn pays to the producer of milk. This is commonly referred to as the purchase-and-resale-at-a-loss type of subsidy.

At this point, Mr. President, I should like to call the attention of the Senate to the fact that the production of cheese has dropped 23 percent since this subsidy was put into effect. That is the testimony which has been given to us by the representatives of the Department of Agriculture. The subsidy did not increase the production of cheese, but decreased it by 23 percent.

Now, as to butter. Using 92-score Chicago as the illustration, O. P. A. recently rolled back the maximum price ceiling from 46 cents to 41 cents a pound—46 cents, incidentally, was the support price announced by the Secretary of Agriculture in 1942—and then arranged with the R. F. C. through its subsidiary, the Defense Supplies Corporation, to pay the creamery a 5-cent-a-pound subsidy ostensibly to be turned over to the producer of butterfat in order that his price return might remain the same and the producers' position thus be status quo ante the roll-back.

Both types of subsidy would be included in the prohibitions of the proposed amendment.

The only escape clause contained in the proposal is that which requires a Government agency, if it is disposed to inaugurate a subsidy program, to request the Congress for authority and funds to carry out such a program. Appropriate language appears near the conclusion to that end.

The next part of the proposed amendment reads:

> Except that the foregoing prohibition shall not apply until the end of the current crop season to any such commodity, other than milk and livestock and the products thereof, with respect to which the Government or any agency thereof was committed to the payment of such subsidies or other payments on June 15, 1943, or to Government-owned wheat sold for feeding purposes only if sold at not less than the parity price of corn, or to prevent such adjustments in the price supports and price ceilings on competitive domestic vegetable oils and fats as may be required to bring about or to maintain the necessary relationship in the prices of such products that is required to assure adequate production for the war effort: *Provided*, That nothing contained in this section shall be construed to prevent the payment of all or any part of the purchase price or adjusted purchase price heretofore or hereafter paid or to be paid for such commodities sold to any governmental agency for governmental use. The definition of the term "person" in section 302 (h) of the Emergency Price Control Act of 1942 shall apply to the term "person" as used herein.

The foregoing language makes provision (1) excepting from the prohibition, commodities which presently are subject to a form of subsidy program, but only for the duration of the present crop season. In other words, the proposed amendment would permit the Government to keep its agreements made with the farmers who were offered special inducements to produce more flax, sugar, hemp, peanut oil, soybeans, and several other crops of which we simply had to have a tremendous increase and in the growing of which the farmer would incur unusual costs or unusual hazards. The amendment which I am proposing would not prevent the Government carrying out those agreements; in fact, those agreements are specifically authorized by law because they are subsidies which are offered for the purpose of increasing production.

A further exception from the prohibition of a more permanent character is the present subsidy program on domestic vegetable oils and fats. Everyone knows we must offer incentives to get oils and fats produced in this country to take the place of the 2,250,000,000 pounds which we formerly imported from the East Indies and other quarters of the world. Neither of these exceptions applies to subsidy programs on milk and livestock and the products thereof, which have recently been announced over the protest of all agricultural America. In other words, while subsidy payments which have accrued with respect to milk and livestock products must be paid until the effective date of the amendment, thereafter the subsidy programs on these products terminate. This does not apply to fresh vegetables, vegetables for canning—corn, tomatoes, peas, beans, potatoes, and sugar. Existing subsidy programs continue through the current crop season.

I say again that this amendment does not interfere in any way with legitimate subsidies which have been offered by the Government in the form of incentive payments or to support prices or otherwise which were very definitely authorized by the Congress but the amendment does terminate the very questionable, and I hold, illegal, subsidies offered on butter and livestock and the products thereof.

Then, toward the end of the proposed amendment this proviso is found:

> *Provided*, That nothing contained in this section shall be construed to prevent the payment of all or any part of the purchase price or adjusted purchase price heretofore or hereafter paid or to be paid for such commodities sold to any governmental agency for governmental use.

This merely means that where the purchase price in a contract with a Government agency is the subject matter of litigation or negotiation, and it is finally determined what the purchase price shall be, the proposed amendment shall not be construed to prohibit the payment of that finally determined purchase price. For example, under O. P. A. Procedural Regulation No. 6, cases are pending before the Emergency Court of Appeals with respect to the purchase prices of certain products. The court, on final decision, may award an adjusted purchase price, in which event, the proposal should not be subject to a possible construction that such adjusted purchase price cannot be paid.

The proviso means nothing more than the foregoing, and should in no event be construed as authorizing a purchase and resale at a loss transaction, or any other character of subsidy, for it in no sense comprehends such payment.

This final clause was inserted at the request of small meat packers, who felt that they had been obliged to supply the Government with meat at less than cost. In fact, they produced figures which showed quite conclusively that in some instances they had been obliged to furnish the Government meat at less than cost, and they are hoping to have that price adjusted. I doubt if the last clause is necessary in the bill, but I realize also that whatever is passed in the Senate will undoubtedly go to conference, and if it turns out to be unnecessary, will be deleted in conference.

Mr. President, I was interested in what the Senator from Georgia [Mr. GEORGE] stated about an hour ago to the effect that this is the most important matter on which the Senate has been called to vote this year, if not the most important matter on which it has ever been called upon to vote. The executive department of our Government is attempting to force upon the Nation a program leading inevitably to disaster. The roll-back and subsidy program is not even an experiment. It is based upon false premises, and its evil effects are a foregone conclusion.

Its promoters claim that it will help the poor. That is camouflage—the facts do not substantiate the claim. Its promoters claim the program will not harm the farmer. The farmer knows this claim to be utterly false, and he will not be fooled by it, and is not fooled by it as is evidenced by the communications which I think every Member of the Senate is receiving from the farmers back home.

Mr. President, a few minutes ago the Senator from Ohio asked for an instance wherein the Government had promised one price through one agency, and had then, through another agency, cut the price out from under those to whom it had made the promise. I desire to call his attention to the following.

On November 20, 1942, Secretary Wickard stated:

> By agreement with Office of Price Administration prices will be supported at not less than 46 cents per pound for 92 score butter, Chicago base.

The Secretary of Agriculture further promised that this price for butter would be maintained through June 30, 1944. It should be expected that when an official, a Cabinet officer of the greatest nation on earth, clothed with authority to make a promise of this nature, does so, the promise would be kept.

Last month the Administration announced that the price of butter was to be reduced 5 cents a pound. This announcement came only 6 months after it had given a guaranty of price to all farmers of America. The executive branch further announced that a subsidy of 5 cents a pound would be paid to processors to offset the reduction in price.

On May 22 the Office of War Information, through its weasel-wording expert, issued a statement which purported to quote the guaranty of November 30, but which inserted the term "equivalent," so that it read "equivalent to 46 cents," in place of simply "46 cents." The Secretary of Agriculture made no promise to pay the farmers of the United States the equivalent of 46 cents for butter. He promised to pay them simply 46 cents.

Now let us see if all the farmers of America would get the subsidy, even assuming that the corrupted wording of the Office of War Information could be accepted, and the subsidy included as a part of the price.

It was announced that this subsidy would be paid to processors manufacturing 1,000 pounds or more of butter a month. No provision was made, and no provision has as yet been made, to pay such subsidy to the small farmers of the United States, who sell butter to the local stores or direct to the consumers, and I know how much the 2 or 3 pounds of butter a week the farmer's wife sells to one of her neighbors means to her. Secretary Wickard's promise of last November was not made to farmers or processors who processed 1,000 pounds of butter a month or more; it was made to all the farmers of the United States.

Administration spokesmen have also promised that the price of livestock to the farmers would not be reduced because of any roll-back in market prices. They promised them a subsidy to make up any loss. Yet they propose to pay the subsidy only to those who process 4,000 pounds or more of meat a month.

The Senator from Connecticut [Mr. MALONEY] yesterday was concerned as to whether the bill might result in a reduced production of food, although I take it that he intended to support the committee bill. If he were present I should like to say to him that the bill probably will do harm to a larger percentage of farmers of Connecticut than of almost any other State in the Union, because a larger percentage of the farmers of Connecticut sell direct to the consumer, and they do not make a thousand pounds of butter a month, or dress 4,000 pounds of meat a month.

Again, through this action of two agencies of the executive branch of our Government, the small farmer who sells small quantities of meat to his neighbors or local market men is penalized for the crime of being small. Granting that some American farmers who broke even or made a profit last year would receive a subsidy which would offset the reduction in price, the fact remains that the low-income group of American farmers will feel the crushing and devastating weight of Government domination.

Who will benefit from the subsidy program insisted upon by the executive branch? The loud cries of the pseudo champions of the underprivileged would indicate that the poor would benefit. What are the facts as to this contention?

The Office of Price Administration has directed that the retail price of the best porterhouse steaks be reduced from 66 cents to 55 cents, or 11 cents a pound. Short ribs are reduced from 25 cents to 22, or 3 cents a pound. Choice T-bone steak is reduced 11 cents a pound. Soup bones are reduced nothing at all. Choice lamb chops are reduced 5 cents a pound. Mutton shanks are reduced 1 cent a pound.

The reduction in price per pound to the high-income consumer averages at least three times the reduction to the low-income consumer. If the executive branch really wants to help the underprivileged—and its statisticians tell us that there is a larger percentage of the underprivileged, low-income group living on farms than any other class of Americans—if the executive branch really means that it wants to help the underprivileged, as it has been preaching in the last 10 years, it will make foodstuffs available at still lower prices to the poor people, and let the millionaire pay full prices for food he buys. I venture to say that if the roll-back and subsidy program on meats, and butter, and coffee, is permitted to continue, 90 percent of its benefits wil be derived by those who are amply able to pay full prices, and most of the loss will fall upon the farmers who are least able to bear it. The effect of the White House plan will be to make the rich richer and the poor poorer.

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

Mr. AIKEN. I yield.

Mr. BYRD. Do I correctly understand that the Senator's amendment would cancel the so-called roll-back subsidies which are now being paid?

Mr. AIKEN. That is the intention.

Mr. BYRD. On what date would they be canceled?

Mr. AIKEN. Just so soon as the bill becomes law.

Mr. BYRD. To what does the language beginning at the end of line 9 on page 2 of the Senator's amendment refer?—

nor shall any subsidy or other payments, other than those which have accrued prior to the effective date hereof.

Mr. AIKEN. That means that subsidies which have been authorized by Congress may continue in effect. So far as I know, the only illegal subsidies authorized by the executive branch are in the present roll-back program on meats and butter and, I suppose, coffee.

Mr. BYRD. The administration contends that the subsidy is legal, not illegal. I was wondering if the Senator's amendment was specific enough to cancel the roll-back subsidies which are now being paid.

Mr. AIKEN. I think it is. As I previously said, I have had the language gone over by competent attorneys.

Mr. BYRD. Will the Senator point out exactly the language which would accomplish that purpose?

Mr. AIKEN. The language begins in line 9, on page 2, and is as follows:

Nor shall any subsidy or other payments, other than those which have accrued prior to the effective date hereof, be made either directly or indirectly by the Government or any agency thereof, including any Government-owned or controlled corporation, to a producer, processor, manufacturer, or any other person engaged in the production, marketing, distribution, or handling of any such commodity either (1) for any reduction or roll-back of maximum prices so established as may have been or may hereafter be ordered—

I think that language covers the point the Senator has in mind; it certainly is intended to cover the present roll-back.

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

Mr. AIKEN. I am almost through with what I wish to say, and then I shall be glad to yield for a question.

Mr. SHIPSTEAD. I simply wish to ask the Senator if in his amendment provision is made for something which has already happened. When the roll-back was announced, the price of hogs and cattle immediately dropped. The packers did not pay the so-called prevailing or ceiling prices, as was promised. Butter also went down—was it 5 or 6 cents a pound?

Mr. AIKEN. Five cents a pound.

Mr. SHIPSTEAD. Five cents. The subsidy should go to the man who produces butter or hogs or cattle. Does the Senator think his amendment makes provision for the subsidy money reaching back to the original producer? The bill seems to be based on the theory that the packer is a producer. He is a processor, not a producer. Commitments have been made with respect to subsidy. Subsidy payments should go to those who have sustained the loss. How can the producer recover the loss he sustained as a result of the reduced price which came about by reason of the roll-back?

Mr. AIKEN. I think the original producer should receive the full amount of loss sustained by him. If my amendment shall be enacted into law, it will at least prevent the producer taking any loss in the future.

Mr. SHIPSTEAD. When the announcement of the roll-back was made, the processor cut his prices accordingly, so evidently he has sustained no loss by reason of the roll-back. It may be that other transactions have occurred with the Government whereby the packer has sustained some loss. But I do not see how the packer sustained any loss by reason of the roll-back, because when the roll-back was announced he immediately reduced the price he paid on cattle and hogs which were shipped to him. If the farm producers who have sustained loss are not to receive any subsidies, then what is the purpose of the bill?

Mr. AIKEN. There is provision in my amendment for paying the damages which the Government has inflicted upon

the farmers up to date through the butter and meat roll-back and subsidy program. However, I do not know that I could guarantee that the farmers would receive every cent of that loss. I think it cannot be gainsaid that they have lost millions of dollars up to now, and if they receive anything through this provision in my amendment so much the better. I do not know that the payment would get back to them.

Mr. SHIPSTEAD. I have letters from creameries and farmers in which they state that when the roll-back was announced and put into effect they sold butter at a loss of 5 or 6 cents a pound. I am told that if at that time they had made out certificates setting forth that they had sold their butter at a loss, they could recover; but they must have filed a certificate at that time for a claim in order to recover loss.

Mr. AIKEN. I understand that is true.

Mr. SHIPSTEAD. If the farmers did not know that they should make such certificates, and if they did not make them, they have no recourse in obtaining any redress. Was a certificate of that kind also provided for on the part of those who sold hogs and cattle? I did not hear anything about that.

Mr. AIKEN. I have not seen the regulations in regard to cattle. I have the regulation with regard to butter production payments, Regulation No. 2 of the Defense Supplies Corporation. I must admit that I have not read it all. I know a provision is contained in it that if any processor fails to comply in any way with any Government regulations which may be promulgated by any clerk in any of the Government agencies he shall receive no subsidy money to turn back to the producers who supply him. That is a wholly unfair regulation.

Mr. SHIPSTEAD. If the Senator will bear with me for a moment I will say that the bill is not one to pay for damages to the farmer, the producer. Unless some method has already been provided to see that this money will go to the original producer, and not to the processor, who evidently has sustained no loss, what is the use of the bill?

Mr. AIKEN. My amendment authorizes the payment of damages to the producers for the reduction in prices paid to them.

Mr. SHIPSTEAD. Yes; if the producer can show how much he had sold, and at what price he sold it, and how much he has lost.

Mr. AIKEN. I presume that regulations or rules will have to be worked out by the departments. I do not know of any way to make them follow the intent of Congress. We are trying as best we can under my amendment to make them do it. I know the producers are not going to get anything for the loss they have recently sustained if my amendment is not adopted, and they do stand some chance of getting some recompense if the amendment is adopted.

Mr. REVERCOMB. Mr. President, will the Senator yield for an inquiry?

Mr. AIKEN. Yes.

Mr. REVERCOMB. I do not want to interrupt the very able Senator's interesting discussion, but I hope before he takes his seat he will point out specifically the differences between the amendment offered by him and the amendment offered by the Senator from Missouri [Mr. CLARK]. I think it would be very enlightening and very helpful, I know it would be to me, to have pointed out distinctly and specifically the differences in effect between the two amendments.

Mr. AIKEN. I shall be very glad to do that if I can have a little time to read the amendment offered by the Senator from Missouri. The first time I saw his amendment was when I came into the Senate Chamber at 11 o'clock this morning. I must be frank and say that I have not had time to study the amendment offered by the Senator from Missouri.

Mr. CLARK of Misssouri. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CLARK of Missouri. Let me say that on Monday I introduced the measure as a separate bill. I had previously given notice in the newspapers that I would introduce it.

If the Senator will permit me to say a word further, the difference between the Senator's amendment and my amendment is this: I have read the Senator's amendment and my amendment several times, and I still do not know what the Senator's amendment means.

My amendment proceeds on the very old-fashioned, obsolete idea that a straight line is the shortest distance between two points. My amendment simply would repeal the authority under which the O. P. A. and the R. F. C. are claiming to operate in granting subsidies. I do not think that section 2 (e) of the Price Control Act gives them any such authority; but they are claiming that section as their authority. They are proceeding on that theory.

The committee amendment proceeds on the theory that because the Office of Price Administration and the Reconstruction Finance Corporation have proceeded illegally, Congress is now under some sort of moral obligation to express approbation of the action of the O. P. A. and the R. F. C. to make it legal and to establish it as a principle.

My amendment proceeds on the principle of recognizing the rights of people who in good faith have dealt with the Government in the proceedings had up to date, but of repealing the authority under which the O. P. A. and the R. F. C. claim to operate—a proceeding very closely analogous to cutting off the dog's tail right behind the ears. [Laughter.]

Mr. AIKEN. Mr. President, I want it thoroughly understood that I am not including the provision for any purpose of legalizing the actions of the O. P. A. and the other executive agencies of government, but for the purpose of recompensing the farmers for the damages inflicted upon them by the acts of the executive agencies.

Mr. O'DANIEL. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. O'DANIEL. The Senator has referred to his amendment as it relates to legal subsidies and illegal subsidies. Would the Senator be willing to modify his amendment by inserting, on page 2, in line 11, after the word "have" the word "legally"? The language would then read:

> Other than those which have legally accrued prior to the effective date hereof.

I simply offer that suggestion as a possible means of clarifying the Senator's amendment and making it more easily understood.

Mr. AIKEN. Mr. President, at this time I should not want to give the Senator from Texas an answer to his suggestion. I should like to use the few minutes I have remaining in order to conclude what I had prepared to say. Then I shall be perfectly willing to discuss the matter with the Senator from Texas.

As I said when I was diverted in order to answer questions by Senators, the effect of the White House plan will be to make the poor poorer and the rich richer. If carried to its ultimate conclusion, half the farmers of America will be so reduced in circumstances that they will be forced to call on Government agencies for help. Theoretically, that would make them easier to control. If the subsidy program goes through, the upper half of the farmers will be required to market their products through large processing concerns. Theoretically, they, too, would be easier to control.

These acts of our Government tend to create monopolies. Theoretically, a few monopolies could easily be taken over and controlled. Only the willfully blind can fail to see the tendency toward centralized control of the resources of America. If such a development comes to pass free institutions will disappear. We must not let that happen. According to statements appearing in the press, it seems that the President has announced his intention of forcing through the roll-back and subsidy program, regardless of the intent and determination of Congress. That makes the question now before the Senate not one of roll-back and subsidy, but one of maintaining our form of government. If the Congress permits any agency of government, no matter how high, to defy its acts and intentions the Congress will have failed to serve those who have elected its Members from their respective States.

Mr. President, today we are fighting here for the life of our Government, just as much as the men of our Air Corps are fighting over Europe or the men in the fox holes in the South Seas are fighting against the Japanese. If we are to take our place in history as true servants of the American people we will fight for our people now—not at some time in the future, not next year, not next month, not even next week, but today.

If we do not do that we might as well permanently adjourn the Congress, for then we would see a collapse of agriculture and hunger stalking through our cities. There would be a collapse of labor and industry as well. We should see an increase of strikes and rioting, chaotic conditions, and martial law. We can prevent those evils from coming to pass if

we will. If the Congress is ever going to have courage, the time to have it is now.

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

Mr. AIKEN. I yield.

Mr. McCLELLAN. I do not quite understand the provision beginning on page 3, line 1:

> Except that the foregoing prohibition shall not apply until the end of the current crop season to any such commodity—

And so forth. What is the purpose of that provision? Is the purpose to continue the program a whole year before it is stopped?

Mr. AIKEN. No; that provision means that the incentive payments for crops such as sugarbeets, flax, peanuts, hemp, and soybeans—those are the crops which readily come to my mind—which were promised last spring, under authorization of the Congress, will be made—that those agreements will be kept—but that for the next year the Department will have to come to Congress for authorization and appropriation of funds for the new program.

Mr. McCLELLAN. That provision undertakes to deal with subsidies other than those which we are now considering in the pending bill, as I understand, does it not?

Mr. AIKEN. That is done in order that there will be no misunderstanding.

Mr. McCLELLAN. The proposal is to permit a continuance of the subsidies that may now be used, or are now being used, to increase production; is that correct?

Mr. AIKEN. Yes; those which heretofore have been authorized by the Congress.

Mr. McCLELLAN. I did not understand all the Senator said regarding his amendment to the bill. What does he propose to do with respect to the presently proposed roll-back and subsidy program? Would the effect of the Senator's amendment be to stop completely the program immediately at the time when the bill is enacted?

Mr. AIKEN. To stop the general roll-back and subsidy program on which the executive department has announced it was embarking, and which has already been applied to butter and meats, but to pay for the damage which has already been caused to our farmers through the inauguration of the program.

Mr. McCLELLAN. What machinery does the Senator's amendment propose to set up for paying that damage? How is that matter to be handled?

Mr. AIKEN. The same machinery that we now have.

Mr. McCLELLAN. In other words, the damages would be paid for in the same way that the roll-back is paid; is that correct?

Mr. AIKEN. Yes. As I have said, there is a question in my mind whether the farmers will receive all of it. I think they will receive some of it.

Mr. McCLELLAN. The reason I am interested in the Senator's amendment is that I do not want to cast my vote in favor of an amendment if it will mean that I have placed my sanction on or given my approval to a roll-back subsidy program.

Mr. AIKEN. I do not think the amendment would do that.

Mr. McCLELLAN. I do not think the philosophy of such a procedure is sound. I say to the Senator and to all other Members of the Senate that I believe that if we pass a bill authorizing and sanctioning the roll-back and subsidy program, we shall be starting a $25,000,000,000 mistake which we shall have to charge to future generations. We can never justify such a program. It is unwarranted; and once we start on it with the sanction and approval of Congress, there is no end to where it may go. It seems to me we are simply proposing to employ this means to cover up mistakes made in the present control program, and in doing so we shall be making a colossal blunder that will ultimately increase the national debt another $25,000,000,000, and possibly more, before we can stop it.

Mr. AIKEN. The amendment offered by the Senator from Iowa and myself does not give sanction to any roll-back subsidy program. In fact, it prohibits it. That is the purpose of the amendment.

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

Mr. AIKEN. I yield.

Mr. TAFT. It would immediately result in an increase of 5 cents in the price of butter and an increase in the price of meat, would it not?

Mr. AIKEN. It would result in restoring the prices which existed 2 or 3 weeks ago.

Mr. TAFT. However, so far as the actual result is concerned, when this bill is passed—which may be a week or two from now—the result will be an increase in the price of butter to every consumer in the United States.

Mr. AIKEN. Yes.

Mr. TAFT. And an increase in the price of meat to every consumer in the United States. I do not say that that should not be done, but I think it should be recognized that that would be the effect of the Senator's amendment.

Mr. AIKEN. If every consumer in the United States should buy all the butter he is permitted to buy under the rationing regulations, it would cost him 65 cents a year more to live. However, there is every indication that he will not be permitted much longer to buy 13 pounds of butter a year. Butter will become too scarce. If the subsidy and roll-back program goes into effect, it will cut out a good share of the 100,000,000 pounds of butter a year which is sold direct from the little farmer to the consumer, and we shall have a more serious reduction in the production of butter than we otherwise would have.

Mr. TAFT. I recognize the force of the Senator's argument that we should increase the price of butter and meat. I merely wished to bring out the fact that that is what his amendment would do. It would increase the price of butter and meat to every consumer in the United States. If we are prepared to take the responsibility for doing that, we ought to take it; but we ought to recognize what we are doing.

Mr. AIKEN. Of course, I recognize that; and I also recognize the fact that half the people of the United States hardly taste butter from one end of the year to the other. Those people are not going to be affected, whether the price of butter goes up or down.

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

Mr. AIKEN. I yield.

Mr. McCLELLAN. While the price of butter may be increased 5 cents a pound, and the prices of meat and other things may be increased in proportion, and while the cost may be brought back to what it was before it was rolled back, the result will also be a further curtailment of production. What America needs today is production. We have the price. There is more purchasing power than ever before in the country. We are trying to find ways to raise taxes in order to get some of that money away from the people. We are squabbling about not having money enough to buy food, and talking about Government subsidies. We are going in the wrong direction with the proposed legislation if we intend to secure increased production, which is what America needs. We will not help the present food situation by this method. Instead we will destroy incentive and thus reduce production of agricultural commodities to a lower level and produce a greater scarcity of food.

Mr. SMITH. Mr. President, I made a vow to myself that I would not make a speech during the present session of Congress. I do not intend to make one now.

Every Senator knows exactly what the roll-back means. All this talk is useless. Every Senator knows what the subsidy means, and who will be benefited by it. Every Senator knows who will ultimately pay it. The taxpayer will ultimately pay it.

All this confusion is merely a method of getting by with what certain persons intend to do. We do not seem to have sense enough to judge what is being done.

As for me, I think the amendment of the Senator from Missouri [Mr. CLARK], which cuts the dog's tail off just behind his ears, is about the best one I have seen. If we do not believe in rolling back prices, let us stop the roll-back. On whom would prices be rolled back? There is not a Senator who does not know on whom the roll-back would fall and who would be the beneficiaries.

The Senator from Kansas [Mr. REED] has given us certain figures. I presume they are approximately correct. Wages have increased approximately 110 or 115 percent, while the cost of living has gone up only about 24 percent.

Is it statesmanship or common sense to say to those who are receiving high wages, "you cannot pay 46 cents a pound for butter. We will roll back the price on the farmer and give it to you for 41 cents, and the Government will pay the difference of 5 cents?"

It is no use for us to spend all this time and energy. Every Senator knows what the roll-back means, and on whom

it will be rolled back. Every Senator knows whom the subsidy will reach. Every Senator knows who ultimately will pay the millions of dollars which subsidies will cost. It seems to me that it is up to us to decide whether or not we are to enter upon a program of subsidy payments.

There is not a Senator who does not know that once we grant subsidies to one man, or one class of producers, we must grant them to others. Eventually we shall be subsidizing barbers, chicken raisers, and every one but Senators. Of course, Senators are plutocrats. [Laughter.]

Mr. President, I have sat here and listened to the devious arguments to "carry my point and, if possible, obtain votes for myself on election day." That is the purpose of much of the argument which we have heard. "Whom can I persuade to vote for me? The American people can go hang so long as I can find some man who will say, 'He was smart enough to do something for me.'"

Not long ago we had the beautiful spectacle of 78 Senators voting for the passage of a bill. Then the whip was cracked, the veto came, and, figuratively speaking, every one of the 78 Senators got under his desk. Not I! Oh no. That was a beautiful spectacle which the Senate of the United States provided for the American people. We marched up the hill 78 strong, and dashed down the hill 100 percent scared to death. [Laughter.] That was the situation.

Mr. President, I do not wish to preach to the Senate. God knows, I need some preaching-to myself; but this issue is plain. What does the term "roll-back" mean? When we propose to pay a subsidy, to whom do we propose to pay it? We propose to roll back and crush the fellow who cannot get out of the way; but we say to the man who has been selling butter for 46 cents, "You can sell it for 41 cents, and we will give you 5 cents." Does anyone expect that man to reach down into his pocket to pay any part of the subsidy to the producers of milk and cream? When that happens, hawks will stop catching chickens, and foxes will quit catching rabbits.

We do not act as though we had sense enough to buy a ticket to Washington. I know we have not money enough. Merciful God! Have we reached the point where we must consume days discussing a matter which everybody thoroughly understands, and with respect to which every Senator knows exactly how he will vote? There has not been a speech which has changed one-tenth of 1 percent of a vote.

We know what the roll-back means. We know what the subsidy means; and we know that whatever it costs, the cost will be rolled back on the taxpayer. There is no burden on the taxpayer now [laughter]—only a matter of $150,000,000,000. That is chicken feed. I understand that a bill providing additional appropriations of $70,000,000,000 is on the way.

I believe that it is our duty to make up our minds whether or not we are going to roll back prices on those who cannot help themselves, and add to the already swollen returns of those who, according to the figures which have been exhibited to us, have enjoyed increases in income 76 percent greater than in the case of the man who produces the food.

Mr. President, I hold no brief for the farmer; but if I felt toward the farmer as do some whose speeches I have heard, I would stay out of restaurants. I would eat what I myself produce. I would not eat the produce of the despised devils, the greedy farmers, who have been characterized as millionaires.

Mr. President, let us decide this question as it should be decided. Every Senator who votes for subsidies under the pending Bankhead bill—the $500,000,000 and the $175,000,000—will vote to crucify the man who cannot help himself. If a man forges my name upon a note I do not feel that I should say, "He forged it; but I will pay it." Every one of the subsidies under section 2 (e) of the Price Control Act is a forgery pure and simple; and we are called upon to legislate to vindicate the forger.

We are told, "The law has already been construed." Yes, it has been construed. We are now asked to ratify that construction. I will not vote for it; and no Senator who sees the situation as I see it—I started to say no Senator who sees it from the standpoint of common sense—will vote for it. We are asked to say, "Under the circumstances we will appropriate $675,000,000 to make good forged notes."

Mr. President, I want a yea-and-nay vote on this bill. I want every Senator to be put on record as to whether or not he will vote to pile the cost of this proposal upon the backs of the taxpayer.

Mr. CLARK of Missouri. Six hundred million dollars is a small matter.

Mr. SMITH. Yes; $600,000,000 is not much.

Mr. CLARK of Missouri. It is only about half a billion dollars.

Mr. SMITH. We cannot talk except in terms of billions. We have gone away beyond millions. [Laughter.]

Mr. President, as I have sat here I have become so outraged that I have nearly lost confidence in my fellow Senators. There is no use in going into the question of whether the roll-back is tweedledee or tweedledum. Senators know what it is. The right word was selected—"roll-back." Where are we rolling it back? On whom are we rolling it back? It is said that we will pay out subsidies; we will cut off the farmer's pay, but we will make it good to the darlings who are organized, and that when election day arrives they will cast their votes for us.

Mr. President, I think some of us are very much confused in our mental processes. From some of the speeches I have heard, I have thought that if the speaker should have a real bright idea he would die of apoplexy. We are being asked to do nothing but take the advice of someone else. Some men have come to us and talked about what they were going to do. After conferring with others they have said, "I have changed my mind," when they had no mind to change.

Mr. President, I have sat here and examined certain amendments. There are loopholes in some of them large enough to drive an elephant through. I think the Senator from Missouri [Mr. CLARK] has stated the situation correctly. If we do not believe in subsidies, let us stop them. I am told, "You will get some subsidies for your farm." God knows, I am about to lose it. I shall have to borrow money to pay my taxes. Many men who are advocating subsidies belong to the class of window-sill farmers.

Mr. CLARK of Missouri. What kind of farmers?

Mr. SMITH. Window-sill farmers. They have boxes on their windows in their city homes. I do not blame them. I try to take care of my people who do not work in the fields. I think it would be of great benefit to the country at large if every Senator could be forced to perform 12 months' work in producing an average crop, and then live for the next year on what he could make. There would be a different attitude in the Senate.

I do not care to discuss the proposals in the bill, or any of the amendments. All I wish to do is to vote for something which will end subsidies right now. If a house were on fire I would not ask, What sort of an engine are you going to get? I would throw a bucket of water on the fire as soon as I could.

It is up to us, as sensible men representing a great constituency, to say that this horrible iniquity shall not be placed upon the people. The people are trusting us. We have degenerated. Congress is now nothing but an appropriations committee. We sit down and listen to our master's voice. The first thing we know, there will be no money left in the country. I think that is what some are driving at. During the reconstruction days in the South we were fighting against 40 acres and a mule. We are almost in that situation now.

Mr. President, I hope that we can reach a vote on this bill, and have the subject disposed of. Senators who want the roll-back can vote for it. Those who want the subsidy can vote for the roll-back and the subsidy, with a clear understanding of just what the roll-back means, and what the subsidy means. I do not wish to discuss refinements with regard to agreements which have already been negotiated, or paying the note to which our names are forged and saying, "Please don't do it again."

My friend the Senator from Vermont [Mr. AIKEN] has offered an amendment. His intentions are good, but he seems to have "a zeal of God, but not according to knowledge." As Paul said of the Israelites, in his Epistle to the Romans:

> For I bear them record that they have a zeal of God, but not according to knowledge.

There is but one thing to do with this bill. If we are honest with ourselves we will stop the subsidy business wherever it manifests itself. If we can put enough obstacles in the way to stop the roll-back, we should do so.

I have said that I hoped we had established a precedent for roll-backs, and that in 1944 we could roll back the whole

thing and start from scratch. Roll back every man who is in favor of this foolishness. Roll him out of existence. "Roll-back" may be a very good term. I hope to God that in 1944 there will be a roll-back.

In conclusion, Mr. President, all I wish to say to my colleagues is that if they are opposed to subsidies let them say so. If they are against the roll-back, let them say so by their votes. If they believe that the principle is wrong, let them have "guts" enough to say so and vote accordingly.

When I go out into the corridor Senators whisper to me and say "I think you are right" and then enter the Chamber and vote the other way. The people of the country look upon the United States Senate with a great deal more respect than we deserve.

I am sorry that I have felt it to be my duty to make this statement. Senators have said, "Certain subsidies are all right." Josh Billings said that he lived to be 45 years old before he found a good place for a boil. Some one asked, "Where is it, Josh?" He replied, "On the other man." That is what influences most voters. "Get a fine place to put the boil of bureaucracy, but don't put it on me."

I hope we shall soon have a vote. It does not make any difference when Senators say "We think certain subsidies are all right." We know what the issue is. We have been discussing this matter for a day and a half, I hope that every Senator who has committed himself will be like the man in the old Mother Goose rhyme:

There was a man in our town, and he was wondrous wise;
He jumped into a bramble bush, and scratched out both his eyes.
But when he found his eyes were out, with all his might and main
He jumped into another bush and scratched them in again.

I hope that every Senator will vote according to the power God gave him to know the difference between right and wrong. You know a subsidy is not right and you know that the roll-back is an engine of hell; you know it. Now, if you want to vote for it, vote for it.

Mr. TAFT. Mr. President, I desire to discuss the Aiken amendment. I cannot see that a principle, as suggested by the Senator from South Carolina, is involved. There is no principle against subsidy in the Congress of the United States. For years we have been voting subsidies to the cotton growers and to the wheat growers and to corn growers.

Mr. SMITH. Does the Senator mean to imply, then, because there has been a subsidy to the cotton growers, that I am for subsidies.

Mr. TAFT. Not at all.

Mr. SMITH. If the Senator thinks so, he has another guess coming.

Mr. TAFT. I am saying that no great principle is involved in the question of whether or not we pay subsidies.

Mr. SMITH. It was a wrong principle in the beginning, and it is wrong now. If you will let the market alone, and the law of supply and demand apply, you will be better off, and so will I.

Mr. TAFT. I say there is no principle involved in the question of subsidies. I am as much against subsidies, I presume, as is any other Member of the Congress, as a matter of principle, but we must recognize the fact that gradually we have adopted a subsidy program, and it has gone on and on. It has even been increased since the war. Only last week we voted a $50,000,000 subsidy for school lunches, if you please, although 80 percent of the children subsidized were perfectly able to pay for their lunches. We have paid subsidies to nearly every group in the population of this country. The question we now face, and the question the Banking and Currency Committee faces, is how are we going to hold that program within reasonable check? The conclusion I came to was that the way to check it was to put an over-all financial limitation, and to try to make the provision so all-inclusive that the financial limitation could not be avoided in any way.

With due respect to the Senator from Missouri, and the Senator from Vermont, I do not think their amendments would prevent the continuation of what, in effect, is a subsidy program. I do not see in the Aiken amendment anything which would prevent the Commodity Credit Corporation tomorrow announcing that it would buy the entire butter output of the United States and would then, during the year, sell it gradually to the people at a lower price.

My amendment would prohibit such a procedure. It says that no purchase shall be made with the intention of selling at a lower price the article purchased. The Price Control Act provided subsidies only as an incidental. The main power it gives is to buy commodities or crops which may be offered. I think it would be unfortunate if that were done, but we have seen the B. E. W. buy foreign crops, and there is an indication that the Government officials would like, if they could, to buy entire crops, put the Government into business, and then sell them at a loss.

There is nothing in the Aiken amendment or even in the Clark amendment which would take away powers which the R. F. C. and the Commodity Credit Corporation now have to buy crops and pay subsidies at one price and proceed with the deliberate intention of selling them, from time to time, to the public at a lower price.

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

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

Mr. AIKEN. Was not the committee aware that the R. F. C. had plenty of money for this program when they proposed the amendment to give the R. F. C. $500,000,000 more?

Mr. TAFT. Yes, it was so aware; in fact the R. F. C. had $7,000,000,000. The proposed committee amendment is a limitation on the power of the R. F. C.; it proposes a reduction from $7,000,000,000 to $500,000,000. It is an attempt to say, "Here is a subsidy program which we do not think we ought to stop now; but we propose to limit it." I admit that the question whether the last roll-backs which have been ordered should be prohibited is a question which is open, which can be discussed, but when it comes to the method of dealing with this question, it seems to me there must be a financial limitation.

Mr. AIKEN. On May 25, Mr. Jesse Jones appeared before the subcommittee of the Senate Committee on Agriculture and Forestry, known as the food committee, and in the course of his testimony, speaking of the roll-back and subsidy program, this colloquy took place:

Senator BUSHFIELD. From what fund does the money come to pay the roll-back on these three articles?

Secretary JONES. The Reconstruction Finance Corporation general fund.

Senator BUSHFIELD. It doesn't need any earmarking for that purpose?

Secretary JONES. Not in the law; no.

Senator AIKEN. Do you have plenty of money for that purpose?

Secretary JONES. We have enough money for a time. We will have to come for more money later. We will not have to come for more money to the extent of $450,000,000.

The CHAIRMAN. You have that on hand?

Secretary JONES. We have got enough credit-borrowing authority to meet all of our requirements for some months, but we will come back when we find that we are going to get out of funds.

In other words, he said the R. F. C. had $450,000,000 for the roll-back on meat and butter and coffee, and yet he comes before the Committee on Banking and Currency and gets them to grant $500,000,000 more.

Mr. TAFT. It is not a question of granting any more.

Mr. AIKEN. I was reading from the testimony.

Mr. TAFT. As a matter of fact, the R. F. C. are requesting, through the Committee on Banking and Currency, authorization to borrow $5,000,000,000 more when, as a matter of fact, Mr. Jones knows that he will never be called upon to meet a large number of the commitments he has made.

Mr. AIKEN. Then does the Senator think he did not have the money when he made that statement to the committee?

Mr. TAFT. I have no doubt it was all committed, but Mr. Jones knows that all the commitments are not going to be fulfilled, and therefore he is perfectly free to grant $450,000,000. On the same theory he could have granted $5,000,000,000 if he had been asked to do so, or told to do so by the President.

My effort in this amendment is to try to limit subsidies by amount. The moment we begin to limit it by the kind of subsidies paid, we get into tremendous difficulty, because there are various kinds of subsidies. There are direct and indirect subsidies. The method I suggest simply to buy a crop and then sell it at a lower price and take the loss involved, cannot be legally called a subsidy at all; it is not legally a subsidy; it is simply a method of doing the same kind of thing that is done through a subsidy. When

the Senator from Vermont comes to offer his amendment he begins to make exceptions to prohibition against subsidies. For instance, take the exception, which reads—

> Except that the foregoing prohibition shall not apply * * * to prevent such adjustments in the price supports and price ceilings on competitive domestic vegetable oils and fats as may be required to bring about or to maintain the necessary relationship in the prices of such products that is required to assure adequate production for the war effort.

Mr. President, under that authority I could go out and subsidize all the butter in the United States, if I wished to do so. The Senator admits that in the case of domestic vegetable oil the subsidy principle should be applied.

We come, then, to the question of feeding wheat. The sale of feed wheat at corn parity prices less than the value of wheat is a direct subsidy to the dairy producer, and the Senator does not think that is a good subsidy. The moment we begin to try to say that one kind of subsidy is a good subsidy, and another kind a bad subsidy, we fall into all kinds of difficulties, and we will find there are many good subsidies we have not authorized, and we may find bad subsidies we have not limited.

I do not know whether those who have actually taken the loss on the butter and the meat, the processors, will receive any compensation at all. It rather looks to me as if the effect of the amendment would be to cut them out, because it is said at the bottom of page 2:

> Unless the Congress shall have specifically authorized the use of such funds for such purpose, except that the foregoing prohibition shall not apply until the end of the current crop season to any such commodity, other than milk and livestock and the products thereof, with respect to which the Government or any agency thereof was committed to the payment of such subsidies or other payments on June 15, 1943.

So it looks as if the people who have taken a loss on meats and taken a loss on butter, with the Government's promise that they were to be reimbursed by subsidy, are out. I do not know that that is the interpretation or the intention of the Senator, but as I read the amendment, that would be its effect.

I am not sure whether or not the Senator's amendment affects sugar. In the case of sugar, we have a very distinct case of subsidy, a Government-authorized and supported subsidy. Payments are made to a limited number of producers, and I think it is a justified subsidy, because it has the effect, since we do not have to make the payments to the Cubans and the other foreign growers of sugar, of getting a larger net reduction for the consumer in the United States than we have to pay to the farmers in subsidies. So it is a good subsidy.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. CLARK of Missouri. A moment ago the Senator spoke of the Government's promise to pay these people. In what was that promise contained? Certainly it was not in any act of Congress to which the Senator or anyone else can refer. I think the Senator agreed with me yesterday afternoon that section 2 (e) of the Stabilization Act did not authorize it.

Mr. TAFT. That is my opinion, but the people have been told by the Attorney General it did, and they have been forced, by main force, to sell their products at a reduced price, and I think it is hardly just to ask them to take the loss.

Mr. CLARK of Missouri. How was the Government's agreement conveyed to the people? According to the explanation made here a few days ago by the acting majority leader, the Senator from Alabama [Mr. HILL], on information from the O. P. A., the so-called agreement consisted of Mr. Jesse Jones and Mr. Prentiss Brown giving out a newspaper release, and then they proceeded, in the worst and most disgraceful botch that has ever taken place in any governmental function, to order a roll-back, without any provision for protecting the rights of the producer, the processer, or anyone else. I should like to ask the Senator from Ohio whether he thinks this newspaper release constituted a guaranty on the part of the United States Government, and, if so, to whom?

Mr. TAFT. I am not going to answer the Senator. I agree largely with what he says.

Mr. CLARK of Missouri. I know the Senator is not going to answer. He is too smart to answer.

Mr. TAFT. A man who had a large stock of butter was told by the Government, "You have to sell this butter at 5 cents less, and we will reimburse you the difference." If he inquires, "Is it legal?", they respond, "Yes, the Attorney General says it is perfectly all right," and he goes ahead and suffers the loss. I should like to see him reimbursed, and I think most other Senators would.

Mr. CLARK of Missouri. So far as my amendment is concerned, I provide for protecting the rights of the people who deal in good faith with the Government. But I am sure the Senator does not mean to stand on this floor and say that the Government of the United States can be put under any sort of obligation by a newspaper release, either by Jesse Jones and Prentiss M. Brown separately, or by a joint release by Jesse Jones and Prentiss M. Brown. I am sure the Senator from Ohio would not like to establish the principle that an obligation is incurred by the Government through two officials proceeding, entirely outside of authority of law, by a newspaper release, to establish indefinite contractual relations with everybody in the country.

Mr. TAFT. I agree; but the Senator will recall that when some of the packers took that point of view in Chicago, and said, "We do not know that this is going to be paid, perhaps it is not legal, and therefore we will have to pay less for livestock," they were highly criticized in this body for not taking the Government's assurance of payment of a subsidy. They were highly criticized because they offered the producers less money, in view of the uncertainty of the subsidy, and the possible illegality of the subsidy.

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

Mr. TAFT. I yield.

Mr. BONE. The able Senator from Ohio is well informed about what we have done in this country since the birth of the Republic. This debate on the morality of subsidies will certainly add an interesting chapter to American history. If the walls of this Capitol could talk, they could tell a wonderful story.

When the Republic was born, among the first official acts was one to establish the largest subsidy of all; that is, to establish the tariff system, which I believe was Alexander Hamilton's "baby." Then we went on through the whole gamut of subsidies, some of which have been discussed here since I became a Member of this body.

There were the parity-payment subsidies and the air-mail subsidies. We subsidized agricultural colleges by giving them public lands. The second-class mailing privilege is indubitably a subsidy. There is a silver subsidy. We canceled the war debts, a sizable subsidy in itself. We have a lend-lease program, which is a form of subsidy. We built a great many war plants at the expense of the taxpayers, and we shall probably turn them over to private operators later, which will be another subsidy, running into billions of dollars. We subsidized the beet-sugar industry through a statute now on the books.

I am not making an argument on the merits of the bill; I am merely pointing out that the subsidy principle is and has been firmly engrained in our economy and our political life, and this might be an appropriate time for us to examine this principle of subsidy, and determine whether or not we will let American business institutions stand on their own bottoms, and get rid of the practice of nurturing them by various methods which we have regarded as perfectly moral and economically justifiable, whether we will abandon the subsidy principle. We hear a lot of murmuring about one small aspect of it, and it may be that it is in such form that it should be indicted.

I am reminded that there were land grants to railroads. I recall one railroad to which land was granted, and I think it was Dr. Benjamin Andrews who, I believe, was the chancelor of the University of Nebraska a great many years ago, when most of the Members of the Senate were much younger, who wrote a book about the value of the grants to the railroads. I think he stated that one railroad had sold some of the land given it for more dollars than the road had cost.

Congress would be a mighty alchemist if it could turn back the hand of time and unwrite all those things. But I am sufficiently concerned to wonder now whether Congress is going to abolish the principle of subsidies. If so, I should be very much interested, and I should like to participate actively in the discussion of the principle itself.

Mr. SHIPSTEAD. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. SHIPSTEAD. With regard to all the subsidies which the Senator from Washington has mentioned, with the exception of one which I can think of, namely, the cancelation of the debts of foreign governments, I think that no commitments were made in connection with those subsidies until Congress had voted the authority.

Mr. TAFT. Mr. President, the Aiken amendment attempts to prohibit subsidies, but subsidies only, as I have said. I do not think it is all-inclusive enough to prohibit the kind of thing which can be done to carry out the same effect.

As to the particular matter we have been discussing, it is quite limited. The provision is:

(2) As a substitute for or in lieu of increasing maximum prices already or hereafter established.

That means that if farm prices go up they must be passed on to the consumer. One cannot attempt to devise any means whatever of trying to subsidize this high-cost producer or that high-cost producer, which will make the cost to the consumer less than it would otherwise be. The language of the amendment would prohibit any subsidy of that kind. I think there might be such a subsidy which would be very helpful in enforcing price control.

No subsidy or other payments shall be made—

(3) To maintain any maximum price already or hereafter established, from any funds heretofore or hereafter appropriated to, borrowed under congressional authorization by, or in the custody or control of any governmental agency.

I do not quite understand why that provision is contained in clause (3) when almost the same provision appears above covering all Government funds, or attempting to do so. I do not quite understand the distinction between clause (2) and clause (3).

Mr. President, it is my opinion that if we are to provide a subsidy we should place on it an over-all financial limitation. In preparing my amendment I tried to make it as all-inclusive as it could be. If we think $500,000,000 is too much, let us cut it down to $100,000,000. Let us decide on the total figure we desire to spend on subsidies in connection with the war program. If it is desired by the Senate that there shall be no roll-back, let the Senate vote to include that feature in the provision. But it seems to me that the amendment proposed by the Senator from Vermont is not effective in preventing what may well be in effect a subsidy.

In the second place, if we begin to try to make exceptions of this subsidy and that subsidy, the result may be to prohibit some of the existing subsidies, such as the subsidy on sugar and others, the result of which has not been carefully considered.

Mr. President, I feel that if we are going to do this job we ought to do it by working on the committee amendment rather than by adopting the amendment proposed by the Senator from Vermont.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. I understand that the Senator from Vermont has offered a substitute for the committee amendment, beginning on line 16, page 5, and extending through line 12, page 6. Is my understanding correct?

The PRESIDING OFFICER. It is correct.

Mr. CLARK of Missouri. Mr. President, I desire to make the further parliamentary inquiry as to whether a perfecting amendment to the committee amendment would be in order and would take precedence over the substitute offered by the Senator from Vermont.

The PRESIDING OFFICER. Under rule XVIII, in the case of a motion to strike out and insert, a motion to amend the part to be stricken out has precedence. So the amendment would be in order.

Mr. CLARK of Missouri. Mr. President, I offer a perfecting amendment to the committee amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out the committee amendment beginning in line 16 on page 5, down to and including line 12 on page 6, and to insert in lieu thereof the following:

That on and after the date of enactment of this act no authority shall be exercised by the Price Administrator, the Federal Loan Administrator, or any other governmental agency or corporation with respect to the making of any subsidy payments under section 2 (e) of the Emergency Price Control Act of 1942, as amended, and any authority contained in such section with respect to the making of subsidy payments is hereby repealed: *Provided*, That nothing in this act shall be construed to affect in any manner the rights or interests of any person who has acted in good faith in reliance upon any regulation or order issued prior to the date of enactment of this act with respect to such subsidy payments under the authority of such section 2 (e), and to the extent necessary to protect the rights or interests of any such person in connection with transactions heretofore made or entered into such subsidy payments may be made.

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

Mr. CLARK of Missouri. I was about to suggest the absence of a quorum.

Mr. BONE. I merely seek information.

Mr. CLARK of Missouri. I yield.

Mr. BONE. I understand the purpose of the Senator from Missouri is to say in legal effect that whatever pledges have been made to date in good faith will be carried out.

Mr. CLARK of Missouri. That is correct.

I suggest——

Mr. BONE. Will the Senator permit me to finish?

Mr. CLARK of Missouri. I prefer to suggest the absence of a quorum before I begin an explanation of my amendment, but I can state to the Senator very briefly that the purpose of my amendment is to negative the claim of the Loan Administrator and the Office of Price Administration that section 2 (e) of the Stabilization Act gives them authority for the roll-back policy they have been pursuing.

I do not think that section 2 (e) under any fair construction could possibly be considered as giving the Loan Administrator that authority. But since that is the claim under which they are proceeding, I propose as an original proposition to strike out that authority completely. Then if we want to provide authority for a production subsidy, which is what Congress intended in the first place, we can do so.

Mr. BONE. The Senator's position is that whatever is accomplished in the way of subsidies in the future shall be specifically authorized by an act of Congress?

Mr. CLARK of Missouri. That is it entirely.

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

The PRESIDING OFFICER. The clerk will call the roll.

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

Aiken	Hatch	Reed
Andrews	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Bridges	La Follette	Stewart
Brooks	Langer	Taft
Buck	Lodge	Thomas, Idaho
Burton	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chandler	Maloney	Tydings
Chavez	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Davis	Moore	Wallgren
Downey	Murdock	Walsh
Eastland	Murray	Wheeler
Ferguson	Nye	Wherry
George	O'Daniel	White
Gerry	O'Mahoney	Wiley
Green	Overton	Willis
Guffey	Pepper	Wilson
Gurney	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. CLARK of Missouri. Mr. President, I desire to modify or correct the amendment which I offered a moment ago. I send the modification or correction to the desk, and ask that it be stated.

The PRESIDING OFFICER. The modification will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 5, line 16, it is proposed to strike out all of lines 16 through 25, and on page 6, to strike out all from line 1 through the word "purpose" in line 10, and to insert in lieu thereof the following:

That on and after the date of enactment of this act no authority shall be exercised by the Price Administrator, the Federal Loan Administrator, or any other governmental agency or corporation with respect to the making of any subsidy payments under section 2 (e) of the Emergency Price Control Act of 1942, as amended, and any authority contained in such section with respect to the making of subsidy payments is hereby repealed: *Provided*, That nothing in this act shall be construed to affect in any manner the rights or interests of any person who

has acted in good faith in reliance upon any regulation or order issued prior to the date of enactment of this act with respect to such subsidy payments under the authority of such section 2 (e), and to the extent necessary to protect the rights or interests of any such person in connection with transactions heretofore made or entered into such subsidy payments may be made.

Mr. CLARK of Missouri. Mr. President, the only difference between that amendment and the amendment I originally proposed——

Mr. TAFT. Mr. President, if the Senator will yield, let me say that I do not quite understand where the Senator proposes to have his amendment inserted.

Mr. CLARK of Missouri. I offer the amendment as an amendment to the committee amendment, to strike out all the committee amendment except the last sentence, and insert the language I have proposed. I would leave only the last sentence of the committee amendment, in order to comply with the rule by making my amendment a perfecting amendment rather than a substitute. I say frankly that the whole purpose is to obtain a vote on the perfecting amendment before a vote on the substitute is had. The perfecting amendment is such that the last sentence of the committee amendment is perfectly meaningless when taken in connection with my own amendment, but I am adopting that form of the amendment for the purpose of complying with the rule.

Mr. McNARY. Mr. President, the amendment is to the committee amendment in the bill, and is in the nature of a perfecting amendment; is that correct?

Mr. CLARK of Missouri. That is correct?

Mr. McNARY. Therefore it has precedence over the amendment offered by the distinguished junior Senator from Vermont, as I understand.

The PRESIDING OFFICER. Under the rule, a perfecting amendment has precedence over a substitute.

Mr. McNARY. Yes; I so understand.

Mr. CLARK of Missouri. Mr. President, I do not desire to detain the Senate very long about the matter, because I think all Members of the Senate are thoroughly familiar with the issues involved. It is my belief that we have before us today one of the most important issues which has confronted the Congress and the people of the United States in the lifetime of any of us. I believe that today we are considering a question which involves the last stand of private enterprise in the United States of America. I believe we are considering today a proposition by which, if the advocates of subsidies for agricultural commodities prevail—and, of course, agricultural commodities include processed agricultural commodities—we shall, to all intents and purposes, have reduced the farmers of the United States, the agricultural producers of the United States, to a state of peonage. When once we have established that principle, when once we have established the principle of control of agricultural production in this country by subsidy, we shall have established the whole theory of Government control of agriculture; and when we have done that, Mr. President, there is no reason why every small business, every large business, every barber, every blacksmith, and everyone else in the United States should not be controlled in the same way.

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

Mr. CLARK of Missouri. I am glad to yield.

Mr. MURDOCK. I am hopeful that the Senator will discuss this question before he concludes——

Mr. CLARK of Missouri. If the Senator will give me an opportunity to discuss it, I probably shall be glad to.

Mr. MURDOCK. The question I have in mind is this: What effect, if any, would the Senator's amendment, if agreed to, have on the present subsidies paid to copper, lead, and zinc producers?

I do not know under what authority those subsidies are paid; but in reading the Senator's amendment, I should say it strikes rather comprehensively and directly at all subsidies. I am wondering whether the copper, lead, and zinc subsidies would in any way be affected?

Mr. CLARK of Missouri. I understand that the subsidies to which the Senator has referred are direct subsidies authorized by other laws than section 2 (e) of the Price Stabilization Act. The only objective of the amendment is to repeal section 2 (e) of the Price Stabilization Act; and I say to the Senator from Utah that, so far as I am concerned, I think section 2 (e), for the purposes intended by the Congress when that section was enacted, was entirely justifiable, and should be continued.

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

Mr. CLARK of Missouri. I shall be glad to yield if the Senator will first permit me to conclude my statement.

Mr. MURDOCK. Very well.

Mr. CLARK of Missouri. In view of the fact that section 2 (e) of the Price Stabilization Act has been taken as an excuse, although I do not think it is a justifiable excuse, and as a fictitious authorization of law for the whole roll-back program, it seems to me to be necessary to repeal the whole of section 2 (e), and then to reenact a section authorizing a subsidy for production, as was originally intended by the Congress in the enactment of the Price Stabilization Act.

Now, I am glad to yield to the Senator from Utah.

Mr. MURDOCK. May we have the assurance of the Senator from Missouri that it is not his intention or purpose in any way to affect the subsidies which now are being paid under the copper, lead, and zinc subsidy programs?

Mr. CLARK of Missouri. The Senator may certainly have such assurance. I may say, furthermore, Mr. President, that so far as I am concerned, I have tried very meticulously to preserve the rights of persons who have dealt in good faith with the Government, even under the roll-back theory, even though I do not believe any governmental agency had any authority to initiate such a policy. I do not think any individual citizen should be penalized for a misunderstanding of the authority of governmental agencies; and, therefore, I have undertaken in my amendment to protect persons who have dealt in good faith with the Government under what I conceive to be an illegal proceeding on the part of the Government.

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

Mr. CLARK of Missouri. I am glad to yield.

Mr. AIKEN. I desire to ask the Senator from Missouri several questions in connection with the provisions of his amendment. Suppose a creamery operator had signed an agreement with the Federal Government providing for the payment of subsidies for a period of 1 year. Would not the amendment carry out the roll-back of butter until next June?

Mr. CLARK of Missouri. I do not understand that any such situation exists. I understand that no agreements have been signed, that the matter has been entirely a question of newspaper releases and of general orders issued from Washington, and that few, if any, individual contracts have been signed. If any have been signed, I think a man who has dealt in good faith with the Government of the United States, even though he may be mistaken in his conception of the authority and responsibility of the governmental agencies, should be protected. I make that answer to the Senator.

Mr. AIKEN. I am not sure but that the Butter Production Payments Regulation No. 2 of the Defense Supplies Corporation should be printed in the RECORD.

Mr. CLARK of Missouri. The Senator can have printed in the RECORD anything for which he chooses to make such a request.

Mr. AIKEN. Section 2 reads:

SEC. 2. Persons eligible to apply for payments: Any person who manufactures 1,000 pounds or more of butter in any one establishment in any calendar month may file an application for payment on account of such butter manufactured during a calendar month after May 1943.

Mr. CLARK of Missouri. Mr. President, the difference between the Senator's amendment and mine is that the Senator's amendment is a long, involved one which, so far as I know, no Member of the Senate except himself is able to understand; whereas, my amendment is a very brief, direct, specific repealer of the authority to enter into any such agreement.

Mr. AIKEN. Suppose a thousand creamery operators have already signed the agreement with the Government, and a thousand have not signed it. Under the Senator's amendment would not the 1,000 who have signed it be entitled to collect 5 cents a pound until 1944, and would not the others be denied the subsidy?

Mr. CLARK of Missouri. I do not understand that any such state of facts exists. I am not willing to deal with a matter of this importance on the basis of speculation that perhaps a thousand operators have entered into such contracts. I do not think the Senator can produce evidence of one instance of anyone having signed such a contract.

Mr. AIKEN. I am not producing evidence. I am asking a question.

Mr. CLARK of Missouri. I will answer the Senator as frankly as I can. I believe that those who have in good faith entered into agreements with the Government, even though they may be mistaken as to the legal authority of any governmental agency to contract with them or to issue such orders, should be protected. That is what my amendment would do.

Mr. AIKEN. Would we not then have a two-price butter program for a year?

Mr. CLARK of Missouri. Possibly that is the explanation of the very complex amendment which the Senator has introduced, and which no one has yet been able to understand.

Mr. AIKEN. Another question which I wish to ask is, How long should producers be guaranteed the subsidy which they have agreed in good faith to accept from the Government? For example, take the small copper mines which have started in business in order to produce copper for 17 cents a pound. Under the Senator's amendment, how long would they be permitted to receive 17 cents a pound?

Mr. CLARK of Missouri. The amendment is perfectly clear in that respect. Anyone who has in good faith entered into an agreement with the Government should be protected. I did not insert any time limitation, because, so far as I know, no such contracts have been entered into. However, anyone who has changed his position in good faith, on the basis of a governmental representation, should be protected. I do not think any intelligent argument can be made against such a position.

Mr. AIKEN. I should say that a goodly proportion of the creamery operators have entered into such an agreement.

Mr. CLARK of Missouri. If the Senator has any figures to produce on that question, he may change my mind; but the Senator is simply indulging in speculation. I am interested in stopping what I consider to be a very vicious tendency, for which I believe there is no authority of law whatever. I think it ought to be stopped. I think the Congress is against it, and I have adopted a very simple method of stopping it.

The Senator has offered an amendment so complex that, as I say, I have not been able to find a single Senator, aside from the Senator from Vermont himself, who professes to have the slightest idea what the amendment means. The Senator has said that he has the opinion of some very distinguished lawyers. I do not profess to be a distinguished lawyer. For many years I made my living practicing law. However, I do claim to be an extremely practical lawyer. Perhaps I am not a distinguished lawyer within the meaning of the term used by the Senator from Vermont; but I will say very frankly that I cannot understand what the amendment of the Senator from Vermont means, and I have not found anyone else who understands it.

Mr. AIKEN. Let me say to the Senator from Missouri that I might not disapprove of his amendment if I could understand it. I wish to be sure that I am not voting to give a subsidy of 5 cents a pound on butter to half the creameries, and absolutely deny it to the other half, if half of them have entered into agreements and the other half have not. It seems to me that is just what the Senator's amendment would do.

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

Mr. CLARK of Missouri. I yield.

Mr. WHEELER. There is nothing in the amendment of the Senator from Missouri which would affect the small copper companies of which the Senator from Vermont speaks. They would not be affected in the slightest degree.

Mr. AIKEN. I do not think so either. I am mainly interested in the creameries.

Mr. WHEELER. With respect to the creameries, I do not think they have entered into a program for a definite length of time. I do not believe that the amendment of the Senator from Missouri could be construed in any other way than as stopping subsidies to the producers of butter who produce more than a thousand pounds.

Mr. CLARK of Missouri. I think unquestionably the effect of the amendment would be to entitle producers to the payment of accrued subsidies up to the effective date of the act, and nothing more.

Mr. WHEELER. That is correct.

Mr. CLARK of Missouri. I do not think there is any question about that, as a matter of law.

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

Mr. CLARK of Missouri. I yield.

Mr. BANKHEAD. I think possibly the Senator is unduly emphasizing the point that contracts have not been signed between individuals and the Government, which bind either the individuals or the Government. It is my understanding that all such Government programs are put into operation by releases on the part of the Government agency.

Mr. CLARK of Missouri. Does the Senator mean newspaper releases?

Mr. BANKHEAD. Yes. That is the method of circulating offers to the public. It is my understanding that there are no formal contracts between the Government and processors or producers, whether they be farmers or factories. Plans or proposals offered to the public by any agency of the Government, acting with authority, of course, are almost never put into operation in the form of written contracts. The offer goes out through releases scattered all over the country. That was the method used in the case of the sustaining price on hogs. The Government announced a sustaining price of 13¾ cents a pound on hogs, but it did not expect any hog producer or processor to sign an agreement. The information went out in the usual way, the way it always goes out, so far as I know; and the acceptance of the offer is impliedly made by compliance with the Government's offer.

Mr. CLARK of Missouri. Mr. President, I do not wish to quarrel with the Senator from Alabama about the details of the mechanics of the procedure. The fact of the matter is that the O. P. A. and the R. F. C., or the Commodity Credit Corporation, which is the creature of the R. F. C., have exceeded their authority. They have taken a section of the Stabilization Act, section 2 (e), adopted by the Congress for the perfectly definite purpose of encouraging production in certain commodities with respect to which increased production can only be brought about at a loss to the producer, and extended it as an excuse for the roll-back procedure.

I have not heard it denied on this floor that that is beyond their authority. I do not understand that Jesse Jones himself, for whom I have great regard and considerable affection, when he appeared before the Banking and Currency Committee, claimed that the Commodity Credit Corporation had any authority under the law to finance the roll-back procedure. I understand that Jesse Jones said he was ordered by someone else to do it. When he was asked who ordered him to do it, he said, "Jimmy Byrnes." Who ordered Jimmy to do it, I do not know; but I do not understand that anyone has yet maintained, as a legal proposition, that the Commodity Credit Corporation has any authority to finance any such operation as this.

The other day several Senators raised the question as to where the O. P. A. got its authority to carry out such a program. Finally, the Senator from Alabama [Mr. BANKHEAD] went to the telephone, and when he returned he stated, on the authority of someone by the name of Ellington, or Elphenstone, or Bullington, or some such name—the Senator from Alabama did not even know the man—that the Commodity Credit Corporation was relying on section 2 (e) of the Stabilization Act.

I very well remember the debate in connection with section 2 (e) of the Stabilization Act. I remember that the then Senator from Michigan, now the Administrator of O. P. A., stood on this floor and explained, time after time, that the provisions of section 2 (e) as to subsidies were not in any event intended to be an authority for price control, but were merely intended, in certain very specific instances, to encourage production when production could not otherwise be increased except at a loss.

Mr. President, I undertake to say that if the construction now sought to be put upon section 2 (e) had been announced on this floor when the bill was under consideration, neither section 2 (e) nor the bill itself would have received a dozen votes in this body.

It seems to me that the adoption of my amendment is the only way in which to handle the situation, inasmuch as in the meantime what is called an opinion of the Attorney General has been obtained. Of course, everyone knows that the Attorney General did not write the opinion; and, of course, anyone who has any sense whatever knows that any Government department which desires to do so may obtain from the Department of Justice an opinion authorizing any perverted or twisted construction of any statute which it may want.

My dear friend, the Senator from Alabama, rose on the floor of the Senate and quoted an opinion of the Department of Justice. I have the very highest regard, as does every one else in the Chamber who knows the Senator, for the legal ability and legal opinions of the Senator from Alabama. Everyone knows that the Senator from Alabama is a great lawyer. If the Senator from Alabama were to rise in this Chamber and say, "I, myself, have made a study of this subject; I have arrived at a definite decision; I have written an opinion on this subject which I wish to have printed in the RECORD," I would have the greatest respect for his opinion. There is no Senator for whose opinion we would have greater respect than that of the Senator from Alabama.

However, the Senator says the Department of Justice has given an opinion on this question. Mr. President, I have read the opinion of the Department of Justice. It is about 2 inches long.

Mr. BANKHEAD. Mr. President, if the Senator will yield, let me say that the opinion to which I have referred is approximately three or four pages long.

Mr. CLARK of Missouri. I shall be very glad to yield to the Senator from Alabama in a moment. In effect, the opinion of the Department of Justice amounts to about the following: "Boys, you can do anything you want to do." [Laughter.]

Now I yield to the Senator from Alabama.

Mr. BANKHEAD. Mr. President, in the first place, I say to my good friend the Senator from Missouri that I am grateful to him for his generous appraisal of me.

Mr. CLARK of Missouri. What I have said has come from the heart.

Mr. BANKHEAD. I know it has. The Senator knows I have the highest regard for him; and I could not have that feeling toward him if I did not know that he had the same feeling toward me.

Mr. President, the situation is this: Of course, I have made no study of the opinion to which the Senator from Missouri has referred. No Member of the Senate has time to examine into collaterally involved legal questions.

Mr. CLARK of Missouri. I understand that. All I am endeavoring to say is that if the opinion were that of the Senator from Alabama, I should have great respect for it. However, if the opinion is a routine, mail-order opinion of some clerk in the Department of Justice, I do not have the slightest respect on earth for it, and I do not believe any other Senator has.

Mr. BANKHEAD. The statement of the distinguished Senator that the opinion is only about 2 inches in length discloses that the Senator has not read it.

Mr. CLARK of Missouri. Oh, yes; I have read it.

Mr. BANKHEAD. The opinion is some two or three pages in length. I got tired reading it.

Mr. CLARK of Missouri. Most of it is simply a quotation of the law itself. The pertinent part of the decision is no longer than my forefinger.

Mr. BANKHEAD. The conclusion in the opinion may not have been longer than that, but the opinion which was recited was much longer.

Mr. CLARK of Missouri. If the Senator is speaking of the statement of fact as being the opinion, I agree with him.

Mr. BANKHEAD. I refer to the citations of statutes and rulings, as well. What is generally called an opinion of course usually involves not only the final conclusion but a general restatement of the law, backed up and justified insofar as possible by a statement of any other authority or of any reasoning on the subject which the writer of the opinion may have to offer. However, if the Senator will again examine the opinion, I believe he will conclude, regardless of whether he agrees with the conclusion, that the opinion certainly is a well-considered one, not a hurried memorandum.

Mr. CLARK of Missouri. I do not agree with the Senator, but I should like to ask him a question.

Mr. BANKHEAD. I say to the Senator that, regardless of whether he agrees with the conclusion, the opinion is not a hurried memorandum.

Mr. CLARK of Missouri. I say that there is nothing to the opinion except a conclusion.

Inasmuch as the Senator is on his feet, let me ask him whether he contends that when section 2 (e) or any other section of the Stabilization Act was before this body, there ever was made on this floor any suggestion or claim, except by way of negation, which would authorize any such procedure as the roll-back and subsidy.

Mr. BANKHEAD. No; I do not think there was.

Mr. CLARK of Missouri. Was it not specifically denied by the Senator in charge of the bill, as well as every other member of the Committee on Banking and Currency who had anything to do with the bill?

Mr. BANKHEAD. No; I do not have any recollection that the subject was discussed in any way.

Mr. CLARK of Missouri. I have a very definite recollection. I do not have the RECORD before me, but I have a very definite recollection that the Senate never intended to adopt any subsidy authorization at all, except when it was explained and asserted and promised that it was only to be a production subsidy, not a price-control subsidy.

Mr. BANKHEAD. I cannot agree with the Senator about that. I think section 2 (e), the section the Senator is trying to have repealed, demonstrates that his conclusion is not well sustained.

Mr. CLARK of Missouri. Does the Senator from Alabama contend that section 2 (e), which my amendment seeks to repeal, does anything except to authorize a strict production subsidy?

Mr. BANKHEAD. No; I do not. However, I say that when a roll-back is contemplated, if it goes back to the producer it will reduce production, and that the stopping of it by a subsidy at the plant of the manufacturer will tend to sustain production and to prevent a decrease in production.

Mr. CLARK of Missouri. Mr. President, of course the Senator and I are in complete disagreement about that.

Mr. BANKHEAD. The Senator asked me for my views, and I have attempted to state them.

Mr. CLARK of Missouri. That is all right. I am glad to have had the Senator express them.

Mr. BANKHEAD. Mr. President, the purpose for which I rose was to bring to the Senator's attention, and to the attention of other Members of the Senate, his criticism of reliance by Government officials upon opinions of the Attorney General of the United States.

Mr. CLARK of Missouri. Mr. President, I will repeat everything I have said concerning that subject.

Mr. BANKHEAD. Oh, that would be implication.

Mr. CLARK of Missouri. I say that I will repeat everything I have said. I do not want the Senator from Alabama to think that I am backing up on this proposition. I should like to repeat what I have said, to emphasize it.

Mr. BANKHEAD. The point I make is that the Attorney General is a man whose appointment was confirmed by the Senate. I hold no brief for him. However, I know of no reason which would lead me to believe that he has no official, legal responsibility, and is not a man of high standing in his profession.

Mr. CLARK of Missouri. Mr. President, I wish to introduce as exhibit A the idiotic opinion we have been discussing on this very matter.

Mr. BANKHEAD. Oh, that is a matter of opinion.

Mr. CLARK of Missouri. It may be a matter of opinion; but I have discussed it and I want to introduce it.

Mr. BANKHEAD. I do not think the opinion is an idiotic one, at all.

Mr. CLARK of Missouri. I do.

Mr. BANKHEAD. I do not think so.

However, the point I make is that the Senator from Missouri stands here in his position as a Member of the United States Senate, as do we all when we are on the floor of the Senate. I think the interest of orderly government, and the maintenance of respect for our Government, as well as the obedience and compliance with the laws of our Government, require that, generally speaking, unless there is some reason to the contrary, we accept the opinions of officials of the Government duly appointed and confirmed to perform the duties assigned to them under the constitutional provision relating to principal officers of the executive departments.

Mr. CLARK of Missouri. Mr. President, that is precisely what I propose to do by my amendment. I did not bring in the amendment, I did not bring in any proposition, saying the opinion of the Attorney General is idiotic, which I believe it to be. I did not say the Attorney General is deliberately encouraging violation of the law, which I believe to be the case. I merely said that, since the Attorney General has put an erroneous construction upon the law, as intended by Congress, since the Attorney General has seized upon section 2 (e) as author-

ity for a construction which Congress never had the slightest idea of authorizing, we will simply repeal section 2 (e). That is no reflection on the Attorney General.

Mr. BANKHEAD. I think the statement of the Senator from Missouri is unfortunate, and I should think so if our positions were reversed.

Mr. CLARK of Missouri. The Senator is entirely correct in saying that I believe the Attorney General's opinion is idiotic. I will give the Attorney General credit by saying that I do not believe he ever wrote the opinion. Undoubtedly, some law clerk in the Department of Justice wrote it. I will absolve the Attorney General from personal responsibility for the opinion. I think the construction which he has placed upon the law is a deliberate flouting of the will of Congress; but I do not say so in my amendment. I merely propose to repeal the section 2 (e).

Mr. BANKHEAD subsequently said: Mr. President, I ask unanimous consent to incorporate in the body of the RECORD immediately after my discussion with the Senator from Missouri of the Attorney General's opinion, a copy of the opinion as it appears in the hearings before the Senate Committee on Banking and Currency on pages 211 and 212

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

The opinion is as follows:

OCTOBER 27, 1942.

The honorable the SECRETARY OF COMMERCE.

MY DEAR MR. SECRETARY: In answer to the questions raised by your letter of October 20, 1942, it is my opinion that (1) the authority conferred by section 2 (e) of the Emergency Price Control Act of 1942 upon corporations created under section 5 (d) of the Reconstruction Finance Corporation Act does include authority to make subsidy payments for the type of services described in section 302 (c) of the former act when these services are rendered with respect to materials defined by the President as strategic or critical, and that (2) persons, corporations, partnerships, and other business organizations rendering these services are producers within the meaning of the phrase in section 302 (c) which authorizes Reconstruction Finance Corporation corporations to make subsidy payments to domestic producers.

Subsidy payments to domestic producers of commodities are authorized by section 2 (e) of the Emergency Price Control Act of 1942 when it is determined that unless they are paid, the maximum necessary production is not or may not be obtained during the ensuing year. The amounts of the subsidies and the manner and terms and conditions upon which they are paid, section 2 (e) provides, shall be such as are determined to be necessary to obtain the necessary maximum production. When critical or strategic materials are involved, all the determinations to which I have referred are to be made by the Secretary of Commerce (in whom the functions of the Federal Loan Administrator named in sec. 2 (e) are now vested) with the approval of the President and the subsidy payments are to be made by corporations created under section 5 (d) of the Reconstruction Finance Corporation Act. When critical or strategic materials are not involved the Price Administrator is authorized to make the determinations and the subsidy payments. The relevant portions of section 2 (e), which I have thus summarized, read as follows:

"Whenever the Administrator determines that the maximum necessary production of any commodity is not being obtained or may not be obtained during the ensuing year, he may, on behalf of the United States, without regard to the provisions of law requiring competitive bidding, buy or sell at public or private sale, or store or use, such commodity in such quantities and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof or otherwise to supply the demand therefor, or make subsidy payments to domestic producers of such commodity in such amounts and in such manner and upon such terms and conditions as he determines to be necessary to obtain the maximum necessary production thereof: *Provided*, That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5 (d) of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and notwithstanding any other provision of this act or of any existing law, such commodity may be bought or sold or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5 (d) * * *."

Those who render services of the types here in question with respect to critical or strategic materials are, in both an economic and a legal sense, producers. That the Congress intended that they should be so regarded for the purposes of the Emergency Price Control Act is shown by section 302 (c) thereof, which reads in part:

"The term 'commodity' * * * includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity."

My conclusion that the authority to pay subsidies conferred by section 2 (e) upon the Secretary of Commerce and the Reconstruction Finance Corporation corporations relates not only to those who, in the narrowest sense, "produce" a strategic or critical material but also to those whose services of the types referred to complete the "production" thereof (in the wide sense in which sec. 302 (c) shows that the word should be understood in this connection) is fortified by the fact that it is, in many cases, difficult if not impossible to distinguish "production," in the narrow sense of the word, from processing and other services of the kinds referred to in section 302 (c). In the case of "petroleum products" is the oil-well operator the only "producer" or is the refiner also a "producer" or perhaps the sole "producer"? The Congress, I think, wisely made it unnecessary that this question, and many others like it, be answered.

Another consideration confirms my interpretation of section 2 (e). That section, in connection with section 302 (c), clearly authorizes the payment of subsidies to persons who have "produced" a "commodity" by furnishing services of the type here involved. The statute cannot, where a strategic or critical material is involved, reasonably be construed to mean that the function of determining the need for subsidies is divided between the Secretary of Commerce and the Administrator.

Your letter states that—

"Already Defense Supplies Corporation, a corporation created by the Reconstruction Finance Corporation pursuant to section 5 (d) of the Reconstruction Finance Corporation Act, as amended, has, with the approval of the President, agreed to pay excess costs of transporting sugar to deficit areas, bituminous coal to New York State and New England, petroleum and petroleum products to the eastern seaboard, and Chilean nitrates to the United States. The purpose in each case is to permit the uninterrupted delivery of the particular strategic and critical material to the areas affected under maximum prices established by the Price Administrator despite increased transportation costs resulting from enemy attacks upon American and Allied shipping. Such subsidy payments are to be paid directly to persons engaged in the performance of any service in connection with particular commodities, or, in order to facilitate administration of the program, to persons absorbing abnormal increases in the cost of any such commodity."

I am informed that in each of these instances the determinations required by section 2 (e) have been made. It is my opinion that these subsidy payments are authorized by law. That, in order to facilitate administration, the payments have sometimes been made not directly to the persons rendering the services being subsidized but to persons absorbing abnormal increases in cost, is, I think, legally immaterial so long as the payments are reflected to the persons you are authorized by law to subsidize. The Congress could hardly have intended to forbid those charged with administering the law to adopt such a method of paying the subsidies. Section 2 (e) specifically authorizes you to pay subsidies "in such manner" as you determine to be necessary to achieve the necessary maximum production.

Respectfully,

FRANCIS BIDDLE,
Attorney General.

Mr. TAFT and other Senators addressed the Chair.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Missouri yield, and, if so, to whom?

Mr. CLARK of Missouri. I yield first to the Senator from Ohio.

Mr. TAFT. Mr. President, as I read the Senator's amendment it appears to me that it would abolish all subsidies on the transportation of oil, the transportation of coal to New England, and the transportation of gasoline to the east coast. I should think that is a subject which we ought to consider rather seriously before taking the action which is proposed.

Mr. CLARK of Missouri. I will say to the Senator from Ohio that I believe in striking out section 3 completely, and then restoring under very specific limitations such subsidies as have actually been put into effect under section 2 (e) which we think should be restored.

Mr. TAFT. I suggest to the Senator the way to do that is to adopt the committee amendment, and amend it, if that be desired.

Mr. CLARK of Missouri. I will say to the Senator from Ohio that I think the committee amendment is so absolutely vicious that it would be impossible to make any improvement in it.

Mr. TAFT. Not at all. The committee amendment——

Mr. CLARK of Missouri. Mr. President——

The PRESIDING OFFICER. The Senator from Missouri has the floor. Senators must speak one at a time.

Mr. CLARK of Missouri. Let me say to the Senator that the committee amendment proceeds on the theory that since something has been done which is absolutely illegal, according to the statement of the Senator from Ohio himself

on yesterday, we have to recognize that action and should now establish it as a legal principle, with a very slight limitation, which, of course, can be wiped out by the governmental lobby any time it may wish to do so.

Mr. TAFT. The Senator refers only to section (c) of the committee amendment. The committee amendment proposes the procedure the Senator advocates. It abolishes subsidies except for those authorized in (a) and (b). If the Senator does not like (c) which gives the R. F. C. money to do this, he can strike out (c), but the Senator's amendment simply abolishes all subsidies on the transportation of gasoline and all subsidies on the transportation of coal.

Mr. CLARK of Missouri. That is precisely what the amendment of the Senator from Missouri is intended to do.

Mr. MURDOCK, and Mr. JOHNSON of Colorado addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Missouri yield; and if so, to whom?

Mr. CLARK of Missouri. I yield first to the Senator from Utah.

Mr. MURDOCK. Mr. President, recurring to the question of the subsidies on copper, lead and zinc, let me say that I checked the matter with the counsel of the Metals Reserve Company of the R. F. C., who informed me that if subsection (e) of section 2 should be repealed it would destroy their subsidy programs as to copper, lead, and zinc, because that program is predicated on that section.

Mr. CLARK of Missouri. Then, I am in favor of repealing the subsidy on copper, lead, and zinc and restoring it by appropriate legislation. I am in favor of stopping the very ruinous policy which is now being pursued by the Government through the R. F. C. and the O. P. A. of expanding a subsidy which was intended to be a subsidy for production and to use it as authority for general price control subsidies, no matter what the cost may be. I would be in favor of granting authority for a subsidy for production in accordance with the announced intention of section 2 (e) when it was before the Senate.

Mr. JOHNSON of Colorado. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. I have talked with Mr. Henderson, of the R. F. C., who tells me that if the amendment proposed by the Senator from Missouri should prevail the subsidy on strategic metals would be completely wiped out; that subsidies which have been paid on the transportation of oil and coal to New England and other sections would be completely wiped out, and that the war effort would be very drastically interfered with.

Mr. CLARK of Missouri. I have great respect for Charlie Henderson; I am very fond of him. Of course, I know Charlie Henderson's interest in the mining business, and I do not wish to reflect on him in any way; but I say that it is not necessary for us to maintain on the statute books a section which can be perverted as section 2 (e) has been and is being perverted, in order to protect the subsidies which are properly being granted and have been properly granted to strategic minerals and to other necessary elements in order to increase production.

The Senator from Alabama yesterday, so far as agricultural commodities are concerned—and certainly there has never been a more expert special pleader in Congress since I have been a Member of it than the Senator from Alabama, and I have great respect for his ability in that regard—was able to mention only about two commodities. One was soybeans. I ask him what the other was.

Mr. BANKHEAD. I mentioned three at least—soybeans, peanuts, and flaxseed.

Mr. CLARK of Missouri. Yes; soybeans, peanuts, and flaxseed, the desirability of protecting which by subsidies no one can controvert, because they are commodities which might otherwise be produced at a loss and which are essential; but because those three agricultural commodities require a production subsidy it is now seriously proposed that we must leave upon the statute books a section, asserted by some law clerk in the Department of Justice, which view is adopted by the Attorney General of the United States, to authorize a general roll-back subsidy and price control. I say, Mr. President, it does not make sense.

As I said a while ago, and as I now repeat, I am one of those old-fashioned people who believe in the old, but apparently discarded, maxim that a straight line is the shortest distance between two points. I think, if the Congress of the United States is opposed, as I believe an overwhelming majority of it is, to wiping out private enterprise, and is opposed to Government control of agriculture, Government control of mines, and Government control of small business, that the way to reach that objective is directly by striking out the alleged authority under which the O. P. A. and the R. F. C. are proceeding.

Mr. President, I have talked to the Senator from Vermont [Mr. AIKEN]; I am certain that he and I are driving at the same objective; but I have studied his amendment, and restudied it, and restudied it, and restudied it, to the very best of the ability God has given me to read anything—and I think I understand the English language pretty well—and I am very frank to say that I do not understand what the amendment of the Senator from Vermont would do. A dozen Senators today have asked me what would be the effect of the amendment of the Senator from Vermont, and I have not been able to tell them. I listened attentively to the Senator from Vermont himself and he has not been able to tell me. Therefore, it seems to me that to reach the objective of stopping the subsidies, if that is what we want to do, leaving the possibility for private enterprise in this country on the farm and in other places to survive, the thing to do is to strike out section 2 (e), and then reenact in separate legislation a carefully guarded subsidy for production, which was the only justification for the inclusion of section 2 (e) in the law in the first place.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri [Mr. CLARK] to the committee amendment.

Mr. McKELLAR. Mr. President, I understand it will hardly be possible to get a vote on the pending bill this afternoon, and there are two conference reports involving appropriations which I should like to have taken up and disposed of, if possible, so the appropriation bills may finally be passed.

Mr. McNARY. Mr. President, it is my opinion, after some survey, that the Senate could not reach a vote on the final passage of the pending bill today. We probably could dispose of the amendment offered by the able Senator from Missouri. I thought we were about ready for a vote on that amendment. I think it is our duty to give way to conference reports on appropriation bills, because of the very early date when, under our fiscal policy, it will be necessary to reenact present appropriations if the bills should fail. I am perfectly willing to give way.

Mr. McKELLAR. If it is possible to get a vote on the amendment, it will be all right with me.

Mr. CLARK of Missouri. I do not know whether any other Senator desires to speak on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. CLARK] in the nature of a perfecting amendment to the committee amendment.

Mr. TAFT. Mr. President, I merely wish to point out that the amendment of the Senator from Missouri would invalidate all subsidies on the transportation of gasoline and oil to the Atlantic coast, it would entirely upset the price structure of gasoline and oil, it would abolish subsidies on coal to New England, and it would therefore increase the cost of all New England manufacture. It would abolish the subsidies on copper and on many other metals.

It seems to me the method pursued by the Senator, regardless of the question of principle, is the wrong one to follow. I insist that the way the committee has gone about the matter is the right way, that is, first to say that there shall be no subsidies except certain ones which are listed, and then to list them.

We listed the transportation subsidy, then we listed the metal subsidy, and then we listed a money limitation to the R. F. C. If the Senate does not want that money provision regarding the R. F. C., the way to handle it is to strike out subsection (c). It is not best merely to abolish all subsidies, which have become a basic feature in the use of coal and oil and gas and metal in the United States.

Therefore, Mr. President, I think the amendment should be defeated. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BANKHEAD. Mr. President, I wish to see if we cannot reach an agreement for a limitation of time on the bill. However, at the suggestion of the Senator from Georgia, I withhold the request.

Mr. GEORGE. Mr. President, I do not wish to discuss the merits of the amendment, except to say that insofar as accomplishing what the Senator from Missouri and other Senators have in mind is concerned, my judgment is that if we adopt the amendment it will effectively carry out the purpose.

The bill will have to pass the House, and it will pass the House, but in a pretty stringent form, according to available information. So that if the amendment shall be agreed to, it certainly will, in finishing its course through the House, take care of those subsidies which are purely production subsidies. The transportation subsidies, and the subsidies on strategic minerals and metals, can be cared for. Perhaps it would be better if such a provision were written into the amendment, but so far as I am concerned, I merely wish to say that I am ready to vote for the amendment. I know those matters will be cared for.

So far as any of the benefit payments which go to agriculture or agricultural products under other acts are concerned, they are not even affected by the amendment. The amendment relates only to section 2 (e) of the Emergency Price Control Act of 1942.

Mr. WHERRY. Will the Senator yield?

Mr. GEORGE. I yield.

Mr. WHERRY. If the amendment shall be agreed to, will it in any way affect the subsidy paid on sugar beets?

Mr. GEORGE. Not at all. It does not affect any agricultural benefit payments at all. It is related solely to the acts which are done under section 2 (e) of the Price Control Act.

Mr. WHEELER. Will the Senator further yield?

Mr. GEORGE. I yield.

Mr. WHEELER. I was about to say to the Senator that I concur entirely in the statement he has made. I shall vote for the Clark amendment, assuming that when the matter gets to conference it will be straightened out, so that the suggestions which the Senator has made will be taken care of, and I have not the slightest doubt they will be.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

Mr. JOHNSON of Colorado. Mr. President——

Mr. CLARK of Missouri. I withdraw the suggestion.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri in the nature of a perfecting amendment to the amendment of the committee.

Mr. O'MAHONEY. Mr. President, I understood the Senator from Missouri to suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair understood the Senator to withdraw the suggestion.

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

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

Aiken	Hatch	Reed
Andrews	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Bridges	La Follette	Stewart
Brooks	Langer	Taft
Buck	Lodge	Thomas, Idaho
Burton	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chandler	Maloney	Tydings
Chavez	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Davis	Moore	Wallgren
Downey	Murdock	Walsh
Eastland	Murray	Wheeler
Ferguson	Nye	Wherry
George	O'Daniel	White
Gerry	O'Mahoney	Wiley
Green	Overton	Willis
Guffey	Pepper	Wilson
Gurney	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. O'MAHONEY. Mr. President, I was very much impressed by the statement made a moment ago by the Senator from Ohio that the adoption of the pending amendment would endanger the economic system of the country so far as it is now dependent upon subsidies for the distribution of oil and other materials, and so far as the war production plan is concerned by the payment of subsidies for the mining of copper and other minerals.

I am not at all satisfied that we can idly dismiss these matters by the statement that they can be taken care of somewhere else, in conference, or perhaps in the House. If these matters are to be taken care of, they should be taken care of here, it seems to me.

One part of the provision which is to be stricken out by the amendment of the distinguished Senator from Missouri reads as follows:

> *Provided,* That in the case of any commodity which has heretofore or may hereafter be defined as a strategic or critical material by the President pursuant to section 5d of the Reconstruction Finance Corporation Act, as amended, such determinations shall be made by the Federal Loan Administrator, with the approval of the President, and, notwithstanding any other provision of this Act or of any existing law, such commodity may be bought or sold, or stored or used, and such subsidy payments to domestic producers thereof may be paid, only by corporations created or organized pursuant to such section 5d.

Section 5d was written into the law for the express purpose of enabling the Reconstruction Finance Corporation to stimulate the production of materials highly necessary in the prosecution of the war. Before I can make up my mind as to how to vote upon this matter I wish to be sure what the effect of the proposed action will be upon that provision.

Mr. CLARK of Missouri. Will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. CLARK of Missouri. If the Senator will offer an amendment to my amendment providing in terms what he has just read from the law, I shall be glad to accept it. My amendment is not in any degree or to any extent whatever intended to interfere with the present provisions as to transportation or as to production of strategic materials. My amendment is entirely directed to the end of stopping the infamous usurpation of authority in the way of roll-back or subsidies on agricultural commodities. It is not intended in any way, I will say to the Senator from Wyoming, to apply to the production of strategic materials. If the Senator will offer such an amendment, I will, so far as I am concerned, be very glad indeed to accept it, because my amendment was not directed at such a situation as he has presented.

Mr. O'MAHONEY. Mr. President, I am very glad to have that statement by the Senator from Missouri. It tends, I think, to clarify the situation materially. I want the Senate to understand, however, as we all know, that many Members of this body have come from committee meetings to the Chamber at this moment in response to the quorum call. The Committee on Appropriations has been meeting morning and afternoon. There is a meeting in progress now at which I should be present, and at which I want to be present. It is almost impossible to write offhand such an amendment as the Senator says he would be quite willing to receive, but I should be very glad to undertake to write it and present it later. Certainly if we are going to have the vote immediately that cannot be done.

Mr. CLARK of Missouri. Mr. President, let me say to the Senator from Wyoming that, so far as I am concerned, I am perfectly willing for the vote to be postponed temporarily. I was not pressing for a vote. I had expressed myself in favor of my amendment, and at the conclusion of my remarks no Senator seemed to desire to pursue the matter further. So far as I am concerned I am not pressing for a vote at this time.

I should like to say further to the Senator in connection with what he has said, that I realize that many Senators are busy in committee. I have done everything I possibly could to familiarize the Senate with the provisions of my amendment. I introduced it first in the form of a separate bill, and then I offered it at this time as an amendment to the committee amendment to the bill. I have done everything I possibly could to familiarize Senators with the purposes of my amendment.

Mr. McCARRAN, Mr. MALONEY, and Mr. McNARY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and if so to whom?

Mr. O'MAHONEY. The Senator from Connecticut has repeatedly asked me to yield, and the Senator from Nevada [Mr. McCARRAN] wants to file a report from the Appropriations Committee. I yield to the Senator from Nevada for that purpose first, and then I shall yield to the Senator from Connecticut, after which I shall yield to the Senator from Oregon.

REPORT OF COMMITTEE ON APPROPRIATIONS—LABOR DEPARTMENT AND FEDERAL SECURITY APPROPRIATIONS

Mr. McCARRAN. Mr. President, from the Committee on Appropriations I report back favorably with amendments the bill (H. R. 2935) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1944, and for other purposes, and I submit a report (No. 342) thereon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 2798) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROBINSON of Utah, Mr. WHITTINGTON, and Mr. WOLCOTT were appointed managers on the part of the House at the conference.

CONTINUATION OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

Mr. O'MAHONEY. I now yield to the Senator from Connecticut.

Mr. MALONEY. Mr. President, I attempted to get the floor in my own right at the time the Senator from Wyoming obtained the floor. When I entered the Chamber I came from a very important meeting of the Appropriations Committee. We were completing work on the bill just reported from that committee by the Senator from Nevada [Mr. McCARRAN].

I am greatly concerned about the pending amendment. I am very fearful of its consequences. It would probably hit the section of the country whence I come more than any other section. Last year, after very careful deliberation, the Senate agreed that the Reconstruction Finance Corporation should provide subsidies in connection with the transportation of coal and oil. I should have discussed this matter earlier had I been present, and, as I said a moment ago, I attempted to obtain the floor as soon as I came to the Chamber, in order to point out that if the amendment, as presently drawn, should prevail, it would not only wipe out transportation subsidies affecting coal and oil, but would place many industries at a time when they are contributing so much to the war program, at a terrific disadvantage compared with industries in other localities.

The Senate almost in its entirety has long since agreed with respect to those particular subsidies. I share the feeling of the Senator from Wyoming, to whom I am grateful for having yielded to me, that it is next to impossible hurriedly to draft an amendment which might provide the protection so sorely needed. Unless time shall be given to prepare such an amendment, I hope that the amendment offered by the Senator from Missouri may be rejected, because its consequences, if it should be adopted, would be very serious and harmful to the war program.

Mr. McNARY. Mr. President——

Mr. O'MAHONEY. I promised I would yield to the Senator from Oregon, and I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. McNARY. I do not ask to obtain the floor. I wish only to offer a suggestion. I see the difficulties under which the able Senator from Wyoming, and the able Senator from Connecticut, and others are laboring. I also realize that two conference reports are about to be presented. I wish to suggest to my distinguished friend across the aisle, the acting majority leader, that we now postpone further consideration of the pending bill, and proceed to consider the conference reports, after which I propose that when the Senate takes a recess it meet tomorrow at 11 o'clock a. m. Does that meet with the Senator's approval?

Mr. O'MAHONEY. Mr. President, I think that would be a very happy solution.

Mr. McKELLAR. I hope that will be done.

Mr. HILL. Mr. President, the Senator from Tennessee [Mr. McKELLAR] is anxious to proceed to consideration of two conference reports. While I have the floor let me say that the Senate must consider these two conference reports, and also must dispose of the pending bill, as well as dispose of the appropriation bill which has just been reported by the senior Senator from Nevada [Mr. McCARRAN] making appropriations for the Labor Department and the Federal Security Administration. We may have other measures from the Appropriations Committee to consider. As matters now stand I wish to say that it is entirely possible, perhaps I should say probable, that we will have a Saturday session.

Mr. McNARY. Oh, yes.

Mr. MALONEY. It is about certain, is it not?

Mr. HILL. I should say, as matters now stand, it is quite certain we shall be obliged to have a Saturday session.

Mr. GEORGE. I offer, and ask to have printed and lie on the table, an amendment to the pending amendment offered by the Senator from Missouri [Mr. CLARK], to add at the end thereof the following language:

Provided further, That the Reconstruction Finance Corporation is authorized to borrow money and pay (a) to shippers of commodities or others the increased costs of transportation resulting from the war emergency, and (b) to pay subsidies relating to, or purchase for the purpose of selling at a loss, strategic and critical materials necessary to the manufacture of equipment and munitions of war for the United States Government or any of the United Nations, and to subsidize the high cost production of minerals to increase the production thereof.

Mr. President, I should like to say that the language in this amendment is taken bodily from the amendment intended to be proposed by the Senator from Alabama [Mr. BANKHEAD] on behalf of the Committee on Banking and Currency, to take care of the two particular features of the bill to which the Senator from Wyoming and others have referred.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. CLARK of Missouri. I should like to say that, so far as I am concerned, the proposed amendment is entirely agreeable to me. I should like to have the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Colorado [Mr. JOHNSON], and the Senator from Connecticut [Mr. MALONEY], who are interested in the matter, discuss the proposal, but I assume the matter can go over until tomorrow.

Mr. GEORGE. I ask that my proposed amendment be printed and lie on the table.

The VICE PRESIDENT. The amendment presented by the Senator from Georgia will be printed and will lie on the table.

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1944, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment to the amendment of the Senate numbered 1 and agree to the amendment of the Senate.

Amendment numbered 26: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out and inserted by the said amendment and amendment thereto insert the following:

"SEC. 204. The Joint Committee on Investigation of Nonessential Federal Expenditures is hereby directed to make a study of the problem of penalty mail in all of the departments and branches of the Government, with a view to eliminating unnecessary volume and reducing costs, and shall report its findings and recommendations by bill or otherwise to Congress not later than the first day

of the next regular session of the Seventy-eighth Congress. The departments and agencies of government shall furnish such information and detail such personnel as may be requested by the Committee to assist in its investigation."

And the House agree to the same.

KENNETH MCKELLAR,
PAT MCCARRAN,
H. C. LODGE, Jr.,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.

LOUIS LUDLOW,
EMMET O'NEAL,
GEORGE MAHON,
JAMES M. CURLEY,
JOHN TABER,
FRANK B. KEEFE,
HENRY C. DWORSHAK,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. McNARY. Mr. President, let me ask what the report is?

Mr. McKELLAR. A report from the conference committee on the Treasury and Post Office appropriation bill. There are only two items still in difference between the two Houses.

Mr. McNARY. Is the report final?

Mr. McKELLAR. It is a final report. It is a report on the last two amendments remaining in difference.

Mr. President, let me explain to the Senate that two amendments in the bill have been widely controversial, holding up its final passage for 2 or 3 months or more. The first amendment is one relative to silver. Senators will recall it. The House inserted as an amendment to the appropriations bill a provision concerning silver and the uses of silver. The passage the other day of the bill of the distinguished Senator from Rhode Island [Mr. GREEN] satisfied the House, so far as the silver amendment was concerned, and after the bill of the Senator from Rhode Island was passed the House receded from its position on the amendment. That is the report as to that matter.

The other amendment is in reference to use of the mails. The House inserted a provision, as I recall, that after January 1, all the departments and agencies of the Government should no longer use the mails free. After many conferences, private, public, secret, and of every other kind, we finally agreed that the question of use of the mails should be referred to the Joint Committee on Reduction of Nonessential Federal Expenditures, the committee known as the Byrd committee. I think that course is satisfactory to everyone.

The report was signed by all the conferees, and I think it is a very happy solution of the two matters. Mr. President, I ask that the conference report be considered and agreed to.

Mr. DOWNEY. Mr. President, let me inquire of the Senator from Tennessee whether the conference report is the one which deals with the inhibition against the employment of the three persons to whom reference has been made.

Mr. McKELLAR. No; Mr. President, it is not. I say to the Senator that I shall present that conference report in a few moments, but it has not as yet been reached.

Mr. DOWNEY. I thank the Senator.

The VICE PRESIDENT. Is there objection to the present consideration of the report? The Chair hears none, and, without objection, the report is agreed to.

URGENT DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2714) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years and for other purposes, having met after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 60 and 61.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate to the amendment of the House to Senate amendment numbered 5, and agree to the same with an amendment as follows: Omit all of the matter proposed to be stricken out by such amendment and omit all of the matter proposed to be inserted in lieu thereof by action of the Senate and House of Representatives; and the Senate agree to the same.

KENNETH MCKELLAR,
CARL HAYDEN,
MILLARD E. TYDINGS,
H. C. LODGE, Jr.,
Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
LOUIS C. RABAUT,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
Managers on the part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CLARK of Missouri. Mr. President, I shall suggest the absence of a quorum before a vote is taken on agreeing to the conference report.

Mr. McKELLAR. I ask the Senator to withhold suggesting the absence of a quorum until I have an opportunity to answer the question of the Senator from California.

Mr. DOWNEY. Yes; Mr. President, I desire to ask a question of the Senator from Tennessee.

Mr. McKELLAR. The conference report is the one to which the Senator from California has referred.

Mr. DOWNEY. I desire to make some remarks relative to the report.

Mr. McKELLAR. Of course, the Senator will have an opportunity to do so.

Mr. CLARK of Missouri. Mr. President, the matter seems to me a very important one. Therefore, I desire to suggest the absence of a quorum. I understand that the Senate conferees have receded from the position which was taken by the Senate by a unanimous vote, a vote of 69 to 0. It seems to me that the matter should be carefully considered by the Senate. Therefore, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

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

Aiken	Hatch	Reed
Andrews	Hawkes	Revercomb
Ball	Hayden	Reynolds
Bankhead	Hill	Robertson
Bilbo	Holman	Scrugham
Bone	Johnson, Colo.	Shipstead
Brewster	Kilgore	Smith
Bridges	La Follette	Stewart
Brooks	Langer	Taft
Buck	Lodge	Thomas, Idaho
Burton	McCarran	Thomas, Okla.
Butler	McClellan	Thomas, Utah
Byrd	McFarland	Tobey
Capper	McKellar	Truman
Caraway	McNary	Tunnell
Chandler	Maloney	Tydings
Chavez	Maybank	Vandenberg
Clark, Mo.	Mead	Van Nuys
Connally	Millikin	Wagner
Davis	Moore	Wallgren
Downey	Murdock	Walsh
Eastland	Murray	Wheeler
Ferguson	Nye	Wherry
George	O'Daniel	White
Gerry	O'Mahoney	Wiley
Green	Overton	Willis
Guffey	Pepper	Wilson
Gurney	Radcliffe	

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, for the reason that the Senate voted unanimously in favor of its amendment as to the three so-called subversives, I have concluded to do something I do not often do, to read from a written document which I have prepared:

Mr. President, after weeks of conferences your committee has agreed with the House committee on the two items of difference that have held up the conference so long. The House has adopted the report, and it is here for the Senate's consideration at this time. The two items of difference are: First, the limitations on the appropriation for the salaries of Goodwin B. Watson, William E. Dodd, Jr., and Robert M. Lovett. The Senate is entirely familiar with the question. The House voted about 5 to 1 in favor of sustaining their view of the matter, and it was brought back to the Senate; and the Senate voted unanimously, something that is rarely ever done, in favor of the Senate's view. But after a number of other conferences and side talks of all kinds, we reached the conclusion that there would be no bill—that is, no urgent deficiency bill—unless the Senate yielded on this question. There is about $143,000,000, a large part of it in salaries, that ought to be paid, and we did not feel it was right to disregard all the men against whom nothing has been raised and deprive them of salaries because of the three in question.

Mr. President, the question of these three men charged with holding views subversive to the Government, and as to which men the House by amendment had directed that no part of the appropriation be paid to them, has given us the greatest trouble. It has frequently been up before, and always arouses the greatest trouble. The House passed it by a

vote of 318 to 62—more than 5 to 1—and the Senate struck out the amendment. After the House had voted, the provision was brought back to the Senate and the Senate upheld it unanimously, as before stated.

Mr. President, the Senate conferees have vigorously and earnestly maintained the position taken by the Senate, that the provision of the House bill prohibiting the use of funds appropriated thereunder to pay the three named individuals is indefensible as a matter of procedure. They also maintained that the facts as to the belief in revolutionary principles were not brought before either the House or the conference in a proper way.

The House provision excluding these three men from public employment, or, rather, providing that no salary shall be paid them, which is the same as exclusion, had no evidence except the report of the Kerr committee appointed in the House. The Kerr committee held secret sessions, and the testimony and findings have never been published. All the evidence taken by the Senate conferees was taken in the open before the committee, and all of it was favorable to the three men.

Under the decision in the Myers case the President has the right to discharge Government employees, but there is no provision in the Constitution which allows Congress to discharge them. Of course, the Congress does not discharge them, but it deprives them of their salaries, which means the same thing. The majority of our committee do not believe that under the Constitution Congress has the right to get rid of employees in that way, even after full hearings. We argued this question time and again with the House Members, but to no avail.

The urgent deficiency bill includes many appropriations essential to the prosecution of the war and to the proper conduct of the Government. The House conferees have refused to agree to any urgent deficiency bill which does not include this provision, but some members of our committee think it is unconstitutional. However that may be, in order to get a bill we had to agree to this provision of the House bill. The Senate conferees have most reluctantly felt obliged to yield to this unjust provision in order to get the appropriation bill out of Congress and enacted into law.

This matter has come up a number of times recently, as we all know. After all, this may be the best way to get it settled. It is very earnestly hoped that the Government will continue to employ these men for a while anyway, so that they may bring suit for their salaries and thus raise the question. The question ought to be settled. It ought not to be constantly recurring. Personally, I am not in favor of anyone who has subversive views about our Government working for the Government; but even so, I think that in a case of this kind he ought to have a fair show. I am sure that the men involved in this case will get a fair show in the courts of the Nation.

That is the only possible way the question can be settled. It is the only possible way the passage of this bill can be brought about; and, while it is a matter of regret that this course must be pursued, if we are to enact this bill to pay employees of the Government and provide for many enterprises connected with the war, it is necessary for us to yield.

Mr. President, I wish to say that in yielding I have simply concluded to bring this question to the Senate and let the Senate vote on it as it will. That is the only course the conferees can pursue. I wish to say perfectly frankly that in my judgment if we were to reject the conference report there would be no bill. The other matter can be settled, and I believe it can be settled fairly and honestly by the courts. I hope the Senate will take the same view of it that the Senate conferees have taken.

I wish to make an explanation as to the other item. That item involves the President's private fund. The House provided that no part of this fund should be used for the Farm Security Administration or the National Resources Planning Board. The Senate inserted a more general amendment. After innumerable conferences and talks on this matter, inasmuch as the House had taken care of the two items which it favored in other bills, it was finally agreed to strike out all limitations on the President's use of the fund. I think this was very wise. In time of war such a limitation might be misconstrued as lack of confidence in the President. In addition the President makes a report of his use of the fund. We have examined that report, and in the main there could be no exception to his use of the money.

Mr. President, those are the facts.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I wish to ask the Senator a question in connection with the very frank statement which he has made. He said he did not approve of this system of ousting Government employees, and that the withholding of a man's salary amounted to his discharge. Does not the Senator believe that in truth and fact, under our theory of government, the procedure proposed by the House provision amounts substantially to a bill of attainder against these men, something which is forbidden by the Constitution of the United States?

Mr. McKELLAR. I do not believe it goes that far.

Mr. CLARK of Missouri. I think it does.

Mr. McKELLAR. I have heard the Senator express his view on that subject. He may be correct and I may be mistaken.

The two Houses of Congress have absolute authority over the purse, and the finances of the Nation. They appropriate all money, or they should appropriate all money. In these later days we are not appropriating it all. However, we are appropriating a very large part of it.

I doubt if the proposed procedure is equivalent to a bill of attainder. It is the exertion of a power by the Congress to say what money shall be expended and what shall not.

Mr. CLARK of Missouri. Was not that very practice condemned by the Supreme Court of the United States—a real Supreme Court of the United States—in the Myers case?

Mr. McKELLAR. It will be remembered that in the Myers case, to which I have referred, a somewhat different question was raised. As I recall that case, the opinion was written by Mr. Chief Justice Taft. In my judgment, it was one of the strongest opinions ever written by that great judge. It was a review of an issue of many years ago. The facts in that case were these:

President Wilson discharged a postmaster in Oregon. I have forgotten the name of the town, but he discharged the postmaster there, and the postmaster sued the Government for his salary for the term for which he had been appointed. The Supreme Court of the United States, Mr. Chief Justice Taft delivering the opinion, held that the President had the right to discharge him without asking the Senate. It was argued by lawyers in that case that, the Senate having confirmed Mr. Myers to that position, he could not be discharged unless the Senate should agree to his discharge. Mr. Taft, after reviewing all the authorities, held that it could be done.

Mr. CLARK of Missouri. Let me ask the Senator if it was not also held in that case that a man was entitled to his day in court, and was entitled to a proper hearing?

Mr. McKELLAR. That is true.

Mr. CLARK of Missouri. Was not that same proposition enunciated by the Supreme Court of the United States in the Humphrey case?

Mr. McKELLAR. That is true. That is one of the reasons which led me, as one member of the committee—I do not know how the other members of the committee felt about it—but as one member of the committee I felt we would not be doing these three gentlemen any great injustice because they could obtain their remedy in court. It is very trying on them, of course, but they made this record about which so much has been said in the House and in the newspapers of the country. I do not pass upon the facts. I do not know enough about the facts to pass upon them.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. As the Senator well knows, without justification a man may be sent to a concentration camp, and it may be said that that is all right, and that he may sue out a writ of habeas corpus and possibly be released from the camp.

Mr. McKELLAR. That may be true, but we are not law-enforcing officers and we did not bring about this situation. It is merely a question of whether this bill will be enacted into law at this session of Congress. When the bill appropriates $143,000,000 for the salaries of literally hundreds and maybe thousands of employees and for various enterprises the cost of which should properly be paid under the bill, in my judgment we did right in making the report which we did to the Senate, and I hope it will be agreed to.

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

Mr. McKELLAR. I yield.

Mr. OVERTON. I did not exactly understand the Senator's observation that these men could have their remedy in court.

Mr. McKELLAR. They could have their remedy in court.

Mr. OVERTON. What remedy would they have against a legislative decree that they shall not receive any compensation whatsoever, and be driven out of their office, when the Congress has no evidence at all to support any charge against them? How can a question of that nature be brought before a court? The court will not say, "We will give them relief because the Congress of the United States acted without evidence and without any charge having been made against them."

Mr. McKELLAR. Oh, no; no.

Mr. OVERTON. My objection was that there was no charge or evidence before our committee, or before the subcommittee of the House, whatsoever, affecting the loyalty of these men. There was no evidence whatever which indicated they were disloyal to the Government.

Mr. McKELLAR. Mr. President, I have stated what are the facts; that the House acted upon a report of one of its committees, and that the Senate acted upon the evidence which was before it, and there was interminable bickering.

Mr. OVERTON. The report to which the Senator has referred was not even laid before the committee in the way of evidence.

Mr. McKELLAR. It was a secret report made to the House, and the House could have acted upon it if it had wanted to do so.

However, that is not the question before the Senate. The courts are open to these men. They have a right to go into court and sue for their salaries. If the court holds that they are entitled to their salaries upon the showing which they make, that, in my judgment, would give them the proper recourse, and it is the only way in which the matter can be settled.

I am sure Senators would not want to deprive hundreds of employees—I shall have to ascertain whether there are more than several hundred; I imagine there are several hundred or a thousand or more—of their salaries when there is not the slightest complaint against the employees whatsoever. Everyone admits they are entitled to their salaries. As I have said, I am sure Senators would not want to deprive those persons of their salaries merely because of three men who are charged with subversive views in reference to our Government. I simply cannot imagine that we should delay the enactment of the bill on account of those three men.

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

Mr. McKELLAR. I yield.

Mr. REVERCOMB. In addition to the change made in the bill by the conferees which is now under discussion, I understand that the amendment to the bill as adopted by the Senate with respect to the use of emergency funds by the President has also been changed and, in fact, deleted.

Mr. McKELLAR. Both the House and Senate amendments on that subject were deleted from the bill.

Mr. REVERCOMB. Mr. President, does that mean that if Congress fails to appropriate money for a certain activity the President may resort to his emergency fund for money to carry on the activity?

Mr. McKELLAR. My recollection is that all the purposes to which the House amendments and probably those of the Senate were directed have been taken care of in other bills. The remedy has been provided in other bills. For instance, the National Resources Planning Board has been abolished and, of course, the President could not allocate funds to that Board. The Farm Security Administration bill has been passed, and in that measure there is a provision that the President may not use any of his emergency fund to give to that agency, and probably the same situation prevails in the other cases. I do not think the Senator need fear that the President will use that fund for any such purpose as the Senator has in mind.

Mr. REVERCOMB. Without the thought of fear, does the President at the present time, without the restriction, have the power to use his emergency fund to augment or add to any appropriation?

Mr. McKELLAR. I do not believe so. He is prohibited from doing so in other bills which are before the Senate at the present time.

Mr. REVERCOMB. But in the pending measure we placed a prohibition against the use of the fund for the Board.

Mr. McKELLAR. Yes; but that prohibition was stricken out in conference.

Mr. REVERCOMB. I submit that that prohibition should remain in the measure.

Mr. McKELLAR. Unless some other Senator wishes to ask a question, I will yield the floor.

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

Mr. McKELLAR. I yield.

Mr. BONE. Mr. President, because some public posts are provided for by the Constitution, there must of necessity remain a question in the mind of every lawyer as to how far the Congress may go in decreeing by legislation that no part of an appropriation shall be used to pay the salary of a certain public official. I am referring now perhaps to a Member of the Senate. Suppose, for example, we should decree that no part of an appropriation should be used to pay the salary of Senator X. That might be challenged on constitutional grounds. The same thing might be done with respect to the Supreme Court because we might not like some of its decisions. But let us assume the case of an inferior Federal court not ordained by Congress. The office could be abolished at any time, and therefore we would be abolishing all functions accompanying the particular office. However, suppose there were some particularly flagrant and obnoxious decision of a judge of a Federal court, one which outraged all standards of common decency, and was a reproach to the office itself and we should decide instead of impeaching the judge—disliking very cordially his decision—to provide in a budget for the maintenance of the lower Federal courts that no part of the appropriation should be used in the payment of the salary of Judge X in a certain United States district court. On that basis, and having no testimony concerning the case other than our knowledge of it through a reading of the press reports if we should vote to take such action, does the Senator believe we would be justified?

Mr. McKELLAR. I do not know whether we would be justified. I do not think the House was justified in taking this particular course about these three men, but the House is adamant on the subject, and when it is not possible to agree, we must do the best we can, and we have made the best report of which we are capable.

I voted, as did every other Member of the Senate who was present, to strike this provision from the bill, and it was stricken from it so far as the Senate was concerned, but when we got to conference, the several times we were in conference—and we were in conference a great number of times—we discussed this matter nearly every day for a month. I think that if the Senator would ask Members of the House whether there was a chance on earth of getting the bill passed with that provision eliminated, he would find there was not a chance. I hope the Senator will not imagine more cases. We have enough actual cases now.

Mr. BONE. I hope the Senator from Tennessee will not suggest that there is any impropriety in the Senate being as firm as the House. This is what amounts to a bill of attainder, which was one of the most odious forms of the old English law practices.

Mr. McKELLAR. Yes.

Mr. BONE. What presents itself in this picture is the possibility of impeachment by a new method. This provision should engross every lawyer in the Congress, because this is a way of impeaching some one by an indirect method. We do not have to go through the formality of the House filing charges. We are sitting as a jury, without having heard of the evidence.

Mr. McKELLAR. If the Senator will permit me to answer his question, I will say that the one advantage we have is that we have courts to settle all questions of a legal nature between citizens and governmental bodies, and all other bodies in our country. We have courts, in which we all have confidence. I know I have, and I am sure all of us have. The only comfort the Senate gets out of the adoption of this report is that the matter will go to the courts and be settled for all time, for us, as well as for everybody else.

Mr. BONE. If I may intrude again, I understand what the Senator has stated, but we are sitting here as a jury and as a court, and we are deciding a case without any evidence before us.

Mr. McKELLAR. Oh, no; it is not in that shape at all.

Mr. GEORGE. Mr. President, I suppose that if there are any people on earth who know anything about ex post

facto laws and bills of attainder it is our English friends. It is a common parliamentary practice to move the reduction of a salary of an officer of the British Government, and if the motion carries, it is tantamount either to his removal or to an expression of lack of confidence. It is true we have to keep in mind the parliamentary system, and that the British have the parliamentary system, but it is one of the common practices in the British Parliament to move the reduction of a salary of an officer of the government. Therefore, it strikes me that we are going very far afield when we imagine that there is any question of ex post facto law here, or bill of attainder.

Mr. McKELLAR. That is the way it appealed to the committee.

Mr. GEORGE. I have no doubt that we have merely a legislative situation. I think this is not a desirable way of disposing of men who are holding public office, but sometimes it is the only way to dispose of them. Sometimes it is quite impossible to get rid of them in any other way.

I do not know any of these three gentlemen, and they may be entitled to hold their offices, but it seems to me that it comes right down to this, it is precisely like disagreement over a provision in any other bill. If the House will not yield, and if our conferees have done all they can do, and they report it is useless to try to continue the conference longer, then it is a question of the good faith of our own conferees, and I should be disposed to accept their verdict in the matter, although I think it is not the proper way to proceed in cases of this kind.

As to the question of going into the courts, it may not be precisely the same in the Federal jurisdiction, but I think in State jurisdiction it is very well established, and, so far as I know, there has been no very well considered case to the contrary, that if an office be a constitutional one, it is not possible merely by illegally discharging a man to deprive him of his salary. If it is purely a legislative office, the legislature may repeal the act creating the office, or it may withhold the money. I think there is no reasonable doubt on that point.

This leads me to say that I do not think the men involved in this case would have very much chance in any court. But here is a provision in an appropriation bill, and if the Senate conferees say that they cannot induce the House to recede, so far as I am concerned, I should be disposed to go along with our conferees.

Mr. McKELLAR. I thank the Senator.

Mr. DOWNEY obtained the floor.

Mr. BONE. Will the Senator yield merely for one observation?

Mr. DOWNEY. I have been waiting for about 30 minutes to get the floor, while the floor has been parceled out to various speakers.

Mr. McKELLAR. Will the Senator yield to the Senator from Colorado, who wanted to ask a question?

Mr. MILLIKIN. Mr. President, I wish to agree with the distinguished Senator from Georgia that we are not confronted with a bill of attainder, technically speaking, but to me the matter is of the spirit of a bill of attainder. It holds within it the possibility of trial without being confronted by witnesses. It holds within it the possibility of trial in absentia. It has every obnoxious feature in it that has condemned bills of attainder.

Mr. President, I regret very much that for these reasons, and because this to me smells of ancient tombs in which liberty has been buried, I shall have to vote against the conference report.

Mr. CLARK of Missouri. Mr. President, will the Senator from California yield in connection with what the Senator from Colorado has said?

Mr. DOWNEY. I yield.

Mr. CLARK of Missouri. I should simply like to suggest that in the remarks I made a while ago I did not mean that this was technically a bill of attainder, but in effect it is a bill of attainder.

Mr. MILLIKIN. It does not have to be technically a bill of attainder. It is in the spirit of a bill of attainder.

Mr. CLARK of Missouri. There is no question about that.

Mr. DOWNEY. Mr. President, while I recognize the critical situation with respect to the funds carried in this bill, and realize that the conferees were prompted by this urgency to work out a compromise with the House, I feel that the basic principle involved in the so-called Kerr amendment is so important that the Senate should not yield from its unanimous 69–0 vote of a few weeks ago.

There was at that time no doubt in our minds as to the impropriety, and, in fact, the unconstitutionality of a procedure whereby the Congress is asked to legislate three individuals out of Government jobs as subversive without any of the essential forms of a fair and judicial hearing, so dear to us as Americans, a statement of charges, representation by counsel, and open presentation of evidence pro and con.

It has previously been stated upon this floor—and I concur completely with the statement—that adequate legal provisions already exist by means of which persons who are genuinely subversive—that is, who attempt by violent means to overthrow our Government or give aid to our enemies—may be not merely dismissed from their Government positions, but prosecuted in criminal actions. No such charges have been made against these three men, and none of the evidence that has come to the attention of the Senate has tended to imply such charges; nor has the House itself made any claim to such charges as a basis for its decision.

I am, however, most deeply concerned by the detrimental effect which the passage of this rider will have upon our country's understanding of the nature of the war, and hence upon our progress toward speedy victory. It appears that these men are under attack primarily because of their membership in certain organizations which in the opinion of some people were communist "front," but which by a great many people are considered to be antifascist in character, since the programs of these organizations covered such issues as boycotting Japan, or sending aid to China. By branding such persons as subversive, we will cause great confusion among our people by failing to distinguish between those who help our allies and those who help our enemies. This is doubly serious at a time when we must strain every nerve to launch and support a decisive military offensive.

The Supreme Court has recently held that an admitted member of the Communist Party is not, by virtue solely of his membership, thereby deemed to be committed to violent overthrow of our Government. How much more truly this can be said of men who are not charged with being Communists, and of whom it can be said that at most they belonged to organizations with a few Communist members.

Mr. President, I am in agreement with those Senators who have expressed the opinion that the pending measure is essentially a bill of attainder; that its passage would tend to the destruction of our sacred and fundamental traditions of justice and civil rights. Nor can I condone its evil because of the hope that our courts might at some remote time undo the wrong this measure would admittedly do.

Mr. TOBEY. Mr. President, I have listened with great interest and respect, as I always do, to the conclusions reached by the distinguished Senator from Georgia [Mr. GEORGE] and the distinguished Senator from Tennessee [Mr. McKELLAR]. In the matter before us they have both expressed themselves with even import. They said that they do not believe that this is the way to handle the matter, by removing officials from the Government pay roll by denying appropriations. The Senate certainly felt that way when the matter came before it for debate and approval, and we voted unanimously, 69 to 0, not to go along with the House. These men are entitled to a square deal, at least as I understand a square deal, by allowing them to be tried on the charges made against them in the open rather than to proceed by this back-door method of denying an appropriation to pay Government employees, with the purpose of discharging them from the Government service.

Mr. President, I listened with interest and thrilled to the remarks made by my distinguished colleague the Senator from Colorado [Mr. MILLIKIN], whose words, whose ideas, and whose expressions were worthy of the best traditions of the Senate. I congratulate him on that historic utterance, for that it will be in years to come, and will be often quoted.

I say tonight in this Senate Chamber, at this late hour, that the Senate of the United States, this branch of the Congress, should not allow the other branch of Congress or any individual to say to us in effect "Come across, or else there will be no appropriation bill." I am not one who would bow down to such an ultimatum. My message to my colleagues is for us to stand our ground, to keep faith with our traditions and civil rights. Vote down the conference report, and ask for a further conference with the House, and I am confident that a new report on the appropriation measure will

be made. We need not be concerned as to that. Stand by our traditions and by the previous decision unanimously made by this body, when we voted on the question, and our action will be to our credit and one in which we may well have a just and honorable pride in the years to come.

Mr. BONE. Mr. President, I wish to take a moment to express my appreciation of and admiration for the statement made by the Senator from Colorado [Mr. MILLIKIN] because it was in the best tradition of the law. Every man who has practiced law has been taught to feel a reverence for law, for the freedom and the liberty for which American law is supposed to stand, and to pay reverence at its shrine.

My attention was attracted a moment ago to a citation in the Cyclopedic Law Dictionary which it will take me but a moment to read. It defines a bill of attainder as—

> A special act of the legislature pronouncing judgment of treason or felony on one who has not been tried in the courts, and passing sentence of death and attainder upon him. If the act inflicts a less punishment than death, it is called a "bill of pains and penalties."

On the strength of that citation this type of legislation cannot in any wise partake of the nature of a bill of attainder.

The Supreme Court of the United States has had something to say about this type of legislation. It said:

> A bill of attainder is a legislative act which inflicts punishment without a judicial trial. If the punishment be less than death, it is a bill of pains and penalties.

Let me say parenthetically that that is in line with the citation I have just read from the Cyclopedic Law Dictionary.

I continue to quote from the Supreme Court:

> As the term "bill of attainder" is used in the Federal Constitution, it includes both bills of attainder particularly, and bills of pains and penalties.

Citing *Cummings* v. *Missouri* (71 U. S. (4 Wall.) 277, 18 L. Ed. 356), *Drehman* v. *Stifle* (75 U. S. (8 Wall.) 595, 601, 19 L. Ed. 508); *Pierce* v. *Carskadon* (83 U. S. (18 Wall.) 234, 239, 21 L. Ed. 276).

If the measure before us is considered to be a bill of "pains and penalties," and that is exactly what it is, because it inflicts pains and penalties on these men, it is a form of punishment, and according to the decisions of the Supreme Court itself it is, as the Senator from Colorado has pointed out, in spirit and effect, a bill of attainder.

Mr. LA FOLLETTE. Mr. President, the fate of the three men involved in this measure, while of great importance to them individually, in my opinion shrinks into insignificance when we contemplate the action which it is proposed that the Senate shall take. With men dying in the uniform of the United States on battlefields all over the world, and on the seven seas, it seems to me that the action which this body takes in upholding the traditions of Anglo-Saxon jurisprudence and justice is of vital importance.

All too frequently, it seems to me, there is a growing tendency on the part of groups in this country to feel that because they are in disagreement with another group, or with other individuals, they can with impunity to themselves violate fundamental rights without weakening them. I say that a study of the painful processes behind the sacrifices in blood and treasure whereby these fundamental rights were obtained, will convince any man that it is only by upholding them, by protecting those with whom we disagree, that we can preserve these rights for ourselves and for posterity. For the Senate of the United States to acquiesce in the act of dismissing these men from office, without a scintilla of evidence in its possession to justify such procedure, would be a repudiation of the entire spirit of the Bill of Rights of the Constitution of the United States. It is mere legalistic hairsplitting to try to find any reason or justification for any such action.

I say, Mr. President, although I am not a lawyer, that I have grave doubt that these men, who do not occupy constitutional offices, would ever have any opportunity to test this issue in the courts. But even if they should have, Mr. President, what a pusillanimous position the Senate would take if it attempted now to justify a law which it acknowledged by a vote of 69 to 0 would perpetrate a wrong, and to justify a reversal of its position on the ground that Members of the Senate hope and pray that the victims will have their day in court, and that the courts of the United States will ultimately wipe out and rectify the wrong which the Senate had committed, and which it acknowledged to be a wrong.

I say, Mr. President, that such action is beneath the dignity and the traditions of the Senate. I say, furthermore, with all due respect to the other body of the Congress, that we have as much right to stand on this principle as it has to insist upon its action. If my information is correct, there was but one formal meeting of the conference committee after the Senate had voted overwhelmingly to stand by its amendment.

On the face of this record, Mr. President, I say I think it would be a blot upon the escutcheon of the Senate of the United States if it were to accept the conference report.

Mr. CLARK of Missouri. Mr. President, it is with very great reluctance that I ever oppose the adoption of a conference report, and that is particularly true when a conference report is presented by such a distinguished Senator as the Senator from Tennessee. However, it seems to me that a very important question of principle is involved in this question. Let me say at the outset that, so far as I am concerned, certainly I hold no brief for any of the three men whose discharge and disqualification are sought to be accomplished by the House provision. The only thing I personally know in favor of any of the three men is that I understand that Dr. Lovett had a son who gallantly lost his life as a member of the Second Division at the Battle of Belleau Wood. It is very difficult for me to believe that any man who lost a son in the Second Division has been engaged in subversive activities.

Be that as it may, Mr. President, if the McKellar bill had been on the statute books, and if those three men had required confirmation by the Senate, the chances are entirely in favor of the proposition that I would not have voted in favor of the confirmation of any of them, and in my opinion the chances are entirely in favor of the proposition that none of them would have been confirmed by the Senate. But that is not the question now before us. The question is whether we, as one of the two great legislative bodies making up the Congress, the legislative branch of the Government, are justified in proceeding by star chamber machinations to pass what in truth and in effect, regardless of whether it is technically true, is a bill of attainder condemning those three men for all time to come, without giving any of them an opportunity to be heard.

I say there is no possible justification under any theory of Anglo-Saxon law or under any theory of Anglo-Saxon justice which possibly could warrant such a procedure. If we review the whole parliamentary history of England prior to the Revolution, and the whole parliamentary history of the United States since the Revolution, and review the Wilkes case, the Matthew Lyon case, and the many great parliamentary debates on the subject, not one precedent will be found to hold that such a procedure as that which has been adopted by the House of Representatives in this case, and is now being acquiesced in by the Senate conferees, can possibly be justified under any theory of Anglo-Saxon jurisprudence.

Mr. President, on my way to the Senate the other day, after having called at one of the departments, I happened to buy a noon newspaper. In it I read with amazement the statement that one Member of the House of Representatives, Representative TABER, of New York, had announced that unless the Senate would yield on this proposition of star-chamber proceedings, he, one Member of the House of Representatives, meant to see that a great deficiency bill, carrying necessary appropriations, the very arterial blood for the support of a multitude of Government institutions, would necessarily fail. I did not believe that Representative TABER had taken such a position as that. I did not believe if Representative TABER had taken such a position, the House of Representatives could possibly back him up in it. It is an infamous proposition that a great supply bill of the Government, a necessary supply bill of the Government, must fail unless a coordinate body of the legislative branch, which has voted 69 to 0 against such star-chamber proceedings, is overawed and compelled to yield.

I showed the newspaper statement to several other Senators. I remember that I showed it to the Senator from Wisconsin. We all agreed that the newspaper statement must be based on a misapprehension or a misstatement of the position which possibly could be taken by the House of Representatives.

Mr. President, there is no Senator for whom I have a greater affection and respect than I do for the Senator from Tennessee; but now we find that our own conferees come before us and tell us that they are compelled to do an absolutely infamous thing—and the statement of the Senator from Tennessee certainly indicates that he and the other Senate conferees regard it as an infamous thing—because the other House has put a gun to our heads and has said that if we do not do it certain necessary supplies will not be voted. So far as I am concerned, when the Senate has voted 69 to nothing, and when the conferees have met, it seems to me it should have been the House conferees who should have taken the matter back for separate action.

So far as I am concerned, much as I should regret to see the bill fail of passage, I should prefer to see it fail rather than to have it pass, necessary as it is, containing an infamous departure from every principle of Anglo-Saxon justice.

I should like to predict further, Mr. President, that if the Senate votes down the conference report, the House will not take the responsibility of allowing a $150,000,000 deficiency bill to fail because of its insistence upon doing something which every Member of the House knows in his heart is wrong.

I think the Senate should maintain its own self-respect, and should vote down the conference report and should send it back to the House, and should give the House an opportunity to catch its breath and take sober second thought on the proposition of whether it wishes to take the responsibility of defeating a very necessary deficiency appropriation bill, solely for the purpose of trying to enforce its will in the matter of such an outrageous proposition as this.

Mr. President, in conclusion, I merely desire to say that I really know very little as to the merits of the three men concerned; but, based on the findings of the Kerr committee, I make the following assertion, and I should be glad to have any Senator rise in his place and deny what I say as to the disqualification of the three men, if he feels justified in doing so. No Member of the House—not even any member of the Appropriations Committee of the House who was not a member of the Kerr committee—had any information whatever. I assert, Mr. President, that no Member of the Senate has any information which would justify him in voting either for or against a practical bill of attainder against these men. If any Senator has any information that he thinks the Senate ought to have, which would enable the Senate to vote intelligently on such a question as this, I should like to have him rise in my time and give the information.

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

Mr. CLARK of Missouri. I yield.

Mr. HILL. That is the thing which disturbs me. I formerly served in the House of Representatives, and I am proud of my service there. The distinguished Senator from Missouri was parliamentarian of the House for many years, when his great and distinguished father was Speaker of the House. As I understand, all the testimony on which this action is predicated was in secret. It was not divulged.

Mr. CLARK of Missouri. Perhaps, for all we know, these men ought to be tried for treason. If so, they should be tried for treason; but no Member of the Senate knows anything about the facts. If any Senator knows any facts, he should be willing to stand in his place and tell his colleagues the facts, to justify them in voting one way or the other on this question.

Mr. HILL. The House is asking the Senate to take action in the matter when the House does not have information, and makes no effort to give the Senate the information upon which the action is based. It disturbs me that the House should want the Senate to act when the House denies all information to its own Members and to the Senate.

Mr. CLARK of Missouri. We are asked blindly to follow the findings of a House committee, after star chamber proceedings, without knowing anything whatever. The proposed action would be practically a bill of attainder. It would be a disqualification. It would be nearly the same thing as convicting the men of treason. They would be disqualified from holding office. I invite any Member of this body to rise, in my time, and say that he knows anything about the case.

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

Mr. CLARK of Missouri. I yield.

Mr. PEPPER. I ask the able Senator from Missouri if he can distinguish what has been done in this case from a case in which Congress decides that it does not need the services of an executive employee and simply fails to provide compensation for him?

Mr. CLARK of Missouri. If the Senator is talking about abolishing offices, I am very much in favor of abolishing many offices.

Mr. PEPPER. That is the question which I wished to ask the able Senator. This procedure is in the nature of an impeachment of these parties for cause.

Mr. CLARK of Missouri. This procedure is in its very essence penal. It is almost equivalent to a conviction for treason, so far as that can result from the action of Congress upon an appropriation bill.

Mr. PEPPER. Based upon hearsay, and with only allegations.

Mr. CLARK of Missouri. We do not even know what the hearsay is. Does the Senator from Florida know what went on before the Kerr committee? Does any other Member of the Senate know what went on before the Kerr committee?

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

Mr. CLARK of Missouri. I yield.

Mr. McKELLAR. The evidence and the report were before the conference committee, and we all heard it.

Mr. CLARK of Missouri. I am surprised to hear the Senator from Tennessee make that statement.

Mr. McKELLAR. Oh, yes.

Mr. CLARK of Missouri. Copies of the hearings have certainly never been generally available either to Members of the House or Members of the Senate. I have been told that Members of the House Committee on Appropriations, when they asked for copies of the proceedings of the Kerr committee, were refused copies.

Mr. McKELLAR. I do not know about that; but I know that the House Committee on Appropriations furnished the Senate conferees the evidence and the report.

Mr. CLARK of Missouri. Does not the Senator think that before the Senate should recede, the whole Senate ought to be furnished a bill of particulars, showing the grounds on which these men are being subjected to contumely and scorn? Does not the Senator think that the men should be given an opportunity to answer in public the charges made against them charges affecting their quality as decent American citizens?

Mr. McKELLAR. All three men were brought before the so-called Kerr committee on the House. They made full statements; and it was upon their admissions that the House acted. The evidence and the reports were before the conferees.

Mr. CLARK of Missouri. If even the Chief Justice of the United States, or any other dignitary or public official were impeached, he would be entitled to present himself before his judges, who, in the case of the Chief Justice, would be the Senate. He would be entitled to be represented by counsel. He would be entitled to have his case tried before the men who would vote as his judges. In this case these men have not had any opportunity to appear before us.

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

Mr. CLARK of Missouri. I yield.

Mr. OVERTON. From the statement made by the able Senator from Tennessee, it strikes me that there has been another star-chamber proceeding. He has stated that the evidence was presented to the conferees representing the House and the Senate.

Mr. CLARK of Missouri. Has the Senator from Louisiana any evidence which would enable him to vote intelligently?

Mr. OVERTON. Absolutely not, and I was a member of the subcommittee which passed on this question.

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

Mr. CLARK of Missouri. I yield.

Mr. McKELLAR. The Senator from Louisiana has made a statement——

Mr. OVERTON. I have not made a statement. I was just about to make a statement.

Mr. McKELLAR. The Senator has made the statement that the conferees were engaged in a star-chamber proceeding.

Mr. OVERTON. I am assuming——

Mr. McKELLAR. I merely wish to say that the evidence purported to be the evidence before a committee of the House. The report purported to be a report from that committee. That was open to any Senator. It was open to any Member of the House, so far as I know. I understand that the evidence was taken in secret. I have heard that, and I so stated in my statement today.

Mr. CLARK of Missouri. The Senator's statement is the first statement which I have ever heard to the effect that the whole record was not secret. I made the statement that it was secret, and that I could not obtain a copy of it when the bill was before the Senate in the first instance. I have never heard any contradiction of that statement until the Senator's present statement that the evidence was presented to the conferees.

Mr. McKELLAR. I made that statement earlier.

Mr. CLARK of Missouri. Mr. President, I would not convict a dog in a hole-in-the-corner or star-chamber proceeding in which the accused did not have an opportunity to be heard. Senators who are called upon to vote on the question have no information upon which to form an intelligent opinion.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. LA FOLLETTE. If my recollection serves me correctly, the RECORD will show that when the bill was originally under consideration in the Senate, the Senator from Tennessee stated that the Senate Committee on Appropriations had been unable to obtain the testimony before the Kerr committee.

Mr. CLARK of Missouri. Let me say to the Senator from Wisconsin that I was told by two members of the Appropriations Committee in the House who were not members of the Kerr committee that the full Appropriations Committee in the House could not obtain the record of the Kerr committee, and did not know what facts the Kerr committee was acting upon.

Mr. LA FOLLETTE. It is my understanding that that testimony has never been printed, and that it has never been made available to the House. All that was ever made available to the House was excerpts from the testimony, read by members of the committee at the time the provision was under consideration on the floor of the House.

Mr. CLARK of Missouri. That was an entirely ex parte proceeding.

Mr. LA FOLLETTE. Of course, as everyone knows, the reading of excerpts, as the Senator says, is entirely ex parte.

I am further informed that at this time Members of the House are not able to secure access to the testimony upon which the Kerr committee report recommending the dismissal of these men was based.

Mr. CLARK of Missouri. Mr. President, in conclusion I merely desire to say that the only argument which has been advanced, or which can be advanced, for the adoption of the conference report is that unless we yield to this infamous requirement on the part of the House of Representatives, a great and very necessary appropriation bill will fail. I am in favor of voting down the conference report and sending it back to conference, with notice to the conferees that the Senate will not agree to any such hole-in-the-corner, star-chamber proceedings. I dare say, Mr. President, that the House of Representatives, in its sober second judgment, will not take the responsibility for causing the delay or failure of a great appropriation bill for the sake of such a provision as this.

Mr. CONNALLY. Mr. President, I shall occupy the time of the Senate but for a short time.

I do not know about the testimony in this case, I have not read it, but I cannot remain silent in the presence of the arguments made here which seem to conclude that the Congress cannot discharge three men in one of the departments of the Government, not in the exercise of the appointing power, but in the exercise of its appropriating power. Congress can declare war. Congress can appropriate money. However, according to the philosophy of some Senators, Congress cannot refuse an appropriation to three little clerks in a Government department. It is a great lawmaking body, is it not?

The appropriating power is the very heart of the parliamentary power. We do not have to give reasons for refusing appropriations. We do not have to say to everyone whom we cut off the pay roll, or to whom we deny appropriations, "You have to have a trial." There is nothing here in the way of star chamber proceedings, as I see it. I have no feeling about the situation, but I cannot allow to go unchallenged the suggestion that what we propose to do would be in violation of parliamentary traditions.

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

Mr. CONNALLY. I yield.

Mr. MALONEY. Mr. President, I know the Senator does not intend to say, and I want to have the RECORD clearly show that he does not intend to say, when he speaks of "three little clerks" downtown, that they should be accorded different treatment than that accorded members of the Cabinet.

Mr. CONNALLY. Oh, the Cabinet is a different thing. Members of the Cabinet are confirmed by the Senate and legalized under the constitutional process.

Mr. MALONEY. Let me make myself clear. I do not want the Senator to misunderstand me.

Mr. CONNALLY. I know nothing about these men. My viewpoint with regard to the matter is purely impersonal. I am discussing the powers and functions of the Congress. The individuals do not mean a thing to me.

Mr. MALONEY. I do not know them, either. I fully agree with the Senator in his statement that the Senate has the power to do what he is suggesting, but it is by might and power that the Congress does it.

Mr. CONNALLY. It has been intimated that if we should do it we would be violating many legislative traditions. Every Congress passes bills containing limitations. They carry language which says, in effect, "*Provided*, That no funds appropriated herein shall be used for certain purposes." Every time we eliminate an activity we are denying some man a job, firing someone from the pay roll, without trial or without any proof, and without anything except the legislative will, and whenever the legislative will is hampered we are violating parliamentary traditions.

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

Mr. CONNALLY. I yield.

Mr. McKELLAR. I agree with the Senator in regard to the application of the Constitution to this question. I wish to say not only that, but this body, as well as the other House, in the last year or two adopted provisions exactly like the one under discussion, denying a salary to another employee of the Government. That was done.

Mr. BANKHEAD. The Senate agreed to it.

Mr. McKELLAR. The Senate agreed to it. We are not about to do a thing which has not heretofore been done.

Mr. MALONEY. Mr. President, will the Senator further yield?

Mr. CONNALLY. I yield.

Mr. MALONEY. I merely wish to say that I do not think this matter can be treated lightly. I do not say that for the purpose of being dramatic, because I do not like that kind of procedure or that kind of language, particularly in the Senate. However, if there is any justification for all the trials through which we are now passing, and all the trouble in which the world now is, it is in the matter of the protection of civil liberty, and what we are now considering is a fine example of it.

Mr. CONNALLY. Mr. President, I hope the distinguished Senator from Connecticut does not regard what I am saying as in the light which he has indicated.

Mr. MALONEY. Oh, no; I do not want the Senator from Texas to misunderstand me.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CLARK of Missouri. I am confident that my distinguished and able friend from Texas, of whom I am so fond, as he knows, does not intend to leave the impression with the Senate or with the country that the action of Congress, in its wisdom cutting off a whole activity or abolishing a number of offices as such, is in any degree whatever analogous or equivalent to saying to a certain man—TOM CONNALLY, BENNETT CLARK, BILL LANGER, JOHN BANKHEAD, or anyone else—that he is unworthy to hold a position of trust and confidence under the Government.

The Senator certainly does not mean to say that abolishing a whole activity

or abolishing a particular office, simply describing the office itself, is in any degree whatever analogous to saying by name that a man is not fit to hold an office.

Mr. CONNALLY. Of course, every individual case has its facets and faces, which make it dissimilar from every other case.

The main consideration is that the three men have jobs and will lose them, and that is what they are "kicking" about. As I understand, there is nothing in the language of the appropriation bill which would reflect on the men. It merely provides that no part of that money shall be expended for the payment of the salary of so and so, and so and so, and so and so.

Mr. President, I do not care to burden the Senate any further, but it seems to me that, so far as our exercise of power is concerned, it is unquestioned. Whether the Senate wishes to exercise the power is another thing. The House seems to have very firm convictions as to these particular individuals.

I remember that a number of years ago the Congress of the United States created a position on one of the boards downtown and inserted some such provision as this: "No one shall be appointed to this position unless he shall have served so many years in Congress, and unless he shall have been a judge in a court in a State for so many years." There was only one man in the United States who could be appointed to the job, and he was a former Congressman. He was chairman of the House Military Affairs Committee.

Mr. CLARK of Missouri. That was James Hay.

Mr. CONNALLY. Yes. That was an appointment. The Congress was then exercising its legislative power, and invading the Executive field and making it necessary for the President to appoint one particular individual if he appointed any one at all.

Mr. President, I am not minimizing the importance of these individuals; they may be tremendous fellows, but they are not Cabinet members; their appointments are not confirmed by the Senate.

What is a job in one of the departments? The head of the department can employ anyone he pleases, unless he is prohibited from doing so by law, but he cannot pay him. There are two parts to a job. One is the appointment, and the other is receiving the salary. One can get an appointment from the head of the department, but he cannot receive a thin dime unless the Congress says that he can have it. So, after all, it is a joint undertaking, and for anyone to say that whenever the head of a department appoints a man he is bound to continue his job whether the Congress is willing to appropriate a dollar for the job or not, is to give all the power to the executive department, and take away from the Senate and the House the fundamental right of the Congress to hold the purse strings. Whenever we relax control of the purse strings, parliamentary government will be tremendously weakened, it will be debilitated, it will be put on crutches. At the present time in some respects it is very near to being on crutches; it will be on crutches good and proper when we give up our power to control the disbursements, to control the administrative expenses.

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

Mr. CONNALLY. Yes.

Mr. OVERTON. Assuming all the Senator says to be correct——

Mr. CONNALLY. I am glad to hear that; it is all I could expect. [Laughter.]

Mr. OVERTON. Assuming all the Senator says to be correct, and that the argument he is making is perfectly sound in law and reason, upon what ground is he going to condemn these three men, or upon what evidence?

Mr. CONNALLY. I am not condemning them. I do not know anything about them.

Mr. OVERTON. Or upon what evidence would the Senator withhold their salaries and say to them, "Never again can you be employed by the Federal Government"?

Mr. CONNALLY. Does the bill say that?

Mr. OVERTON. In effect it says so. Upon what ground shall we say that no part of the money appropriated in this act shall be used to pay for the services of so-and-so and so-and-so? Upon what ground?

Mr. CONNALLY. Let me answer the Senator. But first I wish to thank the Senator, because he is a great lawyer and a fine Senator, although he did use a cryptic sort of word—"assuming the soundness of the Senator's argument." I would rather he had said, "granted" instead of "assume." But I thank him nevertheless.

The Senator wants to know upon what ground we act. I do not want the RECORD to show that everyone in the Senate is agreed that we are a lot of old, debilitated men who could not get out of our seats, and have no legislative power, that the departments have it all, and that when they appoint a fellow, the only way to get him off the roll is to give him an annuity in the form of retirement.

Mr. OVERTON. Will the Senator yield?

Mr. CONNALLY. I yield.

Mr. OVERTON. I merely desire to know what evidence the Senator has upon which he is going to base a conclusion that this is a wise provision.

Mr. CONNALLY. I shall give the Senator the reason. First, there are two legislative branches, under the Constitution. We are not both of them. Conference committees have to accommodate their views and agree on something. So, if the House is adamant, is the Senate going to make itself ridiculous by saying, "It is terrible for the House to say that it will defeat this bill because of three men in the department, but we will go it one better, and we will defeat it, too, if we do not get them." That is the attitude we are in.

Mr. OVERTON. Have we not as much right to be firm as the House has?

Mr. CONNALLY. We have just as much right as the House has. We can sit down, if we desire, and say, "No, we will never agree to this conference report." How many million dollars are involved in it?

Mr. McKELLAR. About one hundred and fifty million dollars.

Mr. CONNALLY. A very modest sum. We may say that we do not mind paralyzing other departments, we do not mind cutting off activities which will consume a great many million dollars, but we will stand at Armageddon if these three men are not retained.

The House conducted an investigation, through one of its committees. I do not know what they developed, but they must have developed something. We must respect the House. I do not mean that we have to bow to every one of their wishes, but we have to assume, if we are to practice the legislative comity which should exist between two coordinate branches of the legislature, if they had a committee and the committee investigated and made a report, that there was some ground for their action.

I understand the House committee had these three men before them, they cross-examined them, they questioned them, and we cannot merely say to the House, "You are a lot of boobs, you are a lot of saps. We will not pay any attention to what you did."

Mr. McKELLAR. Will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. The Senator spoke of those who would be injured by our failure to adopt this report. We passed a measure not long ago allowing many employees of the Government, practically all of them, overtime pay. Thousands of employees have been granted overtime by the action of the Senate and House of Representatives, with the approval of the President. The pending bill carries funds for those overtime payments. They have not been made. It seemed to those of us who were on the Committee on Appropriations, when we found it was a question of getting the bill through with the funds for the overtime payments to these innumerable employees, that they should be paid, rather than have the bill fail. They are innocent bystanders. We thought it was better to have them paid rather than hold them up. The other three could have their day in court. We are not convicting them of anything, we are not passing upon their innocence or their guilt in any way. All we are doing is getting a bill at this time.

Mr. CONNALLY. A word further and I shall be through. Certain Senators speak about the language of the bill branding these men, putting obloquy all over them, and vituperation, contumely, and many other big words of a similar character. What does the bill provide?

> No part of any appropriation, allocation, or fund (1) which is made available under or pursuant to this act, or (2) which is now, or which is hereafter made, available under or pursuant to any other act, to any department, agency, or instrumentality of the United States, shall be used to pay any part of the salary, or other compensation for the personal services, of—

Naming the three men. I do not see that that involves any great shame. It

merely provides that the Congress will not appropriate for their salaries.

As I have said, I have no personal interest in this matter, I do not know any of the men. Let me read the names of the conferees of the Senate who acted on this matter, who heard the evidence, who read the report of the House committee. There were the senior Senator from Tennessee [Mr. McKELLAR], the senior Senator from Arizona [Mr. HAYDEN], the senior Senator from Maryland [Mr. TYDINGS], the junior Senator from Georgia [Mr. RUSSELL], the senior Senator from North Dakota [Mr. NYE], and the junior Senator from Massachusetts [Mr. LODGE]. They say we should approve the conference report. They heard the evidence, and I am willing to accept their statement. I am willing to accept what these gentlemen found, as members of the conference.

I think that in some cases, though not in every one, we must respect the views of the House, and without knowing a thing about this matter I could not remain silent with Senators expressing the view that the proposed action was a violation of fundamentals, a violation of the Constitution, was in violation of tradition, and that it was out of the range of parliamentary law to refuse to appropriate for any particular purpose without a trial, and all that. We do not have to try anyone. The head of the department could call these men in tomorrow and say, "I am sorry, but your services are discontinued." What could they do about it? They could not do anything but get their hats and walk out. But if the Senate and the House say it, it is a great crime.

The PRESIDING OFFICER (Mr. McFARLAND in the chair). The question is on agreeing to the conference report.

Mr. McKELLAR and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. REVERCOMB. Mr. President, since the pending conference report has been called up for consideration, the discussion has revolved entirely around the rights of three employees of the Government, whether or not they have been wronged or are to be wronged. That question has been discussed with a great deal of zeal and eloquence, but I submit there is another question which affects the integrity of the Congress, and I believe the welfare of the country, much more than the question which has been discussed at great length here this afternoon.

When the deficiency bill was before the Senate it contained a heading, and it passed with that heading "Emergency fund for the President," and I wish to take a moment or two to read the provision. It is as follows:

> The appropriation "Emergency fund for the President," contained in the First Supplemental National Defense Appropriation Act, 1943, as supplemented by the Second Supplemental National Defense Appropriation Act, 1943, is hereby continued available until June 30, 1944, and the limitation on the amount which may be expended for objects of a confidential nature is hereby increased by $25,000,000.

Mr. President, that was in the bill which came to the Senate originally from the House of Representatives, with a proviso attached to the provision.

After discussion the Senate added the following provisos to that section:

> *Provided*, That no part of the funds continued available by this paragraph shall be allotted to or expended for any of the functions of any agency of Government for which appropriations have been duly made by the Congress, or for the functions of any agency for which estimates have been submitted by the Budget and for which the Congress has failed to make appropriations: *Provided further*, That this limitation shall not apply to allotments or allocations made to the War Department or the Navy Department.

Mr. President, the conferees on the part of the Senate have surrendered that provision. It placed a limitation on the power of the President to use his emergency fund to finance any agency for which the Congress had refused to make an appropriation. That safeguard placed upon the powers of the Congress has been deleted in conference.

We have heard discussed by able Senators the question of our powers of regulation over the affairs of these three men. I say to the Senate that this provision means much more to the integrity and the safeguarding of the powers of the Congress than simply the question of its powers over three employees or three officeholders in the Government.

Mr. President, this limitation upon the use of funds in the hands of the President to defeat the will of Congress, if you please, where no appropriation has been made, or where it has been refused, should again be placed in the measure and should become a part of it. If the Congress is to function under the powers given it by our form of government, if Congress is really to be the body to appropriate money, this limitation should remain in the measure. By continuing such a limitation we protect ourselves against the use, by the President, of the emergency fund to defeat the will of Congress.

For the reasons I have stated I hope that the conference report will not be agreed to, and that a further conference with the House will be requested.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

During the calling of the roll,

Mr. REED. Mr. President, may I inquire what subject matter is before the Senate for action?

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. REED. Is it the conference report on the urgent deficiency bill?

The PRESIDING OFFICER. It is.

Mr. REED. And a vote of "yea" is a vote to agree to the report?

The PRESIDING OFFICER. It is.

The legislative clerk resumed the call of the roll.

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I am not advised how he would vote if present. I transfer that pair to the Senator from Kentucky [Mr. BARKLEY], who, I am advised if present, would vote "nay," and will vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Louisiana [Mr. ELLENDER] are absent from the Senate because of illness.

The Senator from Kentucky [Mr. BARKLEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Iowa [Mr. GILLETTE], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], the Senator from South Carolina [Mr. SMITH], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Massachusetts [Mr. WALSH] are necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], the Senator from Maryland [Mr. TYDINGS], the Senator from Illinois [Mr. LUCAS], and the Senator from Georgia [Mr. RUSSELL] are detained on important public business.

The Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are detained in a meeting of the Special Committee to Investigate the National Defense Program.

Mr. McNARY. The Senator from Pennsylvania [Mr. DAVIS] is absent because of illness in his family. He has a general pair with the Senator from Iowa [Mr. GILLETTE].

The Senator from Vermont [Mr. AUSTIN] and the Senator from New Jersey [Mr. BARBOUR] are necessarily absent.

The Senator from Idaho [Mr. THOMAS] and the Senator from Iowa [Mr. WILSON] are detained on official business.

The Senator from California [Mr. JOHNSON] is absent because of illness.

The Senator from South Dakota [Mr. BUSHFIELD] is absent on official business as a member of the Indian Affairs Committee.

The result was announced—yeas 17, nays 52, as follows:

YEAS—17

Bankhead	Hayden	McKellar
Bilbo	Holman	Reed
Byrd	Johnson, Colo.	Scrugham
Connally	McCarran	Stewart
George	McClellan	Thomas, Okla.
Gurney	McFarland	

NAYS—52

Aiken	Guffey	Overton
Andrews	Hatch	Pepper
Ball	Hawkes	Radcliffe
Bone	Hill	Revercomb
Brewster	Kilgore	Robertson
Brooks	La Follette	Shipstead
Buck	Langer	Taft
Burton	Lodge	Thomas, Utah
Butler	McNary	Tobey
Capper	Maloney	Tunnell
Caraway	Maybank	Vandenberg
Chandler	Mead	Wagner
Chavez	Millikin	Wheeler
Clark, Mo.	Moore	Wherry
Downey	Murdock	Wiley
Ferguson	Murray	Willis
Gerry	Nye	
Green	O'Mahoney	

NOT VOTING—27

Austin	Eastland	Smith
Bailey	Ellender	Thomas, Idaho
Barbour	Gillette	Truman
Barkley	Glass	Tydings
Bridges	Johnson, Calif.	Van Nuys
Bushfield	Lucas	Wallgren
Clark, Idaho	O'Daniel	Walsh
Danaher	Reynolds	White
Davis	Russell	Wilson

So the conference report was rejected.

OFFICE OF FISHERY COORDINATION

Mr. BILBO. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 342, Senate bill 1242. This is an emergency measure, otherwise I should not ask for its consideration at this time.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1242) to authorize appropriations for salaries and expenses, Office of Fishery Coordination.

Mr. BILBO. Mr. President, the Department of the Interior has requested the passage of the bill. Its purpose is to authorize funds necessary to enable the Office of Fishery Coordination to carry out its functions and activities under Executive Order No. 9204, dated July 21, 1942. The estimate submitted for the administration of the Office of Fishery Coordination during the fiscal year 1944, is in the amount of $290,000.

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

There being no objection, the Senate proceeded to consider the bill (S. 1242) to authorize appropriations for salaries and expenses, Office of Fishery Coordination, which had been reported from the Committee on Commerce with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for salaries and expenses of the Office of Fishery Coordination established by Executive Order No. 9204, dated July 21, 1942 (7 F. R. 5657), pursuant to the authority vested in the President by title I of the First War Powers Act, 1941, approved December 18, 1941 (55 Stat. 838), to enable said Office to carry out its functions and activities under said order, and to carry out the functions and activities delegated to said Office by the Secretary of the Interior pursuant to the authority delegated to him under Food Directive No. 2, issued by the Secretary of Agriculture on February 8, 1943 (8 F. R. 1777), as amended: *Provided*, That this act shall terminate on July 1, 1945, or such earlier time as the Congress by concurrent resolution may designate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. LA FOLLETTE. Mr. President, before the amendment is agreed to, will the Senator explain the purpose of the measure?

Mr. BILBO. Yes, Mr. President. On July 21, 1942, by Executive Order No. 9204, there was established an Office of Fishery Coordination for the purpose of carrying out the functions and activities delegated to it by the Secretary of the Interior, pursuant to authority delegated to him under Food Directive No. 2, issued on February 8, 1943, by the Secretary of Agriculture.

It was necessary that machinery be set up in order to provide for carrying out the program of increasing the canning of fish to be used by our soldiers and to be used otherwise in the war effort. The program is Nation-wide, involving the canning of the sardines of the Northwest, the sardines of Maine, the shrimp of the Gulf of Mexico, and the products of the fisheries in Alaskan waters. It is necessary that the bill be passed in order to provide authorization for an appropriation to be used in carrying out the orders of the Department of the Interior and the Department of Agriculture relative to the coordination agency, the Office of Fishery Coordination. For that work a very small appropriation will be required. The bill provides merely an authorization. The Senate will still have another opportunity to pass on the matter, if it does not like it, when the necessary appropriation is requested.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 2, line 6.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REPORT ON MEASURES RELATING TO VITAL RECORDS AND VITAL STATISTICS

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Commerce:

THE WHITE HOUSE,
Washington, June 24, 1943.

SIR: In a letter dated July 27, 1942, I indicated that I would ask the Director of the Bureau of the Budget to make a comprehensive study of organizations and problems in the field of vital records. The Director has reported to me on this subject and I am transmitting his report to you herewith. I am transmitting another copy of the report to the Speaker of the House of Representatives. In view of the relevance of this report to the subject matter of various bills which are now before the Congress, I would suggest that the report and appendixes I-VIII might appropriately be printed as a public document.

Respectfully,
FRANKLIN D. ROOSEVELT.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

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

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

Mr. MCKELLAR from the Committee on Post Offices and Post Roads, reported favorably the nomination of Ethel G. Womble, to be postmaster at Goldston, N. C.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

REGISTER OF THE LAND OFFICE

The legislative clerk read the nomination of Mrs. Jessie M. Gardner, of Colorado, to be register of the land office at Denver, Colo.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. HILL. I ask that the President be notified forthwith of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. MCKELLAR. I move that the nominations of postmasters be confirmed en bloc, and that the President be immediately notified of their confirmation.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc, and the President will be notified forthwith.

RECESS

Mr. HILL. As in legislative session, I move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 25, 1943, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 24 (legislative day of May 24), 1943:

DIPLOMATIC AND FOREIGN SERVICE

Ray Atherton, of Illinois, Envoy Extraordinary and Minister Plenipotentiary to Denmark, now assigned as Acting Chief of the Division of European Affairs in the Department of State, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Canada; also to serve concurrently and without additional compensation as Envoy Extraordinary and Minister Plenipotentiary of the United States of America near the Government of Luxembourg now established in Canada.

William C. Burdett, of Tennessee, now a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

Loy W. Henderson, of Colorado, now a Foreign Service officer of class 2, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Iraq.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named passed assistant surgeons to be surgeons in the United States

Public Health Service, to rank as such from the date set opposite their names:

Joseph G. Pasternack, July 1, 1943.
Waldemar J. A. Wickman, July 1, 1943.
Llewellyn L. Ashburn, July 1, 1943.
Leland J. Hanchett, July 1, 1943.
Thomas B. McKneely, July 1, 1943.
William G. Workman, July 1, 1943.
Victor H. Vogel, June 15, 1943.
Robert H. Flinn, July 1, 1943.
Robert K. Maddock, July 1, 1943.
Roy E. Butler, July 1, 1943.
Robert H. Onstott, July 1, 1943.
John L. Wilson, July 1, 1943.
George G. Van Dyke, July 1, 1943.
Leslie McC. Smith, July 1, 1943.
Alfred B. Geyer, July 1, 1943.
Oliver C. Williams, July 1, 1943.
Austin V. Deibert, July 1, 1943.
Richard C. Arnold, July 1, 1943.
Donald W. Patrick, July 1, 1943.
Marion K. King, July 1, 1943.
Thurman H. Rose, June 1, 1943.

The following-named assistant surgeons to be passed assistant surgeons in the United States Public Health Service, to rank as such from the date set opposite their names:

William A. Miller, July 1, 1943.
Robert L. Smith, July 1, 1943.
Joe M. Chisholm, July 1, 1943.
Kenneth M. Endicott, July 1, 1943.
Malcolm J. Ford, July 1, 1943.
James W. Hawkins, July 1, 1943.
Glen E. Ogden, April 22, 1943.
Rudolph F. Sievers, July 1, 1943.
Samuel S. Spicer, July 1, 1943.
William H. Stimson, July 1, 1943.
William B. Wiley, July 1, 1943.
Clarence L. Hebert, July 1, 1943.
James A. Finger, July 1, 1943.
George E. Parkhurst, July 1, 1943.
John F. Oesterle, June 1, 1943.
Frederick K. Albrecht, July 1, 1943.
Edwin N. Hesbacher, July 1, 1943.
William S. Baum, July 1, 1943.
Arnold B. Kurlander, July 1, 1943.
William F. Powell, July 15, 1943.
David B. Wilson, July 1, 1943.
Ralph W. Pagel, July 1, 1943.
Leslie W. Knott, July 1, 1943.
Evert A. Swensson, July 1, 1943.
Robert J. Anderson, July 1, 1943.
Jesse D. Harris, July 1, 1943.
Frederick H. Hull, June 26, 1943.
Raymond S. Roy, July 1, 1943.
James L. Southworth, June 1, 1943.
William G. Budington, July 1, 1943.
Gabriel P. Ferrazzano, June 15, 1943.
Stanley E. Krumbiegel, July 1, 1943.
Donald W. McNaughton, July 1, 1943.
James B. Donaldson, July 1, 1943.
James A. Smith, October 2, 1942.
Milton W. Gwinner, July 1, 1943.
Vernon W. Foster, August 15, 1943.
George F. Eilinger, June 1, 1943.
Verne C. Waite, July 1, 1943.

APPOINTMENTS IN THE REGULAR ARMY

TO BE CHIEF SIGNAL OFFICER

Maj. Gen. Harry Clyde Ingles (colonel, Signal Corps), Army of the United States, for appointment in the Regular Army of the United States as Chief Signal Officer, with the rank of major general, for a period of 4 years from date of acceptance, vice Maj. Gen. Dawson Olmstead, Chief Signal Officer, to be retired June 30, 1943.

TO BE SECOND LIEUTENANT, CORPS OF ENGINEERS, WITH RANK FROM OCTOBER 5, 1942

First Lt. Dawson Hope Mullen, Jr.

TO BE FIRST LIEUTENANTS, MEDICAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

Maj. Frederic J. Hughes, Jr.
Maj. Vince Moseley
Capt. Adolph Benedict Schneider, Jr.
Capt. Freeman Irby Stephens
Capt. Bertram Allen Weeks

TO BE FIRST LIEUTENANT, DENTAL CORPS, WITH RANK FROM DATE OF APPOINTMENT

Capt. Albert Rhoades Buckelew

TO BE FIRST LIEUTENANT, VETERINARY CORPS, WITH RANK FROM DATE OF APPOINTMENT

Maj. Alpheus Heise Seeley

CONFIRMATIONS

Executive nominations confirmed by the Senate June 24 (legislative day of May 24), 1943:

REGISTER OF THE LAND OFFICE

Mrs. Jessie M. Gardner to be register of the land office at Denver, Colo.

POSTMASTERS

CALIFORNIA

Mary D. Briggs, Los Angeles.

MINNESOTA

Louis F. Masonick, Browerville.
Russell A. Quist, Fairfax.
Sam Doherty, Le Sueur.
George V. Anderson, New York Mills.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 24, 1943

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, in the holy name of Him who is at the right hand of the Father, we pray; we praise Him that our eyes are open to the wide reaches of His impartial love. On this summer day we are wooed by the marvelous voices and hushed by the tender spell as we behold the ever new miracle of nature. Bewilderment overtakes us as we look across this world; the pitiless struggle goes on. Blessed Lord, we pray that the lower impulses of men may know of the mastery of Thy teaching and that they may forswear avarice, violence, and intolerance and be brought into the kingdom of sacrifice and peace.

In Thy name there is no higher gift than one's self and the stronger we are the more we owe to the lowest and least. Teach us Thy rule, dear Saviour; the poorer one is the more we are needed, and the further away from the state of happiness the greater our obligation. We then who are strong, ought to bear the infirmities of the weak and not to please ourselves. O God, we need not search the heavens for Thy guidance or the horizon for Thy presence. We would unveil the cross and behold infinite love struggling with the dying expression for the salvation of the world. O may men know the touch of the Master and see the light in His eyes and take their place in the midst of a doubtful and a perverse world. In the name of our dear Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 19, 1943:

H. J. Res. 15. Joint resolution authorizing the appropriation of such sums as may be necessary to pay the proportionate share of the United States in the annual expenses of the Inter-American Financial and Economic Advisory Committee;

H. J. Res. 16. Joint resolution providing for participation by the United States in the Emergency Advisory Committee for Political Defense, and authorizing an appropriation therefor; and

H. J. Res. 136. Joint resolution making appropriations for advances to States for certain Federal grants for the first quarter of the fiscal year 1944.

On June 22, 1943:

H. R. 575. An act for the relief of Peter Cuccio and Violet Cuccio;

H. R. 637. An act for the relief of Mrs. Eliza Ward;

H. R. 1278. An act for the relief of Doctor and Mrs. Richard Stever;

H. R. 1731. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Calcasieu River at or near Lake Charles, La.;

H. R. 1947. An act to extend the time within which a suit or suits may be brought under the act of June 28, 1938 (52 Stat. 1209);

H. R. 2077. An act to extend the times for commencing and completing the construction of a bridge across the Saint Croix River at or near Hudson, Wis.;

H. R. 2750. An act to amend section 353 (b) of the Communications Act of 1934, as amended; and

H. J. Res. 128. Joint resolution to authorize an appropriation for work relief in Puerto Rico and the Virgin Islands.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2798. An act to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. CHAVEZ, Mr. SCRUGHAM, Mr. REED, Mr. LANGER, and Mr. BUCK to be the conferees on the part of the Senate.

The message also announced that the Vice President had appointed Mr. CONNALLY, Mr. GEORGE, Mr. AUSTIN, and Mr. BURTON as members on the part of the Senate to attend the meeting of the Canada Branch of the Empire Parliamentary Association at Ottawa, Canada, June 26 to July 1, 1943, pursuant to the provisions of Senate concurrent resolution 14.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R.

2409) entitled "An act making appropriations for the legislative branch and for the judiciary for the fiscal year ending June 30, 1944, and for other purposes."

Mr. WRIGHT. Mr. Speaker, I ask unanimous consent that, at the conclusion of the legislative business of the day and other special orders, I may address the House for 40 minutes today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WOMEN'S ARMY AUXILIARY CORPS

Mr. MAY, from the Committee on Military Affairs, submitted a conference report and statement on the bill (S. 495) to establish a Women's Army Auxiliary Corps for service in the Army of the United States.

INCREASE IN COMPENSATION FOR SUBSTITUTE POSTAL EMPLOYEES

The SPEAKER. The chair recognizes the gentleman from Virginia.

Mr. BURCH of Virginia. Mr. Speaker, I ask for the immediate consideration of the bill (H. R. 2836) to grant increases in compensation to substitute employees in the Postal Service, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain what this bill does?

Mr. BURCH of Virginia. This is a bill recommended by the Post Office Department, approved by the Budget, and unanimously reported by the Committee on the Post Office and Post Roads. Under present law a substitute carrier may serve for 10, 15, or 20 years and remain in the same status with the same pay. This bill gives him the right, after he has served 2,448 hours to be promoted to the hourly pay of the lowest grade of regular clerk.

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

Mr. MARTIN of Massachusetts. I yield.

Mr. RANKIN. I introduced a bill some time ago to make these substitute rural mail carriers eligible for promotion to the position of carrier. Of all people in the Postal Service who deserve more consideration, in my opinion, they are the substitute rural carriers. They never get to carry the mail as a rule except when it is raining or when the weather is so cold or so hot that the regular carrier wants to get off, or when he is off on vacation or he or some of his folks are sick. I wish the gentleman would bring out a bill to make the substitute carriers eligible for promotion and transfer to the position of carrier when the carrier dies, resigns, or retires.

Mr. BURCH of Virginia. The gentleman says he has introduced a bill to that effect?

Mr. RANKIN. Yes.

Mr. BURCH of Virginia. And would like to have a hearing on it?

Mr. RANKIN. I certainly would.

Mr. BURCH of Virginia. I will see that the gentleman has a hearing.

Mr. MARTIN of Massachusetts. This, in the meantime, comes a little nearer doing justice by them.

Mr. Speaker, I withdraw my reservation of objection.

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

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That substitute postal employees, after 2,448 hours of actual and satisfactory service as such substitute, including service as a special-delivery messenger, shall be paid for services actually performed at the rate of the annual salary received by regular employees of the first grade, the hourly rate to be computed by dividing the annual salary of such regular employees by the number 2,448; and thereafter the rate of pay of such substitute employees shall be increased to the annual rate of the next higher grade of such regular employees, computed in the same manner, upon the completion of each additional period of 2,448 hours of actual and satisfactory service, until they shall have attained the rate for the highest successive rate of regular pay or shall have received appointment to a regular position: *Provided*, That there shall be not more than one increase in the rate of pay of such employees within a 12 months' period: *Provided further*, That the increases in the rate of pay provided herein shall become effective at the beginning of the quarter following the completion of 2,448 hours of required service.

SEC. 2. Upon appointment to a regular position in the Postal Service an employee shall receive credit for actual service performed as a substitute, including time served as a special-delivery messenger on the basis of 1 year for each unit of 2,448 hours, and shall be promoted to the grade to which such employee would have progressed had his original appointment been to grade 1. Any fractional part of a year's service as a substitute shall be included with regular service in determining eligibility for promotion to a higher grade, following appointment to a regular position.

SEC. 3. Allowable service under the provisions of this act shall be only such service as has been rendered during continuous active service and shall not include previous periods or terms of employment: *Provided, however*, That in the case of those who have been separated, or shall hereafter be separated from the Postal Service for military duty, the periods of terms of service immediately preceding induction into the military service, as well as the time engaged in military service, shall be construed as allowable service, and pro rata credit shall be given for the time engaged in military service upon the basis of 2,448 hours for each year of such service.

SEC. 4. The amounts of the increases in the rates of pay provided in this act shall be regarded as part of the earned basic compensation for the purpose of computing the increase of 15 percent of earned basic compensation authorized by the act approved April 9, 1943, entitled "An act to provide temporary additional compensation for employees in the Postal Service."

With the following committee amendment:

Page 2, line 14, after the word "service" insert a colon and the following: "*Provided further*, That in the adjustment of the increases in the rates of pay provided herein credit shall be given for past continuous service and the hourly rate of compensation adjusted accordingly."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to place in the Appendix of the RECORD a letter from James E. Thorp, chairman, committee on livestock and dairies of the California Legislature.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIBSON. Mr. Speaker, I ask unanimous consent that after disposition of business on the Speaker's desk today and at the conclusion of other special orders I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. GIBSON].

There was no objection.

FEDERAL AID TO STATES IN THE CONSTRUCTION OF RURAL POST ROADS

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2798), to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Utah [Mr. ROBINSON]?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. ROBINSON of Utah, WHITTINGTON, and WOLCOTT.

EXTENSION OF REMARKS

Mr. HOLMES of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial taken from the Worcester Telegram of Sunday, June 20, 1943, entitled, "Market Basket Too Vital for a Political Football."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. HOLMES]?

There was no objection.

Mr. HEIDINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a resolution adopted by the General Assembly of the State of Illinois.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. HEIDINGER]?

There was no objection.

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD in two instances, in one to include an advertisement from the St. Louis Star Times and in the other a resolution of the Missouri Bankers' Association.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

PROPOSED CHANGES IN MEAT SITUATION

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The Speaker. Is there objection to the request of the gentleman from Missouri [Mr. PLOESER]?

There was no objection.

Mr. PLOESER. Mr. Speaker, Judge Vinson has before him a proposition proposed by the various interests in the meat industry which contemplates the elimination of all price ceilings, with the exception of the retail level on all meat except pork, the 10-percent roll-back to be effective without subsidy at the retail level—other levels in the production of processing of meat to be free.

It is hopeful that this would immediately free the meat industry in such fashion as to start packing houses in full production. This suspends all of the O. P. A. rulings which have been the cause of price squeezes and black-market operations. It is considered by the industry, retail, wholesale, and slaughterer, and producers that there is sufficient margin under the retail ceiling. This becomes the responsibility of everyone in the meat industry, from the growers to retailers, to work together to prevent the danger of crowding the retail ceiling.

I think the plan is worthy of immediate trial, and much more preferable than the ill-advised and impetuous ruling of the 10-percent subsidy roll-back on meat prices which has recently been put into effect at the processors' level.

THE ROLL-BACK AND SUBSIDY SCHEME

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska [Mr. BUFFETT]?

There was no objection.

Mr. BUFFETT. Mr. Speaker, Members will be interested in the following wire from Harry B. Coffee, long an able Member of this House. It reads as follows:

Have yet to find first livestock producer favorable to price roll-back subsidy program. Hope Congress prohibits this misuse of public funds and authorizes Office of Price Administration to adjust meat prices upward to cover cost of production. Otherwise production will be curtailed and more meat diverted through black-market channels.

UNION STOCKYARDS CO.,
HARRY B. COFFEE, *President.*

The roll-back and subsidy scheme is just the same vicious rebate racket used in the 90's by Standard Oil and many great railroads to destroy their competitors. As Mr. Coffee points out, the farmers of America have seen through this rebate trick, which would eventually destroy free enterprise. The rural uprising against subsidies will not be ignored by thoughtful officials. Hunger cannot find nourishment in Executive orders.

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS

Mr. LUDLOW. Mr. Speaker, I call up the conference report on the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments, for the fiscal year ending June 30, 1944, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 1648) "making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment to the amendment of the Senate numbered 1 and agree to the amendment of the Senate.

Amendment numbered 26: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be stricken out and inserted by the said amendment and amendment thereto insert the following:

"SEC. 204. The Joint Committee on Investigation of Nonessential Federal Expenditures is hereby directed to make a study of the problem of penalty mail in all of the departments and branches of the government, with a view to eliminating unnecessary volume and reducing costs, and shall report its findings and recommendations by bill or otherwise to Congress not later than the first day of the next regular session of the Seventy-eighth Congress. The departments and agencies of government shall furnish such information and detail such personnel as may be requested by the Committee to assist in its investigation"; and the House agree to the same.

LOUIS LUDLOW,
EMMET O'NEAL,
GEORGE MAHON,
JAMES M. CURLEY,
JOHN TABER,
FRANK B. KEEFE,
HENRY C. DWORSHAK,
Managers on the part of the House.

KENNETH MCKELLAR,
PAT MCCARRAN,
H. C. LODGE, Jr.,
WALLACE H. WHITE, Jr.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1648) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1944, and for other purposes, submit the following detailed statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Strikes from the bill the limitation, proposed by the House, prohibiting the use of any of the funds appropriated for carrying into effect the Silver Purchase Act.

Amendment No. 26: Strikes from the bill the limitation, proposed by the House, prohibiting the use of any of the funds appropriated for the handling of penalty mail and the section, proposed by the Senate, requiring a study of the use of the mails by Government agencies to be conducted by the Postmaster General and the Director of the Budget and provides for a study of the use of the mails by Government agencies by the Joint Committee to Investigate Nonessential Federal Expenditures.

LOUIS LUDLOW,
EMMET O'NEAL,
GEORGE MAHON,
JAMES M. CURLEY,
JOHN TABER,
FRANK B. KEEFE,
HENRY C. DWORSHAK,
Managers on the part of the House.

Mr. LUDLOW. Mr. Speaker, this is a unanimous report of all members of the committee.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some correspondence between the Navy Department and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that on tomorrow at the conclusion of the regular business on the Speaker's desk and after other special orders heretofore entered, I may be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

EXTENSION OF REMARKS

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Gary Post-Tribune, Gary, Ind.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper article.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

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

There was no objection.

STUDY OF ORGANIZATIONS AND PROBLEMS IN THE FIELD OF VITAL RECORDS—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 242)

The SPEAKER laid before the House the following communication from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered to be printed with illustrations:

JUNE 24, 1943.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: In a letter dated July 27, 1942, I indicated that I would ask the Director of the Bureau of the Budget to make a comprehensive study of organizations and problems in the field of vital records. The Director has reported to me on this subject and I am transmitting his report to you herewith. I am transmitting another copy of the report to the President of the Senate. In view of the relevance of this report to the subject matter of various bills which are now before the Congress, I would suggest that the report and appendixes I–VIII might appropriately be printed as a public document.

Respectfully,

FRANKLIN D. ROOSEVELT.

SECOND DEFICIENCY APPROPRIATION BILL, 1943

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3030) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes; and pending that motion, I wonder if the gentleman from New York and I cannot agree on an hour of general debate.

Mr. TABER. I have requests for 95 minutes at this time, and I do not see how I can pare them down too much. I think we ought to have 3 hours of general debate.

Mr. CANNON of Missouri. Then, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to not to exceed 3 hours, one-half to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3030, with Mr. PACE in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Texas.

Mr. KLEBERG. Mr. Chairman, I desire to state at the beginning of this statement, but not as a part of it, a few things which you should know concerning my viewpoint and attitude insofar as they affect my utterances today.

I take the floor before you, I assure you, without feeling any animosity toward a single fellow citizen of our country. I have no ax to grind and the only special interest which I attempt to serve to the limit of my meager capacity is the best interest of my countrymen and our allies in the prosecution of this war which today engulfs us, and at the same time looking toward the future with the same interest in mind.

In this inimitable period of stress I do not find it in me to be actuated by any partisan motive whatsoever.

Members of each and every political party are to be found in the armed services on the many fronts where Americans are to be found defending our national right to live the American way.

It is my unwavering and deep conviction, based upon much study and devoted consideration, that paramount in our efforts in these tragic days is the preservation of the public confidence in its entirety of the people of these United States. This public confidence if strong and secure is the mightiest agent in the support of the war effort of our country. Yes, and the war effort of our allies.

Confusion is the enemy of both confidence and attainment; it should be abated as thoroughly and promptly as possible. Uncertainty as to what to do today and as to what we may expect tomorrow breeds confusion.

Vacillation is the inevitable result of the impact of these agencies of the devil, and cohorts and aides of our enemies.

Fear is another of these, and greed still another. And when this array aided and abetted by intolerant and untempered thought, reaction and speech combine, they but add to the formidable array which opposes a successful or approximate conclusion of this world's troubles.

These are days, fellow Members, and I speak to you with all the earnestness and emphasis which I can muster, when a prudent jealousy concerning our future and our rights as free men should be ever exercised; and so, without hate or other vicious inclination toward any person or group living or dead among those who defend man's right to be free and enjoy the rewards of justifiable labor, I bring to your consideration some facts and thoughts upon which, in my earnest opinion, much depends as to our successes today and in the tomorrows to come.

We have now before the Congress some vital legislative matters concerning which I desire to address myself in the exercise of the most emphatic expression of which I am capable.

Mr. Chairman, I am not a pessimist nor am I chargeable with being willing at any time to sell the United States short.

The history of our country is replete with victories over gloom and despair in troubled times and we will emerge again as from those dark days in the past with that incomparable flag which is your and our background, still unwavering over a free people in the greatest and most blessed land of all.

I desire for the moment to discuss some problems we have before us to legalize the program of so-called roll-back and subsidies and some related matters. If this program recently put into effect under a directive by our Chief Executive is carried on through, it is my opinion that it will be the result of extralegal action on the part of the Office of Price Administration. In my interpretation of the Price Control Act, may I state at the outset the law clearly provides that any proposals affecting prices on agricultural commodities considered as food must first be submitted to the Department of Agriculture as the law reads and today to the National Food Administration which by directive has taken over that task which at the beginning of the price control was administered by the Secretary of Agriculture. I am reliably informed that the National Food Administrator was not advised of the roll-back subsidy proposal until after the Office of Price Administration had already put the program into effect by proclamation. If this is true there is no question but that this action was extralegal and in complete disregard of the law of the land as enacted by the Congress.

Mr. Chairman, I should like to call your attention to some things that are going on which, if we do not do something about them, will not only lead to bad results but add to the confusion and bring to naught possibly our major fight on the home front, which has to do with the production of food. I want to give you some examples.

Not so long ago, the senior Senator from Texas, Senator CONNALLY, and I called on Price Administrator Brown about some matters involving the poultry industry. In my district are five or six counties which comprise the third largest poultry center in the United States producing broilers and fryers. The price fixed for those broilers was 25.67 cents per pound. The actual cost involved in the production of over 24,000,000 pounds of edible broiler meat, chicken meat, figuring a broiler at 2 pounds to the chicken, ranges from 31.5 cents to 40 cents a pound, established by affidavits and checked over by auditors at my request looking into the business of several of the poultrymen affected.

We went from the Office of Price Administration to the War Food Administration to inquire concerning the fixation of this price level and the vicious differentials which accompanied it; nothing came of this. Despite the fact that the poultry produced in this center was entirely consumed within the State of Texas by Government camps engaged in the war effort and by industries engaged in the war effort, as well as civilians, one of the producers handling over 125,000 chicks a year went out of business. He went to work at a shipyard started in at $12 a day Some in high places think that he did a good job because he could make more money at that than he could if he had stayed in the poultry business.

This producer, who the year before produced 125,000 chicks and 250,000 pounds of edible meat, is now boarded up and out of business. What happened to him happened not to one or two more but to a high percentage of the men engaged in the professional business of raising baby chicks.

Now let us look at some other facts. There is no factual evidence showing that in the last World War or in the present World War the price of livestock, if left uncontrolled, would rise sufficiently to become a dangerous or inflationary force. At the present time this fact is best illustrated by the price of hogs, which has remained at between 14 and 16 cents most of the time, whereas in the last war the price of hogs reached 24 cents.

The only evidence of an extremely high price of livestock is to be found in the black market. The black market is patently the outgrowth of Government regulation, inaugurated in November 1942, at which time all killers not under B. A. I. inspection were placed on a quota of 70 percent of their 1941 kill.

At about the same time that this quota system was inaugurated the wholesale price ceiling was put into effect. This was under regulation 169. Before this was placed in effect there had been no visible evidence whatsoever of an over-the-counter shortage in beef. The housewives in every community in this land could go into a butcher shop or a grocery store and fill their needs.

The drafting of men into the armed services patently does not add to the population of the United States, certainly not with a war going forward.

If you will review the facts contained in a brief inventory of the actual livestock situation in this country, you will be interested in noting that at the time of the 1929 crash there were approximately 68,000,000 head of cattle in this country.

This was a healthy cattle population up to that time. While this cattle population was heavy, the increase of human population in the country made this cattle population fairly low when analyzed on a per capita basis, but everyone knows that it was sufficient to meet all and over the then civilian needs. We had no wartime needs then. In 1934 this cattle population had jumped to something in excess of 65,000,000 head, and on the floor of this House in a debate with a beloved friend of ours who happened at that time to be the leader on the Republican side of the aisle, the Honorable Bertrand Snell. I handled the passage of a $200,000,000 appropriation bill, devoted to bringing the demand and the supply insofar as cattle were concerned, into a workable balance.

Under that appropriation which was passed in this House without objection, 8,000,000 cattle were slaughtered. Those of you gentlemen who were here at that time will recall this. The Department of Agriculture in recent estimates, estimates that up to January 1, 1944, the population of cattle in this country will have reached 82,500,000 head, and that estimate is low, and I am going to tell you why. A brief analysis of what we had on hand in 1941, and what we had on hand in 1942 will show that in those 12 months the cattle population of this Nation increased in excess of 3,000,000 head, and it is my honest conviction that today, there are 82,000,000 head and upward in the feed lots and on the ranges and on the farms of these United States.

Let us look at the facts, and I have some of them here for you. All of this is in the name of avoiding inflation. In 1941 the national income based on figures from authentic sources of information stood at $95,600,000,000, in round numbers. That is the 1941 national income. The 1942 national income was $119,800,000,000. In 1943, up to date, based on present conditions, the national income is estimated to be in excess of $138,000,000,000, and if prices continue on the present scale, and wages go on as they are, the estimate shows that that will be in excess of $140,000,000,000. All right. People in these civilized days do not attempt to eat livestock, but they buy raw meat, and cook it.

Reducing the killing of cattle down to 70 percent level of the 1941 kill, when the income nationally stood at $95,600,000,000 and expecting 70 percent of that kill to satisfy not only the civilian demands, upon which their kill was based, and which that kill supplied in 1941, because not until the tragic date December 7, did this Nation go to war—in the minds of reasonable men, how could we fail to have a beef shortage with an income approaching a peak of $140,000,000,000 this year, and expecting the purchasing power of that surplus income to be satisfied with 70 percent of what we consumed under peacetime conditions in 1941, added to the 35 percent reduction of supplies once going to civilians taken over by the Army and lend-lease? Then, today, that 35 percent has been increased to 45 percent, and if it continues, what happens? The 35 percent I refer to is 35 percent of the total kill in the United States taken by the Armed Services and lend-lease.

In servicing the needs of the war and the lend-lease program, every pound of beef purchased by those two agencies was purchased from killers—and the word "killers" means butchers and packers and slaughterers of all kinds—lend-lease and Army needs were satisfied solely through purchases from killers that were under the Bureau of Animal Industry inspection, that is, Federal inspection of beef. These killers, under B. A. I. inspection, were the major packers. And those demands took every bit of the beef killed in those killers' plants, and those killers no longer serviced the civilian needs, and that left the local independent killer confronted with the problem, that while he at his best had never killed over 35 percent of the kill of the Nation, was now required on 70 percent of the 1941 kill, to meet the civilian needs of a population which in the past 20 years has risen 25 percent. And during which time in the entire food picture there has not been a single year when the United States market supplied its own food needs. We have been on a constantly increasing import basis of food during these 20 years.

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

Mr. KLEBERG. I ask the gentleman to please let me go on and present the picture to you, and bring a recommendation, because it has been said that no recommendations have come from the United States Congress, and I propose to give you one, which is not based on the development of untested ideologies which come from the school of economics of Harvard or Princeton or Columbia, or any one of the major schools of economics, but which comes from a long-time effort applied to the production of livestock and food commodities in this country. I was not a synthetic farmer or a synthetic ranchman when I came to this Congress. Believe it or not, there is not a single job performed on a ranch which produced everything in the way of livestock that was produced in that area which produced everything agricultural that was produced in that area from citrus fruit on down through cotton and all kinds of grain that I did not know how to do myself. I have harvested crops. I have slaughtered cattle myself. I have gone with them to the slaughter pen as a shipper, and I have done every single thing done with cattle from the pasture to the slaughterhouse. So I learned it at least in the school of experience.

What I am proposing here is to remember the figures I have just given you and take into consideration some facts that come after those figures. They say this roll-back and subsidy proposal is for the purpose of curbing inflation. Let us see.

We will take $140,000,000,000 for the purpose of making it easily understood, as the national income of 1943. Of that amount in Federal taxes under the 1941 figure of income and taxes there was paid in $9,600,000,000 in taxes. In 1942 $17,400,000,000. In 1943 it is expected to pick up by way of taxes $24,552,000,000—let us say $25,000,000,000. Take that from $140,000,000,000 and what does it leave? One hundred and fifteen billion dollars. In purchasable consumer goods the best estimates from every statistical department we have in this country indicate that the supply represented in cash is from $80,000,000,000 to $83,000,000,000. Let us take the higher figure, because it makes the picture easier. Say $85,000,000,000 worth of consumer goods available. Subtract $85,000,000,000 from $115,000,000,000 and what do you have left? Then after going through that let us realize that savings to meet margins and protective devices indulged in by American industry, agriculture, and otherwise, to meet the ravages of depreciation, replacement of equipment, increasing fluctuating prices, and costs of maintaining an operation such as that which occurs on a great cattle ranch or on a small cattle farm. Say you take off that amount 20 percent, down to 16 percent of what is left.

The very best figures available out of this jumble, figured out carefully, would indicate that at the maximum, without reference to money taken out of circulation for bond sales, and so forth, there

remains as a dangerous sword of Damocles to create inflation the utterly insignificant sum of between 15 and 16 billion dollars. With costs going as they are and expenses mounting, how ridiculous it seems to me to continue a program of shortage in the midst of actual plenty as applied, for instance, to the cattle industry, which I am using as an illustration. You Members know the canning picture. I have given you a brief description of what happened on poultry, where, by ill-advised regulation, vacillation, and failure to attempt a solution the American way, but on the other hand attempting to follow out and prove some formula which came from what might be termed higher education, the people have been put out of business as far as poultry is concerned, small packers and butchers closed up and canneries going out of business everywhere. I think education that is too high is education that does not permit those who indulge in its practice to get down to Mother Earth long enough to have it said truthfully of them that they have at least had their feet on the ground. There are in actual round numbers approximately fifteen and one-half million head of surplus cattle on the ranges and farms of this Nation. Indulging for a moment the vivid and accurate recollection of what was done under this same administration in 1934 to bring the law of supply and demand into action—that can be done by a wise government and a wise people and a beneficent Providence. Without the latter of course the other two cannot deliver the goods. But suppose you remember the $200,000,000 that was spent and the slaughtering of 800,000 cattle, principally culls to improve the herds of the Nation and bring supply and demand into balance.

Suppose you do pay the salaries of a few extra meat inspectors to give B. A. I. inspection a wider spread over the kill and suppose you throw away the ridiculous figure of 70 percent of the 1941 kill, in cowboy parlance I would want to know where in, and I would not use the word "Jehoshaphat", that theory came from, when we need beef. I doubt if there is a single man anywhere connected with this plan who ever thought of the ridiculous and tragic position presented by a great country, shouldered with responsibility the equal of which has never been fixed on a people, when food, the sustaining element upon which our success will finally depend, is pulled down to the level where both the Army and the civilian services find themselves confronted with a synthetic shortage, created by ill-advised regulation. It was not in the law, but yet here it is. We will have an actual surplus by January 1, 1944, if this keeps up, of from 15,000,000 to 16,000,000 head. This surplus will grow and destroy the cattle industry if it still exists when peace comes. If half of this surplus were slaughtered it would supply normal beef requirements for one year to 200,000,000 persons including the population of the United States and 74,000,000 others. Think of that. You could thus reduce by one-half the surplus on the ranges and feed lots at a time when we are short of feed and when we are losing extra poundage because we are shipping warmed up cattle, if you please, from the feed lots and are not allowing the cattle to have their full complement of gain and full conversion of the corn and grain of this Nation into its utmost realization of cash value and beef.

Now, let me make my recommendation. I want to boil it down to just a few flat statements. If the price is fixed at the point of retail, in reason—not based on any 70 percent of the 1941 kill, which has no possible relationship to what we deal with today—if the price is fixed there and efforts are made to stimulate the slaughter of 6,000,000 head of cattle extra, to take up the gaping holes in refrigerators and boxes of all kinds over this land, you will immediately, because of the supply meeting the demand of the surplus cash, insofar as the prices of livestock are concerned, including hogs, solve your problem. That is the only control that is necessary to hold your price level at a point where it affects the consumer at a legitimate price. The principle of balancing income and expendable money and consumer supplies is the only time-tested cure for inflation of the kind that threatens our country. Also we must rescind that silly quota provision which permits those who slaughter to kill only 70 percent of their 1941 kill.

We should analyze the needs of the armed services to a reasonably fixed figure. Ration civilians to a quantity commensurate with their needs and lend-lease would take the rest. This plan while only outlined will meet the exigencies of our present situation fairly and sanely.

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

Mr. KLEBERG. May I have 5 additional minutes?

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman from Texas 5 additional minutes.

Mr. KLEBERG. There is one thing I want to say in the 5 minutes, if I may do so, and that is to conclude with some thoughts that I think have occasioned some of the errors that we have committed.

I was interested to check up on the fact with reference to our great ally, England. We have had advanced here before us, and certainly before members of the House Committee on Agriculture to which I belong, some statements concerning the amazing success of Britain in closing the inflationary gap. Let me call attention to the food situation. In England today those who have the credentials can get 23 cents worth of meat per week. These are the figures, so far as the civilian population is concerned. Only 7 percent of the people in Britain are producers, farmers.

Of course, Britain, as an industrial nation, with its population divided up in that manner, with its heavy industrial activities, wants to hold its food prices to a minimum. She only produces 60 percent of her food. She has neither the land resources nor the farm labor to do much more than this. Ninety-three percent of the population, therefore, certainly could well afford to subsidize the 7 percent. But when you take one-fourth of a country's population, as we have it, you have an entirely different picture.

Forty percent of the entire food supply of England in the last 2 years has been mostly imported from the United States of America. One and a half billion dollars worth of food were supplied under lend-lease, which food Britain sold to her people and paid a subsidy of $730,000,000. She could well afford to spend a little money, half, or about half of the cash represented by the lend-lease food supplies in the payment of subsidies over there to meet the inflationary gap.

What is the situation with reference to consumer goods in Britain? Under lend-lease operations and the situation there from the standpoint of studies which have been made of things which may cause inflation, and the facts as they exist in Britain and what she has used to close the inflationary gap, and some of the conclusions we have reached are these: She does not have to impose a tax on her people to pay subsidies. But today with the earning power of American taxpayers, taxed as they are to the highest degree in the history of this country, with their earning power restricted, with the original source of wealth being decimated by restrictions, how in God's name should they put the restrictions on, which have been put on, in this effort to meet the problem?

I ask you, as sensible men and women, I plead with you to consider this whole problem of simple arithmetic, natural laws, and untested theory which is presented by this silly expression of fear of inflation, on the one hand, and the utterly inconsistent remedy offered until it has increased the inflationary problem to a degree never before realized in our Nation.

As was illustrated in the case of the Ohio wheat farmer whose case was brought finally before the Supreme Court on a question of some payments of overproduction fines. He argued that the law had been passed after he had planted his wheat crop. Therefore his property was being taken without due process of law. The Supreme Court held that it is hardly lack of due process for the Government to regulate that which it subsidizes.

Mr. Chairman, I leave the rest with you. That is an illustration and gives you a picture, one which I am more fearful of than anything else.

Finally let me sum up the situation.

We are told we are in grave danger of inflation. This because of great surplus or excess income over available consumer goods.

Using the plan our Government now has in effect including subsidy and roll-back on beef prices—what do we have?

Approximately a $140,000,000,000 income and approximately $85,000,000,000 worth of consumer goods.

What do we do about it and what are the facts? We reduce the available supply of consumer goods, in the case of beef, to 70 percent—in the case of civilian needs—of the average supply used in 1941. In this year our income was $95,600,000,000. Why? On what theory?

In 1941 we paid $9,600,000,000 in taxes. In 1943 we will pay $24,552,000,000.

After taxes, $85,000,000,000 in purchases, and marginal savings we have a sum of about $16,000,000,000 left without considering what we will spend for bonds.

In the midst of plenty we force a shortage when we should increase consumer goods.

We now propose to continue to roll back prices and provide funds to subsidize some few losers while we permit the rights of freemen in property and free enterprise to be endangered in the future by both famine and Government control and regulation of their property and business.

All of this with no improvement in sight of the food supply situation.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent to proceed out of order.

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

There was no objection.

Mr. O'CONNOR. Mr. Chairman, first I want to make an observation inspired by the address given by the distinguished gentleman from Texas [Mr. KLEBERG]. We of the West know that we have the highest population of cattle in the history of this country. I have been informed that the big packing plants of the country are filled with beef, yet we have this anomolous situation, notwithstanding that condition, we are unable, even when we have the necessary points for meat, to get meat in our retail stores right here in the city of Washington and that is true to a great extent throughout the country.

The question is, what is wrong? We have the beef; we have the transportation facilities, not only by rail but by trucks, but we cannot get beef because the retail stores cannot get it.

Yesterday morning I had the experience of applying to three different retail stores here in Washington just to find out if that fact prevailed, and it does prevail. Notwithstanding that we have more beef than the civilian population can use, more than needed to supply the Army requirements and to meet the lend-lease requirements. What is wrong? I have been informed that packers ship direct to the large restaurants throughout the country and sell their beef directly to these restaurants who in turn are not controlled at all in prices and can mark up any price they see fit on their menus for their cuts of beef.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I would like to ask the gentleman from Montana a question as to this kill of this 70 percent. Is that for domestic consumption 30 percent, or whatever percentage is needed for the Army, or is it a kill of only 70 percent? I understood the gentleman from Texas to imply that they could kill only 70 percent. Would the gentleman from Montana explain that?

Mr. O'CONNOR. I cannot explain that because I am not familiar with the figures given by the gentleman from Texas, but from the over-all picture the cut, if there is one, is not understandable with the country full of beef cattle.

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

Mr. O'CONNOR. I yield.

Mr. TABER. When they limit the amount of cattle that can be slaughtered to 70 percent of last year and a great lot of that goes to the Army; is not that the answer?

Mr. O'CONNOR. Not necessarily; but if they do limit the kill to 70 percent it is nonsensical.

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

Mr. O'CONNOR. I yield.

Mr. ELLIOTT. Does the gentleman know whether it is merely 70 percent of last year, or is it not 30 percent reserved for the Army and lend-lease and 70 percent to the civilian population?

Mr. O'CONNOR. If the figures furnished by the gentleman from Texas are correct, that there is a limitation of 70 percent of the kill of last year that would not account for present conditions, because there was a big surplus left after the kill of 1942.

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

Mr. O'CONNOR. I yield.

Mr. CURTIS. I think the gentleman will find that some of the small packers are not even on a 70-percent arrangement. The Lincoln Packing Co., at Lincoln, Nebr., is operating on only 23 percent of its 1942 basis, and out of this it is 50–50, the Government gets one animal for every animal that goes to the civilian trade.

Mr. O'CONNOR. I have heard this—I do not know whether it is true or not; I hope it is not—I have heard that the big packers have devised some sort of squeeze play to put the little packer out of business. The price-control program is putting the little man out of business generally throughout the country, and now it seems the same thing is about to happen to the little packers. It is happening to our retail stores. Small retail meat stores in the West and throughout the country are gradually closing up because they cannot get the beef to sell to the people, although there is a tremendous surplus of it in the United States today.

Mr. Chairman, I wish now to talk about a matter that applies principally to Montana.

Mr. Chairman, taken all in all, I think that one of the most ill advised and prohibitively costly proposals to come out of Washington in many a moon was the one that was recently attempted in western Montana in connection with a Federal proposal to obtain additional water in Montana for hydroelectric development in another State. For sheer breathtaking audacity I do not think the proposal can be equaled. It is inconceivable to me that such an utterly destructive and wanton disregard of property, scenic beauty, and States' rights should be conceived of at any time much less in the middle of a very serious war when every bit of foodstuff raised and energy exerted toward the furtherance of the war effort is of paramount importance.

In fact I do not think such a bold attempt to strip Montana of one of its greatest natural resources would ever have been made if those responsible for this proposed deal had not thought that in the hurry and confusion of war their plan would be a fait accompli before anyone could protest. But in that assumption they erred.

Be it said to the everlasting credit of Montana and Montanans that once again that old vigilante spirit, which manifested itself about three-quarters of a century ago to assure the first settlers of that day their right to a peaceful and law-abiding existence, that that spirit still prevails. The perpetrators of this folly overlooked the fact that these people who would be ousted from their homes and farms, were such a proposal followed out, are the sons and daughters of those hardy pioneers who went into that section of Montana when it was nothing but a timbered wilderness filled with then hostile Indians and lawless bandits, there to carve out and develop homes for themselves and their posterity. Those pioneers had to face and overcome tremendous adverse odds and it took a great courage and determination to build for the future, to uproot the trees and bushes, to till the soil, and to build homes for their loved ones and those who would come after them. That those noble men and women who spent a life of hardship and toil in order to leave a better place for their loved ones to live in, that they and the sacrifices they made have not been forgotten was attested to admirably in the spontaneous and determined way in which their descendants, and others, who realize and appreciate the beauty, grandeur, and productiveness of this valley that would be destroyed, have rallied to the call to defend that valley as they know it today.

Specifically, I have been referring to the recent attempt made on the part of Federal authorities to raise the level of Flathead Lake 17 feet with all its ensuing and devastating consequences.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MANSFIELD of Montana. It might be well to point out that this attempt on the part of the Federal authorities was not only to raise the level of the lake 17 feet by 1945 but eventually to 37 feet. This would result in the inundating of several of our large towns, the loss of 50,000 acres of good agricultural land, the decline of a large lumber industry, and a destruction that would be of no benefit whatsoever to the State of Montana. Furthermore, this proposal, if allowed to go through, would affect 25,000 people directly and 50,000 people—one-tenth of the population of my State—indirectly. The most beautiful scenic area in the United States would be desecrated as a result. It might be well to add further that there was no one in the State of Montana in favor of this proposal and that as far as the Montana congressional delegation in

both the House and the Senate are concerned we are 100 percent with the people of the State in this respect. This solidarity on our part is an indication of how strongly we in Montana feel about this proposed infringement of our rights.

Mr. O'CONNOR. I thank the gentleman because everything he has said is true.

Apparently it was of little consequence to those responsible for that idea that hundreds and hundreds of homes would be destroyed; that the beautiful city of Kalispell would be isolated if not inundated; that some 50,000 acres of the most fertile farm land in America would be inundated; that lumber mills and millions of feet of valuable timber would be forever and irreplaceably lost; that the scenic wonderfulness of Flathead Lake, a great national asset and beauty spot, would be seriously marred; and that the cost to the State of Montana in property loss, resources lost, highway replacement costs, plus the cost of litigation involved would be tremendous and staggering to the imagination. And all for what purpose? As I have said, and now say again, simply to take from the State of Montana one of its greatest natural assets for the benefit of another State.

Nor should the fact be overlooked that the Flathead Indians would also stand to suffer greatly by such a transaction, and I think all will agree that the Indian has been treated shabbily enough in the past without this further thrusting of the Indian down the economic scale. What is known as the Kerr Dam was constructed on the Flathead Indian Reservation. The Montana Power Co. pays a royalty to the Indians of $175,000 per annum for the use of the Indian property. Should the Government take this dam the Indians would be deprived of this royalty unless compensation was secured from the Congress of the United States, and in view of past experience in getting appropriations for Indians I would say that it would be a man's job to secure this compensation.

Every excuse was put forth in justification of this proposal except the real reason back of the desire to get the use of this Montana water. The people of Montana were told that the use of this extra water diverted into Grand Coulee and Bonneville dams would save tons and tons of structural steel. No mention, however, was made on their part as to the resulting loss of 25,000 tons of vitally needed foodstuff produced annually in this section. Nor has any mention been made of the fact that thousands of dollars' worth of property damage would be sustained by Kalispell people who, because of the wording of the law, undoubtedly would be in a position where their property was worthless, as a consequence of the raising of the lake level, but at the same time find themselves unable to collect any damages because their property was not taken or actually damaged. Nor do I think we should overlook the fact that no less than 70,000,000 board feet of lumber is produced annually in this section, which production gives employment to about 750 persons and that pay rolls, and so forth, totaled almost $3,000,000 in 1942.

It looks very much to me like the real and only reason for this attempted rape of one of Montana's resources is that Bonneville and Coulee now find that they need more water to operate on. However, I cannot see where Montana should be forced to be the means of supplying most of the Pacific Northwest with power. That problem should have been taken into consideration when these dams were being constructed. The people of the northwest section cannot understand why the Bonneville Power Administration and the Army engineers, instead of endeavoring to make a storage reservoir out of Flathead Lake, did not look to Fort Peck. A world of power could be developed at Fort Peck if power generators were secured for the latter place. The development of additional power at Fort Peck could be had at very little cost. We of Montana cannot understand why, if additional power is needed in the Northwest, Fort Peck is being overlooked.

The attempt to raise Flathead Lake is clearly an attempted violation of the sovereignty of the great State of Montana and we are all proud of the manner in which our Montana people resisted such an unheard of effort to invade and destroy the rights and property of the people of Montana.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I rise for the purpose of expressing my satisfaction at the reporting of the Fulbright resolution. In the campaigns which led to my election to this body, I uniformly stressed the point that the aim of this country was the recovery of national security, which we had had for a short time following the year 1918, and had negligently lost for lack of any active or precise foreign policy—indeed of any foreign policy at all—in the succeeding years. I did everything possible to emphasize to the electorate my conviction that the attainment of national security meant, first, the defeat of the Axis Powers and, second, the perfection of international arrangements which would insure the continuance of our national security. This country would be secure if there were a just and lasting peace. It would not be secure if there were an unjust or ephemeral peace; any unjust peace would probably prove ephemeral, and any war of any consequence would certainly involve the United States.

I acclaim the Fulbright resolution as a succinct statement of a policy indispensable for the integrity of American institutions and the safety of our children, not merely from the steadily increasing horrors of total war, but from something worse—the overthrow of this Republic by enemy powers which, without suitable preparations, both in policy and armament, we cannot resist.

For generations there have been people in this country who believed that a foreign policy was a sort of immoral lace frill on the sober flannel petticoat of domestic virtue. This is a tempting view but not a sound one. Last Monday we appropriated over $75,000,000,000—more than half our national income—because we threw away our alliance with the European democracies in 1919 and created nothing in its place—not an army, not an air force, not a fleet. Indeed we even scrapped the ships that might have saved the Philippines, just as in complete thoughtlessness we suffered Japan to take possession of the island bases which made the Philippines indefensible.

In acclaiming the Fulbright resolution, let me emphasize the things which, in my opinion, it does not mean:

It does not mean an international W. P. A. or an international N. Y. A. On the contrary it looks to the abolition of future O. P. A.'s It does not mean a conspiracy of the starry-eyed who yearn with Wallace to elevate the wages of the tin miners of Bolivia and the living standards of banana growers of Nicaragua. Still less is it a scheme to override our immigration and naturalization laws with new and hazardous forms of world citizenship. It is not a project to subordinate the interests of the United States to any nation or group of nations. On the contrary it is merely a commitment to study with other friendly interests the most appropriate and safest insurance policies against the recurrence of the disasters which now have our sons dying on more battle fronts than can readily be counted.

There is no cause to fear that the passage of this resolution can diminish the part which our soldiers of today can take in the conduct of our affairs tomorrow. They must be given a voice on the best ways of securing the American sovereignty and freedom for which they have already fought. But I do think that we of our generation should tell them out of our experience that America's security does not consist in ignoring the dangers that beset it.

And let me say that I think no harm can result from considering this very human question in this body which is never more than 2 years from the heart of the people, instead of leaving it as a mystery so deep that only more august minds can hope to comprehend it. In fact I make bold to say that we should be better off if all international arrangements could be left to a simple majority of both Houses instead of being controlled as at present by a minority in one.

I hope the Fulbright resolution will be adopted in this House by a sweeping vote. It springs from a real instinct for national prudence and not from what Edmund Burke called the false and reptile prudence which seeks to avoid national hazards by disregarding their existence.

Mr. CANNON of Missouri. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, we listened with a great deal of interest to the remarks of the gentleman from Texas [Mr. KLEBERG] concerning the vast supply of cattle in this country. The New York Times of yesterday morning called

attention to the vast cattle surplus that is piling up as the meat famine, particularly in New York City, increases. The subheading reads:

If half the excess were slaughtered it would supply 200,000,000 persons with beef for 1 year the rangemen say.

What is happening to all this beef? We cannot get it here in the eastern industrial area. The consumers in my district and the industrial cities are hungering for beef; we are starving in the midst of plenty.

The gentleman from Texas says that all he wants by way of solution of the problem is to put a ceiling price upon retail beef and leave beef prices in the hands of the packers and the cattle growers uncontrolled. He wants the law of supply and demand to operate. The experience of every belligerent country is to the effect that you cannot control inflation and cannot prevent the spiral of inflation unless you control all along the line wages, rents, prices of commodities, prices of services, and prices of everything that go into the usual standard of living. No halfway measure can succeed. The law of supply and demand is out the window.

If you, for example, control only the retailer, then the packers under no control could raise their prices at will to the retailer and the retailer could not do any business because he has a ceiling beyond which he cannot go. He could be the subject of a squeeze of the packer. The cattle grower could likewise charge anything he wished to the packer or he could hold back the carcasses of beef at will, as he is doing now. The packer, in turn, would be at the mercy of the rancher.

This same article in the New York Times, which is in part an explanation of what is happening to this vast quantity of beef, states as follows:

The spokesman for the Ranchmen's Association emphasized what he thought was the black market and said he thought "black market" was a misnomer for the thousands of small slaughterers and customers who are determined not to be deprived of beef artificially by Office of Price Administration regulations.

Throughout the West an increasing number of individuals are buying and storing in freezers whole carcasses of beef, and these people are not comparable with the members of the old prohibition bootleg trade. They are patriotic, but they are determined that they shall not go hungry.

I take exception to that statement and I am inclined to the belief that since they are indulging in a bootleg market contrary to the law of the land and the regulations promulgated thereunder, they are not patriotic. When they do not live up to these regulations they should be punished. This hoarding of vast quantities of beef to get higher prices for reasons best known to their own selfish interests, which interests are contrary to the interests of the consumers throughout the length and breadth of the land, is something to be deprecated and I emphasize the thought that these ranchmen who are holding back all this cattle are doing the country a grievous wrong.

The livestock producers want the free law of supply and demand to operate. The Livestock and Meat Council so indicated. And they practically say, "Unless it does operate we will hold back." That is like pointing a gun at the administration, to vary the simile. It is a strike against the consumers.

Just see what happened in the Revolutionary War with reference to the operation of the law of supply and demand. Note what Washington said with reference thereto during the Revolutionary War when he wrote John Jay as follows:

A wagon load of money will scarcely purchase a wagon load of provision.

The Commander in Chief was gravely concerned that the American cause would be lost not in battle but from the high cost of living and the high cost of supplies for his army. Why? Because of the operation of the ordinary laws of supply and demand. The packers of those days and the moneyed interests of those days, if I may put it that way, in New York and in the East, were demanding that the law of supply and demand operate.

What did Washington say concerning price raising and price fixing? He said:

That which is usual and customary in such cases is to fix the prices of the several articles; bearing a proportion to what is the ordinary rate, and if persons will not comply the great law of self-preservation must authorize us to compel them.

Meaning that the law of self-preservation comes ahead of the economic law of supply and demand and "We must," said Washington, in effect, "compel people to disregard the law of supply and demand in emergency in the interest of the law of self-preservation." I commend these admonitions to the gentleman from Texas [Mr. KLEBERG] and to all ranchmen.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Montana.

Mr. O'CONNOR. According to newspaper reports we are told that it is contemplated importing Argentine beef into this country regardless of the sanitary laws. Does a policy of that kind make sense when we have more beef on the hoof and in the packing plants than we have ever had in the history of the country and no place to go with it? In other words, we cannot get it even though we have the points.

Mr. CELLER. It does not make sense if we have this vast store of cattle and we cannot get it to the hungry mouths that need it, particularly of the industrial workers who need the proteins and vitamins contained in the meat. If we cannot get it, we must be pregmatic. We will be compelled to import Argentine beef. I may say to the gentleman from Montana that some Argentine beef is not subject to the foot and mouth disease; for instance, that which is grown in Patagonia is not. We can import it corned and we can get it in cans where it is not subject to that disease.

The law of supply and demand does not operate in England as the result of artificial restrictions. In England they have been eminently successful in controlling prices and in making wages meet prices. The gentleman from Texas says that England is not an agricultural nation. Of course, it is not. It is an industrial nation importing most of its food, but we cannot blind ourselves to the experience of England with its roll-back, with its subsidy, and so forth. In a way we can pattern after England. Canada is not an industrial nation. It is an agricultural nation and has been eminently successful in doing that which we have been trying to do and what the O. P. A. is trying to do in getting carcasses of meat to the city populations. Canada has held back prices of rationing, enforcement, ceilings, roll-back, and subsidies. It has "held the line." We must hold the line by doing the same. If we do not hold the line, wages again will lag and will not enable the wage earner to maintain decent living for himself and loved ones. He will demand and get higher wages. Higher wages—higher prices. Then higher wages again. Higher and higher rises the spiral of inflation.

Mr. CANNON of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina [Mr. FULMER].

Mr. FULMER. Mr. Chairman, I have asked for this time to correct a statement made by the distinguished gentleman from New York [Mr. CELLER]. I realize that my good friend does not know very much about price-fixing or prices except what his consumers have to pay. He said awhile ago that the great trouble at this time is that farmers will not sell their hogs and cattle, although farmers have plenty of hogs and cattle. It is true in certain areas we have an increased production of hogs and cattle. The trouble is that right recently since O. P. A. has been talking about rolling back the price on meat, hogs and cattle have gone down about 2 to 3 cents a pound, and packers are not buying and therefore farmers cannot sell; or if they do it is at reduced price. Do you think the farmers would go running all over each other under these circumstances to force the sale of their hogs and cattle when they are going down every day?

Farmers operate as individuals. They have not any say-so as to what price they are to receive for their products. They are as helpless as consumers. There is no definite price fixed to the farmer's products by the O. P. A. like they have fixed for everybody else. The farmer has to take whatever is offered. The packers are absolutely refusing to buy, and if so it is at a reduced price. Farmers are willing and anxious to sell, but they do not want to sell with prices rolling back on them. Feeding hogs after they become top hogs is an extra expense to farmers. I am selling hogs from my farm now at 13½ cents that some weeks ago sold for 15 cents. In the meantime my tenants are short of meat but O. P. A. will not permit me to kill and sell my own hogs to these tenants.

Mr. STEFAN. Will the gentleman yield?

Mr. FULMER. I yield to the gentleman from Nebraska.

Mr. STEFAN. Is it not a fact that there are hundreds of farmers who have spent a half century or a quarter of a century feeding and producing beef who cannot longer stay in business because of the conditions that exist today?

Mr. FULMER. The gentleman is absolutely correct. I am getting letters and telegrams daily stating, "I am being forced to sell out—I am reducing my production of hogs and poultry because I cannot get any feed." One of the best producers and one of the most intelligent farmers in my district, Mr. Moss, of Cameron, S. C., who has been a producer of purebred hogs, wrote me the other day, "I wanted to increase the production of hogs, but I am forced to reduce."

It is not the farmer's fault. If the O. P. A. had started out its operation on a sound, common-sense, practical basis, that is, from the farmer, the bottom up, with proper differentials with processor and all handlers, including the retailer, then everyone could have operated on a fair and normal business basis. No; they fixed the price of meat to the packer and retailers, and hogs and cattle kept going up. Now they want to roll back prices and pay packers a subsidy and the packers are pushing the prices of hogs and cattle down.

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

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

Mr. CELLER. I agree with the gentleman. It may be that the packers are endeavoring to prevent the farmers getting a proper price. I want the farmers not to sell at a loss. If a roll-back is necessary for the consumers to get food at a proper price and to make up for that loss the farmer should get some sort of a subsidy; I am willing to do that. Let us get together and work something out.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 2 additional minutes to the gentleman from South Carolina.

Mr. FULMER. If you are going to roll back prices and pay packers a subsidy, believing you will help consumers, then the farmer's prices should be fixed, so the packer cannot roll back the price on the farmer. May I say to the gentleman that I do not believe there is a Member on the floor of this House any more interested than I am in wage earners and the consumers of this country. Many people in my part of the country live in poverty and raise their children in ignorance because of the type of wages they have been paid and because of unfair prices they receive for their farm products. Before we passed labor legislation, for instance, the textile workers in South Carolina received only about 10 to 12 cents an hour, and they and their families went around in rags. Not a single boy or girl able to go to college, yet on these factory lists we have many boys and girls that would be able to make a name for themselves if they only had a chance. But the trouble is that a great many Representatives of the city districts like my good friend representing consumers and labor do not know the many problems of the farmers. If there is any two groups that should get together it is farmers and wage earners. The farmer, like labor and the consumer, in selling and buying farm products has no power whatever in demanding or fixing fair prices. The packer fixes his price and then fixes the farmer's prices so as to pay all expenses connected with his business, including his taxes and a fixed profit. Then this product passes through many middlemen, all able to fix their prices with many additions between the farmer and the consumer. Naturally the consumer has to take it or leave it.

Mr. CELLER. The gentleman would have control all the way along the line?

Mr. FULMER. Absolutely, from the bottom up and I would weed out many of these useless middlemen who operate as parasites on farmers and consumers.

Mr. CELLER. The gentleman and I agree.

Mr. FULMER. You cannot do it from the top down. As previously stated, when they put a ceiling price on meat some time ago, hogs went up. You have to start at the bottom with proper differentials and if I had my way about it, I would definitely fix all prices, including labor, on a fair basis for the duration and quit so much foolish experimenting. I begged them to do it, and they would not do it.

Mr. CELLER. We are in absolute accord on that.

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

Mr. FULMER. I yield to the gentleman from Illinois.

Mr. BISHOP. I appreciate the gentleman's explanation. In the final analysis, just who is responsible for the conditions that exist now?

Mr. FULMER. Under the present situation, perhaps you cannot hold any one person or any one agency responsible, for we have a half dozen agencies running all around over the lot with no one with any definite power. When you check on O. P. A. you are referred to someone else. When you talk to Chester Davis, he will tell you, "I have not any power," and finally you are referred to Mr. Vinson, and he will tell you "We are working on it."

My committee reported a bill today to place sufficient power in the hands of the Food Administrator, that which he thought he had when he was appointed, in connection with production, distribution, rationing, and price fixing.

Let us cut out red tape, lost motion, and confusion before we wake up too late with too little.

Mr. BISHOP. I wish to congratulate the gentleman on that.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, it is regrettable that the estimate from the Bureau of the Budget on an item of $8,000,000 for airports did not arrive in time for the committee to incorporate it in this deficiency bill. It would have enabled 28 communities in the United States to complete their airports which were started by the W. P. A.

Originally, the Work Projects Administration had 267 airports. When the W. P. A. ceased functioning, 103 of these airports were completed; 65 have been specified by the Army and the Navy as being of military necessity and will be completed by funds otherwise provided for; 71 of these airports are now being operated by the Army. However, there are 28 airports which are not completed and a huge investment of not only the Federal Government, but the State governments and local municipalities, is wasting away. In this category is the air port at Beatrice, Nebr.; also the one at Fremont, Nebr. The other 26 airports are scattered over the States of California, Colorado, Connecticut, Georgia, Idaho, Indiana, Iowa, Kansas, Maine, Michigan, Minnesota, New Mexico, North Carolina, North Dakota, Texas, West Virginia, and Wisconsin.

Mr. Chairman, these communities have completed their part of the contract that they made with the United States Government to build an airport and thus advance aviation, aid in the pilot-training program, and improve the national defense. As the matter now stands, the Federal Government is a defaulter in its arrangement with these several communities in regard to their airports. Most of these airports are far along on the way to completion.

Mr. Chairman, I would like to call attention to a letter received from Mr. W. W. Cook, secretary of the airport board of Beatrice, Nebr., bearing date of January 12, 1943, which is as follows:

BEATRICE MUNICIPAL AIRPORT BOARD,
Beatrice, Nebr., January 12, 1943.

Mr. CARL CURTIS,
Member of Congress,
Washington, D. C.

DEAR SIR: I am writing you to give you some information regarding our local Work Projects Administration airport project. As Work Projects Administration stops February 1, we have been notified that the work on our airport will cease as of that date.

The airport is a municipal airport, the land being owned by the city. It is located 2 miles north of this city on paved highway U. S. No. 77. Last April the citizens of this city voted by a majority of 2 to 1, $60,000 for the purchase of the land and to pay the sponsors' contribution for a class 3 airport. The cost of the land was approximately $45,000 for 395 acres.

The city entered into a contract with Work Projects Administration for the development of this tract of land as a class 3 airport. The amount of money necessary for the city to spend, according to their contract with Work Projects Administration, was about $80,000. This included the purchase of the land, the sponsors' contribution, and the engineering fee. The city has cooperated with the Work Projects Administration 100 percent. We have furnished everything that we have been asked to. We have even gone further than our contract agreement. When Work Projects Administration labor became scarce, the city furnished high-school boys to drive trucks. The city paid these boys as, of course, they could not be paid by Work Projects Administration. We have fur-

nished lumber, sand, and other materials, the cost being paid by the city. All of these things being over and above the amounts called for in the contract.

At the present time the field is in much worse condition than if the improvement project had never been started. There was grading done and ditches dug which have not been filled. Before Work Projects Administration started there was 160 acres of this tract that was a usable airport. The field, in the condition it is now, leaves us very little of even the original 160 acres that we may use.

The drain tile is being put in place at the present time, the city having agreed to furnish and pay for the necessary labor. This also is over and above the contract agreement. Work Projects Administration awarded a contract to the Robert Construction Co., of Lincoln, for grading and moving of dirt. The amount of this contract was approximately $101,000. The Robert Construction Co. have moved a great deal of equipment and machinery to Beatrice. They have done very little work. Of course, if their contract is terminated, there will be a large amount of money due them as liquidating damages for which the Government will get nothing in return. They, of course, are rightfully entitled to the liquidating damages as they have been to considerable expense.

We have trained approximately 50 students here in Beatrice under the Civil Aeronautics Authority War Training Service. The majority of these people are now either in the Army or the Navy. We are still training these students, although it is quite difficult with our limited runway.

I am enclosing photostatic copies of some letters received from the Store Kraft Manufacturing Co., of this city. They are large subcontractors under the Cessna Co. As you can see from the letters, they need the airport continually. As a matter of fact, Cessna many times have flown parts and supplies into the Store Kraft Co., and if they had not been able to do this, it would have greatly delayed the program of the Store Kraft Co. in their vital war business.

I am also enclosing information compiled by our engineers showing the summary of the work planned, the work accomplished, and the work yet to be done. This was all approved by the Work Projects Administration.

We are calling upon you to help us in any way that you can to get some other agency to take over and complete this work. We need it very badly. The city has at the present time spent in the neighborhood of $70,000, fulfilling their part of the contract. It does not seem fair to us that the city, having spent their part of the money, that the Government should not complete this project.

Anything that you can do for us will be greatly appreciated. If there is any additional information that we may furnish you, please let us know.

Yours truly,

W. W. COOK,
Secretary, Airport Board.

Mr. Chairman, throughout the weeks and months since the termination of the W. P. A., I have been endeavoring to get some action that would bring about the completion of this important airport at Beatrice. Many contacts and conversations have been had with officials in the C. A. A. and the Army and Navy. Up until now, the Army and Navy have not seen fit to take over this airport or aid in its completion. It is my belief that the C. A. A. wants this airport completed and that their request is now before the Bureau of the Budget.

The city of Beatrice has done everything that they could do. In fact, their expenditures at the present time apparently exceed the amount mentioned in the above-quoted letter of Mr. Cook.

On June 14, Mr. M. S. Hevelone, an attorney at Beatrice, advised me by telegram, "Beatrice fulfilled its part of original contract with W. P. A., including furnishing land, all engineering, and other items, totaling over $80,000. W. P. A. agreed to complete port in three phases but did not complete phase one. Airport in worse condition now than before. Besides, Government defaulted on contract. Beatrice has three industrial plants devoted to war production. One plant working under subcontract with Cessna Aircraft of Wichita. Beatrice port in incompleted condition not usable by men flying here on war work."

State Senator Ladd Hubka of Beatrice has been very active in promoting the Beatrice airport. He, too, advises that the city of Beatrice has done everything required of them and more, and urges that the Federal Government complete its agreement.

Mr. Chairman, in the interest of economy and fair dealing on the part of the Federal Government with these 28 communities having unfinished airports started by the W. P. A., I urge that this Congress, at an early date, take the necessary steps to bring about their completion.

Mr. CANNON of Missouri. Mr. Chairman, I ask to be recognized for such time as I may require.

Mr. Chairman, we are presenting this morning the last of the annual appropriation bills. The pending bill, the second deficiency appropriation bill, closes the appropriation program for the session. We are at last able to approximate in general terms the total amount carried by the annual supply bills for this session of Congress. Of course, it is impossible yet to say definitely just what the amount is, as a number of the bills are still subject to change in the Senate and in conference, but, under the present status, the annual supply bills and the supplemental and deficiency appropriation bills aggregate approximately $111,000,000,000 for the first session of the Congress. An approximate estimate of the permanent appropriations, special and general accounts, not including trust funds, for 1944 is $4,000,000,000. So we reach a grand total at this time, under the present status of the supply bills, of $115,000,000,000 for the first session of the Seventy-eighth Congress.

This is the largest amount of money ever appropriated by the American Congress, with one exception. The second session of the Seventy-seventh Congress appropriated a total of $147,000,000,000. We are falling short of that amount this session by some $32,000,000,000.

And that is as it should be. There is an encouraging note in the fact that the appropriations for this session make it the second largest appropriating session in the history of the Nation. There is reason to believe that it indicates we are over the hump, that the biggest job of getting our production geared to war needs is done, and that we have now reached the point where we have practically completed capital investments. All major factories are built; all major plants are in operation; all patterns, jigs, and dies have been supplied; our personnel has been mobilized and organized. From now on we need production, replacement, and maintenance, as far as we can see now; and from now on, the trend should be to keep producing to the limit. There is heartening evidence in this decrease in appropriations for this session under the appropriations for the last session—that we have passed the turning point in the war. It is an encouraging and optimistic augury. At last we are definitely headed toward ultimate victory. We are winning the war.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Montana.

Mr. O'CONNOR. I hope everything the gentleman has said will prove to be true. If the gentleman has not read it, I should like to have him read in the current issue of Life a description of the Battle of Attu. It will give him a vivid idea of what this country is up against before we lick the Japs, which we have to do.

Mr. CANNON of Missouri. I am very glad to have the gentleman call attention to that phase of the situation. I trust no one will get the impression that victory is either near or easy. While this is an encouraging omen, it does not mean that the war is over or that any material part of the incalculable price has been paid. Anyone who took note of the very informative address made by General Marshall this week, must realize that there are long days of hard and strenuous battle ahead, and that it is to be battles in which we must expect to suffer frequent reverses and severe losses; but we can begin to take heart in the knowledge that the processes of preparation for war are now secure.

We are just beginning to realize, just beginning to catch a glimmer of light on how close we came to tragic and irretrievable defeat. We are beginning to realize that if the enemy full-panoplied, full-armored, ready to the last buckle, had been able to throw his mechanized might against us as against France before our plants were built, our troops equipped, our personnel mobilized, that, regardless of our resources, regardless of the dauntless spirit of the American people, we could not have protected our shores or defended our centers of production.

We are now in a position through the capital expenditures of the last Congress and this where we can be assured we are as well or better armed, as well or better equipped, our armed forces as well trained and disciplined or better trained and disciplined as any force which the enemy can bring against us. From now on our job will be to keep our present plans and factories in production. As a matter of fact, it has been developed in our hearings that we are producing so effectively that we can now turn some small part of our energies and facilities

to civilian needs and divert some of our war plants to the production of materials for civilian consumption. That is one of a number of encouraging conclusions reflected in the substantial reduction in the amount of the total appropriations for this session under the peak appropriations of the last session.

It must be understood, of course, that all appropriations here tabulated, either for the last session or this session, are not devoted to war purposes. In the last session, and in this session, about six or seven billion dollars have been devoted to the maintenance of the ordinary functions of government, including interest on the public debt, which for next year amounts to something like $3,000,000,000; but outside of the six or seven billion dollars in the last session and this session the entire appropriation of $147,000,000,000 for the second session of the Seventy-seventh Congress and $115,000,000,000 for the first session of the Seventy-eighth has been for war.

The second deficiency appropriation bill contains comparatively few items and comparatively small amounts to take care of the ordinary odds and ends of deficiencies that ordinarily appear at the end of a session. We have here appropriations for the Postal Service, the bulk of which is for the pay of personnel, for clerks, for postmasters, and for Star Route Service, and the deficiency is occasioned by the tremendous increase in the volume of mail and to mail carried free for those in the armed forces.

Under the Federal Works Agency we have an appropriation of $7,000,000 to carry on a work-relief program in Puerto Rico and the Virgin Islands from July 1 to November 30, 1943, under the act of June 22, 1943, legislation which came unanimously from the Committee on Insular Affairs. This $7,000,000 is a reduction of $1,000,000 from the $8,000,000 recommended by the Budget in respect to this legislation to provide a stop-gap to take care of unemployment and destitution conditions in the islands, much of which is due to war conditions, and the disappearance of commerce occasioned by our war activities.

Under the Treasury Department we provide $2,700,000 for payment to Panama and the Export-Import Bank on account of Panama's share of the cost of constructing the Chorrera-Rio Hato Highway. When this road was projected the original cost was to be $4,000,000, of which the United States was to pay one and a half million and Panama would pay two and a half million dollars. Panama borrowed her share from the Export-Import Bank at 4 percent interest. The work was to be done by Panama under advice of the United States engineers; but with the coming of the war, and the imminent necessity of prompt defense of the Canal and the locks in Panama and other installations, we took over, with the consent of Panama, the building of the road, changed the specifications, and agreed, for other important considerations, to assume her part of the cost of the road. We here provide for a refund of the part of the amount of the loan which Panama has paid, principal and interest, and to pay the bank the remainder due from Panama on the two and a half million dollars in the original loan.

Under the Civil Service Commission we provide for the Board of Legal Examiners, with which the House is familiar, and for the liquidation of the National Resources Planning Board.

The bill as presented to the House carries a total recommendation of $36,245,360.60, a reduction from the amount of the Budget estimates of $2,255,500, as large a retrenchment as we felt the program could afford.

It is to be regretted that time could not have been afforded for inclusion in this bill of an appropriation to take care of distress conditions occasioned by floods in the Missouri, Mississippi, and Ohio Valleys. Conditions in these sections are so severe that 3 weeks after the first inundation, the Army engineers have not yet been able to make an accurate estimate of the damage or of steps to be taken for alleviation of flood conditions in these devastated valleys. The loss has been very heavy and will be greater unless early assistance can be given to rehabilitate farm facilities and to start production before it is too late to take advantage of the season.

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

Mr. CANNON of Missouri. I yield to the gentleman from Nebraska.

Mr. STEFAN. On the Missouri River flood situation we have no funds for a survey based on the damage done this year, have we?

Mr. CANNON of Missouri. This bill carries no provision of any kind. There has been no time to secure estimates.

Mr. STEFAN. Does the gentleman understand that there is a new section to the new road bill passed in the Senate yesterday providing for some construction of damage done to bridges and roads in the recent flood? Will we get that bill here before we recess?

Mr. CANNON of Missouri. It is to be hoped that some such provision will be provided before the recess. It is the most distressing flood we have had in the Middle West in a generation, and the crest of the flood had not reached the confluence of the Missouri and Mississippi at last report.

The CHAIRMAN. The gentleman from Missouri has consumed 17 minutes.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I was intensely interested in the statement made by my good friend—and he is a good friend—the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON], to the effect that the total appropriations at the last session of the Congress aggregated $147,000,000,000, and that the appropriations for the present session of this Congress had aggregated $115,000,000,000, making a total appropriation for the two sessions of $262,000,000,000 of the taxpayers' money.

On May 27 I placed in the RECORD a statement giving the latest available records on the assessed valuation of each of the 48 States of the Union. That record shows that the total assessed valuation of the 48 States of the Union is $150,000,000,000. I fail to find anything that is very encouraging in the picture. We have passed appropriations for $262,000,000,000 in two sessions of the Congress, and this session is not over yet. That amount is almost twice the assessed valuation of every piece of property, real and personal, tangible and intangible, in the 48 States of the Union.

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

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentlewoman from Connecticut [Mrs. LUCE].

WHAT IS AMERICA'S FOREIGN POLICY

Mrs. LUCE. Mr. Chairman, recently there has been unanimously reported by the Foreign Affairs Committee a resolution, which I hope will be unanimously passed when it reaches this floor. I read that resolution:

> That the Congress hereby expresses itself as favoring the creation of appropriate international machinery with power adequate to establish and to maintain a just and lasting peace among the nations of the world, and as favoring participation by the United States therein.

Since this resolution was reported a number of people, including to my astonishment one or two Senators, have spoken as though the foreign affairs of this country were not the business of this House. I can imagine no conception of foreign affairs which betrays such a complete lack of understanding of what foreign affairs are all about. To talk as though this House had no concern with foreign affairs, is to talk as though foreign affairs were some sort of esoteric parlor game, some pukka-sahib sport, a sort of private political monopoly which has no vital relation to the vital interests of the people. Is this House, then, to raise the most staggering taxes in all history, for a $300,000,000,000 war, and to have nothing to say about what we win when we win that war?

Such indeed seems to be the attitude of a few people in high offices who have always sought jealously to maintain a monopoly of foreign affairs. They have cozened and propagandized the people into thinking that foreign affairs is a delicate abracadabra which the people had better leave to their betters. This is also the doctrine of those who preach a century in which there will be 129,999,000 common men but only 1, or perhaps 2, very, very uncommon men who will do all the thinking about everything foreign for you and for me.

Mr. Chairman, I know, and every Member of this House knows that the future foreign policy of the United States is a matter of profound concern to all the people. To be sure the people are confused about it now. They have been deliberately confused by those who have claimed a monopoly of wisdom in this field. The catastrophe of this war is the very measure of their wisdom. This, the people have begun at last to realize. So, while the people do not yet know what they intend their future foreign policy to be, they do intend to be the architects of it. If, in spite of their

desire to do so, the American people are denied the chance to determine their own foreign policy, there will have been committed the greatest crime that was ever committed in this Nation against government by the people.

It is in response to the demands of the people that their representatives in every branch of government contribute to this task of shaping America's foreign policy by every available means that the Fulbright resolution has been brought before us. Wisely, I believe, it has been determined to postpone the vote until after every one of us shall have had an opportunity to consult again with our people who have sent us here. When we return here, I have no doubt that we shall pass this resolution unanimously.

But though this step is all, perhaps, that we can wisely take at this time, it is only a first step toward an American foreign policy. For actually the Fulbright resolution is only the expression of a national sentiment. And there is a world of difference between sentiment and policy.

My argument is that, even at this late date, America has no foreign policy; that we must shape ourselves a policy soon; and that without a foreign policy we in this House can do nothing in the future with intelligence or success. Without some idea of the shape of American foreign policy, our attempts here to deal with the problems of finance, labor, agriculture, currency, social security, lend-lease, demobilization, rehabilitation of stricken countries, feeding of starving nations, and disarmament can hardly be more brilliant than the attempts of blindfolded children to pin the tail on the donkey.

To show how we may go about getting a foreign policy, may I with your kind permission propose a base point in a true American foreign policy? But let me say one thing, first: I do not care what foreign policy all the American people finally determine—provided they determine it on the basis of the facts. For I know this—and each of you knows it—that after all the argument is done, a policy which stems out of the true character and vital interests of the American people is not going to differ very much from what I want or from what each of you wants, on either side of this aisle.

How then do we proceed from vague verbalisms to concrete decisions? How do we proceed from sentiment to policy?

At the risk of sounding schoolmarmish, let me press the distinction between the sentiments of a nation and its policies, by defining the word "policy" itself. Here the ordinary Webster's Collegiate Dictionary will do. There policy is defined as "procedure based primarily on temporal or material interest, rather than on higher principles; hence worldly wisdom in the conduct of a nation's affairs."

This, Mr. Chairman, is the specific sense in which I use the word "policy." This is also the sense in which it has been used for hundreds of years by statesmen and diplomats whenever they have spoken of any nation's domestic or foreign policy. By historic use, as well as by dictionary definition, the philosophy, the ethics, the morals, the principles, the sentiments of a nation are not the same thing as its policies. Indeed, policy, which is procedure, based on temporal or material interests, in short, procedure based on self-interest, may be at total variance with the accepted principles, or spiritual concepts of a nation. Or it may be in accord. Benjamin Franklin made clear for all time the nice distinction between principle and policy, as well as the great importance of harmonizing them happily, when he said, "Honesty is the best policy."

Policy is, to put it another way, the pursuit of national or international ends by a choice of national means. A wise and honest nation will always demand that the international ends it seeks should be open and aboveboard, just and honorable, and so also should be the means to these ends. That is what Woodrow Wilson meant when he said, "Open covenants, openly arrived at." Secret means, used to achieve secret ends, midwifed by secretive diplomacy are not the ways of a democracy. These are the ways of totalitarian and Fascist powers. These are the ways of dictatorship. And when they are practiced or embraced by democratic statesmen, they are the ways that lead a democracy to its own doom.

Now the effort during the past 40 years of millions of Americans in high places and low to avoid having any foreign policy at all has come to be known in our day as "isolation."

Your extreme isolationist of yesterday was a citizen who believed that his country could develop peacefully and prosperously with nothing but a domestic policy, regardless of the foreign policies of other nations.

At this point let me say, every American realizes that we do have a procedure and do practice a foreign policy toward Canada and Mexico and the Central and South American countries. In short, he has long recognized and accepted the need of stating his material interests in the Western Hemisphere, and pursuing them there intelligently and vigorously. But in the past 40 years the average American had come to feel, for some strange reason, that our thinking about Europe and Asia could stop at the water's edge. And he has twice been doomed to ugly surprises. He is doomed for uglier and even more tragic ones, if he has failed to learn the lesson of two World Wars. I do not think he has failed to learn it. I believe there are few isolationists, by my definition, left in this Nation.

Now it has been noted, I believe, that I am no proponent of "globaloney." But it has not been generously noted that I am equally a bitter enemy of "globlindness", and a stanch friend of "globalliances."

I know, as most of my colleagues do, that the policy of no-policy toward Europe and Asia ignores one hard and woeful fact. All the other nations—European and Asiatic—do have foreign policies. They do assiduously and tirelessly pursue their international ends by the choice of national means. What the isolationists had failed to realize is that all these other foreign nations—both our friends and our enemies, put the United States' foreign policy—which is paradoxically to have none at all—at the very top of their agenda. For example, for a hideous example, the whole foreign policy of the Germans and Japs and the Axis Powers was carefully built and secretly pursued in the justified belief that America would not take the trouble carefully to inspect ultimate Axis aims, and would therefore never realize in time the nature of Axis designs on America. In short, during the past 40 years, our lack of any alert and positive foreign policy toward them allowed them safely to pursue their own toward us. Thus, we see an ugly paradox; our lack of a foreign policy not only became an irritant, a worry, a heartache to our natural allies, forcing them into appeasements and uncertain alliances, but it became a comfort and an encouragement and a very real aid to our natural enemies.

Mr. Chairman, twice in our lifetime America's lack of a foreign policy has discouraged our friends, encouraged our enemies, weakened the forces of peace, fanned the flames of war, and plunged the world into catastrophe.

So isolation has twice proven to be a disastrous attitude for America. But what, you ask, of intervention? If isolation is the lack of an American foreign policy, is what has come to be called intervention the presence of an American foreign policy?

The answer again is an unequivocal No. Intervention, as it also has been twice practiced in our lifetime, is no more of an American foreign policy than isolation. Intervention, both under Woodrow Wilson and under Franklin Roosevelt, was simply the adoption in extremis of another nation's foreign policy. Twice before this isolationist nation, belatedly seeing that its many moral and material commitments abroad and on the high seas were menaced, and its shores therefore ultimately endangered, has been plunged into a world war, prepared neither with war aims nor peace goals, and barely prepared with sufficient arms to defeat those of its enemies.

Neither the avowed interventionists nor the avowed isolationists can conceal the appalling fact of their own paucity of ideas about American international aims. For neither interventionists nor isolationists had any clear pre-war international American policy.

I believe that an American interventionist who adopts lock, stock, and barrel another nation's foreign policy when the threat of war is fully revealed is no more to be admired as an American patriot than the isolationist who denied the need of any policy when the threat of war was not visible. The interventionist is just a renegade isolationist, the isolationist an unconverted interventionist. Neither has honestly thought through his own country's true interests.

Now, let us, since the question of isolation came first, take the so-called foreign policy of the President. Until 1937

Franklin Roosevelt was the world's outstanding isolationist. For years he was famed for his blithe indifference to the oneness of the world in every chancelry in Europe and Asia. His public approval, for example, of Munich is a matter of public record. This administration's isolation from Europe and Asia until, and even after, that very day is a fact that no historian disputes. Hitler and Mussolini thrived and waxed strong in those balmy days of the isolationist New Deal. In those days, too, Hirohito, slowly encompassing the conquest of China, bought the scrap and steel from us with which to beat our only potential ally in the Far East to her knees. And even then Hirohito was planning the conquest of American possessions in the Pacific. Until 1931 America had had a coherent, if not a vigorous, far eastern policy. From then on, under New Deal statesmanship, that policy was allowed to deteriorate slowly but inexorably; a fact that was memorialized by our piled dead at Pearl Harbor.

But after Munich the evil tidings out of Europe and Asia began to swamp the State Department. No President fit for office could any longer ignore them. Slowly, reluctantly, hesitantly, Franklin Roosevelt abandoned his isolation. Little by little, cautiously, compromising always uninformed public opinion with his own bitter State Department information, Roosevelt, the world's outstanding isolationist, became Roosevelt, the world's outstanding interventionist. Which is to say, insensibly he began to adopt another nation's foreign policy. He adopted that of our greatest and nearest and most friendly neighbor—Great Britain. Fortunately, he adopted something, and better late than never. Though, may I point out here, even that policy was never forthrightly adopted by him, but rather thrust upon him at long last by Pearl Harbor and the German declaration of war upon America.

Now, right away you ask, Was Mr. Roosevelt's acceptance of British foreign policy a good thing or a bad thing for the U. S. A.? I want to be quite clear about this. The acceptance of any coherent, functioning foreign policy, long contrived to preserve the material welfare of millions, no, hundreds of millions of people, above all, the acceptance of the foreign policy of a powerful and friendly and kindred nation is far, far better than having none of your own. And Mr. Roosevelt had no foreign policy for America before Pearl Harbor—and he has no foreign policy for America now.

But as we all know, for many divers reasons, many Americans who were against Roosevelt's domestic policy were entirely willing to follow him in so-called American foreign policy. Those who did so for the best reasons were the thoughtful, unselfish, patriotic Americans who wanted above all things for America to be physically safe, not only today, but tomorrow. They knew, in short, their geography. They knew that for purely geographic, utterly materialistic reasons, lacking a foreign policy of our own, the foreign policy of Great Britain was the policy of all those in the world best calculated to preserve America from direct attack. They were the people who also knew that the Monroe Doctrine itself would never have been tenable without the existence of a strong and friendly British Navy. They knew that for time out of mind, the British, who kept the seas open and policed, had coincidentally kept them open for American trade, American defense, American ideas. They knew and saw what people do not yet see clearly enough—though there is nothing whatsoever to keep them from looking at the map—that the British Empire is America's natural buffer state.

As France has stood between England and Germany for centuries, as Poland, Czechoslovakia, and the Balkans have stood between Russia and Germany, so there, my colleagues, on the globe stands the far-flung British Empire between the United States and all its real or potential enemies, in Europe and to some extent in Asia.

We have been attacked by the Germans and the Japs. Where are the great masses of our American troops gathered or fighting? Not on American soil. In Australia, the British Isles, the Near East. We have had to borrow everywhere Empire soil to get at our enemies. Even in the Far East, now that the Philippines are gone, to aid our Chinese allies we must pass for thousands upon thousands of miles through commonwealth land to India. Conversely, if our enemies today or tomorrow want to get at us, they too must always borrow British soil, or first subdue all or parts of the British Empire.

To repeat, with the exception of Japan, there is not one country in this whole world—again I am omitting South America, for obvious reasons—which could get at the United States of America, or at which the United States of America could get without passing over or through some part of the Empire and commonwealth. America's geographical armor, its eternal physical shield are colonial parts or commonwealth components of the Empire and its many Gibraltars. Even Japan had first to dispose of British strongholds in the southwest Pacific in order to secure her lines of attack on our loosely held outposts in the Pacific.

Let us say that mighty Russia might be our next enemy, which I do not for a second believe. Attacking from the polar cap, even Russia would have to pass through, or over, Canada to get at us. Attacking out of Siberia past Japan, striking at Alaska, Russia would still have to go through Canada to reach American heartland. Therefore, Mr. Roosevelt was right, so far as the question of sheer self-defense of the United States of America went, in the early stages of the war to embrace Empire policy and strategy. He saw, as any child who consults his maps can, that if the Empire were to be destroyed America must eventually become physically vulnerable to a score of nations. For yesterday, today, tomorrow this country must always deal with immutable geography. We have the neighbors we have. And this must always make our foreign relations to the British Empire of paramount importance to the United States of America.

Therefore, it is, I think, obvious beyond dispute that the base line of our search for an American foreign policy must be our relations with the British Empire. I believe that the American foundation stone of an American foreign policy ought to be a military alliance, or nonaggression pact, with Great Britain and the self-governing members of the Commonwealth. The high-minded, sincere internationalists, or the deliberate makers of political confusion may talk all they want about world organizations, regional federations, leagues of nations, and other mechanisms of collective security. I submit that in this epoch of history, collective security is meaningless without the firm and clearly established military, as well as economic and spiritual, collaboration of the United States and the British Commonwealth.

Today and tomorrow the question is not paramountly the peace of Europe but of the world. In the world scene, any scheme, however noble in concept, to maintain peace will in the last analysis be no better than the character and clarity of the relationships between the United States and the British Commonwealth.

I speak, at this point, not of a foreign policy, but of the search for a foreign policy, and I say that this search must be enormously speeded up. It is for the people of America to determine their future foreign policy. In foreign affairs, as in domestic, politics is the art of the possible. The American people have a right to know what is possible in foreign affairs and what is not. It is the business of the executive branch of this Government to serve the people. In foreign affairs, as in all else, it is for the President of the United States to be the servant of the people, not their master, and certainly not their Delphic oracle. Let us then call upon the executive branch to serve us and all the people by ascertaining without further delay the broad limits at least within which a permanent alliance with the British Commonwealth may be obtained.

There are, I believe, no insuperable difficulties in the way of an Anglo-American alliance. But no doubt there are difficulties. Some of these difficulties certainly exist in the sphere of our worldwide material, commercial and economic interests, such as currency, aviation, shipping, communications, oil, and so forth. All such questions need not be settled at once, though they certainly should be explored at once. The question to be determined today is whether we and the British are willing to work out these problems in a generous spirit of give and take. Senator LODGE has ably pointed out that all of our allies are definitely pursuing, in their policies, their own material and temporal interests. I do not for 1 minute object to Great Britain pursuing her own interests with vigor and selfishness, so long as she is threatened, and the world is threatened by the possibility of recurrent American isolation. So long as the Government of the United States is not prepared to get down to brass tacks—so long as high officials of this Government continue to make windy words and sentiments and vague principles such as the

"four freedoms," a substitute for the hard but patriotic business of statesmanship, Great Britain cannot do otherwise. Nor can the rest of the United Nations. But if our Government would ever get down to brass tacks, and help to give the American people a clear conception of what are the vital interests and needs of the United States so that we could all agree to our foreign policy—then surely the British Government would, for the first time, be willing and glad to deal with us on the basis of a high regard for our material interests and our spiritual aims of world freedom. I cannot conceive that any government of His Majesty would want to jeopardize the security of the commonwealth or the peace of the world by undue opposition to American interests and ideals. His Majesty's Government would, I am certain, wholeheartedly welcome a Government of the United States which would be able to make plain in sensible, common-sense fashion the continuing and vital interests of the American Nation, in Asia and Europe. Benjamin Franklin might well have said: "Fair play is the best Anglo-American policy."

I have said that policy must be sharply differentiated from principle. Policy cannot always achieve, indeed policy can never wholly achieve the perfect fulfillment of principle. At the same time, when there is too big a gap between policy and high principle, we are plunged into an abyss of moral confusion—the very kind of confusion from which America now so deeply suffers. For instance, either in the vacuum of an American foreign policy, or even with an American foreign policy, the "four freedoms" for the whole world are impossible of application. But implemented by a clear Anglo-American accord, the application of them to many parts of the world, where they do not yet exist, becomes infinitely more possible. In fact in these circumstances we may even be able to achieve the "four freedoms" for the United States of America.

For my part, I believe that the greatest of our principles does not separate us from the British Commonwealth, but rather binds us together: namely, our mutual faith in government by the people, for the people, and of the people, and our determination to maintain it for ourselves, whatever else happens.

The people of the British Commonwealth are utterly devoted to this principle. In the course of two centuries, however, they have acquired the tremendous problem of the application of this principle of self-government to vast areas of the Empire where self-government is not fact nor even, in some cases, an active theory. Today many British leaders tell us they are determined to apply the principle of self-government everywhere in the Empire as rapidly as possible. Certainly the United States ought not to be a party, directly or indirectly, to any unjustifiable delay in the expansion of political freedom for all peoples. But an Anglo-American alliance would, I believe, give great impetus to the expansion of world political freedom.

Finally, we cannot enter into a basic alliance with the British Empire if to do so would provoke the reasonable enmity of or suspicion of other peoples, such as the Russians and the Chinese, with whom, as with the rest of the United Nations, we are also determined to establish enduring relations of fruitful cooperation.

Let me now summarize my argument: In the long and tragic absence of any American foreign policy, vis-à-vis Europe and Asia, Mr. Roosevelt did the "second best thing" when he adopted that of Mr. Churchill. But second best it was, and is, and will be.

Until America finds and proclaims a vigorous policy of its own, our isolationist Presidents, in times of stress and war, will always be faced with either the disastrous choice of letting the British Empire go under at the hands of its aggressors—and our potential enemies—or of becoming interventionists and jumping in at the last desperate moment on Britain's side—and in that scramble of accepting, in a vacuum of all else, Britain's foreign policy, her ways and means of waging war, and her ways and means of shaping the post-war world. For we shall never, never, in material things, or spiritual ideas, be prepared for anything else.

How shall peace finally be brought to the world? By what—to use the words of the Fulbright resolution—"appropriate machinery"? Well, first, by using the machinery of our minds. Let us here in this House make it clear that it will be no longer an advantage to statesmen who wish to remain in power to make America's foreign policy seem exclusive, mysterious, and complicated. The Greeks invented the painless trick of the maze to drive ordinary men insane. It is the trick of politicians in high places today to raise a terrible dust of words about police forces, leagues of nations, world federations and so on, and then to complain that people do not see. It is a trick of these politicians to egg on every man to call his neighbor who is trying desperately to think things through from any American point of view, either an isolationist or imperialist, a warmonger or a pacifist. Let us put an end to this nonsense by proclaiming the simple obvious fact:

What is most wanted in America today are statesmen and legislators who can formulate a clear, honest, all-American foreign policy for the United States of America in Europe and in Asia. I predict that any such clearly announced American policy will at no point come into harsh conflict with the best interests of China, Russia, Great Britain, or any of the United Nations. Once we see this clearly, each of the great nations will give a little and all the nations will gain more. Only in this way will we be able to work out our destinies peacefully at home and abroad.

One more point and I am done: A foreign policy never should be and never can be at odds spiritually or economically with a domestic policy. The same spirit and philosophy that informs one will inevitably inform the other. Laissez-faire tycoonery, economic isolation and reaction at home before 1932 bred the same sort of disastrous American foreign policy abroad. Today "W. P. A.-ism," "poppa-fixism," "mama-do-good-ism" will breed the same kind of American policy abroad—and with inevitably the same results on the foreign scene that it has had on the domestic scene.

Mr. Chairman, I ask you, Where are today's Jeffersons and Franklins and Adamses? Where are today's Monroes and Washingtons? Where are the men who believed in helping those who help themselves? In equal opportunities for all men and all nations? In vigilance being the eternal price of liberty? In America creating its own destiny? Where are the men, such as those I have named, who had both a policy for America and an American policy for other nations, and who put them squarely and honestly and without apology before the people and the world? Where? Where? Well, when they come—and come they will, perhaps on the very floor of this House—they will bring order out of our national and international chaos. They will set an honorable and yet realistic American foreign policy before us, and to that policy we will pledge our words, our honor, and our arms; and having done so, our words will never haunt us, our honor will remain unsullied, and our swords will stay bright in their scabbards—bright and unused.

Mr. J. LEROY JOHNSON. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr. J. LEROY JOHNSON. Out where I live we have a port. For 5 or 6 years before December 1941, out of that port went hundreds of thousands of tons of scrap steel; and the same thing out of San Francisco. It went to Japan, and at the very same time we were shipping those thousands of tons of steel we were befriending, or supposed to be befriending, China. What kind of a policy was that?

Mrs. LUCE. That is the isolationist policy of Mr. Roosevelt which I am presently going to describe.

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

Mrs. LUCE. I yield.

Mr. DONDERO. I have a distinct recollection of the campaign of 1940 when some of us were charged with some of the things the lady is now announcing. Is it not true that even the President of the United States then announced that the boys of this Nation would never fight on foreign soil?

Mrs. LUCE. That is perfectly true and I thank the gentleman for making the point.

Mr. McMURRAY. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. Please let me finish. It is quite true, as the gentleman from Michigan [Mr. DONDERO] says, that in the last election the President out-did Mr. Willkie in telling the people of the United States that their boys would never be put on troop ships and sent overseas. What safeguarded his political position for him at that time was that the insiders all knew he was talking with his tongue in his cheek. Now, it is one thing for a private citizen to talk with his tongue in his cheek, but

it is quite another thing for the President of the United States to talk with his tongue in his cheek, of the whole American people. Mr. Roosevelt was in reality an interventionist talking like an isolationist.

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

Mrs. LUCE. I yield.

Mr. TABER. Is it not true that the President himself became the leading isolationist when he espoused and put through the so-called neutrality bill of 1935 and 1937?

Mrs. LUCE. That is perfectly true, and I thank you for making that point, too.

Mr. BENDER. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr. BENDER. If the gentlewoman will read the New York Times the day after the Munich conference she will find in that paper a statement giving Franklin D. Roosevelt equal credit with Britain and France for having established the peace of the world by enforcing or participating in the Munich conference.

Mrs. LUCE. I thank the gentleman for making still another point in my argument that Mr. Roosevelt has been the world's greatest isolationist in his time.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr LUTHER A. JOHNSON. The statement which the lady made that the President inspired neutrality legislation is not in accordance with the facts. Neutrality legislation was not looked upon with favor by the President and the Secretary of State, as I happen to know. That was an act of Congress.

Mrs. LUCE. The President of the United States for 10 years had this House in the hollow of his hand. There was seldom any piece of legislation he wanted that he could not get here. If he did not at the time inform the people of the United States what an insane policy the Neutrality Act was, then it was because he did not choose then to upset the overwhelming political balance of power which he had in this House.

Mr. LUTHER A. JOHNSON. Let me say to the lady that familiar as I am with the facts, the statement that the President of the United States or the Secretary of State inspired neutrality legislation, is not supported by the facts. I speak as one who led the fight for neutrality legislation, and I was wrong and I have apologized since to Secretary Hull for differing with him upon that very issue.

Mrs. LUCE. The gentleman is a typical example, as the President himself is, of an isolationist, which is to say he was an unconverted interventionist. Conversely, an interventionist is nothing but a renegade isolationist. What America wants are men who have a positive foreign policy for the United States, who will see clearly enough ahead so that they cannot possibly make a mistake about a thing as serious to the United States as the passage of the neutrality act.

Mr. LUTHER A. JOHNSON. Let me say to the lady that if I am guilty of that name, whatever it is, the Members on your side of the aisle voted just as numerously and in just as large proportion for neutrality legislation as those on this side of the aisle.

Mrs. LUCE. The gentleman misunderstands my words completely if he thinks I am supporting either interventionists or isolationists. I say that neither is good for America. Neither has a foreign policy for the United States.

Mr. WRIGHT. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I was very much interested in what the gentlewoman had to say about the period 1932, 1933, and 1934.

Does the gentle lady believe that any one person, no matter how popular or with what authority in this country could have sold the American people the idea we must intervene to protect China or any other country?

Mrs. LUCE. I believe great leaders can sell the people anything. I believe that great leaders have in times gone by sold the American people great new forceful ideas; I believe Thomas Jefferson was such a leader; Washington was such a leader; Abraham Lincoln was such a leader. We have had them in history before. And when we have again men like Monroe and Jefferson, men who have both a foreign and domestic policy for the United States of America, and when that day comes people will fall completely unified behind such a leader.

Mr. KNUTSON. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it not true that the present administration has no foreign policy to sell to the people?

Mrs. LUCE. Precisely; you have made the very point my whole argument is based on. This administration never has had a clear foreign policy.

Mr. SCOTT. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield to the gentleman from Pennsylvania.

Mr. SCOTT. Does the gentlewoman have any hope that the President will announce any foreign policy until about 2 weeks or so before the election in November of 1944?

Mrs. LUCE. It is to the interest of those in political power today to keep a monopoly on foreign affairs. The Greeks invented the maze, a very painless way of driving a sane man insane. It is therefore certain that this administration will not reveal its foreign policy, if any, before election, but will rather, induce the American people to lose itself in a maze of terms like collective security, world federations, regional federations, and so on, so that the people will become so confused that they will believe no one but the President can show them the way to go home.

Mr. O'CONNOR. The distinguished gentlewoman has frequently referred to isolationists and interventionists. I think those terms are largely inspired terms. I do not think there was such a person in the United States as an isolationist so far as war was concerned.

Mrs. LUCE. Peace, sir, is not a policy; peace is an expression of hope.

Mr. O'CONNOR. Pardon me just a minute, may I continue?

Mrs. LUCE. Is the gentleman asking a question?

Mr. O'CONNOR. Yes. I now propound a question: If a man believes in trade and friendliness and neighborliness with foreign nations but if he did not want to participate in war would the gentlewoman call such a person an isolationist?

Mrs. LUCE. Certainly not. I did not want to get into this war; the gentleman from Montana did not want to get into this war; even Franklin Roosevelt did not want to get into this war. If that was isolationism, then we were all isolationists and, so long as we hate war, will continue to be.

Mr. O'CONNOR. If the gentlewoman will permit me to continue with just one further observation: In the campaign of 1936 the President of the United States made this statement: "We are not isolationists; none of us are except insofar as war is concerned." Would you call him an isolationist at that time?

Mrs. LUCE. The man who sent the message of congratulation to Chamberlain at Munich was an isolationist—by my definition he had no American foreign policy. The man who said that America could stay out of this war and that he would keep this country out of this war in the face of the information that was piled up in his own State Department—I refer you to Mr. Hull's own white paper on the subject of the inevitability of war with Japan—was an isolationist; he had no positive American foreign policy.

Mr. KEFAUVER. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr. KEFAUVER. I remember with much interest the statement of the distinguished gentlewoman when she made her first speech on the floor of the House to the effect that Mr. Churchill and President Roosevelt could not agree on a foreign policy until they knew what was in the mind of Joseph Stalin.

Mrs. LUCE. I should think they should no longer be in doubt.

Mr. KEFAUVER. Has the gentlewoman any reason to believe now that they knew what was in the mind of Joseph Stalin, or if she knew what was on his mind which makes her think that they can now enter upon a foreign policy?

Mrs. LUCE. It was and is of the utmost importance that Mr. Roosevelt should have sought and should continue to seek what is in the mind of Mr. Stalin. I believe without any reasonable doubt he knows now what is in Stalin's mind. From here out he can proceed to act in the formulation of a policy toward Russia.

Mr. RANKIN. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr. RANKIN. I understood the gentlewoman to say a few moments ago

that Thomas Jefferson had a sound, definite foreign policy; is that correct?

Mrs. LUCE. That is correct.

Mr. RANKIN. Jefferson expressed that policy in his first inaugural address in these words:

> Peace, commerce, and honest friendship with all nations; entangling alliances with none.

Is that what the gentlewoman alludes to?

Mrs. LUCE. That is quite correct. I do not wish any entangling alliances with any foreign country that are not alliances based on the physical security of the United States.

Mr. RANKIN. I am a Jeffersonian Democrat and, of course, I agree with his views as expressed in that historic address.

Mrs. LUCE. The British Navy is the one thing that made Jeffersonian internationalism, and later the Monroe Doctrine, possible.

Mr. ANDERSON of New Mexico. Mr. Chairman, will the gentlewoman yield?

Mrs. LUCE. I yield.

Mr. ANDERSON of New Mexico. I am trying to reconcile the gentlewoman's statement with reference to a military alliance with her answer to the gentleman from Mississippi when she said——

Mrs. LUCE. Does the gentleman consider that our relations with South America are entangling alliances? That our relations with Canada is an entangling alliance? Is that the gentleman's suggestion?

Mr. ANDERSON of New Mexico. I am trying to find out the type of alliance the gentlewoman desires with Great Britain.

Mrs. LUCE. I would encourage the exploration of a nonaggression pact with Britain, which is our natural buffer state. Look, please, at the map; and remember at the same time this is an air world we are living in, and that in future we shall need to surround ourselves with as wide a margin of physical protection as we can.

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

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman from New York yield me 5 minutes?

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Chairman, the distinguished gentlewoman from Connecticut [Mrs. LUCE], who always comes prepared with beautiful and devastating phrases based largely upon her own views and frequently unsupported by logic or facts, has just entertained the House with one of her clever addresses. Unfortunately, I did not know that she was to address us upon this occasion on the subject of our foreign policy and only came in the Chamber while she was in the midst of her address. I can only secure 5 minutes of time, but I do want to consume that 5 minutes, if I may, in correcting, if I can, some of the unjust criticisms and some of the illogical statements based upon conclusions which are not justified by the record.

It is easy for one who has not been a Member of the House until this session and who has never voted upon any measures coming up in the House during the past 10 years, like the distinguished gentlewoman, to be free to criticize all votes because she has no record to commend or to condemn. Had she been a Member of the House for the past 12 years, during that critical period through which we have been passing and had served upon the Foreign Affairs Committee in the House and had seen these various transactions unfold themselves, she would not have made some of the statements which she made here today.

I think she was rather unfair and manifested a spirit of extreme partisanship when she leveled her criticisms at the President of the United States, Franklin D. Roosevelt, and his great Secretary of State, the Honorable Cordell Hull. It is easy to criticize; it is difficult to construct. The question of a foreign policy is not a static thing, just as the domestic policy is not static. Domestic legislation and domestic policies depend upon conditions existing in a country at the time, and our foreign policy just as naturally rests upon conditions that confront us abroad. None of these great leaders of the past of whom she has spoken ever had an inflexible domestic or inflexible foreign policy. The foreign policy has always had to depend upon the conditions existing throughout the world at the time.

I resent the charge or the implication that Franklin D. Roosevelt and Cordell Hull are responsible for this war. On the contrary, they have both done everything within their power to prevent it and I dare say that the historians of the years to come will not point, as the lady did today, the finger of guilt to them as being responsible for this great global war.

Mrs. LUCE. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. For a question. What has the lady on her mind?

Mrs. LUCE. I wish to know if the gentleman misunderstood me? Does he think that I blamed one man for the isolationism of the whole country? I do not think I blamed the President alone. The almost unanimous attitude of Americans for 40 years has been isolationist.

Mr. LUTHER A. JOHNSON. The lady does not blame the President alone then?

Mrs. LUCE. Definitely not.

Mr. BRADLEY of Pennsylvania. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. Yes.

Mr. BRADLEY of Pennsylvania. I wonder if the gentle lady is aware of the fact that only 27 Members of her own party voted for the lend-lease bill?

Mr. LUTHER A. JOHNSON. I thank the gentleman from Pennsylvania for that reminder and I was going to say something in that connection, which brings to my mind this: She condemned the neutrality legislation as being responsible for the war, but I call her attention to the fact that when we voted to repeal that neutrality legislation, when that became necessary by reason of conditions abroad it was the Members on her own side of the aisle who tried to defeat it and we had to depend on this side for the votes to do so.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mrs. LUCE. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentlewoman from Connecticut.

Mrs. LUCE. Does the gentleman again misunderstand me? Does he think I was defending Republican isolationism? Because, if he does, I want to correct him. I am against and was against both the isolationists and interventionists—neither of which had a foreign policy—on both sides of this aisle.

Mr. LUTHER A. JOHNSON. The lady not having been here, we do not know how she would have voted. It is very easy for her to criticize now the votes of others who were here when we voted upon many measures affecting our foreign policy.

Talking about isolationism, when did isolationism begin? It was back in 1920 after that great leader of ours, Woodrow Wilson, left the White House, and Harding and the Republican regime came into power. Aye, it began even before that, when the Republicans in the Senate, aided by a few isolationist Democrats, turned down Wilson's request that we become members of the League of Nations and the World Court, and I doubt very much today whether the world would be at war if this country had not turned its back on Wilson's leadership and his plan to preserve world peace. I want to remind the gentlewoman that in my opinion one of the reasons responsible for this war and which helped to produce it was the disarmament conference under the Harding administration when the other countries of the earth scrapped their blueprints and we scrapped our ships and found ourselves without a Navy sufficiently large to make the Axis Powers respect us. That was not caused by Franklin D. Roosevelt or Cordell Hull.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the distinguished minority leader.

Mr. MARTIN of Massachusetts. To be accurate, historically accurate, what does the gentleman have to say about this last World War having been started by the peace of Versailles? That was framed by President Wilson. There is where it started.

Mr. LUTHER A. JOHNSON. No; I have no such delusion, I do not think that this war started by the Treaty of Versailles. That is the reason Hitler gives, but I do not accept his alibi as the cause of this war.

I want to talk a little about this neutrality legislation because I do know something about the history of that legislation. I was chairman of the subcommittee that framed the first bill upon that subject and I know the attitude of Secretary Hull and I think I know the attitude of President Roosevelt with reference to it. It was not recommended

by the President to the Congress or submitted to the Congress by him. The Congress, and not the President, initiated it and passed it without any nod from the White House. I do know that Secretary Hull was against it, and there was considerable doubt at the time whether or not the bill would be signed by the President after we passed it.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I think I had better not yield to anybody now. I wanted to talk a little more about this neutrality legislation, because that has been injected into the debate. Inadvertently I said campaign instead of debate, and my friends on the Republican side, by their laughter and applause, indicate that they recognize the speech just made by the gentlewoman from Connecticut as being a part of a political campaign, and it was evidently made for that purpose.

Mrs. LUCE. Mr. Chairman, will the gentleman yield for a question?

Mr. LUTHER A. JOHNSON. At the gentlewoman's insistence.

Mrs. LUCE. Will the gentleman, for the remainder of his time describe quite clearly and simply what he thinks the foreign policy of the President of the United States is?

Mr. LUTHER A. JOHNSON. I am not going to be diverted by the lady's telling me what to talk about. I am going to choose my own subject, and talk in my own time. On some other occasion when my time is not consumed in answering a speech of the gentlewoman, I will be glad to discuss at length the foreign policy of this administration.

What I was starting to say was that the neutrality legislation was conceived as being legislation which was designed to keep us out of war and keep other countries from going to war. That was the whole inspiration on which it was based.

As I said a moment ago, I was one of those who so believed and supported it. I believed that we should set an example for the rest of the world by refusing to sell arms so that they might follow our example and we might thereby encourage peace and prevent war. But I am convinced now, and I say to the distinguished gentleman from New York [Mr. WADSWORTH] who was here a moment ago, and who led the fight against the neutrality legislation, that he was right and I was wrong. It is not a popular thing to admit that you are wrong, but in the light of subsequent history I want to say that that legislation, in my judgment encouraged rather than discouraged the Axis Powers in bringing on the war in which we are now engaged. They interpreted it as a license from us—that they could rob, murder, and pillage, and attack the rest of the world and we would do nothing about it. And that after they destroyed the rest of the world they could then destroy us. Republicans and Democrats both voted for it. It was enacted by Congress not at the instigation of the President or his Secretary of State.

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

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 additional minutes to the gentleman from Texas.

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

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I know the gentleman has an intimate knowledge of the neutrality legislation. The gentleman will recall that in the fall of 1939, after war had started, we were called into special session to change our neutrality law.

Mr. LUTHER A. JOHNSON. I remember the Vorys amendment, too.

Mr. VORYS of Ohio. The arms embargo repeal was involved. Let me remind the gentleman what the President's attitude was on September 21, 1939. In his message he said:

> The step I recommend is to put this country back on the solid footing of real and traditional neutrality.

Mr. LUTHER A. JOHNSON. The gentleman can put it in the RECORD. I am not going to take all my time letting the gentleman read the RECORD. I decline to yield further.

Mr. VORYS of Ohio. He said he was for neutrality.

Mr. LUTHER A. JOHNSON. By traditional neutrality, the President meant the kind that we had before we passed the neutrality law.

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

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Tennessee.

Mr. KEFAUVER. I wonder if the gentleman recalls the vote on the Republican side on the repeal of the arms embargo when we came back in September 1939 for a vote on that issue.

Mr. LUTHER A. JOHNSON. Yes; I remember it. I was in there fighting for its repeal and a large majority of the Republicans voted against the repeal of the arms embargo, as they did against all bills to modify or repeal any part of the neutrality law. Many Democrats and many Republicans may have made a mistake in enacting the neutrality law back in 1935, but many more Republicans made a greater mistake when they voted against its modification or repeal when the storm clouds were breaking over Europe. While it was a mistake to pass the neutrality law in 1935, if we had repealed it or modified it before the European war began, it would have done much to have averted the present global war. Those who prevented its repeal or modification before the war began erred far more grievously than those who originally enacted it.

On June 30, 1939, 2 months to a day before Germany invaded Poland, the House voted on the repeal of the arms embargo of the neutrality law and failed to repeal it because an overwhelming majority of the Republicans voted against its repeal.

The President felt and Secretary of State Cordell Hull felt that if we could repeal that arms embargo before the war started in Europe it would be notice to Adolf Hitler and to the Axis Powers that these countries who were attacked could secure arms from us, and Congress was urged by the President so to do.

We had that session here which I well remember. Unfortunately—I say unfortunately, I think tragically unfortunately—we failed to repeal the arms embargo in June 1939, and on September 1 Hitler invaded Poland and the World War began. I have always felt that if the Congress of the United States had at that historic session on June 30 repealed the arms embargo it would have given notice to Adolf Hitler and to his cohorts that we were not going to hold ourselves aloof, and that countries that were attacked could come here and get munitions with which to defend themselves, and Hitler might not have invaded Poland, and the present war would have been averted. The special session of Congress, after the invasion of Poland, did repeal the arms embargo, but it was too late to prevent the beginning of hostilities in Europe.

Mr. Chairman, I say in the light of history, in the light of what has happened in the last 10 years, in the light of the history of our country and its relations with other countries, no one familiar with the facts and with the events as they have happened can criticize the President of the United States as not having done all that he could to keep us out of war and to help win it after we were attacked.

I do not believe in all of the domestic policies of Franklin D. Roosevelt, and have not supported all of his domestic policies with my vote, and on his domestic policies I think he has made mistakes; but I say to you, and this is what I have said many times elsewhere, that on foreign policies throughout this crisis, President Roosevelt and Secretary Hull have been right 100 percent, and the verdict of history will so record.

REPUBLICAN FOREIGN POLICY

Mr. WEISS. Mr. Chairman, the distinguished gentlewoman from Connecticut, in a well-prepared address and in her usual suave manner, opened the 1944 Presidential campaign with a somewhat related rear attack upon the President of the United States. She found considerable criticism with his foreign policy, or his lack of foreign policy.

But somehow or other the leading newspapers of this Nation—many of which opposed the President on the domestic front—supported his foreign policy. Our distinguished colleague from New York, JAMES W. WADSWORTH, a Republican, but an outstanding American, has been one of the greatest supporters of the President's foreign policy. Certainly President Franklin Delano Roosevelt pledged to all Americans that he would make every effort to keep America out of war. As early as 1938, the President warned America of totalitarian dangers. In 1939 he again warned us of the danger of Germany and Japan. He was called a war monger and an interventionist by Republicans and by some of the press of the Nation. Reference to the CONGRESSIONAL RECORD will clearly establish to the satisfaction of the gentlewoman from Connecticut who favored and who opposed preparedness. Apparently in 1939 the gentlewoman

from Connecticut must have been in China or somewhere on one of her many international sojourns—unaware of the solid isolationism of her own Republican Party.

Let us look at the record of both major parties since Congress sensed the danger of impeding war. Let us see how the Democrats and the Republicans voted to prepare America:

June 30, 1939: House Joint Resolution 306, Neutrality Act of 1939, passed the House 201 to 187. One hundred and seventy-five Republicans opposed this measure.

September 7, 1940: House Resolution 10132, a bill to protect the integrity and institutions of the United States through a system of selective compulsory military training and service—selective service—passed the House 263 to 149. One hundred and thirty Republicans opposed this measure.

February 8, 1941: House Resolution 1776, a bill to further promote the defense of the United States—Lease-Lend—passed the House 260 to 165. On this measure, considered the most important of our entire foreign policy, 137 Republicans voted in opposition.

October 17, 1941: House Joint Resolution 237, a joint resolution to repeal section 6 of the Neutrality Act by permitting arming of merchant ships, passed the House 259 to 138. One hundred and twenty-eight members of the Republican Party opposed this measure.

November 13, 1941: House Joint Resolution 237, a joint resolution to repeal the Neutrality Act of 1939, passed 212 to 194. One hundred and seventy-six Republicans opposed this important measure less than a month before Pearl Harbor.

In view of this conclusive record of Republican isolationism, the very partisan address by the gentlewoman from Connecticut, opening the 1944 Presidential campaign, sounds like some more "globaloney."

Let me remind the charming lady from Connecticut that when she "aired" her first "supremacy of the air" address, she stated then that we—Great Britain and the United States—should not formulate or embark on any foreign policy until we knew what was on Joe Stalin's mind, and in that premise she was absolutely correct. Let's move slowly on any new foreign policy. Let us try to make it as flexible as possible, depending on the day-by-day turn of world events.

The gentlewoman's endorsement of the Fulbright resolution to which I heartily subscribe was the sole bright spot of an otherwise ill-timed address.

For 4 years, I was the quarterback of the football team of my university and real generalship demanding instant decisions necessitated by the game's circumstances meant the difference between victory and defeat. It is easy to find fault with the plays called or strategy used by the quarterback the day after or the following Monday morning by the sideline all-American. In my opinion, the gentlewoman's criticism of the President's foreign policy sounded like "Monday morning quarterbacking."

The gentlewoman from Connecticut would certainly be making a greater contribution to the war effort if she and the Republican Party which she represents, would rally behind one of the greatest leaders of all time comparable to Washington, Jefferson, Lincoln, and Wilson; yes, President Franklin Delano Roosevelt, the Commander in Chief of all Americans—Republicans as well as Democrats.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, I am sure that the gentlewoman from Connecticut [Mrs. LUCE] will feel indebted to the distinguished gentleman from Texas [Mr. LUTHER A. JOHNSON] because he has confirmed her thesis that the President has no foreign policy, the gentleman from Texas having stated that the foreign policy of this country during the last 8 or 10 years had to change as conditions changed. I take it that the policy of opportunism as enunciated by the gentleman from Texas [Mr. LUTHER A. JOHNSON] is still the foreign policy of this Government, changeable, variable, turning with each wind of public opinion, and that we still have no foreign policy. The symbol of such a policy should be represented, not by the American eagle, but by a weathervane. I am glad, as I say, that the gentleman from Texas confirms the gentlewoman from Connecticut.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to make some comment with reference to an item which is carried in the bill on page 7, and which has to do with Puerto Rico, and after all of this discussion on international affairs, perhaps we can go back to one of the milk bottles that is on our own doorstep, from a continental standpoint. On page 7 of the bill we have an item of $7,000,000 which the committee has recommended that we provide, with which to carry on the Federal Works Administration program in Puerto Rico and the Virgin Islands, during the period beginning July 1, 1943, and ending with November 30, 1943.

A committee from this House, under a resolution of instructions passed by the House, has just returned from Puerto Rico, and that committee will in due course file, for the benefit of the House Members and the interested public, a committee report. Of course, I shall not at this time attempt to give a report for the committee, but my only purpose in coming before you at this moment is to discuss rather briefly and in a preliminary manner, this item of $7,000,000 and the course that this Congress may have to follow on this particular part of our relief program, as related to those two areas, beginning next December 1, because this appropriation expires as of November 30, 1943. You gentlemen may wonder how the $7,000,000 got into the bill. The Puerto Ricans asked for $50,000,000, $25,000,000 to be spent during the coming fiscal year, beginning July 1 next, and $25,000,000 to be spent during the following fiscal year. That request came before the Insular Affairs Committee of the House at about the time we were prepared to go to Puerto Rico for this investigation, and it was the judgment of the committee that the $50,000,000 should not be provided before the investigation was made. So there came to that committee a recommendation for $8,000,000, to be used during the coming 5 months, and to prevent the destruction, we will say, of the Public Works Administration in Puerto Rico and the Virgin Islands.

I understand there was a division in the Committee on Appropriations with respect to whether this $7,000,000 should be left in the bill, so I want to give a few thoughts on the whole program.

Puerto Rico has about 1,800,000 people who came under our control after the Spanish-American War. The Virgin Islands are some 1 or 2 hours travel distance from Puerto Rico by air. We purchased the Virgin Islands from Denmark in 1917 as a matter of national defense. In those 3 islands there are about 26,000 or 27,000 people. On 1 island there are 12,000 or 13,000 people, on another about 700, and on another about 13,000. It is my frank, blunt opinion that our program as related to the Virgin Islands has operated to turn the entire economy of those islands into a ball of wax. When I say we, I mean the Congress and the administration. How that is to be "unballed" and put back into order I do not know. The Virgin Islands are included in this bill, and in this $7,000,000 item. I make that observation because unfortunately the amount that is to go to the Virgin Islands is not segregated, and in my opinion the Virgin Islands is in a different world to that of Puerto Rico, from the standpoint of nature, from the standpoint of production, and from the standpoint of present economic conditions. Puerto Rico has a budget which is divided into three general heads—what is called the general fund, and the special funds, and the trust funds. The total revenue that will flow in under all of these funds during the coming fiscal year will perhaps approximate $70,000,000 or maybe $75,000,000. There is a population as I say of about 1,800,000 people. This side of Puerto Rico, and largely under our jurisdiction, is the country of Haiti, with about 4,000,000, with a budget which will probably run $5,500,000, during the coming fiscal year, maybe $6,000,000. Note the comparison there—4,000,000 people with a $6,000,000 budget, and 1,800,000 people with a $75,000,000 to $80,000,000 budget. What are doing to Puerto Rico when we supplement budgets like that with $7,000,000 for 5 months or $25,000,000 for a year, or with an average, say, of about $30,000,000 for the past 10 years?

What have we done to the Puerto Rican people? After I have read the investigating committee report I will have something to say about that. Do we wish to give the Puerto Rican people this $7,000,000, and through this debate indicate to them that at the end of this 5-month period they may not receive any more from us while present conditions continue; or do we wish to leave

the record in such shape as to lead the Puerto Rican people to believe that when this $7,000,000 is exhausted and the 5 months have expired they will receive another $18,000,000 to carry them through the remaining part of the fiscal year and which, added to this $7,000,000, will give them the $25,000,000 they asked for before the committee went to Puerto Rico?

Those are basic questions with which we should deal and about which we may wish to say something in this debate in the final disposition of this $7,000,000.

At the present time, as the Appropriations Committee, the Naval Affairs Committee, and the Military Affairs Committee particularly know, the Federal Government is releasing into Puerto Rico an enormous flow of dollars. Do you want to make your appropriations for public works after the Army and Navy cease to turn these many million dollars loose, or do you wish to supplement this fantastic budget with the Federal expenditures by the Army, the Navy, the Marine Corps, and the Coast Guard, and, in addition, give appropriations such as this bill carries? That is something for us to think about.

Here is another thing that enters into this proposition: As many of you no doubt know, the distillery industry in this country has ceased to manufacture intoxicating liquors. That means to say that insofar as boats are made available the West Indies—Cuba, Puerto Rico, Haiti, Santo Domingo—and some of the other countries down there will have access to the intoxicating-liquor market in this country up to their capacity to produce. Puerto Rico is in an unusually favorable position to produce rum and ship it to this country. The boys who like rum tell me it is a pretty good product. As the rum flows out of Puerto Rico it creates an export tax. For the month of May, I was informed this tax exceeded $2,000,000. Mr. Tugwell estimated it would probably be $10,000,000 to $12,000,000 for the coming fiscal year, and the largest rum manufacturer down there, who produces a product under the name of Bicardi, told the committee that with favorable shipping he thought it might reach $25,000,000 a year. That is a very unusual and a very peculiar position in which Puerto Rico finds herself at this particular moment from a revenue standpoint. Do we want to go further and supplement the income of Puerto Rico with appropriations of this nature, with Puerto Rico benefiting by the heavy flow of export taxes on rum? There is something else we must think about and that is the increased income from new taxes.

You have down there four or five basic crops—sugarcane, coffee, tobacco, coconuts, and rice. Every man who is attempting to farm in Puerto Rico is competing with the Federal Government through the W. P. A., the Army and the Navy, the Marine Corps, and these other agencies, in an effort to obtain labor to carry on his agricultural operations. That is something for us to think about.

Mr. CANNON of Missouri. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CANNON of Missouri. The official report shows there are 250,000 unemployed employables in Puerto Rico today; that of those 250,000 the W. P. A. is at this time employing 41,000, and this appropriation will permit the continued employment of that number. So, even subtracting the 41,000 provided for by the amount in this bill, there are still 209,000 unemployed employables in the island who are available for employment by any farmer who wants farm labor.

It was further shown that W. P. A. refuses to employ anyone who can get a job anywhere else. If any man is offered a job, and refuses to take it, they promptly fire him from W. P. A. employment. The W. P. A. officials took up the matter with the industries and asked them how many men of those on W. P. A. rolls they could use. They told them they could use 100—100 out of 41,000. So, I am puzzled by the gentleman's statement that the employment of these 41,000 is drawing labor from private industry, when there are 209,000 who cannot get any kind of a job at all and, in addition, W. P. A. offers the entire 41,000 on its rolls to local industry when needed.

Mr. CRAWFORD. Mr. Chairman, I certainly am not going to dispute what the distinguished chairman of the Committee on Appropriations has just said, but I call attention to the fact that he is now speaking about the official report which has been given to him. In other words, these figures he is giving are not his figures, as I understand him.

Mr. CANNON of Missouri. No; they are not my figures. They are official figures compiled on the basis of a local census. I wondered if they agreed with the gentleman's figures. Did the gentleman get any figures down there which indicated that the official figures were incorrect or inaccurate? If so, will he let us have that evidence?

Mr. CRAWFORD. Our report, practically all of which was taken in the form of sworn testimony, will not squarely support the report which was given to our committee before we went down there and which undoubtedly has been given to the Committee on Appropriations. Conditions have radically changed with the improved shipping situation.

Mr. CANNON of Missouri. Does the gentleman say there is no unemployment on the islands? And what does he say to the statement that W. P. A. asked local industry to estimate how many men they could use, and they said they could use 100 men—100 out of 250,000.

Mr. CRAWFORD. I would not say there is no unemployment there. I would say there is unemployment there, and I will make the further statement that as long as we pour these millions of dollars into this island there will be more unemployment, because the Federal dollars which come in siphon people down from the hills into the cities and reduce them to a life in as nasty and degraded a slum area as you are likely to find anywhere, with tuberculosis, gonorrhea, and syphilis and all that goes along with it. They come down there from the hills and squat and live as best they can.

And knowing they can get a few relief dollars, why, certainly, many refuse to stay up in the hills and work, and this drift that I refer to runs all through the operation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. I yield to the gentleman from Michigan 5 additional minutes.

Mr. CRAWFORD. Of course, we can rely on the record. The record will show, and there are other members of the committee here who were down there with me and who are on the floor now, who can give you the facts about this situation. We went into the facts, and the record will show that men are taken away from sugar and coffee plantations for public-works projects. I went out into the country just to ascertain for myself, and I found that at a 1,500-foot elevation there were about 340 acres of land, with 28 coffee plantation houses on it. I talked to a man there and asked him why men were not working on it, and he said they are working down in the valley on a works project; working on public roads that you came over awhile ago. I saw them at work but I did not know what specific project they were working on or what farm they were from.

You can go down there now and study the sugarcane operation and you will find sugarcane is left in the field uncut, and at the end of next month, July 1943, that will be true, and it is left there because the Work Projects went in there and absorbed the sugarcane workers, took them away from the particular fields.

There is no question about that. I made it my business to go out and visit on some of the farms and plantations throughout the country to see them with my own eyes, so I do not have to take any official record.

Of course, we have got the testimony from the farmers; their testimony is in the record, and the record will speak for itself.

That does not mean to say that the farms will absorb all these people, but here is the fundamental point I am raising, which I fear we are about to overlook. Do we at this time, with reference to this $7,000,000, wish to further a plan of putting more revenue into the Puerto Rican hands and thus encourage additional waste and graft and extravagance and experimentation, or do we at this time, by serving warning that we will leave the $7,000,000 in the bill, but that, beginning in December next, we are going to insist that they use some of their own funds. In other words, we will leave the $7,000,000 in the bill, but when the committee has completed its report and when we come back here next fall, we will have to revamp the whole program, or, because of the few remarks that we are making here today, give them a warning in questioning this proposal, that we are looking into a new policy with reference to Puerto Rico which we have never had in mind prior to today.

I am worried more about the domestic situation; there are others who can wor-

ry about international affairs, but I am for protecting the United States and its Territories, organized or unorganized, first, last, and all the time, and take care of the balance of the world thereafter if we feel able to do so.

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

Mr. CRAWFORD. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. I would like to ask the gentleman—and I am asking purely for information. I have the highest regard for the gentleman. He has just returned from the island, and we want to get all the facts we can. I would like to ask him two questions. He mentioned graft just now. Does he charge the W. P. A. down there with graft?

Mr. CRAWFORD. I charge that in this whole operation, without any hesitation whatsoever, that in the administration of these amounts, the Congress, through the support that goes to Puerto Rico and to the insular government in Puerto Rico in connection with this whole problem, is a party to the graft that runs through the entire operation financed by Federal and insular funds for all activities.

Mr. CANNON of Missouri. Just a second. May I ask if the gentleman will elaborate, in the extension of his remarks, and explain in what specific manner he says graft exists. That is a serious charge and should be itemized. We cannot lightly charge General Fleming's administration of graft without being able to prove it. It is the gentleman's public duty to tell what graft he found, if any.

Mr. CRAWFORD. No; we will let the committee report cover that, along with the testimony presented.

Mr. CANNON of Missouri. May I ask the gentleman to enlarge on it? He surely has not made so grave an indictment without being able to prove it.

Mr. CRAWFORD. Let the official record and report speak for itself. I am willing to stand on that.

Mr. CANNON of Missouri. But as the gentleman knows it does not speak for itself. It does not charge graft, but the gentleman does. If the gentleman will not answer that question, may I ask this one: Is the gentleman in favor of the appropriation of the $7,000,000 or does he oppose it?

Mr. CRAWFORD. At the present time?

Mr. CANNON of Missouri. Yes; at this time in this bill.

Mr. CRAWFORD. I am in favor of it on this condition: That if this debate serves warning on Puerto Rico that from here on we are going to expect them to take funds from their own treasury; yes.

Mr. CANNON of Missouri. I am glad to hear the gentleman say that he favors the appropriation of the $7,000,000 as provided by the bill.

Mr. CRAWFORD. If they are going to take warning from this that we are going to expect them to help support themselves as a part of their own domestic economy, I am willing to let it go through, but otherwise not.

Mr. CANNON of Missouri. That is what I wanted to know—if the gentleman, after visiting the island, is willing to support the $7,000,000 until the Committee on Insular Affairs, of which he is a member, has presented its report on permanent legislation.

Mr. CRAWFORD. I am bringing this up for discussion at this time to get the House thinking on the whole subject.

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

Mr. CRAWFORD. I yield.

Mr. CHURCH. Does the gentleman really believe in his own heart that any substantial good can be given to Puerto Rico with this money as long as the political philosophy of the present administration down there, meaning Tugwell's philosophy if you please, persists? In his own heart does he believe it?

Mr. CRAWFORD. I am not going to make a political discussion out of this matter. What I am dealing with here is how far do we propose to subsidize the Puerto Rican treasury in addition to the great military expenditures we are now making, along with the enormous flow of income which is coming into the insular treasury by reason of these situations to which I have referred.

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

Mr. WEISS. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD following the address of the gentleman from Texas [Mr. LUTHER A. JOHNSON].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Chairman, I have listened with the greatest interest to the remarks of my distinguished colleague from Michigan, for whom I have the greatest respect. It has been my honor and pleasure to serve as chairman of the subcommittee of the Committee on Insular Affairs which recently went to Puerto Rico to investigate conditions there and I want to take this opportunity to thank every member of that subcommittee for the splendid cooperation they gave in every manner. I think if there has ever been a committee that worked without any partisan feeling it has been this committee. We did not know whether we were Republicans or Democrats; we went down there and tried to do our duty as Members of this House to get all of the pertinent information as to what was going on there in order that we might come back and in due time make a report and give Congress the real facts so that this Congress might exercise its judgment as to what is the best legislation to pass with reference to Puerto Rico and its effect upon the United States as well as Puerto Rico. I wish I had a longer period of time in which to outline the situation.

With reference to the $7,000,000 item which is before us today I think we ought to leave that in the bill as it is; I think we ought to pass that item, and I will tell you why: There has been some question as to whether or not funds were improperly used or whether there was graft exercised in their use. I think the distinguished gentleman from Michigan who just spoke will agree with me that there was no evidence of any graft so far as the W. P. A. officials were concerned. I think sincerely that Members on both sides of this subcommittee had the feeling that of all the agencies, W. P. A., as represented by General Fleming, has done a good job there.

On the question as to the necessity for its continuance beyond this 5-month period I will in turn agree with the distinguished gentleman from Michigan that I was against giving them $50,000,000 before we went down there, and upon returning I am still of the same opinion.

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

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

Mr. TABER. Are we not sticking our neck out to give them $7,000,000 at this time when they have such a large island revenue, from $75,000,000 to $80,000,000—a revenue higher per capita than that of any State in the United States?

Mr. BELL. On the surface that would appear to be so, but if one studies and analyzes the situation one will find that the revenues for the months to come have been allocated to certain plants and projects. W. P. A. down there is finishing up certain projects which are necessary to the war effort, some of them very necessary.

Mr. TABER. But they are more important in that they take help away from the farmers and take help from the private employer, destroying the economy of the island.

Mr. BELL. I am inclined to believe that the continuation of this program in its limited form for another 5 months is a matter of winding it up down there in an orderly manner and will not interfere with the economy of the island. I feel just as the gentleman does that we do not want to spend any money down there that is going to interfere with private industry. I am just as much opposed to that as the gentleman is, but I do feel that with respect to these projects which have been started we as a Congress ought to permit them to be finished in an orderly manner and that is what this $7,000,000 appropriation is for, to conclude the thing in an orderly manner and to wind up an agency which has been doing that work down there.

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

Mr. BELL. I yield to the gentleman.

Mr. MARCANTONIO. Is it not a fact that the Insular Legislature in Puerto Rico at its last session passed one of the stiffest tax bills in the history of the island?

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

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. Mr. Chairman, the food crisis is so real, so serious, that we of the Congress must act and act promptly. We face an inevitable food shortage

due mainly to the mishandling of our food program. There simply will not be enough food for our men in uniform, our allies, the people whom we may rescue from Nazi rule, and our own people at home.

It is too late to increase food production for this year. The administration has failed to heed the repeated warning of an impending food shortage. Before we entered this war representatives of agriculture appealed to the President to regard food as important as planes, ships, and guns, and to encourage maximum food production. Not only was nothing done to give us more food but the policies adopted restricted and discouraged production and brought about the present alarming situation. Forcing down prices by regulation discourages production and depresses the morale among producers. When the supply of any product is decreased by low-price ceilings, prices are forced up by the law of supply and demand, creating unlimited black markets.

The attempt to roll back butter prices under a subsidy has brought about the sale of so much butter to Government agencies that cold-storage warehouses are packed to overflowing, so the supply of butter for the public has been distinctly cut by the roll-back method.

Today, when there is a shortage on meat, four small packing plants in my congressional district are closed because they cannot operate under the O. P. A. price-ceiling regulation. Feeders cannot get corn for their cattle. Poultry raisers cannot get feed for their baby chicks. Proteins are difficult to procure. Bakeries are crying for corn sirup, corn products, and starch. Policies now being followed have brought about the slaughtering of milk cows that cannot be replaced in 3 years, and a milk famine is predicted in our larger cities this coming winter.

Our food supply must not be manipulated by politicians for the purpose of winning votes. Food production and distribution should be placed in the control of one competent individual whose sole purpose will be to give the American people more food at fair prices. He must know food production and distributing problems, and must be a practical man free from the restrictions and interference of New Deal theorists, and he must be blanketed with all-out authority to do the job. The manipulations of our impractical bureaucrats, who know nothing about our food problem, are making the situation worse. We need an immediate house cleaning to bring order out of chaos.

The people are looking to Congress to deal with this food problem vigorously and immediately. Food is a basic war weapon. The effective solution of the food problem will have an important bearing upon the outcome of the war and upon the health and morale of the people of this country. The hour is growing late, and we have no time to lose.

H. J. Haskell has written a book entitled "The New Deal in Old Rome." Facts are recorded in history back in the year 301. Late in the third century, the anarchy was ended by an able soldier and administrator; Diocletian, with army backing, became the dictator, reorganized the government, and stabilized the currency on what he believed was a sound basis. Unfortunately, like some modern rulers facing a similiar problem, he overvalued his new monetary unit. Prices promptly responded with a violent rise. Diocletian recognized the suffering that resulted, but naturally did not understand the cause. In 301, he issued his famous edict setting maximum prices and wages. The act had the death penalty for evasion. It read like modern orders.

The civil service had so expanded that a contemporary wrote, with disgusted exaggeration, that half the men in the nation were on the government pay roll. There were plenty of inspectors, but this early attempt at price fixing failed. It is recorded that businessmen closed their shops, that many articles of commerce disappeared, and that food riots resulted.

A few years later, we read the obituary of the act. For merest trifles blood was shed, and out of fear nothing was offered for sale, and the scarcity grew much worse until the law was repealed from mere necessity.

This, history records as of the year 301. It could be 1943.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, much has been said in the debate on this bill on the question of subsidies and also about the probable amount of meat we have in the United States which is available for our civilian population, our armed forces, and for lend-lease. The gentleman from Texas [Mr. KLEBERG] in his lengthy and very interesting address indicates that we have sufficient meat on hand. Others who have spoken on the subject also indicate that we have plenty of meat. I wish to enter the debate from a different viewpoint and on behalf of the farmers who feed cattle, farmers who for half a century have been in the livestock-feeding business, farmers and producers who have furnished to us millions upon millions of pounds of beef and pork. I wish to differ from those who have spoken so often on the subject of supply. From what they have said, it would seem there is nothing to the meat problem except transportation and distribution. Of course, that has much to do with our farm problem. Let me give you the other side of the picture. Let me tell you the side of the farmer who feeds cattle and finishes them for the market. There is a tremendous expense for feed and care of these cattle before they are finished. The price these feeders get for this finished meat today is too low to allow them to stay in business. Under present conditions they cannot get even the cost of production. They are operating at a loss. The spread must be wider so far as finished beef is concerned. This subsidy and roll-back program is affecting these great producers to such an extent that I fear many of them are being forced to quit business.

Recently I called attention of this House to the case of one feeder in my district. This farmer has been in the feeding business for 25 years. He has always had around 1,000 head of cattle on feed in his yards. Today he probably has not one critter in the yards. He just cannot operate under present conditions. He just has to quit. On yesterday I presented to the House the resolution of 700 feeders and producers who met at Fremont, Nebr., indicating that they cannot operate nor can they continue in the feeding business any longer unless help comes to them at once. I presented to you a telegram from 97 feeders in Cedar County, one of the 24 counties in my district, who say they, too, fear a deep decrease in meat production unless some stabilized program is adopted at once. I have presented to you the reports from many other feeders in my district who have the same thing to tell you. They, too, are pleading for some immediate help. They do not fear any overproduction of meat. They have a different story to tell about meat supplies as compared to the stories told here about the tremendous stocks of available meat. These feeders are patriotic. They know that food is needed to win this war and they are anxious to produce it. They cannot do it under the roll-back and subsidy program. They want a stabilized program which will permit them to stay in business. Otherwise you are going to allow the destruction of a great meat-producing business upon which we must depend for badly needed food. These great producers who always take great chances in this business want to continue to furnish food.

I call your attention to the fact that the House Agriculture Committee has passed out a bill which will help the situation. It is known as the Fulmer bill. This legislation should pass before we recess here because it will help the farmers and producers of meat. It will help these feeders who are threatened with destruction. Also we will have on tomorrow the Wolcott amendment to H. R. 2869 which would eliminate this subsidy and roll-back program. I believe this measure, too, would help the producers of meat. I urge quick consideration of these measures because they represent the only pieces of legislation we now have and which will answer the demands of the producers who are so much concerned over the new price and food programs which have been inaugurated.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, with all our name calling in connection with the discussion of world affairs I am wondering where our statesmen were when Mussolini was boiling the Ethiopians in oil and I wonder who furnished Mussolini the oil to burn the Ethiopians in? There was not too much protest from anybody about that procedure. One's hindsight is so much better than one's foresight.

In regard to this meat situation it does not do you or I or anyone else any particular good to get up here day after day

and continually repeat criticism of the O. P. A., without a constructive suggestion to offer. Most everyone is familiar with the facts and the causes of this meat shortage. The question is, Is there anything we can do about it? What are we going to do about it?

The gentleman from South Carolina [Mr. FULMER], chairman of the Agricultural Committee, has a bill which has passed through that committee, a bill that in his opinion—and a large majority of the committee members think the same way—will help correct this situation as far as meat is concerned. I want to say that there are absolutely no politics in it. If anyone wants to make politics out of it, they will have to accept the responsibility. The gentleman from South Carolina [Mr. FULMER] has lived up to his responsibility. He has the bill out of the committee and it is now up to the Rules Committee. The Rules Committee can now assume their responsibility, and so can the other individuals and bodies whose approval is needed to translate this legislation into law.

I maintain there is no use to continually blame the O. P. A. and then do nothing to correct the situation in a legislative way. The Fulmer bill is an attempt to take the confusion out of food production and place the responsibility in the hands of one man and one food agency. The Fulmer bill is a constructive approach to the war food program.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TABER. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, I am satisfied that if we continue this W. P. A. proposition down in Puerto Rico it means the absolute and complete destruction of all private employment in those islands. I have listened to statements by different members of the Subcommittee on Insular Affairs who went down there. I am satisfied that those people in charge of the government of that island are out to wreck the economy of that island and unless we stand up here and limit the operations of the W. P. A. down there so that they cannot continue to break down private employment, it is gone and there is no hope for its recovery.

Mr. CHURCH. Will the gentleman yield?

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

Mr. CHURCH. Speaking about the policy of government down there, let me read from this: American Economic Review, volume XXII, No. 1, supplement March 1932, papers and proceedings of the forty-fourth annual meeting of the American Economic Association. Beginning on page 75 there is an article under the heading, The principle of planning and the institute of laissez faire, by R. G. Tugwell, Columbia University. On page 89 he states:

> The next series of changes will have to do with industry itself. It has already been suggested that business will logically be required to disappear. That is not an overstatement for the sake of emphasis. It is literally meant.

Then on page 86, in the footnote, he states:

> When industry is governed and government is industry, the dual conflict deepest in our modern institutions will be abated.

That was Dr. Tugwell's philosophy, apparently as stated by him at that time.

Mr. TABER. That is just the situation that he is trying to create in Puerto Rico. He is now spending $2,000,000 of the money out of their own treasury to build a glass factory. The entire outfit is run without any efficiency or economy of business stability and I do not believe that I am going to neglect my duty here on the floor to offer an amendment to clear up that situation in order to try to make them do the things that they ought to do.

I have not the time to go into details. I have here in my hand an example of the way they perform. The Food Administration, as I understand it, sent down there from $25,000,000 to $30,000,000 worth of food in the last year. How have they treated it? I have here in my hand the report indicating that the Food Administration has sent down there a great lot of red kidney beans and white beans that are now rationed by our Government, through the Office of Price Administration, and that they have allowed them to spoil rather than distribute them to the people. If there is trouble, it is the trouble of incompetent and improper administration, it is not the trouble of not having enough money. If we continue this W. P. A. in Puerto Rico, we are placing a curse upon the people of Puerto Rico from which it will take generations to recover. I hope the House will not be a party to this degenerate performance.

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

The Clerk will read the bill for amendment.

The Clerk read as follows:

INDEPENDENT EXECUTIVE AGENCIES

CIVIL SERVICE COMMISSION

Salaries and expenses, Civil Service Commission: For an additional amount for salaries and expenses, Civil Service Commission, fiscal year 1944, including the objects specified under this head in the Independent Offices Appropriation Act, 1944, and including an additional $5,000 for employment of expert examiners, and actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses of members of the Board of Legal Examiners serving as such while away from their homes, without other compensation from the United States, $81,600: *Provided*, That the availability of this appropriation for the fiscal year 1944 shall be contingent upon the enactment into law of the bill (H. R. 1025) entitled "An act to amend section 1753 of the Revised Statutes to create a Board of Legal Examiners in the Civil Service Commission, and for other purposes."

Mr. TABER. Mr. Chairman, I make the point of order against the paragraph that it is legislation on an appropriation bill and is an appropriation not authorized by law. There is absolutely no legislation authorizing this appropriation.

Mr. CANNON of Missouri. Mr. Chairman, we concede the point of order.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk read as follows:

Printing and binding, Civil Service Commission: For an additional amount for printing and binding, Civil Service Commission, fiscal year 1944, including the objects specified under this head in the Independent Offices Appropriation Act, 1944, $5,000: *Provided*, That the availability of this appropriation for the fiscal year 1944 shall be contingent upon the enactment into law of the bill (H. R. 1025) entitled "An act to amend section 1753 of the Revised Statutes to create a Board of Legal Examiners in the Civil Service Commission, and for other purposes."

Mr. TABER. Mr. Chairman, I make the same point of order against that paragraph.

Mr. CANNON of Missouri. The point of order is conceded, Mr. Chairman.

The CHAIRMAN. The point of order is conceded and sustained.

The Clerk read as follows:

Work relief in Puerto Rico and the Virgin Islands: To enable the Federal Works Administrator to carry out the provisions of the joint resolution (H. J. Res. 128) entitled "Joint resolution to authorize an appropriation for work relief in Puerto Rico and the Virgin Islands", approved June —, 1943, during the period beginning July 1, 1943, and ending November 30, 1943, $7,000,000, of which not to exceed $350,000 shall be available for administrative expenses, including the items of expenditure specified in section 14 of the Emergency Relief Appropriation Act, fiscal year 1943: *Provided*, That employees of the Work Projects Administration in active duty status on June 30, 1943, may, in the discretion of the Federal Works Administrator, be transferred to and paid from this appropriation without the necessity of further appointment.

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 7, line 11, after "June", insert "22."

The amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. TABER:

On page 7, line 6, strike out "Puerto Rico."

On page 7, in line 12, strike out "$7,000,000" and insert in lieu thereof "$500,000."

On page 7, line 13, strike out "$350,000" and insert in lieu thereof "$50,000."

Mr. TABER. Mr. Chairman, I ask recognition in favor of the amendment. However, the gentleman from Missouri [Mr. BELL] advises me that he has an appointment shortly and he would like to precede me, so I ask unanimous consent that he may be permitted to precede me in speaking on this amendment, and I reserve my time.

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

There was no objection.

Mr. BELL. I thank the gentleman from New York.

Mr. Chairman, I rise in opposition to the amendment.

The gentleman from New York in his remarks a little while ago seemed to have the feeling that if we pass this bill carrying the $7,000,000 it might have

a tendency to set aside the traditional way of life in Puerto Rico and the capitalistic system and all that sort of thing.

I think every Member of the House who knows me knows there is no Member of the House who is more firm than I in his belief in our traditional form of government. I believe in the capitalistic system that our forefathers left to us. As far as I am given strength of mind and body, as long as I am a Member of this body I am going to fight and contend for those sacred things our forefathers gave us when they gave us the Constitution of the United States and our present form of government.

On the other hand, in regard to this particular item, I believe that in furtherance of an orderly manner of closing up the W. P. A. down there we ought to go ahead and pass this $7,000,000 item. I have a feeling that it is the orderly way to do it. There are certain projects there which have to do with our national defense that ought to be finished up.

My distinguished colleague from Michigan said something about graft down there. I know he did not intend to imply there was any graft in the management of the W. P. A. down there.

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

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

Mr. CRAWFORD. That is correct.

Mr. BELL. I knew that was the gentleman's opinion, but I merely wanted to clear it up for the body, because the W. P. A. down there, I think, has been handled in a fine manner.

As I said a moment ago, I believe that what we ought to do is to continue this limited program until they have an opportunity to wind it up. I think 5 months is a short time in which to do that. I think the President of the United States acted very wisely when by Executive order he ordered the closing up of W. P. A. all over the United States. I rejoice that he did it. I think he left the W. P. A. open in Puerto Rico because of the fact that he felt there was a special condition down there. It is one of our military outposts. There are certain things that ought to be done. So I am leaving it to you gentlemen to go ahead and pass this $7,000,000 item.

I want to serve warning that when this item is passed, it is the last item I expect to vote for for W. P. A. down in Puerto Rico. I think that when this thing is closed up the W. P. A. should be closed up down there the same as it is here.

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

Mr. BELL. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman is clear now that this is the last item under W. P. A.?

Mr. BELL. I am speaking for myself. I am not speaking for anybody else.

Mr. CHURCH. I mean, the gentleman understands that Puerto Rico and the Virgin Islands are the only places we are still attempting to vote W. P. A. money for?

Mr. BELL. That is my understanding.

Mr. CHURCH. The gentleman is acquainted with the graft and the theft, not under General Fleming in this particular case, no, but in the administration hertofore of W. P. A. Is not the gentleman familiar with that?

Mr. BELL. I do not care to get into a general discussion of W. P. A. in the United States, because that is a closed issue, but I will say that W. P. A. as operated under General Fleming I think has been operated honestly and carefully down there, because I have been down there and I have found no evidence to the contrary. I know General Fleming to be an able executive. I think he is thoroughly, beyond any question, an honorable man. I know his work down there is above reproach.

Mr. CHURCH. And does not the gentleman feel that it approaches reckless theft of the taxpayers' money to appropriate this $7,000,000.

Mr. BELL. No; I would not say that at all. I do not agree with the gentleman on that.

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

Mr. TABER. Mr. Chairman, I cannot be a party to permitting an appropriation for the continuance of the W. P. A. in Puerto Rico. Here is the story. They have now in sight a tax revenue of $75,000,000 to $80,000,000 a year. That is more per capita than the State of New York, the State of Pennsylvania, the State of Illinois, the State of Texas, or the State of Massachusetts or any other State in the United States. Why is it that with that enormous revenue they are unable to meet their own demands? The mismanagement down there of their affairs has been such, as the gentleman from Michigan, Mr. CRAWFORD, has told you, that men who were supposed to be working on a farm left their jobs and went down into the W. P. A. employment in place after place and farm after farm. I say to you that unless you want to destroy completely the entire economic set-up of these islands, and of that island, it is absolutely necessary that we discontinue the W. P. A. in Puerto Rico. I leave funds in here for the operation of the Virgin Islands, perhaps leaving too much. There is nothing in the evidence to show how much it was for one and how much for the other.

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

Mr. TABER. Yes.

Mr. CRAWFORD. Why did the committee leave $350,000 as administrative expense of the $7,000,000?

Mr. TABER. Because the Public Works Administration asked for $8,000,000 for the job. They asked for $400,000 out of this for administrative expenses. The committee made a cut of $1,000,000, and they cut the administrative expenses a like percentage.

Mr. CRAWFORD. In other words, it is 5 percent?

Mr. TABER. Five percent.

Mr. CRAWFORD. I have not had access to the figures given to the Committee on Appropriations, but it seems to me that that is awfully high.

Mr. TABER. It is altogether too high. It is ridiculous, like the whole thing.

Mr. CRAWFORD. In view of what has been said on the floor, I certainly feel that should be reduced anywhere from $100,000 to $200,000, without hurting the program at all.

Mr. TABER. On the other hand I think this whole Puerto Rican W. P. A. proposition should be eliminated, and that is what I ask the House to do, to save six and a half million dollars.

Mr. PAGÁN. Mr. Chairman, I move to strike out the last word. I agree with the gentleman from New York [Mr. TABER] in part when he refers to the present government that we have been having in Puerto Rico in the last 2 years under Dr. Tugwell. Really the Puerto Ricans have been suffering from a most tyrannical and rotten government under the direction of Dr. Tugwell. Under Governor Tugwell democracy is a shallow word. He has also been taking Puerto Rico as a guinea pig for his crackpot experiments, that are regimenting and ruining agriculture, industry, and commerce, and are a scare for private enterprise. I have been opposing and protesting against Dr. Tugwell for 2 long years, speaking on behalf of the majority of the Puerto Ricans, who do not want Dr. Tugwell there, and speaking on behalf of agriculture, commerce, industry, and labor in Puerto Rico who are opposing Governor Tugwell and requesting his removal.

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

Mr. PAGAN. Yes, I yield to the gentleman from Illinois.

Mr. CHURCH. Does the gentleman really believe that there is any real hope for a successful program for Puerto Rico as long as Dr. Tugwell or his philosophy prevails in the government of Puerto Rico?

Mr. PAGÁN. No; I do not have any hope as long as Dr. Tugwell is Governor of Puerto Rico, and I hope that soon Puerto Rico will be rid of Tugwell. To put Tugwell out would be democratic and fair to the Puerto Rican people. They do not want him there.

Mr. CHURCH. I read awhile ago some of the philosophy of Dr. Tugwell. Here is some more of it, if you will pardon me. In the Battle for Democracy, by Rexford G. Tugwell, professor of economics, Columbia University, published in 1935 by the Columbia University Press, he stated on page 19:

> This will perhaps explain what President Roosevelt meant when he spoke of this new system of relationship as governmental partnership with industry. The phrase is precise. The Government, however, is the senior and controlling partner.

These statements of Dr. Tugwell indicate his philosophy. Its effect is to destroy private industry and to destroy jobs for these people. He is now putting Government more and more in charge of industry.

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

Mr. PAGÁN. I yield.

Mr. CANNON of Missouri. I think the gentleman's attention should be called to the fact that Dr. Tugwell has absolutely

nothing to do with this proposition. This is a matter exclusively under the jurisdiction and administration of General Fleming.

Mr. TABER. But he has to do with the operation of the revenue.

Mr. PAGÁN. Mr. Chairman, I say this appropriation has nothing to do with the administration of Dr. Tugwell. So I oppose the amendment proposed by the gentleman from New York [Mr. TABER]. The authorization for this appropriation is already a law, and was approved unanimously a few days ago by the Senate and the House.

The present situation in Puerto Rico is very critical. A committee of Members of this House that recently went down there to investigate conditions can tell you how difficult are our economic problems. While here in the mainland there is labor shortage, in Puerto Rico more than one-half of our workers are unemployed. We have more than 3,000 workers unemployed. We have no war industries at all. Agriculture and industry are practically wrecked, mostly due to lack of transportation. The shipping shortage, due to the war situation, has been very acute. Shortage in shipping has been the cause for shutting down industries and for reduction in planting and harvesting our agricultural crops, producing great widespread unemployment.

The tax collections in Puerto Rico, mentioned before, are mostly for certain trust funds, which by law are tied for other purposes. The insular government of Puerto Rico has appropriated some amounts to help the unemployed through relief and public works, but it is not enough, because of lack of sufficient funds.

May I state also that a great part of the appropriation provided in the bill, as was stated by W. P. A. officials at the hearings, is to be devoted for works for malaria control and other health and sanitation purposes in districts close to the naval and military establishments in Puerto Rico, to protect the health of the naval and Army troops in Puerto Rico during the war.

I think that the people of Puerto Rico, under present circumstances, are entitled to this aid. In normal times, under other circumstances, I would not ask for such aid. The United States have certain moral responsibility with the people of Puerto Rico, with about 2,000,000 loyal American citizens, which they hardly can evade.

I hope that the amendment is rejected.

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

Mr. PAGÁN. Yes; I yield to the gentleman from Massachusetts.

Mr. CURLEY. Is it true that the $7,000,000 is earmarked for health and sanitary measures of Puerto Rico?

Mr. PAGÁN. It was so stated by the officials of the W. P. A. who testified at the hearings.

Mr. CURLEY. And in the gentleman's judgment it cannot be used for any other purpose.

Mr. PAGÁN. Yes.

Mr. CURLEY. And it is admitted by everyone that large sums of money are necessary for the protection and preservation of the health of the people of Puerto Rico.

Mr. PAGÁN. And also for the health protection of the naval and military troops stationed now in Puerto Rico.

Mr. CURLEY. So that Dr. Tugwell would have nothing to do with the expenditure?

Mr. PAGÁN. Absolutely not. If Dr. Tugwell were to have anything to do with it I would be the first to oppose it.

Mr. CURLEY. So that irrespective of the views of Dr. Tugwell, the gentleman is in agreement with the committee that this appropriation is absolutely vital and necessary to the people of Puerto Rico?

Mr. PAGÁN. I agree with the gentleman, it is absolutely vital and necessary.

Mr. CHURCH. Will the gentleman yield?

Mr. PAGÁN. I yield to the gentleman from Illinois.

Mr. CHURCH. I know the gentleman wants to be fair. Neither the Navy nor the War Department have asked for this appropriation of funds to be used to help any of their projects in Puerto Rico, under the W. P. A. or the P. W. A. Is that not right? They have adequate funds to carry out their own projects?

Mr. PAGÁN. I answer the gentleman that in the hearings before the Senate committee, when a similar bill was discussed, the officials of the W. P. A. testified that a great amount of this money was being spent on works for health and sanitation purposes, in districts close to the Army and Navy Establishments in Puerto Rico which were absolutely necessary to protect the health of the troops stationed in Puerto Rico.

Mr. CHURCH. I understand that the representatives of P. W. A., carrying out these W. P. A. projects, have represented that they can use some of it in the localities; yes. But the Navy and the War Departments have adequate funds to carry out every project that they have down there, and they do not want the W. P. A. leaf-raking around these projects. I am anxious to help Puerto Ricans help themselves.

Mr. PAGÁN. The Navy and War Departments do not oppose this appropriation, they favor it.

Mr. RABAUT. Will the gentleman yield?

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

Mr. RABAUT. For the benefit of the gentleman from Illinois, 65 percent of the projects have been approved by the Army or the Navy. With all deference to his leaf-raking program, he is all off color on this. Sixty-five percent have been approved by the Army or the Navy as assisting in the war effort.

Mr. LUDLOW. Will the gentleman yield?

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

Mr. LUDLOW. I would like to call the attention of the gentleman from Illinois to page 61 of the hearings, where Mr. Field, testifying in behalf of this appropriation, said:

> Then we have a malarial control project which the Army wants us to expand. Malaria has broken out in a virulent form and the Army is back of that project. Ten percent of the soldiers down there have malaria.

The CHAIRMAN. The time of the gentleman from Puerto Rico has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I wonder if we cannot arrive at some limitation on time for debate on this matter. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 40 minutes, the last 5 minutes to be reserved for the use of the committee.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Utah [Mr. ROBINSON] is recognized.

Mr. ROBINSON of Utah. Mr. Chairman, I think we should clarify the issues here a little.

I had the privilege of going to Puerto Rico with the committee. While I do not have time to go into the problems that exist there at this time, I wish to call attention to a few facts as I saw them.

In the first place, the Insular Affairs Committee of the House reported an authorization for $8,000,000 to be expended by W. P. A. during the next 5 months. This was reported out unanimously and the gentleman from Illinois [Mr. CHURCH] is a member of that committee.

Mr. CHURCH. Will the gentleman yield?

Mr. ROBINSON of Utah. I do not yield.

Mr. CHURCH. The gentleman voted against it.

Mr. ROBINSON of Utah. I am not yielding. If there is any question about my statement, read the report of the committee. The gentleman is a member of that committee and we reported that bill from the Insular Affairs Committee of the House unanimously.

Mr. CHURCH. The gentleman voted against it.

Mr. ROBINSON of Utah. I decline to yield. I am a member of that committee. The bill went to the Senate. The Senate reported $8,000,000 for this purpose, unanimously, on the theory that a committee was going down there to make a report on the conditions on the island, and then some decision would be made as to what should be done in the future with this island. Your committee has been down there. They appeared before you today. The chairman of the committee urges you to pass this appropriation of $7,000,000, which is a cut of $1,000,000 by the Committee on Appropriations. The ranking Republican Member, the gentleman from Michigan [Mr. CRAWFORD], came before you and urged you to pass it. I went down there with the committee and I want to tell you people in this House that in my opinion there could be no greater piece of injustice or inhumanity against some of our citizens than the denial of this amount that is asked here at this time. It would

be outrageous. It would be inhuman. It would be unjust. These people have some rights. They are our citizens.

Here is what they are doing with the money. At the present time they are building roads, with practically all of this money. If that is cut off you would have some of the roads that are the most important roads on the island in such shape that they cannot be used, and there is no money to proceed with them.

The money that is spoken of here in the treasury of the insular government is almost entirely tied up in various funds—trust funds and otherwise. There is no money they can get for this particular use. Not only that, but I myself talked with a number of people on this question—men who are opposed to Mr. Tugwell. He is no problem here. I do not see why he should be dragged into this argument. Many of these laws were passed before he became Governor. It is an interesting thing that a great many of these measures that are called socialistic were passed by unanimous consent of the Legislature of Puerto Rico. The whole island wanted these measures. It is not a matter that concerns Tugwell. Tugwell only has veto power. In my opinion, while I do not have any great brief for Rex Tugwell, I think he is doing a fine job at the present time. I want to tell this House there has been some mention of graft and corruption and such things, but there is not one scintilla of evidence in all the evidence taken before this committee that indicates any graft or any corruption at all. That will be shown by your committee's report.

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

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN] for 5 minutes.

Mr. HOFFMAN. Mr. Chairman, earlier in the afternoon the Member from Connecticut [Mrs. LUCE] stated in substance, if I understood her correctly, that she did not agree with any of the dunderheads on either side of the aisle.

Now, in view of the fact that a book was published last fall, around about election time, which gave a list of the dunderheads, so-called, I would be glad to have the Member put her list of the Members of Congress she considers dunderheads in to see how the two lists compare with each other. I have never regarded any of my colleagues on either side as either dumbheads, dunderheads, or dumbbells.

With reference to this matter of Puerto Rico: The President issued a statement yesterday in connection with the coal strike and down in the last paragraph in one of the papers I find this language:

> As the Selective Service Act does not authorize the induction of men above 45 years into the armed services, I intend to request the Congress to raise the age limit for noncombatant military service to 65 years. I shall make that request of the Congress so that if at any time in the future there should be a threat of interruption of work in plants, mines, or establishments owned by the Government—

Note, "owned by the Government"—

> the machinery will be available for prompt action.

Being ignorant of the establishments, plants, and mines which are owned by the Government, as distinguished from those which are operated, I am asking the chairman of the committee how many, if any, establishments owned by the Government we have in Puerto Rico or any other of the Territories covered by this bill or the appropriations in this bill.

Will the chairman of the committee or any other member of the committee answer that question?

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

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

Mr. CRAWFORD. Will the gentleman restate his question?

Mr. HOFFMAN. How many establishments, plants, or mines does the Government own that would receive a portion of the funds carried by this bill?

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman explain what he means by his inquiry? Does he mean Army and Navy Establishments?

Mr. HOFFMAN. Well, the President said in this statement that he wants authority to draft all men up to 65 years of age, so that if at any time in the future there should be a threat of interruption of work in plants, mines, or establishments owned by the Government, the machinery will be available for prompt action.

Mr. CANNON of Missouri. Mr. Chairman, may I ask the gentleman if he will explain to me what if any reference his inquiry has to the appropriation of the $7,000,000?

Mr. CRAWFORD. I understand that this $7,000,000 is to go to Puerto Rico or some of the different Territories, and my inquiry is, Does the statement of the President apply to any work that is being carried on in such Territories?

Mr. CANNON of Missouri. Does the gentleman mean Naval or Army Establishment? It has nothing at all to do with it.

Mr. HOFFMAN. No; you do not understand my inquiry.

Mr. CANNON of Missouri. It has nothing at all to do with it and I do not see the connection between the gentleman's inquiry and the item under discussion.

Mr. HOFFMAN. The connection is that the President wants to put men in the Army and to use them in plants and establishments owned by the Government if the need arises.

Mr. CANNON of Missouri. The President made no statement about Puerto Rico.

Mr. HOFFMAN. The President refers to plants owned by the Government and he did not limit it to plants, establishments, or mines in the continental United States.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield to me?

Mr. HOFFMAN. I yield, if the gentleman can answer the inquiry.

Mr. CRAWFORD. As an illustration, let us take the cement plant just outside of San Juan, which was financed through funds appropriated from the Federal Treasury approved by this House, through the so-called Puerto Rican Reconstruction Finance Corporation, which funds were used for the purpose of building the plant. Now I would ask the gentleman, with his legal knowledge, does he construe that to be a plant owned by the Government?

Mr. HOFFMAN. I do not know.

Mr. CRAWFORD. Personally, I do.

Mr. HOFFMAN. I am trying to learn the answer to this for one thing: Does the Government own the rum plant in the Virgin Islands?

Mr. CRAWFORD. The Federal Government through its agency owns the rum plant; the Federal Government through its agency owns the cement plant, but I do not know whether the President meant plants thus owned through Government corporations would come under the gentleman's inquiry.

Mr. HOFFMAN. That is the question I am asking; that is what I would like to know specifically. Just what did the President mean; just what did he include when he said plants, mines, or establishments owned by the Government. Did he mean that the Government considers itself the owner as distinguished from the operator of the mines? And did he mean that he expects the Government to own mines, plants, and establishments in the near future?

Mr. Chairman, I yield back the balance of my time.

Mr. LUDLOW. I should have hoped that every Member of the House might have had an opportunity to read the hearings on this matter before being called upon to vote. The situation in Puerto Rico is very bad indeed, and, while I know it is true that we have been very generous to Puerto Rico, the fact remains that we have been generous to people all around the world. We are giving food at the present time to an untold number of people in Africa and in other parts of the globe. These people down in Puerto Rico are our people; they are citizens of the United States, and they are under the American flag. The war has brought about some very serious economic repercussions in Puerto Rico; there is no doubt about that; it has multiplied their woes enormously.

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

Mr. LUDLOW. I yield.

Mr. TABER. Is it not true that instead of the war it is the Tugwell administration that has wrecked their economy?

Mr. LUDLOW. I think the Tugwell administration has had a good deal to do with it, yes; but I do not think we ought to dwell upon the Tugwell administration in seeking to appraise the economic situation in Puerto Rico; we should look at the humane features of this proposition and try to do something for our own citizens who are loyal members of the American Union.

Mr. ROBINSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. ROBINSON of Utah. As to the Tugwell situation, he did not go into office until 1942 and this island was in a worse condition prior to that time than it has been since.

Mr. LUDLOW. I think Tugwell and Tugwellism have done considerable injury to the political system of Puerto Rico, but I cannot imagine he has had anything to do with bringing about these very serious economic conditions which we are trying to cope with here in this bill.

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

Mr. LUDLOW. I yield.

Mr. MARCANTONIO. The fact of the matter is that Puerto Rico's economy during the 45 years the island has been in our possession has never amounted to much due to the fact it has been subjected to our high tariff walls, our shipping monopoly, and whenever Puerto Rico attempted to develop an industry of its own, because of our shipping monopoly and our high tariff walls, we have gone down there and dumped goods to wipe out any industry in Puerto Rico.

Mr. LUDLOW. I thank the gentleman for his contribution. I have not time to do anything but sketchily review the evidence here. If, however, you will read General Fleming's testimony he says the unemployment situation is very bad in Puerto Rico and the submarine menace has been bad, very bad, and the entire situation is very distressing.

The gentleman from Illinois raised the question as to whether the Army and the Navy is interested in any projects down there. I should like to call his attention to page 61 of the hearings where Mr. George H. Field, the Deputy Commissioner of the Federal Works Agency, testified. He said:

> We have a malarial-control project which the Army wants us to expand.

He testifies further that they have more cases of malaria in Puerto Rico in a year than in the whole continental United States. He testifies further that in June 10 percent of all the soldiers down in Puerto Rico were afflicted with malaria. There are some things we can do and should do for humanity's sake to help the people of Puerto Rico. One thing we can do, and one thing we have been doing, is to keep 160,000 little children from suffering the pangs of hunger. Surely that is something worthwhile.

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

The Chair recognizes the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, the only place that Governor Tugwell has in this argument is that of a "red herring" to be dragged across the trail. The argument here is: Are you interested in the feeding of 160,000 children? Or will you abandon them to hunger? Are you interested in seeing what you can do to prevent further tuberculosis? Or do you just want to walk out on your duty? This is the real argument. It is easy enough to drag a "red herring" around here, but it is quite another thing to face the picture.

Fourteen thousand of these Americans down there are in the armed forces of our country today. Perhaps if they had had better food there would be more of them physically fit to serve in the armed forces. Look at the hearings, page 61, and find the answer to questions raised by the gentleman from Illinois [Mr. CHURCH]:

> Sixty-five percent of the people working on our projects are on projects certified by the Secretary of War and the Secretary of the Navy as being important for their purposes; and that includes not only road work but other types of construction work.

There are unemployed 250,000 people who are asking for food—asking us for food. We live in a country that has recognized the conditions of the world. Our lend-lease program proves that. The amendment offered by the gentleman from New York [Mr. TABER] would walk out on the very people——

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

Mr. RABAUT. Not now.

Mr. TABER. But the gentleman referred to me.

Mr. RABAUT. I will not yield until I have finished my statement.

If you want to follow the gentleman from New York you will walk out on some of our own under-the-American-flag citizens, while we talk about helping the people of the world. Two hundred and fifty thousand of those people are unemployed. Forty-one thousand only are on W. P. A. The difference is in excess of 209,000. These are the facts—not a Tugwell "red herring" drawn across the trail.

Mr. Chairman, I now yield to the gentleman from New York.

Mr. TABER. The gentleman was present, if I remember correctly, when the gentleman from Mississippi [Mr. McGEHEE] spoke.

Mr. RABAUT. I was; and I complimented him on his remarks.

Mr. TABER. And the gentleman from Mississippi indicated that there was no substantial unemployment there.

Mr. RABAUT. Did what?

Mr. TABER. Indicated that there was no substantial unemployment there.

Mr. RABAUT. As I remember his testimony he said there was unemployment. A person can take one or two sentences here and there and get a distorted view—but his general testimony before the committee was that this assistance should be given.

I quote from the testimony of my friend the gentleman from Mississippi [Mr. McGEHEE] from page 101 of the hearings on the bill:

> A subcommittee of the House Committee on Insular Affairs was sent to Puerto Rico to make an investigation and report back their recommendations to the Congress for the future handling of the affairs of Puerto Rico.
>
> The placing of a limitation of 5 months in this bill is a stopgap which would allow sufficient time for this subcommittee to make its investigation and report to the Congress.
>
> It developed in our hearings that there is quite a large number of unemployed in Puerto Rico.

Moreover, the original amount was $8,000,000, approved by the Senate, which this committee reduced to $7,000,000.

It is a stopgap appropriation. It runs for 5 months and it amounts to $1,400,000 a month. Two hundred and fifty thousand people are asking for food, and they are Americans.

What is this House thinking about? That is all.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. CALVIN D. JOHNSON].

Mr. CALVIN D. JOHNSON. Mr. Chairman, we have heard here this afternoon statements on this legislation that causes us to reminisce and reflect back over the last few years, because all of us have watched this relief program grow. We have again been told by inference that unless we make appropriations and do certain things blood would run in the gutters and the people would kick in the windows of the shops and that people would starve.

I can remember the experience back in my own State of Illinois. I can remember investigations which we made into relief conditions and at one particular place we found 1,250 families on relief and upon investigation we found that 431 of them had employment. We found that the percentage of fraud ran from 30 to 60 percent of all those who were receiving assistance, and this was true in every section we checked. We found that our State was becoming a mecca for those who wanted to obtain something for nothing. We found that as soon as we spread out this bounty there were those who came from all over the Nation to get it, and I know you will find the same condition to exist wherever public relief is passed out. It has happened in Puerto Rico, according to this testimony.

We have been told that the people from the hill country of Puerto Rico come down and take employment on W. P. A. because they can probably earn more than working upon the farms of their particular community. We are told that politics has no effect on its administration and I hope it does not, and we are told that Tugwell has nothing to do with it, and I wish to commend him if such is the case, because if that is true he is the first Governor in the history of the Nation that I know of who has not dabbled at some time or other in W. P. A. We have seen it work; we know what has happened. I am informed by a member of the committee, and if I am wrong I should like to be corrected, that there has been some $16,000,000 appropriated by Puerto Rico for the relief of its indigent, yet they ask for this $7,000,000.

To stop the influx of transients into my State I helped to enact into law a 3-year residence law which requires a residence of 3 years in order to obtain relief. We also made it mandatory for a man upon relief, if he was physically able, to work and earn the amount of his budget, and as soon as that went into effect the relief rolls went down very substantially.

I believe sincerely that if this appropriation is removed you will find those

who are now receiving the relief will return to the farms and places where they were formerly employed or where they earned their own livelihood by cultivating the soil.

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

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER]. I desire to restrict my argument at this time to the question of need, and I use as my authority one whose integrity is beyond the realm of impeachment, one who is respected and accepted as an excellent administrator. I refer to Maj. Gen. Philip B. Fleming, who is the Administrator of the Federal Works Agency. He said as far back as April 26 that "the unemployment crisis in Puerto Rico is more severe than it was in continental United States at the depth of the depression." He also said that "about half of the population is in great need." He stated further that "complete economic collapse has been prevented only by assistance from the Federal Government."

According to the chairman of another investigating committee, Senator CHAVEZ, "unemployment is increasing" and "local industries are practically at a standstill."

It has been estimated that there are unemployed in Puerto Rico, at various periods, between 225,000 and 325,000 people, affecting 165,000 families. These are facts and no amount of hocus-pocus can conceal them. Yet we are urged to eliminate this $7,000,000 appropriation, a mere pittance for the relief of a good and honest people who are the victims of the worst evils of colonialism.

Let me point out to you, gentlemen, that the Latin-American people of South and Central America have a strong feeling of kinship toward the people on the island of Puerto Rico who are also Latin Americans. There are 100,000,000 Latin Americans who are watching the United States, following closely the manner in which we treat the people of Puerto Rico, the people who live on what we call the Gibraltar of the Caribbean, which guards the entrance to the Western Hemisphere. Despite this vital factor in this war you seek to deny the people of Puerto Rico $7,000,000 to relieve their unemployment in a slight degree, and you do so by heaping insults upon them, and by misinformation, and misrepresentation of the facts.

Now let me for a moment deal with the question of ownership, the question raised by the gentleman from Michigan. He wanted to know about ownership in Puerto Rico. Let me give you some figures. Fifty percent of the sugar land is absentee-owned by four big United States corporations. I will give you their names: The Fajardo Sugar Co., the South Puerto Rico Sugar Co., the Eastern Puerto Rico Associates, and the Centrale Aguirre Co. Another 26 percent is also in the hands of absentee owners. The American centrales control 41 mills. The sugar industry comprises 40 percent of farm acreage, 56 percent of the value of all farm lands and buildings, and 60 percent of the exports. It employs 50 percent of the agricultural workers. Is the present plight of Puerto Rico's agriculture the fault of the people of Puerto Rico?

Why is there unemployment in Puerto Rico? Because first of all we have never permitted Puerto Rico to develop an industry of its own. In Puerto Rico, had they ever attempted to develop any kind of an industry, it would soon have been destroyed by those who now exploit the people of Puerto Rico.

For the past 45 years Puerto Rico, under the complete control of the United States, has been prevented from developing its own industry. High tariff walls have excluded the island from other world markets. This fact and the coastwise-shipping laws which forced Puerto Rico to do its commerce under ships flying the American flag at exorbitant rates, have made the island almost wholly dependent on the United States for its food and essential supplies and for the marketing of its cash products. Puerto Rico has been our colonial possession from which we have drained a rich abundance of raw material but have not permitted to develop an island industry which would guarantee the well-being of her people. Under such a system of colonial exploitation Puerto Rico has not and cannot ever hope to develop a sound national economy which will guarantee the Puerto Rican people employment, good health, and decent standards of living. That is why the problem of immediate political independence and self-determination for Puerto Rico is a matter of such basic importance. There can be no hope of effective industrialization of Puerto Rico without Puerto Rican independence.

Let the investigators also tell you that Puerto Rico has a one-crop economy, sugar, a diabetic economy. Because of this large ownership of land concentrated in the four corporations I have just mentioned it has been impossible for the Government and the people of Puerto Rico to take farm land and use it for a subsistence-crop program, use it to raise a few things with which to feed their families.

I have often wondered whose ideas have been voiced when I have heard arguments against Puerto Rico similar to those expressed on the floor of the House today. I have wondered if these arguments have not been the ideas of the sugar trust which has little if any regard for the well-being of the Puerto Rican people.

I am not suggesting the destruction of the sugar industry. I am suggesting the simple formula of diversified agriculture, a subsistence crop program, use of marginal and other unused land, to develop an adequate food supply for the Puerto Rican people. The sugar trust with its monopoly of land has prevented this rational approach to the problem.

Instead for Puerto Rico and her people it has been sugar, low wages, and exploitation. Then you stand up here and base your argument against appropriating $7,000,000 for the relief of these people on the ground that these people are diseased, they are lazy, they want to get away from the farms to seek W. P. A. wages. It is nonsense, sheer nonsense, and you use it to alibi a system of colonialism which shames the United States of America.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I wish to ask the Commissioner from Puerto Rico if it is not a fact that the insular government has appropriated some $16,000,000 for relief during the coming fiscal year.

Mr. PAGÁN. I do not think that is the correct figure.

Mr. CRAWFORD. What does the gentleman think it is?

Mr. PAGÁN. They have appropriated all possible amounts to help the unemployment there.

Mr. CRAWFORD. Does the gentleman know whether or not they are preparing to spend any of those amounts they have appropriated, or have they spent any of them?

Mr. PAGÁN. They have spent some.

Mr. CRAWFORD. How much?

Mr. PAGÁN. I cannot tell the gentleman the exact amount, but I know they have spent nearly $3,000,000; but that is not a sufficient amount to take care of 300,000 families.

Mr. CRAWFORD. I understand that, but what I want to get into the record, if the gentleman will give us the figures, is how much they appropriated. I think the gentleman will find it is exactly $16,000,000.

Second, how much of the $16,000,000 have they spent, when do they expect to spend it, and are they going to hold it up to 1944 and use our Federal Treasury funds in the meantime? I suggest that the gentleman look into that for his own protection, if for no other reason.

Now may I ask the Commissioner this. I think the Commissioner knows what I am talking about. Does the gentleman want the record to show that this $7,000,000 carried in this bill is to be spent for sanitary and health purposes? If I understood correctly, the gentleman from Massachusetts asked the gentleman that question. Does he want the record to show that?

Mr. PAGÁN. A great portion of that.

Mr. CRAWFORD. What does the gentleman mean by "a great portion"? We want to keep the record straight.

Mr. PAGÁN. The portion stated by the officials of the W. P. A. in the hearings. They stated that 65 percent of this fund was to be spent for works for malaria control, on sanitation, and on other health purposes, especially in districts close to the Navy and Army bases established in Puerto Rico.

Mr. CRAWFORD. If I understand the gentleman correctly, he wants the record to show that 65 percent of this $7,000,000 is to be used for health and sanitation purposes.

Mr. PAGÁN. That is correct.

Mr. CRAWFORD. We will watch and see how it is spent, then, because that is not my understanding at all. I think the gentleman from Michigan, a mem-

ber of the committee, stated that 65 percent of the projects had been approved by the military authorities. Is that not correct?

Mr. RABAUT. I corrected by statement when I took the floor. I said that 65 percent of the people working on the projects are on projects certified by either the Secretary of the Navy or the Secretary of War.

Mr. CRAWFORD. That certainly does not say it is for health and sanitary purposes. That is the point I am getting at. In other words, if you would build a big military road from San Juan to Mayaguez—I am not objecting to the road, now I am trying to get our thinking straight on this, because you are not going to settle this problem this afternoon. So I say that if the $7,000,000 is largely spent for military roads then it will not go for health and sanitary purposes. If we had a list of the projects which have been approved we would know roughly for what the money is to be used, but without the list, we are largely guessing about the matter.

You are not going to stop this program with $7,000,000. You are going to have this problem for the next 25 to 50 years. I stand on that statement, because we have done some very extraordinary things down there, that will perhaps have to be undone. For instance, take the question of people starving to death. Here is Haiti, for instance, under our supervision for some 15 or 20 years. We still dominate the picture almost 100 percent. Do you know what the cash income of the Haitians was? About $4 a year, just $4 a year. Is there any starvation there? Not at all.

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

Mr. CRAWFORD. You will find the Haitian works, he produces food, gets along. Take the December 12, 1942, issue of the Foreign Commerce Weekly. I was reading it this morning. See what they have to say about how 95 percent of the Haitians are getting along and how well they are and how they take care of themselves, although I think the last boat to land in Haiti was some months ago. In a country in the Tropics, you can generally feed yourselves if you want to do it.

Mr. MARCANTONIO. On what?

Mr. CRAWFORD. On the things that nature provides, just as we do in the temperate and arctic zones. Did not the Eskimos get along before the Public Works Administration began to operate?

Mr. MARCANTONIO. On what?

Mr. CRAWFORD. Bananas, breadfruit, mangoes, sugarcane, tropical nuts, various root foods which grow in abundance, plants, and many other highly important foods to say nothing about rice and fish, plus other items obtained with cash income. There is a shortage of proteins, of course. The gentleman is making fun of sugar.

Mr. MARCANTONIO. Do you eat sugarcane?

Mr. CRAWFORD. That question indicates how coddled the gentleman is. If he understood the Tropics he would know how valuable the sugar content of the cane is to the native and how much he uses it. Sugarcane will give about $300 in dollar income from an acre of good cane. Do you know what these so-called substitute food products, which the gentleman from New York would have grown, probably as much as $15 per acre—more likely less. And then what would be the buying power of the people? Apparently the gentleman from New York [Mr. MARCANTONIO] would do away with the sugar industry, and have everybody now engaged by that industry starve to death on the same basis he claims some of the other people who are not engaged in and by the sugar industry are starving. I ask the gentleman just why he thinks God Almighty placed sugarcane in the Tropics and sugar beets in the colder zones?

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

Mr. CANNON of Missouri. Mr. Chairman, this item came to the Committee on Appropriations at the end of a long process of executive and legislative collaboration.

The House Committee on Insular Affairs, which exercises jurisdiction over the legislation involved, after some considerable deliberation, passed a resolution on May 24, 1943, as follows:

Resolved by the Committee on Insular Affairs of the House of Representatives, That pending a study of conditions in Puerto Rico and the Virgin Islands, recently authorized by the House, and in view of emergent conditions there;

It is the sense of the committee that the Federal Works Administrator should be authorized to continue a work-relief program in Puerto Rico and the Virgin Islands for a period of several months from July 1, 1943, and, in accordance with the purposes of the Emergency Relief Act, fiscal year 1943. In the opinion of the committee, this emergency authorization should not exceed 5 months, nor the funds $8,000,000. The chairman is authorized to communicate this resolution to the Committee on Appropriations.

This resolution was passed unanimously, and was subscribed to by all members both majority and minority, of the Committee on Insular Affairs. They then held hearings and eventually formulated a bill which was brought into the House as House Joint Resolution 128, authorizing an appropriation for work relief in Puerto Rico and the Virgin Islands. The joint resolution was referred to the Union Calendar, and passed the House May 27, 1943.

I quote briefly from the report, House Report No. 506:

Economic conditions in Puerto Rico and the Virgin Islands are critical. This has resulted in widespread unemployment. While in the United States there is a shortage of manpower and a great demand for workers, conditions in the islands of the Caribbean, as a result of the lack of shipping to bring in raw materials for manufacture and to ship out finished products and agricultural commodities, have produced the opposite result.

* * * * *

The Senate committee found that the work program provided by the Work Projects Administration in Puerto Rico has prevented widespread suffering and general collapse of economy. It is the plan of the President, with whom the committee is in agreement, to close up the Work Projects Administration throughout the United States and the insular possessions by June 30 next. The Work Projects Administration is now employing on the islands of Puerto Rico and the Virgin Islands about 41,000 people on a large number of projects. Of these, 40,000 are employed in Puerto Rico. The cost for this employment is at the rate of $1,600,000 a month.

The committee is unanimous in the view that some arrangement must be made to prevent the discharge of this great group of people on June 30. The committee does not propose the continuation of the Work Projects Administration as such, but in lieu thereof, recommend to the House the passage of House Joint Resolution No. 128 which would authorize the Federal Works Administrator to provide work for employment of needy persons on useful public projects for a period not to exceed 5 months from July 1 next, according to the provisions and purposes of the Emergency Relief Act for the fiscal year 1943 insofar as they are applicable to such employment.

This legislation is admittedly a stop-gap arrangement pending the time when the committee can bring to the House its considered judgment after making actual observations of the conditions on the islands and after completing the studies of the various proposals that have been made to alleviate them.

This House joint resolution was not only reported by the committee unanimously, but it passed the House unanimously, was unanimously approved by the Senate committee and unanimously agreed to in the Senate. The item then went to the Budget, and was transmitted by the Bureau of the Budget to the House and referred to the Committee on Appropriations. At no stage of that long process is there any record of criticism or objection.

My friend from Michigan [Mr. CRAWFORD], a member of the committee which considered the legislation, occupies a rather anomalous position. He agreed to this recommendation by his committee. He approved the preliminary resolution. He voted for the bill. In company with other members of the Committee on Insular Affairs he accompanied the delegation to the islands and personally participated in the inspection and viewed the situation at first hand. And with all this familiarity with the proposition and an intimate personal knowledge of conditions as he found them on the islands, when I inquired of him at the close of his speech just now as to whether he favors the appropriation of the $7,000,000—although in cooperation with my friend, the gentleman from New York [Mr. TABER] who offered this amendment, he has tried in every way to throw cold water on the proposition—he says we ought to appropriate the full $7,000,000. That is the gentleman's position. That is his final conclusion. And that is the opinion of every member of the official delegation which visited the islands and has just returned within the last week. They saw the unemployed. They saw men at work who otherwise would have been without employment. They inspected the public works in process of construction. They saw them feeding 160,000

hungry children and having just returned from that enlightening experience, they recommend, without exception, that the money carried by the bill be appropriated to take care of the situation until permanent legislation can be enacted.

This bipartisan delegation from the Committee on Insular Affairs, after a minute inspection of the islands, were unable to find anything to criticize in General Fleming's administration. No one questions his integrity and ability and the success of his work as W. P. A. administrator in the islands. When I inquired of the gentleman from Michigan [Mr. CRAWFORD] just now if there was any implication of inefficiency or maladministration, whether there was any evidence of graft in connection with the work, he replied unequivocally, if somewhat reluctantly, that there was not. He gave the W. P. A. a clean bill of health. He did not submit a single objection to or criticism of the manner in which this money is being expended or the integrity with which it is being administered.

Mr. Chairman, no higher tribute could be paid to General Fleming and his staff, and no more convincing justification could be submitted for the approval of this appropriation and the rejection of the pending amendment.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demand by Mr. TABER) there were—ayes 36, noes 86.

So the amendment was rejected.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

Sec. 301. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. STEFAN. Mr. Chairman, I wanted to strike out the last word under the head of "Department of Commerce." I ask unanimous consent to return to that part of the bill.

The CHAIRMAN. Is there objection?

Mr. CANNON of Missouri. Mr. Chairman, I am very sorry, but we have agreed to finish this bill promptly this afternoon, and I shall have to object to returning.

The CHAIRMAN. Objection is heard.

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

Mr. Chairman, provision is made in this bill for some funds for the Civil Aeronautics Authority of the Department of Commerce. I desire to discuss a matter in that connection in which I believe a large number of the Members of the House and Senate are interested. Since 1935 the W. P. A. has engaged in an extensive program of airport construction throughout the United States. The construction activities of W. P. A. have now terminated. When the order for termination was given engineers of the C. A. A., together with those of W. P. A., conducted joint surveys of the projects still in operation. This survey disclosed that 28 airports in the country remained in a state of partial completion due to the withdrawal of W. P. A. funds.

Mr. McMURRAY. Mr. Chairman, a point of order. I make the point of order that the subject under discussion by the gentleman does not relate to the provision of the bill which we are now considering.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman may proceed out of order.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Wisconsin will proceed.

Mr. KEEFE. Mr. Chairman, 267 airport projects were approved by the Civil Aeronautics Authority to be completed under the W. P. A. formula by contribution of W. P. A. funds to be met by local municipal funds to complete those ports. Of those 267 airport projects so approved, when the W. P. A. ceased functioning, there were 28 ports located in various States where local communities had expended, in connection with W. P. A., a total sum in excess of $8,400,000.

Herewith is a complete list of these airports:

California: Merced.
Colorado: Pueblo.
Connecticut: Danbury.
Georgia: Atlanta.
Idaho: Idaho Falls.
Indiana: Bloomington.
Iowa: Iowa City, Des Moines.
Kansas: Pittsburg.
Maine: Dexter, Eastport.
Michigan: Menominee.
Minnesota: Eveleth, Hibbing, International Falls.
New Mexico: Eaton.
North Carolina: Wilson, Burlington, Rockingham.
North Dakota: Valley City.
Texas: Henderson.
West Virginia: Clarksburg, Wheeling.
Wisconsin: Eau Claire, Siren, Oshkosh.
Nebraska: Fremont, Beatrice.

Many of these communities have borrowed money through bond issues and have raised money and bought the land to make the sponsor's contribution for the completion of these airports. They did so with the distinct understanding that the Federal Government would maintain its proportionate share under the W. P. A. formula to enable those ports to be completed. Now we find, with the folding up of W. P. A., these 28 airports, some of them from 50 to 90 percent completed, upon which the sum of $8,400,000 has been spent by the local and Federal Government; 3 of them are located in my State. May I say to the distinguished gentleman from Wisconsin [Mr. McMURRAY], who sought to take me off the floor and prevent me from bringing this matter to the Congress, that the people of Wisconsin and the people of all the States I have mentioned are extremely interested in seeing the Congress take action to complete these ports. Now, I say that unless we are able to direct the Federal Government to expend the money necessary to meet its obligation, those ports are going to disintegrate and become useless, and each day that they remain in their present state the $8,400,000 investment we have already made in those ports will be depreciated.

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

Mr. KEEFE. I yield.

Mr. RABAUT. I just want to ask the gentleman a question. I am as interested in airports as anybody in this House, but how can we distinguish with regard to the airport program? With the cessation of W. P. A., we stopped the school lunches, we stopped building schools, we stopped building hospitals, and we stopped building roads. Everything else fell in the same category as airports.

Mr. KEEFE. I will say to the distinguished gentleman that I think the attitude of Congress has been reflected in other legislation which clearly shows that the Congress intends to have the Federal Government keep faith with the municipalities so that projects that were started under W. P. A. and were partially completed, and which were started with the distinct understanding with the local communities that they would be completed, should be completed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

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

Mr. KEEFE. I yield.

Mr. LUDLOW. I am somewhat familiar with the situation that the gentleman describes. There is one of those airports at Bloomington, Ind. I am in complete agreement with the contention of the able gentleman from Wisconsin that those half-finished and rapidly deteriorating airport projects should be completed. That is just common sense. I would like to offer this as a contribution to the gentleman's discussion: I understand that the Civil Aeronautics Authority has prepared a proposed estimate and submitted it to the Bureau of the Budget for an appropriation of $8,000,000 to complete those 28 airports.

Mr. KEEFE. I was just coming to that.

Mr. LUDLOW. I understand the Bureau of the Budget is to present the matter to the joint Army and Navy Board and get its opinion as to the military

necessity of those airports, and those that are approved as being essential in the military interests will be recommended for appropriation by the Bureau of the Budget.

Mr. KEEFE. May I say to the distinguished gentlemen there are two sources from which funds are available for the building of airports. One is the fund that we appropriated to the Department of Commerce, which is approximately $200,000,000. Those funds are subject to the jurisdiction of the Army and the Navy Board. There must be a finding of the Army and the Navy in order to secure money from that fund to complete the airport projects, that those projects are essential and necessary in the interest of national defense.

Now, it so happens that these 28 airports have not received the approval of the Army and Navy that they are of military necessity, and yet the municipalities that are involved went on the assumption, being misled by the Federal Government through the W. P. A. and through governmental agencies, that if they would go ahead and bond themselves and procure land, go ahead and meet the sponsor's contribution, that these airports would be constructed.

It seems to me that it is utterly and completely breaking faith on the part of the Government of the United States if we do not take steps here in this Congress to see that funds are provided to complete these ports under the program which was originally started by the W. P. A.

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

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

Mr. LUDLOW. Supplementing what the gentleman says, I took this matter up today with Mr. Wayne Coy, the Acting Director of the Budget, and he stated these 28 projects will be resubmitted to the Board to determine their essentiality in the military interest and those which are approved will be favorably considered by the Budget in the hope that in the next deficiency bill funds may be approved to carry the program out.

Mr. KEEFE. May I say that at the time the airport program was started, the question was asked as to whether or not strictly military necessity was of paramount importance, and these municipalities were led to spend their money in the purchase and building of these airports at a time when it was necessarily considered that they must be of military necessity in order that the Federal Government would make a contribution to complete them.

Now we are faced with a situation where the Army and Navy declines specifically to approve these ports as a military necessity. The Bureau of the Budget will not approve a request of the Civil Aeronautics Authority which is now pending before them, without Army and Navy approval, and these communities will be sitting there "holding the bag," with airfields on their hands. The Government must keep faith with the municipalities, when it asked them to go ahead and spend their money on these projects.

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

Mr. ANDERSON of New Mexico. Mr. Chairman, I ask unanimous consent that the gentleman from Wisconsin may proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico that the gentleman from Wisconsin may proceed for 2 additional minutes?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 17 minutes.

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

There was no objection.

Mr. ANDERSON of New Mexico. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from New Mexico.

Mr. ANDERSON of New Mexico. I went into this matter with my colleague the gentleman from New Mexico [Mr. FERNANDEZ] in connection with an airport in New Mexico, and in our particular case the airport was started with the understanding it would have military necessity, and it was channeled through the regular sources and Colonel Harlow said that he thought that it should be done, and I am glad the gentleman is bringing the matter up.

Mr. KEEFE. I will say to the distinguished gentleman that we had a meeting in my office this morning. Many Congressmen from these various States are interested in these projects, and there was a unanimity of agreement among the Members present that we should make every effort possible to place an amendment in this deficiency bill if the rules would permit it in order to secure immediate approval of the estimate that has been submitted by the Civil Aeronautics Authority to the Bureau of the Budget. This is a matter that should demand the immediate attention of the House, and I am at this time calling it to your attention and expect to call it to the attention of the other body in order that we may get this appropriation through and get some action on it before this House recesses. Unless we do, the matter will go over again, and perhaps to the next year. We must protect and finish these airports we have started.

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

The Chair recognizes the gentleman from Nebraska [Mr. STEFAN] for 10 minutes.

Mr. STEFAN. Mr. Chairman, the matter under discussion should be of interest to every Member of this House who took an interest in the original construction of these airports.

W. P. A. began with an original program of approximately 1,019 of these airport sites. The chairman of the Subcommittee on Appropriations for the Departments of State and Commerce is very sympathetic to what is involved in this particular item of debate. We could not include it in the regular bill for Commerce due to lack of our Budget request. Now, let me give you a brief explanation of this program because eventually it is going to have something to do with an over-all program involving about 3,500 airports in every State in the Union and every congressional district when hostilities cease. When the President of the United States sent a letter to Major General Fleming liquidating W. P. A. he had this to say:

> State or local projects should be closed out by completing useful units of such projects or by arranging for the sponsors to carry on the work.

The President wanted to complete these useful projects. Certainly airports 50 to 90 percent completed, with over 8 millions invested, could be considered useful units. Now, what is the picture? When W. P. A. liquidated it had completed 103 out of 267 airports. Of the rest the Army and Navy took over 71 and is now completing them, or we think they will complete them. A resurvey was made of the other airports. There were 93. The Army and the Navy and the C. A. A. Board made a resurvey and picked 65 for completion because of military necessity, and the money for their completion will come to you in a few days in the form of a conference report reappropriating $99,000,000 earmarked for these W. P. A. projects. That left 28 which are from 50 to 90 percent completed and which projects we are now discussing. The United States Treasury is interested in these 28 uncompleted airports because over $8,400,000 of Federal money, State money, and county money is invested in them. Every day those airports lie idle a great loss of invested capital is incurred through wind erosion, and so forth. We are losing a large Federal, State, and municipal investment. It is only a matter of economy that the work be finished. It will take $8,000,000 to complete them. The Civilian Aviation Administration, knowing of this great investment, knowing the value of these airports to national defense, would like to have them completed. So the C. A. A. went to the Budget. They told the Budget they needed $8,000,000 to complete these airports because the airports were needed. The President has said to complete useful units or make arrangements with the sponsors to complete them. The C. A. A. has carried out its part by the request to the Budget.

We met this morning. Many of us have been working on this matter a long time. We decided to take the floor to inform Congress of the probable loss of this big investment.

The gentleman from New York [Mr. TABER], ranking minority member of the Committee on Appropriations, has a break-down of what it will cost to complete each one of these airports. Those of you interested should get those figures. You will be surprised at the amount of money that your State, your city, and your Government has invested in airports 50 to 90 percent completed.

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

Mr. STEFAN. I yield to the gentleman from Nebraska.

Mr. CURTIS. There is one airport near the city of Vesta, Nebr., where a W. P. A. project was constructed, an airport covering 130 acres where they were training 50 flyers for the Government. W. P. A. said we ought to enlarge it. They did so by taking in areas surrounding the field with the result that the new one is not completed and the old one cannot be used.

Mr. STEFAN. That is right and it will cost $450,000 to complete it. There is one airport in my district, Fremont, which will cost about $25,000 to complete. It is 90 percent complete yet it has been abandoned representing a great outlay of city and Government funds. I want that investment saved and this valuable and badly needed airport completed.

Because of parliamentary procedure we are stymied, we cannot offer an amendment to include this important item. We may get help in the Senate.

We are pleading with the Budget Bureau to allow and approve immediately this C. A. A. request for $8,000,000 to complete and save this investment in order that we may include it in this bill when it gets over to the Senate. We want these airports authorized before we go home or before we recess.

Mr. ANDERSON of New Mexico. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from New Mexico.

Mr. ANDERSON of New Mexico. I want to confirm what the gentleman has said and to point out that the airport I mentioned at Raton, N. Mex., is 91 percent completed.

Mr. STEFAN. Yes. It will only cost $75,000 to complete that airport. The gentleman has worked hard for its completion.

Mr. KERR. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from North Carolina.

Mr. KERR. May I say on the gentleman's behalf that there is not a man in the House who is more diligent and who has taken more interest in this matter than he has. There are three of these airports that the people of my State have spent thousands and thousands, yes, millions of dollars, as I understand it, to build or, rather, they have given land that is worth that. These are magnificent, prosperous towns near the great Army activities of my State. Yet they will leave this out, and they cannot be completed.

Mr. STEFAN. The gentleman has helped and worked hard for aviation generally.

Mr. WRIGHT. Will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Pennsylvania.

Mr. WRIGHT. I am very much interested in what the gentleman says. I do not know whether there are any of these in my State or not. Nevertheless, I feel that there is a great future for aviation, and I think it would be a permanent investment for the country. Unless there would be some Member object or raise a point of order, the amendment could be offered. From what I can judge, it is the unanimous sentiment of the House, if no point of order is raised.

Mr. STEFAN. Of course, we could pass it if no point of order were raised.

Mr. WRIGHT. There is no doubt about the amount.

Mr. STEFAN. Our committee wants to proceed in an orderly manner. I am sure a point of order would be raised. I want to thank the gentleman, however, for his contribution. We want to save this investment.

The CHAIRMAN. The time of the gentleman has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. SHORT] for 3 minutes.

Mr. SHORT. Mr. Chairman, we all should, if we all do not, feel grateful to both the gentleman from Wisconsin [Mr. KEEFE], and the gentleman from Nebraska, [Mr. STEFAN] for calling this important matter to the attention of the House. I feel that the Government does have a moral obligation to carry out a solemn contract and if we fail to complete these airports that have already been started and many of which are nearly completed, we would not only be guilty of a breach of faith but we would suffer a severe economic loss. I never did believe much in W. P. A. but when one undertakes even a bad thing he should see it through. "Blessed is he who sweareth to his own hurt and changeth not."

I happen to have an airport down at Joplin, Mo., that is practically complete. All that it lacks is $14,000 to $16,000 worth of lighting facilities. The people in that community have cooperated with the Federal Government and both have spent over $500,000 for building that airport, which is located in one of the third largest defense areas in the United States. The field is complete, the hangar built, the runways constructed, and yet we cannot use it.

Mr. RABAUT. Will the gentleman yield?

Mr. SHORT. No; I do not want the gentleman to embarrass me. I do want to tell the gentleman that this Joplin airport is between Fort Leonard Wood and Camp Crowder, in Missouri. It is just across the line from the Jawhawk ordnance plant and from the shell-loading plant over in Kansas. It is about halfway between Kansas City and Fort Joe Robinson, at Little Rock, and Camp Chaffee at Fort Smith, in Arkansas. It is about halfway between St. Louis and Oklahoma City, in one of the most strategic areas in the United States. We have lead and zinc mines and several powder plants in this area. This airport could be easily extended. Yet, because the W. P. B. or the Army or the Navy or some other agency overlapping C. A. A. has been negligent, envious, or jealous, we are denied these $14,000 worth of lighting equipment in order to utilize that field that is already complete. What a waste of public funds. Yet I know the acute shortage of critical materials.

Recently a bomber that cost $350,000 crashed near that field, killing all the crew and, of course, the bomber was lost, too. It is all right for the Congress to appropriate funds to complete these fields, but unless we can jar some sense into the heads of some administrative agencies down at the other end of the Avenue in order to get the equipment to utilize these airports, the money will have been spent in vain.

Mr. Chairman, it is shocking to know that we already have lost more men in air service training than we have lost in combat.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Michigan [Mr. RABAUT] for 2 minutes.

Mr. RABAUT. Mr. Chairman, may I say to the last speaker that there was no contractual obligation on the part of W. P. A. in its relation to the States. In this, my answer to him, I desire to quote my distinguished friend the gentleman from New York [Mr. TABER], who has always referred to this Federal assistance as a hand-out.

Under the W. P. A. the Federal Government was to pay about 75 percent of the cost. I want to be very clear about the matter. There was a requirement in W. P. A. to complete Federal projects, and if the completion of an airport is requested now as necessary to the war effort by either the Army or the Navy, it will be completed. However, other projects not necessary to the war effort upon which great contributions have come from the Federal Government may be completed by their sponsors. As far as these airports are concerned, I am as strong for the construction of airports as anyone present, and I wish at this time to commend in a special manner the devotion in this regard of my personal friend and colleague the gentleman from Nebraska [Mr. STEFAN] for the airport program.

But it certainly comes as a surprise to hear W. P. A. praised in this House; it certainly comes as a great surprise to now hear that W. P. A. really has done some good in so many parts of the country; that W. P. A. has been accountable for some airports; that W. P. A. was accountable for schools, libraries, courthouses, roads, lunches for children, and a thousand other things. Formerly we heard much talk about boondoggling and everything else, but today, at last, W. P. A. comes into its own and is praised on the floor of Congress. I am happy that this day has come, for at last recognition is made of the generous gifts of the Federal Government to the States of the Union.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

SEC. 302. The appropriations and authority with respect to appropriations contained herein shall be available from and including July 1, 1943, for the purposes respectively provided in such appropriations and authority. All obligations incurred during the period between June 30, 1943, and the date of the enactment of this act in anticipation of such appropriations and authority are hereby ratified and confirmed if in accordance with the terms thereof.

Mr. CANNON of Missouri. Mr. Chairman. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CANNON of Missouri: On page 26, after line 6, insert a new section as follows:

"SEC. 303. Appropriations contained in this act may be used to reimburse the emergency fund of the President for advances made therefrom to meet obligations for purposes for which the funds are provided in this act and for which purposes such appropriations are contained herein."

Mr. CANNON of Missouri. Mr. Chairman, this is a precautionary amendment offered by direction of the committee. We trust it will not be necessary. We hope and expect this bill will be passed in ample time to antedate the close of the fiscal year, but in the event through some misfortune it should be delayed beyond the first of the fiscal year, this will make it possible for reimbursement to be made of funds advanced to take care of the items.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The Clerk read as follows:

SEC. 303. This act may be cited as the "Second Deficiency Appropriation Act, 1943."

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 26, line 7, strike out "303" and insert "304."

The amendment was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my good friend the gentleman from New York [Mr. TABER], in his remarks of yesterday, appearing on page 6343 of the RECORD, made the statement that certain contracts had been entered into by the Office of War Information in violation of law. Also that it was incorporated by a group of people most of whom are on the preferred list of the Dies committee.

The original contract with Short Wave Research was entered into by the Office of Coordinator of Information, headed by Brig. Gen. William J. Donovan. General Donovan is one of the most eminent men in the Government service today. He has a long record of public service. He served with credit and distinction in the first World War. He was the nominee of his party for Governor of New York against Governor Lehman.

While he needs no defense, I am glad to be able to certify that this contract was not in violation of law and that he did not recruit for carrying out the contract men from the preferred list of the Dies committee. I think it is only due to General Donovan that this statement be made.

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

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I just want to call the attention of the chairman to the fact that I stated that those who incorporated the Short Wave Research, Inc., were a group of people who were on the preferred list of the Dies committee. I did not say that those whom they recruited were on that list. I made no comment of that kind.

I still say that the contract was illegal. It is perfectly clear, I think, that it is illegal. It is now under investigation by the Comptroller General.

Mr. CANNON of Missouri. It could hardly be under investigation when it was discontinued some time ago.

By way of historical review, Mr. Chairman, I shall read the following statement:

The Office of War Information, Overseas Branch, inherited on its establishment in June 1942 a contract which had been entered into on April 25, 1942, between Short Wave Research, Inc., a private corporation, and the Foreign Information Service of the Office of Coordinator of Information, headed by Brig. Gen. William J. Donovan. After the Office of War Information was given the foreign information service formerly in the Office of the Coordinator of Information, the Office of War Information renegotiated this contract with Short Wave Research in July 1942, and that contract was continued until terminated by the Office of War Information on March 7, 1943. During the period of the contracts with Short Wave Research by the Office of the Coordinator of Information and the Office of War Information, beginning in April 1942 and ending in March 1943, $545,009.79 was paid to Short Wave Research, Inc., for foreign-language services required in overseas propaganda. This sum was entirely from authorized and vouchered funds.

The arrangement was entered into originally for reasons of economy, of which the Bureau of the Budget and the Civil Service Commission were cognizant. At that time, the Foreign Information Service of the Office of Coordinator of Information was preparing programs in many languages, but did not broadcast in any single language sufficient hours each day to warrant hiring full-time linguistic personnel. Short Wave Research, Inc., maintained a pool of available personnel with linguistic or literary skills needed in overseas propaganda. Under the contract, the Foreign Information Service could call for such services as it needed, for given hours each day or week, and payment for these services was made to Short Wave Research, Inc. All payments were for writing, translating, or radio broadcasting services actually rendered.

When the Office of War Information submitted its first budget to Congress in September 1942, a sum was included for these services and the item was clearly set forth and explained in the book of justification.

By January 1943, programming by the Overseas Branch of the Office of War Information had increased in volume to such an extent that it became preferable for the Office of War Information to place all linguistic and literary personnel directly on its pay roll. This change was completed and therefore the contract was terminated by the Office of War Information on March 7, 1943.

Payments made under contracts with Short Wave Research

Payments made by the Office of Coordinator of Information, April to June 1942, before transfer of the foreign information service to the Office of War Information	$226,855
Payments made by the Office of War Information from July to October 1942	178,120
Payments made by the Office of War Information from November 1942 to March 1943	140,033

There was a saving here. Originally, instead of using personnel whose entire time could not be employed, they used the pool supported by this service to give the service only when service was needed. At other times there was no charge upon the Government. All payments were for writing, translating, or radio broadcasting services actually rendered. When the service was built up to a basis of continuous employment, the contract was discontinued.

If there had been such maladministration, such malfeasance, and misuse of funds as are indicated by the gentleman, it would have been brought out at that time, and certainly opportunity was offered for criticism at that time.

So there is no basis on which an investigation could be predicated. I am sure if any investigation is being made, General Donovan can more than maintain the right he had to make the original contract. And, of course, O. W. I. had a similar right.

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

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment. The statement that the gentleman from Missouri [Mr. CANNON] has just read is incorrect in several respects. In the first place, Mr. Davis became the head of the O. W. I. some time before we went away from here in the early summer of 1942. For almost a year he has operated under this contract with the Short Wave Research, Inc., and this set-up was designed to hire people for the Government without their having to go through the Civil Service Commission or be classified by the Civil Service Commission. The O. W. I. was given opportunity to enter into contracts without reference to the provisions of section 3709 of the code, but that applies only to supplies and materials. It does not apply to personal services, because the statute was designed to keep people on the Federal pay roll so that they could be checked upon, and the Civil Service Commission could properly classify them. I do not feel that any statement that I have made in criticism of O. W. I. in this connection is in the least out of the way, or in the least incorrect, and I think that I will stand right square upon what I said. I did not say that the majority of the employees were upon the preferred list of the Dies committee. I said the incorporators were on that list. The gentleman seeks to make General Donovan the goat. The man I criticized was Elmer Davis, and the criticism was well founded.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, originally this work was under the Coordinator of Information, General Donovan, and he, in this capacity, negotiated the contract, and the fact that the contract was not illegal is shown by the fact that expenditures under it have regularly passed through the General Accounting Office and been properly vouchered and approved. Later the Office of War Information was created, and this work was transferred, that is,

the Foreign Information Service was transferred from the Office of the Coordinator to the O. W. I. under Mr. Davis, and the O. W. I. renegotiated a contract with Short Wave Research in July 1942, and in March 1943 discontinued this contract.

The record cannot be construed as a reflection on General Donovan, who has had a distinguished public career, and who has represented and is representing both his country and his party in a most praiseworthy manner. The evidence is that his accounts were vouchered by the proper authority and O. W. I. continued a contract and followed a practice inaugurated by the Coordinator's office.

Mr. Chairman, I move that the Committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PACE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill (H. R. 3030) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1943, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1944, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse. The question is on agreeing to the amendments.

The amendments were agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this bill may have 5 legislative days in which to extend their own remarks on the bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

VOCATIONAL REHABILITATION OF PERSONS DISABLED IN INDUSTRY

Mr. HART. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2536), to amend the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, as amended, and for other purposes, with Senate amendments, disagree to the Senate amendments, and ask for a conference thereon.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey? [After a pause.] The Chair hears none and appoints the following conferees: Mr. BARDEN, Mr. HART, Mr. LESINSKI, Mr. DONDERO, and Mr. CHENOWETH.

EXCESS PROFITS APPLICABLE TO CERTAIN PRODUCTION BONUS PAYMENTS

Mr. DISNEY. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 2888), relating to the application of the excess-profits tax to certain production bonus payments.

The Clerk read the title of the bill.

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

Mr. REED of New York. Reserving the right to object, will the gentleman make a brief explanation of the bill?

Mr. DISNEY. Mr. Speaker, this involves the question of excess profits on the production of zinc in the lead and zinc mining areas of Oklahoma, Missouri, and Kansas. Last year we attempted to correct an apparent inconsistency involved in the payment of bonuses for the work of low-grade zinc deposits, and then charged the producer excess profits. By oversight the matter of the working of so-called tailing piles was overlooked and the anomalous condition still prevails as far as that is concerned.

The bill was unanimously reported by the Committee on Ways and Means, and there is no objection from the Members on the minority side.

Mr. REED of New York. Mr. Speaker, I have examined this bill thoroughly. It is a meritorious bill and ought to be passed in the interest of the prosecution of the war.

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

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 735 (c) of the Internal Revenue Code is amended to read as follows:

"(c) Nontaxable bonus income: The term 'nontaxable bonus income' means the amount of the income derived from bonus payments made by any agency of the United States Government on account of the production in excess of a specified quota of:

"(1) A mineral product or timber, the exhaustion of which gives rise to an allowance for depletion under section 23 (m), but such amount shall not exceed the net income (computed with the allowance for depletion) attributable to the output in excess of such quota; or

"(2) A mineral product extracted or recovered from mine tailings by a corporation which owns no economic interest in the mineral property from which the ore containing such tailings was mined: *Provided*, That the exhaustion of such mineral product would give rise to an allowance for depletion under section 23 (m) if such corporation had an economic interest in such mineral property, but such amount shall not exceed the net income attributable to the output in excess of such quota."

SEC. 2. Section 711 (a) (1) (I) of the Internal Revenue Code is amended to read as follows:

"(I) Nontaxable income of certain industries: In the case of a producer of minerals, or a producer of logs or lumber from a timber block, as defined in section 735, there shall be excluded nontaxable income from exempt excess output of mines and timber blocks and nontaxable bonus income provided in section 735. In respect of nontaxable bonus income provided in section 735 (c), a corporation described in section 735 (c) (2) shall be deemed a producer of minerals for the purposes of this subparagraph."

SEC. 3. Section 711 (a) (2) (K) of the Internal Revenue Code is amended to read as follows:

"(K) Nontaxable income of certain industries: In the case of a producer of minerals, or a producer of logs or lumber from a timber block, as defined in section 735, there shall be excluded nontaxable income from exempt excess output of mines and timber blocks and nontaxable bonus income provided in section 735. In respect of nontaxable bonus income provided in section 735 (c), a corporation described in section 735 (c) (2) shall be deemed a producer of minerals for the purposes of this subparagraph."

SEC. 4. The amendments made by this act shall be applicable to taxable years beginning after December 31, 1940.

With the following committee amendment:

Page 2, line 8, after the word "mined", strike out "*Provided*, That the exhaustion of such mineral product would give rise to an allowance for depletion under section 23 (m) if such corporation had an economic interest in such mineral property."

Mr. DISNEY. Mr. Speaker, the amendment merely strikes out some surplusage that was overlooked.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, on behalf of the gentleman from Wisconsin [Mr. KEEFE], I ask unanimous consent that he may be permitted to revise and extend the remarks he made today in Committee of the Whole and to include therein certain tables.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include therein certain telegrams.

The SPEAKER. Is there objection?

There was no objection.

SILVER FOR WAR PURPOSES

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I would like to inquire, if I may, of the gentleman from North Carolina [Mr. DOUGHTON], chairman of the Committee on Ways and Means, if he can tell us when the bill S. 35 is likely to be reported from his committee? It involves a question of silver which the War Production Board and others who are interested in the war effort think should be passed quite speedily.

Mr. DOUGHTON. It has been referred to a subcommittee. I do not know just when they will be ready to report. I will check up and give the gen-

tleman that information in the next day or so.

Mr. MARTIN of Massachusetts. I wish the gentleman would do that, because I understand it is a question of days before there will be no silver for use in the war effort.

Mr. DOUGHTON. It is an emergency as far as silver currency is concerned, is it?

Mr. MARTIN of Massachusetts. No; it is silver that is used in the war effort. I think the gentleman from Massachusetts [Mr. McCORMACK] understands the urgency of it.

Mr. DOUGHTON. The gentleman from New York [Mr. CELLER] has spoken to me about it and it has been referred to a subcommittee.

Mr. MARTIN of Massachusetts. The bill originated in another branch of the Congress.

Mr. DOUGHTON. I beg the gentleman's pardon, but the gentleman from New York [Mr. CELLER] called it to my attention frequently.

Mr. MARTIN of Massachusetts. He may have a bill of like nature, but the one I am referring to was passed in the other branch of Congress.

Mr. DOUGHTON. All bills relating to that subject, of course, will go before the subcommittee, and I will try to inform the gentleman in a day or two just when it will be reported.

Mr. McCORMACK. The bill is S. 35, introduced by Senator GREEN, and it has passed the Senate.

It is a bill that is connected up with the elimination of the Celler amendment in the Treasury-Post Office appropriation bill, and there seems to be no objection to it. I know that if it is possible to get the bill considered before we recess there is no objection to the committee giving it early consideration.

Mr. MARTIN of Massachusetts. The gentleman will agree with me that it has been represented as being quite urgent for the war effort and should be taken up very quickly.

Mr. McCORMACK. Yes, there is no question about that.

EXTENSION OF REMARKS

Mr. MARCANTONIO. Mr. Speaker, I also ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a letter I have written to the President.

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

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. GATHINGS. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD and to include a letter which I have just received.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROWAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include an editorial from the Washington Post.

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

There was no objection.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee this afternoon and to include therein some excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet tomorrow at 11 o'clock.

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

There was no objection.

EXTENSION OF REMARKS

Mr. WILSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include an article by the gentleman from Indiana, Hon. LOUIS LUDLOW, entitled "What Our People Want of the Congress."

The SPEAKER. Is there objection?

There was no objection.

FROM PEARL HARBOR TO TOMORROW

Mr. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. WILSON. Mr. Speaker, I realize only too well that none of us can spare one-tenth of the time he needs to read one-hundredth of the wonderful printed material which flows across our desks in a continuous flood tide.

However, once in a while I do get a chance to read some item or booklet with care and thought and when I discover a good one I want to share it with others; especially you, my colleagues, whom I know face my own problem of sorting and selecting what to read. I am happy to recommend without reservation a booklet I have just read entitled, "From Pearl Harbor to Tomorrow." It is a most wonderful day-by-day account of the first 15 months of our war. Not only is the whole publication of great interest to all of us who saw the hand of destiny at work in the dark days before the war but the booklet is well indexed, and is, therefore, invaluable for reference purposes.

James Bell is the author of this work and one of his readers who was very much impressed with the book brought me two copies and asked that I place them where they would be accessible to other Members of Congress. This I am happy to do and you will find a copy in each of the cloak rooms.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Vermont [Mr. PLUMLEY] be permitted to extend his remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a newspaper editorial.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. Under previous order of the House the gentleman from Pennsylvania [Mr. WRIGHT] is recognized for 40 minutes.

OFFICE OF WAR INFORMATION

Mr. WRIGHT. Mr. Speaker, last Friday the House of Representatives in considering an appropriation bill deprived the Office of War Information of the funds necessary to conduct its Domestic Branch. This action if concurred in by the Senate, which is presently considering the bill, will result in the complete elimination of this agency without the provision of any substitute. Indeed the gentleman from Alabama [Mr. STARNES] who introduced the amendment to eliminate this appropriation stated that there is no necessity for the work now being performed by this office and that the war effort would proceed more expeditiously if no similar office existed.

I do not wish to talk of the spirit of pique and legislative resentment in which the House took this action. We know that Friday was a field day for the critics and enemies of the administration. I will not even say that some of this resentment is not understandable and that a small portion of it is not justifiable but I do however think that we should calmly and in a proper deliberative mood consider now the results of the action we have taken and whether or not we have performed a service or a disservice to our country.

The following day Elmer Davis, the Director of the Office of War Information, announced that should the House provision be finally enacted into law he would have no alternative save to resign. This morning the Washington Post condemned the action of the House and pointed out the impossibility of servicing the American public with the proper news and information about the war and about the domestic front unless some office existed which could collate and assemble such information from the various agencies of the Government and also from the news sources on our battlefronts.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield.

Mr. VOORHIS of California. I appreciate what the gentleman is doing this afternoon. In my judgment, if Mr. Elmer Davis should discontinue the work he has been doing for this Government in connection with the Office of War Information it would be a serious loss to our war effort.

Mr. WRIGHT. I am glad the gentleman feels that way because I believe Mr. Davis is doing a very valuable work,

work we cannot afford to dispense with at the present time.

I will discuss in some detail the valuable and necessary service now being rendered by the Office of War Information.

I might state at the outset that much of this information was obtained from the Office of War Information itself and that any Member is free to challenge its accuracy.

The controlling principle of O. W. I. on the domestic front is this: "This is a people's war, and to win it they should know as much about it as they can. We will tell the people the truth and nothing but the truth. Only information of value to the enemy will be withheld."

If the domestic branch of the Nation's war information organization is abolished, will the people of this country have a clear and accurate picture of our war activities, policies, aims, successes, and failures? Will they remain, as they are now, the best-informed people in the world?

PRESS

Before O. W. I. was established a year ago, the public had lost confidence in the accuracy of military news. Newspapers were carrying the charge that the Navy was withholding news of the complete destruction of our Pacific Fleet. Another charge was that bad news was withheld until good news could be balanced with it. The people at war, ill-informed, were deeply shaken.

The O. W. I. has fought within all councils of Government for the prompt, complete, and accurate reporting of all military news. Only information valuable to the enemy is withheld. Today the American people know they are accurately informed as speedily as possible.

A year ago the press of the country was bitterly attacking the Government for conflicting statements by various Federal officials on rubber, oil, production, prices, manpower, and so on. Conflicting statements led to Nation-wide public confusion. Newspapers in all sections charged that no one could be sure that he had obtained the truth.

Today not all, but most, conflicting statements have disappeared, due to the coordinating work of O. W. I. The public knows where we stand on the battle fronts, in production, in conservation, in financing, in price control, and in all other major war undertakings.

A year ago newspaper correspondents had to work with 33 separate Federal agencies to obtain war news. Today 54 correspondents get most of their stuff from the O. W. I. central news desk.

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

Mr. WRIGHT. I yield to the gentleman from Texas.

Mr. PATMAN. I am in accord with the gentleman's views. Right now is no time to dispense with the domestic branch of O. W. I. It is the only organization that has a well coordinated, well planned campaign to educate the people on the dangers of inflation. That campaign is to start soon, yet Congress will be in the position of not only failing to levy taxes to siphon off sufficient excess purchasing power to prevent inflation, but also to have crippled the O. P. A., the only agency that is charged with the duty of keeping down prices. We must not dispose of the only agency which is trying to carry on a campaign to prevent inflation.

Mr. WRIGHT. I agree with the gentleman.

Mr. PATMAN. So it is especially bad at this particular time.

Mr. WRIGHT. I thank the gentleman for his observation because I know this organization is going to be quite valuable also in our domestic front, although I spoke of the dissemination of foreign news. I agree with the gentleman that inflation is probably a greater danger at present than it has been at any time since we have been in the war.

RADIO

The radio industry—networks, affiliated stations, and independent stations—are devoting about $100,000,000 in radio time to war information. The industry's desire is to help keep people accurately informed and to stress those campaigns—such as bond sales, salvage, food conservation, and so forth—which will help promote the war on the home front.

The industry depends upon O. W. I. to bring the facts together in proportion and perspective. Without O. W. I., the industry would have to work separately with 33 Federal agencies, each of which would be interested in only 1 phase of the war, and each of which would contend with the industry that its program deserved first attention on the air. The result would be chaotic. The truth is that a $900,000 annual cost by O. W. I. enables the radio industry to do an effective $100,000,000 war job.

ADVERTISING

The advertising industry has converted its output to war, also. About $100,000,000 in newspaper and magazine space carries vitally helpful information on black markets, food conservation, point rationing, and so on. The advertising council obtains its basic data from O. W. I. If O. W. I. were discontinued, 33 separate departments would attempt to work directly with the advertising industry; their competitive demands would most likely cause the industry to give up in disgust.

MOTION PICTURES

The motion-picture industry is making, at its own cost, 26 special war pictures a year for use in the bulk of American movie houses. O. W. I. makes 26 also. Hence, there is 1 picture a week, on an important war topic, in the movie theaters each week. The industry favors the present cooperative arrangement. It knows that O. W. I., having sifted the needs of all agencies, is supplying it with basic facts on those war problems which can best be tackled by motion pictures. If there were no domestic branch of O. W. I., the industry would be besieged separately by W. P. B., O. P. A., O. D. T., Treasury, War Department, Navy Department, Agriculture, and other agencies. The industry would have to pick and choose, with no assurance that it was making its maximum contribution to public understanding.

POSTERS

The retail stores of the country placed their display windows at the disposal of O. W. I. One poster each week deals with a current war campaign, such as security of information, Navy recruitment, black markets, food conservation, bond sales, and so forth.

MAGAZINES, BOOKS, AND FREE LANCE WRITERS

O. W. I. does not write articles for magazines and books. But editors, publishers, and writers are constantly asking "What problems need to be explained?" O. W. I. keeps them informed and they in turn, at their own expense, do the job.

THE FIELD

Each Federal war agency has field offices. Many cities have 4 or 5 such offices and a few have as many as 15. At these field locations, 1 O. W. I. office does the information job for all. If each did its own, the cost would more than double.

ENEMY PROPAGANDA

Every American citizen may obtain enemy propaganda by radio or by reading Rome, Berlin, and Tokyo dispatches in his newspaper. O. W. I. is the only agency in America that is regularly exposing the lies and fallacies of what the enemy is saying to us.

SAVING THE GOVERNMENT MONEY

The Domestic Branch of O. W. I. costs less than $9,000,000 a year. But its services enable the free communication media of America—press, radio, advertising, motion pictures, magazines—to do an effective job and this private effort, on war subjects alone, costs several hundred million dollars a year.

If O. W. I. is abolished, the information costs of every Federal war agency will rise. Indeed, the Federal cost will easily double, and the result, to the American people and to our free communication media, will not be half as good as it is now.

Why is it then in the face of the importance of this Office in the conduct of the war that its operation should have aroused so much resentment among the Members of the House that they would vote to discontinue its appropriation?

Several distinct criticisms have been leveled at the conduct of this Office and I will speak of each of them briefly. The gentleman from Louisiana [Mr. ALLEN] stated in a moving address that this Office had stirred up racial feeling in the South and that in consequence it was a detriment to the war effort in that section of the country. Having an appreciation of the delicate nature of this question, particularly at the present time when we read of the hideous occurrences recently in Detroit, I am constrained to sympathize with the gentleman's position. Certainly at this time no action should be taken, no word should be spoken which would aline Americans against each other on racial issues and I would not countenance any such activity. I sincerely believe, however, that there has been no intentional attempt to cause racial disunity on the part of the responsible heads of this organization. I believe that if any Member holds a different opinion and thinks that the Office

of War Information is fermenting racial discontent, Mr. Davis would give his complaints sympathetic consideration and eliminate any action which could be reasonably criticized as having this effect in time of war. I wish to comment at this point what the Director of this office himself has to say about the racial question and its connection with the operation of his Office.

Some Members of Congress have suggested that the Office of War Information intruded into racial relationships by the publication of a pamphlet, Negroes in the War.

This pamphlet was written specifically to point out the stake that 13,000,000 American Negroes have in the war, and to help counteract Japanese propaganda designed to foment racial discord in this country.

Obviously the responsibilities of O. W. I. to convey information about the war to the people of this country include the responsibility of providing information of particular interest to minority groups. The Negro minority is the largest racial minority in the country and has a special interest in the part that the Negroes are playing in the war effort. The purpose of the pamphlet was to indicate the advances made by the Negro people under American democracy in contrast to what would be in store for them in event our enemies should win; to point out the contributions being made by Negro citizens in professional, industrial, and military fields, and in general to foster among Negroes a feeling that they, as well as white Americans, are fighting this war. There was nothing inflammatory in the pamphlet. It was written by a well-known Negro writer and edited with extreme care by competent members of the O. W. I. staff who are thoroughly familiar with the Negro problem.

Negroes in the War is largely photographic, giving the pictures of Negro leaders and showing what contributions they were making to wartime America. The pamphlet was distributed largely to Negro religious, social, and fraternal organizations.

The most prevalent criticism, however, is that frequently heard from the Republican Members of the House. They accuse the Office of War Information of playing Democratic politics and specifically of promoting the fourth term of President Roosevelt.

If their criticisms be well taken and if this office is using its prestige and favored position to play partisan politics, I would of course agree with these gentlemen that such conduct is highly reprehensive and should be stopped immediately. I am a Democrat and a fairly consistent supporter of the administration. I am not so partisan, however, that I would deny to the Republican Members the right to protect their legitimate political interests nor do I think that a governmental office, particularly in wartime, should promote disunity by engaging in partisan politics.

Again, however, I would suggest that this charge also is entirely unfounded and largely prompted by the too tender political sensibilities of the members of the Republican Party. There was one booklet issued by O. W. I. which portrayed and somewhat idealized the life and accomplishments of the President. This book was, however, not circulated in this country and no one charged that it was. It was sent to our foreign front for propaganda purposes, not among our own people, but among our allies and our enemies. I think that this booklet and its circulation can be defended. Whether we like it or not, the President symbolizes America to most foreign countries and I might say that his personal popularity among our allies and sympathizers does much to promote the popularity of our cause. I will agree, however, with Mr. Davis who himself has stated that in an effort to lean over backward to avoid the slightest semblance of politics that there should be no future dissemination of similar literature. Mr. Davis has this to say about political activity in his organization:

> The Office of War Information has neither the inclination, the talent, nor the experience to engage in political propaganda.

The Director, moreover, has instructed the staff to take every precaution against issuing material which might in any way be construed as having a political intent. In a staff order binding on all personnel the Director stated:

> It is the duty of all staff members to continue so to conduct themselves that there shall never be any basis for such criticisms, in the judgment of fair and intelligent observers. Office of War Information can no more be concerned with politics than can the Army or Navy. Our sole function is to contribute to the winning of the war.

The Director of the Domestic Branch and many members of the staff are Republican. No consideration whatever is or has been given to personal political affiliations, however, beyond the regular check to determine possible Communist or Fascist connections.

By and large the personnel of O. W. I. Domestic Branch are professional people—newspapermen, script writers, photographers, artists, motion-picture technicians, and advertising men. They are not political partisans. They are concerned only with how they can present the facts.

The information programs conducted by O. W. I. in general involve no political issues whatever—the why and how of food rationing, fuel rationing, airplane production, and similar matters quite outside the field of political controversy.

In a recent speech in Boston Mr. Davis criticized the perspective of some of the Washington correspondents. He has been subjected to attack both on the floor and in the press for his remarks. I have often thought myself that many news writers and commentators fail to keep before the people the picture of the great accomplishments which this country has performed in its conduct of the war and that they have confined their observations largely to the inevitable disagreements among the various branches of the Government and between the two major parties and also among those in administrative offices, many of whom are nonpolitical and are drawn from business life. Whether or not my opinion is correct is beside the point. This is a matter of extreme unimportance and not even the most severe critic of Elmer Davis would state that a veteran newsman like himself had any thought whatever either in his remarks in Boston or at any other time to in any way shackle the free press of America.

Finally, I wish to speak of an address made on the floor of the House last Thursday by the gentleman from Michigan [Mr. LESINSKI], the burden of which was that the Office of War Information was playing Communist politics largely because it has not adopted as the policy of its office the contentions of the Polish Government in exile as to the various matters which it has in dispute with the Soviet Government.

This last attack has caused me some concern because the gentleman has always been an outstanding liberal and a supporter of the President, in addition to being a personal friend of my own. In the course of his address the gentleman has, undoubtedly in good faith, but unjustly, attacked the character and patriotism of several of the staff of this office. He moreover has adopted a position concerning our foreign policy and our relations with Russia which I consider unfortunate and one which would, if given any public support, endanger our friendly relations with that country at the time of our common battle with the enemy.

The gentleman's strictures upon the personnel of the Office of War Information do not extend to Mr. Elmer Davis, the Director, except insofar as he states that Mr. Davis has been a failure as an Administrator. I share the gentleman's praise of the high accomplishments of Mr. Davis as a correspondent and news analyst. I know that he has taken his present position with the sole motive of rendering service to his country and at a considerable financial sacrifice. I disagree with the gentleman, however, in his statement that Mr. Davis has managed his office badly and also with his statement that he has surrounded himself by incompetents and Communist sympathizers. I am personally acquainted with only one member of the staff of this office who has been criticized by the gentleman, but my acquaintance with him and my knowledge of the falsity of the accusations against him give me good reason to doubt the accuracy of his remarks about the others.

He has seen fit to attack the character and attainments of Alan Cranston, who heads the Foreign Language Division of the Domestic Branch of this office. Mr. Cranston is an experienced newsman, having been for years a foreign correspondent in Italy and London for the International News Service. I can testify from my acquaintance with him that he is capable and patriotic and also that he personally detests any trend toward communism in this country. Instead of playing down the contribution to the war rendered by the exiled governments and the people in their occupied countries, the group headed by

Mr. Cranston has continuously emphasized the sufferings and the bravery of these people who have done so much to help us with the war. I have several exhibits which I will be glad to show the gentleman, showing news releases to the foreign language newspapers in this country which emphasize the value of what is being done by the governments and people of occupied Europe. As to the insinuation of any connection on the part of Mr. Cranston with the so-called Tresca affair, which incidentally was an unexplained homicide down in New York, I shall not comment except to say that any mention of his name relative to this occurrence is absurd.

Mr. Gordon, who is criticized as ignorant of the duties of his position, as inexperienced and as communistic-minded, and whom I do not know, is, I am told, a journalist of 8 years' experience, a college graduate, a fine American, and a linguist who is conversant with several languages.

As to Mr. Hudes, whom the gentleman states was a Communist, I was told myself by Mr. Davis that he had no knowledge of any communistic connections on the part of this man nor any reason to believe him so disposed. If the gentleman is of the opinion that Mr. Hudes is guilty of subversive activities, I would suggest that he refer his name to the Kerr committee.

I am concerned also with the gentleman's complaint that the Office of War Information has not promulgated propaganda criticizing the Russian Government in the so-called Katyn massacre and in the Ehrlich and Alter case. I am convinced, and I am sure that the House will agree with me, that if the Office of War Information or the Department of State had taken the position suggested by the gentleman it would have been a serious affront to our ally, the Soviet Government, which might have been of sufficient gravity to have caused the severance of our relations with them. These are matters of such extreme delicacy that I do not think that any high Government official can risk becoming involved in them. Every responsible American writer considers the Katyn massacre story as unadulterated Nazi propaganda. As to the Ehrlich and Alter case, none of us knows all the facts, and, more than this, it so intimately involves the sovereignty of the Russian Nation that to me at least its discussion upon the floor of the United States Congress seems improper and dangerous.

The gentleman is passionately interested in a free Poland and I can sympathize with his desires. With my great friendship with those of Polish antecedents, any peace settlement which would not insure the ancient and Christian nation of Poland its proper recognition would be to me a tragic failure, but I do not propose for this reason to make public statements unfriendly to the Russian Nation on matters which should be discussed, if at all, through our proper diplomatic channels. We need friendship with Russia to beat Germany, we need friendship with Russia to beat Japan, and we need friendship with Russia to maintain a world peace.

Let it not be thought in my making these statements that I in any way condone communism at home. American Communists are in my opinion disloyal to this country in which they live, because their ultimate allegiance is not to America but to Russia and the Third International. I think they are potentially dangerous because although at present the party line demands that they cooperate with our war effort, they will surely sabotage our interests if they change the party line. My feelings in this matter and my sympathy with the future of Poland will not permit me, however, to endanger our friendship with Russia which I think we must maintain for the safety of our Nation and of the world.

So, therefore, I do not condemn the Office of War Information for its position as to foreign affairs but rather I heartily commend it for its devotion to the national interest.

I sincerely trust that whatever matters the gentlemen of the House might sincerely have in disagreement with this important Government office, they will attempt to adjust them amicably and that if we get an opportunity in the House to modify our action taken last Friday that we should reconsider the vote which we have cast to destroy a valuable public function without providing any substitute for it.

The SPEAKER pro tempore (Mr. RAMSPECK). Under previous order of the House, the gentleman from Georgia [Mr. GIBSON] is recognized for 10 minutes.

WASTE IN GOVERNMENT OPERATION

Mr. GIBSON. Mr. Speaker, I have recently spent 10 days in my district in Georgia in daily contact and association with my constituents who form a part, and to me a very important part, of the populace of this Commonwealth known and loved by us as the United States of America. I have always been convinced that the essence of a representative form of government was a close association of a representative with his people and a first-hand knowledge of their problems, their hardships, their emotions, and reactions to the various national issues. I am more convinced than ever that any Representative in Congress to give the best representation to his people should at least have regular periodical association with his people.

I want to say to this body, and through this medium, to every taxpayer of this Government, that I saw and learned facts first-hand that were appalling, amazing, and distressing while I was in my district.

I am bringing these facts to this floor with the hope that the people who toil to furnish the money to run this Government may be awakened sufficiently that they will correct the disgraceful and shameful waste that is being committed by those in operation of the Government. I have often remarked, and I believe, that 40 percent of every dollar that is appropriated to the various departments here in Washington for their operation is wasted. This, of course, I must admit is an opinion based upon my observation since I have been in Congress, but I believe sincerely after conservative reflection that if an efficiency expert were to investigate the operation of the various departments of government that his findings would sustain my opinion above expressed. However, this is a question that at least could be considered debatable.

On the contrary, I found while on my trip away from Washington that the War Department in entering on great tracts of land and clearing same for air bases, in disregard to every intelligent impulse, and as I consider as an insult to every taxpayer of the United States, cut down hundreds upon hundreds of acres of sawmill and pulpwood timber and hired men to cut it, pile it and burn it, in the face of a great need through the country and in the war effort of sawmill timber and pulpwood, and further in the face of the highest tax assessments that have ever been levied against the people of this country. I have no way of computing accurately the actual value in timber destroyed willfully by fire, but on one air base it would certainly run into hundreds of thousands of dollars. I cannot see how any man can destroy tangible property in the face of the hardships that the citizens of this country are having by necessity to go through at this time. Just why the War Department would commit and have committed these fiendish acts of destruction in the face of a $71,000,000,000 appropriation is inexplainable. This, of course, is a small item as compared to what has been destroyed throughout the United States by similar conduct by this Department. My colleagues from the four corners of this country have told me of similar instances. I have further been told by reliable parties that they do not hesitate to push chimneys down to large buildings of good lumber and fire them when farmers who are trying to produce for the war effort are standing by trying to purchase such lumber for badly needed repairs on their farms. I have further learned from reliable sources of this same Department piling up lumber that is left over from construction work in amounts sufficient to build several large dwellings and burning it when farmers who actually need it are asking for it; and from similar sources I have learned of near whole kegs of nails being thrown away in the face of farmers being denied sufficient nails to operate their farms.

Another fact that is rather significant is that not willfully, but as a direct result of carelessness, the Department has burned up toward $100,000 worth of timber in Clinch County, Ga., belonging to three or four individuals in that county. I have been endeavoring over a period of several months to get the War Department to do something about fire protection for the property adjoining a bombing-practice range, and have been given the usual line of promises without any action until thousands upon thousands of acres of timber land have burned to ruin, destroying the life accumulation of the individual citizens, the direct result of gross negligence, for the payment of which damage the Government is unquestionably bound by every moral law.

I was humiliated and disgusted over other acts being committed by this Government that are unthinkable in the face of the manpower shortage existing today. I heard of many similar instances, but especially one where a turpentine operator and farmer who was cutting badly needed lumber with a small sawmill, and very properly was working a son about 15 years of age whose school was in vacation. One of these wage and hour field representatives, or whatever he may be designated, appeared on the scene and became very much alarmed over this young man performing this work, and not knowing he was a son of the operator, propounded to him many silly questions. The man who was delaying the work of these people was of draft age and by all means should be in the service of his country fighting for the freedom Americans have learned to love instead of puttering about trying to take from the American citizens the privilege to work and earn an honest living. In other words, they are continually puttering about the premises and agitating the employees of sawmills, turpentine processors, and other citizens who are trying to make an honest living and furnish means to others to make an honest living, and in every instance entering where there is peace and harmony and general satisfaction to go away leaving discord, dissatisfaction, and a frustrated and unproductive business.

If there has ever been a time in the life of our Nation when the taxpayers of this Nation should wake up and rout from its pay rolls parasites and demand a complete stamping out of disgraceful and criminal waste of their property and money it has now been reached. I represent a people who expect to work for a living, who always have worked for their living, and who accept as a privilege the right to work for a living, and who love their flag and the Nation it represents and are free and willing taxpayers, but a people who were born and reared in an atmosphere of honesty and sincerity, and who expect from their Government the same degree of consideration, honesty in purpose, and action that they are willing to give their Government.

I realize that there is no more waste in my district than in any other district of the United States, but I am calling upon the War Department and the Secretary of War to see that this criminal waste is stopped, and I am calling on the American people who are now being taxed to the bone and who may expect to be taxed a great deal heavier if this waste is not stopped, to demand that it be stopped.

Mr. CHURCH. Will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from Illinois.

Mr. CHURCH. We are all going to have a chance to get out and see what is going on in the country in the next few weeks if we adjourn around July 3. I think the gentleman has made quite a fine statement here and we should all take it to heart.

Mr. GIBSON. I thank the gentleman. It helped me to go down there and see the fruits of our labor, to see what fruit the tree is bringing forth.

Mr. HAYS. Will the gentleman yield?

Mr. GIBSON. I yield to the gentleman from Arkansas.

Mr. HAYS. I wonder if the gentleman's inquiry regarding the waste of lumber has extended to the purchase of unnecessary quantities of lumber and timber by the War Department for the construction of large camp projects. I have been told by men in my State, who are familiar with the situation, that in some instances timber is lying idle now as a result of purchases of huge quantities that were not needed. I wonder if the gentleman can throw any light on that question.

Mr. GIBSON. I cannot. I was down there for a special purpose. I heard a great deal about such waste but I cannot verify it. What I am bringing to your attention are these things which I saw with my own eyes.

The SPEAKER pro tempore. The time of the gentleman has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. PLUMLEY, for 10 days, on account of official business.

To Mr. FITZPATRICK, indefinitely, on account of illness.

ADJOURNMENT

Mr. HAYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House, under the order heretofore adopted, adjourned until tomorrow, Friday, June 25, 1943, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON THE CIVIL SERVICE

The Committee on the Civil Service will hold a public hearing on Friday, June 25, 1943, at 10 a. m. (H. Res. 16), for further investigation and studies of the policies and practices relating to civilian employment in governmental departments, room 246, old House Office Building.

COMMITTEE ON THE PUBLIC LANDS

EXECUTIVE SESSION

There will be a meeting of the Committee on the Public Lands in executive session at 10 a. m. Friday, June 25, 1943, for the purpose of considering S. 364, H. R. 647, H. R. 2801, and various other bills. At 10:45 a. m. the committee will resume open hearings on H. R. 2596, to protect Naval Petroleum Reserve No. 1. Hon. Norman Littell will be the witness.

COMMITTEE ON THE JUDICIARY

Subcommittee No. 4 of the Committee on the Judiciary will conduct hearings on H. R. 2203, a bill to amend the Judicial Code in respect to the original jurisdiction of the district courts of the United States in certain cases, and for other purposes, at 10 a. m., on Friday, June 25, 1943, in room 346, old House Office Building, Washington, D. C.

The Special Subcommittee on Bankruptcy and Reorganization of the Committee on the Judiciary will conduct further hearings on H. R. 2857, a bill to amend section 77 of the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States," as amended, at 10 a. m., on Wednesday, June 30, 1943, in room 346, old House Office Building, Washington, D. C.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

517. A letter from the Archivist of the United States, transmitting report on a list of papers recommended to him for disposal by the Federal Works Agency; to the Committee on the Disposition of Executive Papers.

518. A letter from the Chairman, War Production Board, transmitting the sixth bimonthly report dated June 11, 1943, on the activities of the Smaller War Plants Corporation from April 10 to June 11, 1943; to the Committee on Banking and Currency.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTINGTON: Committee on Flood Control. H. R. 3010. A bill to provide for emergency flood-control work made necessary by recent floods; with amendment (Rept. No. 596). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on Irrigation and Reclamation. H. R. 3019. A bill to amend the act of August 11, 1939 (53 Stat. 1418), as amended by the act of October 14, 1940 (54 Stat. 1119), relating to water conservation and utilization; without amendment (Rept. No. 597). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on Irrigation and Reclamation. H. R. 3018. A bill authorizing wartime construction and operation and maintenance of reclamation projects; with amendment (Rept. No. 598). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULMER: Committee on Agriculture. H. R. 2837. A bill to provide for central responsibility for the production and distribution of the Nation's food by establishing a War Food Administration in the Department of Agriculture, and for other purposes; with amendment (Rept. No. 599). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 2401) granting an increase of pension to Mrs. Emma Hall, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 3041. A bill to suspend the immigration of aliens into the United States during the war; to the Committee on Immigration and Naturalization.

By Mr. BARRY:

H. R. 3042. A bill to amend section 105 (b) of the Servicemen's Dependents Allowance Act of 1942 for the purpose of increasing the Government's contribution to the family allowance of servicemen having wives and children; to the Committee on Military Affairs.

By Mr. CANNON of Missouri:

H. R. 3043. A bill to provide relief to farmers whose property was destroyed or damaged by floods in 1943; to the Committee on Appropriations.

By Mr. HINSHAW:

H. R. 3044. A bill to exclude service performed by certain real-estate salesmen from the definition of "employment" under the Federal Unemployment Tax Act; to the Committee on Ways and Means.

By Mr. RANKIN:

H. R. 3045 (by request). A bill to promote the welfare of persons discharged for disability from the military and naval forces during World War No. 2 by establishment in the Treasury of the emergency loan fund, Veterans' Administration, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. CANNON of Missouri:

H. J. Res. 141. Joint resolution to provide priorities with respect to farm machinery and equipment to farmers in areas affected by floods in 1943; to the Committee on Agriculture.

H. J. Res. 142. Joint resolution authorizing the Secretary of Agriculture to suspend limitations on production in areas affected by floods in 1943; to the Committee on Agriculture.

By Mr. BENDER:

H. Con. Res. 31. Concurrent resolution appealing to every citizen to support our gallant airmen, soldiers, and sailors with racial cooperation at home; 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. COURTNEY:

H. R. 3046. A bill for the relief of Hershell Parrish; to the Committee on Claims.

By Mr. ROLPH:

H. R. 3047. A bill granting a pension to Irene M. Estes; to the Committee on Invalid Pensions.

H. R. 3048. A bill granting an increase of pension to Josephine Morris Rowan; to the Committee on Pensions.

By Mr. ROGERS of California:

H. R. 3049. A bill for the relief of Mrs. Joe J. Svejkovsky; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1735. By Mr. ANDERSON of California: Petition of Mary Albanese, requesting the passage of legislation against the return of the Japanese to the Pacific coast; to the Committee on Immigration and Naturalization.

1736. By Mr. GRIFFITHS: Petition of 125 citizens of Zanesville, Ohio, urging support of House bill 2082, introduced by Hon. JOSEPH R. BRYSON, of South Carolina, to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war, by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war and until the termination of demobilization; to the Committee on the Judiciary.

1737. By Mr. HEIDINGER: Communications from F. E. Giltner, president, Massac County Farm Bureau; one from Ernie Harper, of Belknap, Ill.; and also one from William Maedeker, of Rosebud, Ill., earnestly opposing the proposed subsidy and price roll-back on foods; to the Committee on Agriculture.

1738. Also, communication from the Farm Bureau of Richland County, Ill., opposing the proposed subsidy and roll-back on food prices; to the Committee on Agriculture.

1739. Also, communications from Fred Kotter and C. P. Fletcher, of Karnak; Allen Rottmann, Walter E. Dyer, Charles L. Adkins, Carl Baccus, and Frittz Kruger, of Metropolis; and S. A. Lynn, of Brookport, all representative farmers of Massac County, Ill., opposing the proposed subsidy and price roll-back on foods; to the Committee on Agriculture.

SENATE

FRIDAY, JUNE 25, 1943

(Legislative day of Monday, May 24, 1943)

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:

Our Father God, in a world filled with the clamor of those whose trust is in violence and with the boasting of those who reckon not with the ultimate supremacy of forces unseen and eternal, we come seeking fortitude and stability as we rest our souls in those final and vital things stronger than the noise of the world. Confront us, we beseech Thee, with a vision of Thy majesty that we may be stripped of pride and made humble and penitent.

Save us from being victims of the apparent and the transient. Give us the steadying confidence that behind the unchartered riot of today there hides a power whose invisible energy is the real master of the field. May we keep that faith even when the obtrusive circumstances of the hour shriek against that creed. And so in dark and dangerous days may we still be able to utter our glad and grateful confidence:

Though an host should encamp against me, my heart shall not fear; though war should rise against me, in this will I be confident: The Lord is my light and my salvation; whom shall I fear? The Lord is the strength of my life; of whom shall I be afraid?

Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, June 24, 1943, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

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

The VICE PRESIDENT. The clerk will call the roll.

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

Aiken	Bone	Burton
Andrews	Brewster	Butler
Ball	Bridges	Byrd
Bankhead	Brooks	Capper
Bilbo	Buck	Caraway
Chavez	McCarran	Scrugham
Clark, Mo.	McClellan	Shipstead
Connally	McFarland	Smith
Davis	McKellar	Stewart
Downey	McNary	Taft
Eastland	Maloney	Thomas, Idaho
Ellender	Maybank	Thomas, Okla.
Ferguson	Mead	Thomas, Utah
George	Millikin	Tobey
Gerry	Moore	Truman
Green	Murdock	Tunnell
Guffey	Murray	Tydings
Gurney	Nye	Vandenberg
Hatch	O'Daniel	Van Nuys
Hawkes	O'Mahoney	Wagner
Hayden	Overton	Wallgren
Hill	Pepper	Walsh
Holman	Radcliffe	Wheeler
Johnson, Colo.	Reed	Wherry
Kilgore	Revercomb	White
La Follette	Reynolds	Wiley
Langer	Robertson	Willis
Lodge	Russell	Wilson

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS], the Senator from Kentucky [Mr. BARKLEY], and the Senator from Louisiana [Mr. ELLENDER] are absent from the Senate because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], and the Senator from Illinois [Mr. LUCAS] are detained on important public business.

The Senator from Iowa [Mr. GILLETTE] is necessarily absent.

The junior Senator from Kentucky [Mr. CHANDLER] is absent, having been directed by the Committee on Military Affairs, as a subcommittee of one, to visit the hospital ship which recently reached New York from Africa.

Mr. McNARY. The Senator from Vermont [Mr. AUSTIN] and the Senator from New Jersey [Mr. BARBOUR] are necessarily absent.

The Senator from South Dakota [Mr. BUSHFIELD] is absent on official business as a member of the Indian Affairs Committee.

The Senator from California [Mr. JOHNSON] is absent because of illness.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

EXECUTIVE COMMUNICATIONS

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

SUPPLEMENTAL ESTIMATE FOR WAR DEPARTMENT—IMPROVEMENT OF EXISTING RIVER AND HARBOR WORKS (S. DOC. NO. 76)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation, fiscal year 1944, for the War Department, for the improvement of existing river and harbor works, to remain available until expended, amounting to $7,095,000 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

ESTIMATE FOR FEDERAL WORKS AGENCY, PUBLIC ROADS ADMINISTRATION (S. DOC. NO. 77)

A communication from the President of the United States, transmitting an estimate of appropriation, fiscal year 1944, in the amount of $12,000,000 for the Federal Works Agency (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

JUDGMENTS RENDERED AGAINST THE GOVERNMENT BY A DISTRICT COURT IN A SPECIAL CASE (S. DOC. NO. 78)

A communication from the President of the United States, transmitting, pursuant to