

of the United States in favor of a Federal-State plan of establishing and developing a national system of airports; to the Committee on Interstate and Foreign Commerce.

Also, memorial of Mohammed Kubba, President of the Iraqi Chamber of Deputies, memorializing the President and the Congress of the United States in regard to the attitude France displays at the present time to influence small nations contrary to the principles of the Atlantic Charter; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MILLS introduced a bill (H. R. 3292) for the relief of Mr. and Mrs. E. E. Butler, which was referred 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:

734. By Mr. LUTHER A. JOHNSON: Petition of Corsicana Chamber of Commerce, Corsicana, Tex., favoring H. R. 538; to the Committee on Agriculture.

735. Also, petition of Retail Merchants Association of Waxahachie, Tex., suggesting amendments to the Emergency Price Control Act; to the Committee on Banking and Currency.

736. By Mr. KEOGH: Petition sponsored by the National Maritime Union in support of H. R. 2346, the merchant seamen's bill of rights; to the Committee on the Merchant Marine and Fisheries.

737. By Mr. LEFEVRE: Petition of various citizens of the State of New York, favoring enactment of H. R. 2082; to the Committee on the Judiciary.

738. By the SPEAKER: Petition of the Lompoc Filipino Association of Lompoc, Calif., petitioning consideration of their resolution with reference to securing favorable enactment of legislation to allow Filipinos to become American citizens; to the Committee on Immigration and Naturalization.

SENATE

THURSDAY, MAY 24, 1945

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

O God, who art sifting out the souls of men before Thy judgment seat, before whom the long travail of the centuries is wrought out, who hast ushered us into this strange world where no good thing comes save as we fulfill the conditions of its coming, strengthen us for the high enterprise of building here a more decent world, where Thy children may dwell in plenty and fraternity and liberty.

Though the road to peace in our time and for our children's children be tedious and toilsome, still lead us on, following the gleam of Thy guidance, with clean hands and pure hearts, worthy of the trust the Nation has committed to our hands. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. THOMAS of Utah, and by unanimous consent, the reading

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of the Journal of the proceedings of Monday, May 21, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

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

ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

The PRESIDENT pro tempore. Under the unanimous-consent agreement entered into on Thursday last, it was arranged that the Senator from New York [Mr. WAGNER] should have the floor at the opening of the session today. Will the Senator from New York defer his remarks so that the Chair may lay before the Senate and have read a message from the President of the United States?

Mr. WAGNER. Certainly.

The PRESIDENT pro tempore. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

The Congress has repeatedly manifested interest in an orderly transition from war to peace. It has legislated extensively on the subject, with foresight and wisdom.

I wish to draw the attention of the Congress to one aspect of that transition for which adequate provision has not as yet been made. I refer to the conversion of the executive branch of the Government.

Immediately after the declaration of war, the Congress in title I of the First War Powers Act, 1941, empowered the President to make necessary adjustments in the organization of the executive branch with respect to those matters which relate to the conduct of the present war. This authority has been extremely valuable in furthering the prosecution of the war. It is difficult to conceive how the executive agencies could have been kept continuously attuned to the needs of the war without legislation of this type.

The First War Powers Act expires by its own terms 6 months after the termination of the present war. Pending that time, title I will be of very substantial further value in enabling the President to make such additional temporary improvements in the organization of the Government as are currently required for the more effective conduct of the war.

However, further legislative action is required in the near future, because the First War Powers Act is temporary and because, as matters now stand, every step taken under title I will automatically revert, upon the termination of the title, to the preexisting status.

Such automatic reversion is not workable. I think that the Congress has recognized that fact, particularly in certain provisions of section 101 of the War Mobilization and Reconversion Act of 1944. In some instances it will be necessary to delay reversion beyond the period now provided by law or to stay it permanently. In other instances it will be necessary to modify actions heretofore taken under title I and to continue the

resulting arrangement beyond the date of expiration of the title. Automatic reversion will result in the reestablishment of some agencies that should not be reestablished. Some adjustments of a permanent character need to be made, as exemplified by the current proposal before the Congress with respect to the subsidiary corporations of the Reconstruction Finance Corporation. Some improvements heretofore made in the Government under the First War Powers Act, as exemplified by the reorganization of the Army under Executive Order No. 9082, should not be allowed to revert automatically or at an inopportune time.

I believe it is realized by everyone—in view of the very large number of matters involved and the expedition required in their disposition—that the problems I have mentioned will not be met satisfactorily unless the Congress provides for them along the general lines indicated in this message.

Quite aside from the disposition of the war organization of the Government, other adjustments need to be made currently and continuously in the Government establishment. From my experience in the Congress, and from a review of the pertinent developments for a period of 40 years preceding that experience, I know it to be a positive fact that, by and large, the Congress cannot deal effectively with numerous organizational problems on an individual-item basis. The CONGRESSIONAL RECORD is replete with expressions of Members of the Congress, themselves, to this effect. Yet, it is imperative that these matters be dealt with continuously if the Government structure is to be reasonably wieldy and manageable, and be responsive to proper direction by the Congress and the President on behalf of the people of this country. The question is one that goes directly to the adequacy and effectiveness of our Government as an instrument of democracy.

Suitable reshaping of those parts of the executive branch of the Government which require it from time to time is necessary and desirable from every point of view. A well-organized executive branch will be more efficient than a poorly organized one. It will help materially in making manageable the Government of this great Nation. A number of my predecessors have urged the Congress to take steps to make the executive branch more businesslike and efficient. I welcome and urge the cooperation of Congress to the end that these objectives may be attained.

Experience has demonstrated that if substantial progress is to be made in these regards, it must be done through action initiated or taken by the President. The results achieved under the Economy Act—1932—as amended, the Reorganization Act of 1939, and title I of the First War Powers Act, 1941, testify to the value of Presidential initiative in this field.

Congressional criticisms are heard, not infrequently, concerning deficiencies in the executive branch of the Government. I should be less than frank if I failed to point out that the Congress cannot consistently advance such criticisms and at the same time deny the President

the means of removing the causes at the root of such criticisms.

Accordingly, I ask the Congress to enact legislation which will make it possible to do what we all know needs to be done continuously and expeditiously with respect to improving the organization of the executive branch of the Government. In order that the purposes which I have in mind may be understood, the following features are suggested: (a) the legislation should be generally similar to the Reorganization Act of 1939, and part 2 of title I of that act should be utilized intact, (b) the legislation should be of permanent duration, (c) no agency of the executive branch should be exempted from the scope of the legislation, and (d) the legislation should be sufficiently broad and flexible to permit of any form of organizational adjustment, large or small, for which necessity may arise.

It is scarcely necessary to point out that under the foregoing arrangement (a) necessary action is facilitated because initiative is placed in the hands of the President, and (b) necessary control is reserved to the Congress since it may, by simple majority vote of the two houses, nullify any action of the President which does not meet with its approval. I think, further, that the Congress recognizes that particular arrangement as its own creation, evolved within the Congress out of vigorous efforts and debate extending over a period of 2 years and culminating in the enactment of the Reorganization Act of 1939.

Therefore, bearing in mind what the future demands of all of us, I earnestly ask the Congress to enact legislation along the foregoing lines without delay.

HARRY S. TRUMAN.

THE WHITE HOUSE, May 24, 1945.

The PRESIDENT pro tempore. The message will be referred to the Committee on the Judiciary.

SOCIAL SECURITY

Mr. WAGNER. Mr. President, I introduce jointly with the distinguished chairman of the Committee on Education and Labor, the Senator from Montana [Mr. MURRAY], a bill broadening the social-security program, strengthening the employment service, and extending health services and facilities. Representative DINGELL is introducing a companion bill in the House of Representatives. I ask that the bill be appropriately referred.

The PRESIDENT pro tempore. The bill introduced by the Senator from New York will be received and appropriately referred.

The bill (S. 1050) to provide for the national security, health, and public welfare, introduced by Mr. WAGNER (for himself and Mr. MURRAY) was read twice by its title and referred to the Committee on Finance.

Mr. WAGNER. I desire to speak on the bill just introduced by me. As the Chair has stated, unanimous consent was granted on Monday last that I might introduce the bill and make some remarks concerning it at the opening of today's session.

Mr. President, by hard work and brilliant leadership we have defeated Germany and her satellites. We shall do the

same thing to Japan. We have done—and will continue to do—a magnificent job in winning the war. We must now begin to win and preserve the peace.

ROLE OF SOCIAL SECURITY IN READJUSTING OUR ECONOMY

I approach the postwar problem on the basis of hard facts. As a nation we are just beginning to come to grips with the fundamental economic problems which will become increasingly more pressing with the approach of total victory.

I believe in the American system of free enterprise. I am confident that if the Congress does its part our American system of free enterprise will enter the postwar period stronger, with greater opportunities for a higher standard of living, for useful work, for production, for full employment, and with greater vistas of new markets and new products than ever before.

The help and cooperation of the Federal Government will be most needed and most effective in the first stages of postwar adjustment. But with the best of cooperation and intentions, we must recognize that full employment—such as we have had during the war—still does not solve the economic problems of widows and orphans, the aged, the sick, and disabled. Ten years of experience with the Social Security Act have demonstrated that we can insure people against the major causes of want. Social insurance has not interfered with our system of free enterprise. On the contrary, it has helped to make our system of free enterprise operate more smoothly and effectively.

PUBLIC SUPPORT FOR SOCIAL SECURITY LEGISLATION

The social-security bill which I have introduced today improves and extends our social-security system. The bill incorporates the constructive suggestions of many organizations and persons, including the American Federation of Labor, the Congress of Industrial Organizations, the Physicians Forum, the Committee of Physicians for the Improvement of Medical Care, the National Catholic Welfare Conference, the American Hospital Association, the American Public Health Association, the National Lawyers Guild, the American Public Welfare Association, the American Nurses' Association, the National Organization for Public Health Nursing, the National Farmers Union, and the American Foundation for the Blind. Other organizations and individuals, too numerous to mention, also made constructive suggestions.

The proposals for extension of coverage and inclusion of extended disability benefits were recommended to the Congress over 6 years ago by an Advisory Council on Social Security composed of 25 leading representatives of employers, employees and the public.

The broad principles underlying the bill were endorsed in a report of the National Planning Association by 57 representatives of business, agriculture, and labor.

The objectives of particular provisions of the bill have been advocated by numerous groups and public-spirited citizens,

by life insurance companies, small businessmen, the American Legion, the Veterans of Foreign Wars, the Military Order of the Purple Heart, the American Farm Bureau Federation, the National Grange, State public-welfare administrators, the American Association of Social Workers, and by numerous State legislatures.

Many of the provisions in the bill were recently endorsed in principle in a poll taken by the United States Chamber of Commerce. The social security committees of three leading life insurance associations also have come out in favor of many of the provisions of the bill.

I am authorized to say that the bill has the strong endorsement of the responsible and patriotic American labor leadership, organized in the American Federation of Labor and the Congress of Industrial Organizations, and of the National Farmers Union.

The health provisions of the bill have the endorsements of many persons and organizations working in medical care and related fields. Legislation providing grants for hospital construction has been endorsed by the American Medical Association, the American Hospital Association, the American Public Health Association and various labor, welfare, farm and other public organizations. Most of these organizations are in favor of provisions for additional Federal funds for public health and for maternal and child health activities.

GENERAL PROVISIONS OF THE BILL

The bill establishes on a permanent basis a national system of public employment offices, to help war workers, war veterans, and all other workers to avail themselves of job opportunities, wherever they exist throughout the entire Nation, whether in industry or on farms.

It provides protection against the major economic hazards besetting American families—the costs of medical and hospital care, and loss of income in case of unemployment, sickness, disability, retirement, or death of the breadwinner.

Coverage of the basic social insurance system is extended to about 15,000,000 persons now excluded, such as farm workers and domestic employees, seamen, employees of nonprofit institutions, and the independent farmer, professional person and small businessman.

All these changes are accomplished under a national system of social insurance, with one set of contributions, one set of records and reports, and one set of local offices for all the programs that provide cash benefits.

The bill gives the war veteran and his family wage credits for periods of service in the armed forces for every phase of this insurance protection.

Also, an improved system for Federal grants to the States for public assistance is set up on a matching basis which provides special aid to low-income States in addition to the flat 50-50 matching under present law.

HEALTH PROVISIONS

The bill which I have introduced includes six provisions which will make available basic health services to all the

people wherever they live and whatever their income.

First. There is a program of Federal grants and loans to the States for the construction of needed hospitals.

It should therefore be possible, over a period of years, to assure that essential hospital and related services are available in all parts of the country, especially the rural areas which are so sadly in need of these services. The most urgently needed hospitals should be built first.

Second. The present Federal grants-in-aid to the States for public health services are broadened and increased to speed up the progress of preventive and community-wide health services.

Third. The community-wide maternal and child health and welfare services, aided by Federal grants to the States, are similarly broadened and strengthened.

Fourth. Health insurance is made available to 135,000,000 persons.

All four of the provisions which I have just mentioned will greatly help to round out the health services of the Nation. By preventing sickness, disability and premature death, they will pay vast dividends in human welfare and, at the same time, reduce the costs of other parts of the social-security program. However, unless we provide a method of spreading the cost of medical and hospital care through social insurance, people will still not obtain the treatment they need.

Fifth. The funds are set aside from the social-insurance contributions to aid in the rehabilitation of persons who are disabled.

Sixth. Grants-in-aid are provided from social-insurance funds to nonprofit institutions engaging in research or in professional education.

The financial barrier to adequate hospital and medical care is the basic reason for the unequal distribution of doctors and hospitals as between urban and rural areas, and as between prosperous and underprivileged communities. It is the basic reason for the failure of low-income families to receive as much medical care as the well-to-do, although they have more sickness. It is an important cause of the shockingly high rate of rejections under selective service.

HEALTH INSURANCE

A health-insurance system will go a long way toward breaking down this financial barrier. Such a system will enable the people to obtain all needed medical care through small, regular prepayments based on their earnings, and will give them security against catastrophic costs for which they cannot budget individually. It will encourage doctors to settle in rural areas, and communities to construct needed hospitals and health centers, by assuring adequate incomes, equipment, and facilities for modern medical practice. It will benefit patients, doctors, and hospitals.

HEALTH INSURANCE IS NOT SOCIALIZED MEDICINE

Propagandists against health insurance shout "regimentation of doctors and patients," "lowered standards," "political" and "socialized medicine," and so on. But health insurance is not socialized medicine; it is not state medi-

cine. Health insurance is simply a method of paying medical costs in advance and in small convenient amounts.

It is simply a method of assuring a person ready access to the medical care that he or she needs by eliminating the financial barrier between the patient and doctor or the hospital. Therefore, it should be obvious that health insurance does not involve regimentation of doctors or patients. Neither do I believe that the doctors of this country will lower the standards of medical care simply because they are guaranteed payment for their services.

There are many individuals, honest and sincere in their desire for improved conditions, who nevertheless fear any change, and distrust all new social legislation. Those of us who have sponsored social legislation have faced similar opposition against many proposals for social betterment, but we have persevered and succeeded, and we have seen these new programs accepted as part of our basic system of American freedom and democracy. Over 30 years ago in the New York Legislature I fought for workmen's accident compensation and most of the arguments which are being made against health insurance were made against workmen's compensation then. Now all the States but one have workmen's compensation laws—all include medical benefits, which is health insurance for industrial accidents and disease. The time has come for us to extend the principle of health insurance to cover nonindustrial accidents and diseases as well.

The fears and doubts expressed about workmen's compensation, unemployment insurance, and other measures for social security have proved to be without foundation. In the future, when we have succeeded in our struggle for a comprehensive health program for the entire country, we will be able to say about health insurance, too, that present day apprehensions and misgivings were groundless.

FREEDOM OF CHOICE

The health insurance provisions of the bill provide that each insured person has the right to choose his own family doctor from among all doctors in the community who participate; each participating doctor has the right to accept or reject a patient, just as he does now. Every legally qualified physician and every qualified hospital has the right to participate. The same is true for groups of physicians; and the same is true for dentists. Hospitals are guaranteed protection against interference in the management of their own affairs. Physicians, dentists, and hospitals are specifically given the right to select the method by which they are to be paid for the services they furnish. Every effort has been made similarly to protect the professional position of nurses and nursing organizations. Throughout the health insurance provisions of the bill, the basic policy has been to provide medical and related services through arrangements that are worked out so that they will be satisfactory to the public and to those who furnish the services. Mutual agreements, reached through negotiations and contracts, are specified in the bill as the method to be used, and

that is the democratic way of doing things.

VOLUNTARY PLANS AIDED

There has been much misunderstanding about the part that voluntary hospitals, group service organizations, existing voluntary insurance or prepayment plans and similar agencies may play in the social-insurance system. Let me emphasize that our bill makes a place for them, so that they can continue their good work. All qualified hospitals, all qualified medical groups or organizations, will be able to participate in the program as organizations that will furnish services to the insured persons who choose them; they will receive fair payments for the services they furnish as insurance benefits; and they will have enlarged opportunities to be service agencies for particular groups or for their communities. This applies to service organizations created by trade unions, consumer groups, employers, nonprofit community groups, churches, fraternal associations, groups of doctors or individual doctors, medical societies, or many other kinds of sponsors, or groups of sponsors. The bill not only provides for utilizing existing service organizations, but it also encourages the creation of new ones.

The groups operating under the Blue Cross hospital insurance plans will be able to continue to act as representatives of the participating hospitals and the community groups that own or manage the hospitals, and they will have large opportunities to be important public organizations that facilitate the administration of vital parts of the insurance system. The same will be true for many other community and public organizations.

Medical service groups—private clinics, salaried staffs of hospitals, group-service plans such as the Kaiser or the Ross-Loos plan—furnishing service under the social-insurance system would be as free as they are today to select their own staffs and their own method of paying physicians and others on their staffs, irrespective of the method of payment which prevailed among the individually practicing physicians or dentists of the local area.

DECENTRALIZED ADMINISTRATION

Every effort has been made to keep a fair balance in the bill between the principles of administrative responsibility and democratic administration. The administrative officers are given duties to perform and the necessary authority so that they can carry out their duties efficiently and promptly. But their authority is carefully limited through checks and balances. Limitations are carefully specified in the bill; for example, the rights of insured persons and of physicians, and hospitals, are set down. Also, the administrative officers are required to consult with a national advisory council on all important questions of policy and administration, and this council must contain representatives of both the public and those who furnish health services. Provision also is made for advisory bodies at the local level as well.

Moreover, the administration is to be decentralized to the maximum extent possible, and administration through the

States and localities is given preference and priority wherever the State and local authorities wish to take over the responsibility.

HIGH MEDICAL STANDARDS ENCOURAGED

High standards of medical care are protected and encouraged through incentives for the professional advancement of doctors, post-graduate study, professional education, research, and the availability—regardless of the patient's ability to pay—of consultant and specialist services, hospital and similar facilities, laboratory services and X-ray services. Provision is made for the addition of dental and home-nursing services as rapidly as practical. The bill is clear in requiring that the arrangements to provide the medical and related services shall be worked out so that they are mutually agreeable to the administrative officers and to those who agree to furnish the services.

FAMILY INSURANCE PROTECTION

All of the insurance provisions of the bill provide for taking into account the wife and children of each insured person. In health insurance the wife and children of an insured person are assured all of the medical services provided any insured person. Old age, disability, and unemployment insurance benefits in the bill also take into account the number of dependents. Survivors insurance benefits—that is, benefits to the family of a deceased individual—are provided, as in the present law, in relation to the number of such dependents. This is in accord not only with principles established in workmen's accident compensation laws and the 1939 amendments to the Social Security Act, but also with tested worldwide experience in social insurance.

THE NEED FOR A NATIONAL SYSTEM OF UNEMPLOYMENT INSURANCE

The bill provides for a national system of unemployment insurance. The benefits provided under the present State unemployment insurance laws are completely inadequate to serve as a strong first line of defense against reconversion and postwar unemployment. The weekly maximum limits are so low that on the average, workers are paid benefits representing only about one-third of their wage loss when they become unemployed. In 1940, the last prewar year, one-half of the workers exhausted their benefits before they found another job. The disqualification provisions are becoming increasingly stringent. The coverage of these State unemployment compensation laws fails to provide any protection whatsoever to over 10,000,000 workers. The net result of all these defects was that in 1940, a fairly good year, the benefits received by workers unemployed through no fault of their own represented less than 10 percent of the total wage loss suffered in this country. The failure to pay adequate benefits is not due to any lack of funds, since the State unemployment reserves at the present time amount to six and one-half billion dollars. The fundamental cause is interstate competition, each State fearing to expose its employers to unfair competition if they are required to pay more

adequate benefits than their competitors in other States.

The disastrous effects of interstate competition can only be overcome by a national system. It is not possible to make certain under a State-by-State system that workers with the same wage loss will receive the same benefits wherever they happen to be located. Nor can a State-by-State system make certain that workers who move from one State to another will receive their benefits fully and promptly.

Nor is it possible to relieve employers operating in more than one State from the necessity of making an intolerable number of reports under a State-by-State system. A national system of unemployment insurance is the only solution to these problems.

THE NEED FOR A NATIONAL SYSTEM OF EMPLOYMENT SERVICE

The need for a national system of public employment offices has become more and more evident during the war years. Without national operation of these public employment offices it would have been completely impossible to mobilize the manpower of this country. During the postwar years we will have the manpower problem in reverse arising out of the tremendous geographical shifting of workers that is taking place. Our paramount manpower problem will be to facilitate the relocation of workers now in congested war-industry areas. Local public employment offices under State control could not possibly carry out this task because they are unable to appraise the entire national labor market and are not able to carry out a single coordinated Nation-wide relocation policy. But a national system of public employment offices is in a position to keep unemployment down to a minimum during the postwar period by bringing together manless jobs and jobless men wherever they exist throughout the Nation.

FINANCING SOCIAL SECURITY

The Wagner-Murray-Dingell bill of 1943, like several other bills I have introduced on the subject of social security in recent years, died in the Finance Committee because social-security contributions were unfortunately called taxes in the original legislation of 1935 and under the Constitution all tax bills must originate in the House of Representatives. No general hearings on social security have been held by the Ways and Means Committee in the House for 6 years. Because of the failure of the House to take action, the Senate has been deprived of the opportunity to translate its views on social security into legislation.

As the Senate well knows, many programs which are now included under the general term "social security" are handled by various committees in the Senate. Thus, legislation relating to public employment offices, hospital construction, and health—all of which are included in the bill which I have introduced today—have been handled by the Committee on Education and Labor.

The national health bill which I introduced in 1939 provided for amending the Social Security Act to include provisions on health; this bill was handled by

the Committee on Education and Labor. As a matter of fact, there is ample precedent in the Senate for recognizing that revenue features of bills are not the sole determinant of public policy.

Right at the present time, social-insurance legislation which I have introduced jointly with the senior Senator from Montana [Mr. WHEELER] relating to railroad retirement and unemployment insurance—including both contributions and benefits—is in the hands of the Senate Committee on Interstate Commerce.

SOCIAL SECURITY PREMIUMS

I do not believe that social security and health legislation should be considered as a tax matter. I think that social security legislation should be handled on its merits as social legislation. Social insurance contributions are premiums for insurance protection—not general taxes for paying the expenses of Government.

Congress will undoubtedly take some action on social security this year. The contribution rate for old-age and survivors insurance is automatically scheduled to increase from 1 percent each on employers and employees to 2½ percent each. This increase is provided in existing law and will become effective January 1, 1946, unless Congress enacts specific legislation to the contrary. I strongly urge that Congress consider the benefit provisions of social security at the same time it considers the tax provisions.

COMPARISON WITH EXISTING CONTRIBUTION RATES

The rates of contribution specified in this bill to finance all of the insurance benefits that are provided total 8 percent, of which 4 percent is payable by employers and 4 percent by employees on wages up to \$3,600 a year. Employers are now subject to a 3 percent Federal unemployment contribution. However, because of the operation of so-called "experience rating" employers are actually paying an average of 2¼ percent for unemployment insurance. Employers are also paying a contribution of 1 percent to finance the Federal old-age and survivors insurance system which present legislation provides for being increased to 2½ percent beginning January 1, 1946. Therefore, employers generally would be paying only three-fourths of 1 percent more under this bill than they are already paying and less than they will be required to pay under existing law beginning next year.

Employees are already paying a 1 percent Federal contribution to finance the old-age and survivors insurance system (which is scheduled to go up to 2½ percent in 1946), and they are also paying contributions in four States to finance unemployment and temporary disability insurance. Therefore, employees under this bill for the most part would be paying 3 percent more than they are paying at the present time but only 1½ percent more than they are already scheduled to pay beginning next year. However, in return for this increased payment they would be receiving protection against wage loss due to temporary disability and extended disability, protection

against the cost of hospital and medical care, and increased retirement, survivors, and unemployment insurance benefits. Since employers would be paying a part of the cost of the increased protection provided, the value of this increased protection would be considerably in excess of the increased contribution which employees would pay under this bill. The workers of the country, speaking through their great national organizations, are willing to pay increased contributions for increased insurance protection. This is justified, because they will get their full money's worth in increased security.

It would have been possible, of course, to vary the proportion that employers and employees, respectively, would bear of the cost of providing each specific type of protection included in this bill. This bill, however, provides for equal sharing between employers and employees without distinction as to the specific type of risk insured.

This is not only simpler, but the principle of equal sharing is sounder for a system of social insurance, which I believe should be founded upon the basis of a mutual sharing of a risk.

COMPARISON WITH CONTRIBUTIONS IN PREVIOUS BILL

The fact that the total contribution rate provided in this bill is 8 percent as compared with 12 percent in the Wagner-Murray-Dingell bill introduced in the last Congress does not mean that any of the proposed benefits have been reduced. On the contrary, the benefits have been increased. There are two reasons for the reduction in the contribution rate. First, the proposed total unemployment insurance contribution rate has been reduced from 4 to 2 percent and, second, the combined retirement, survivors and extended disability contribution rate has been reduced from 4 to 2 percent. It has been possible to reduce the unemployment insurance contribution rate because the unemployment trust fund being built up under existing legislation has continued to grow, so that it is now much larger than it was when the previous bill was introduced. By January 1, 1946, the unemployment reserves will total about \$7,000,000,000. Therefore, there is no longer any question that there will be ample funds to finance unemployment insurance benefits during the immediate post-war period. Moreover, for the long-run, taking the assumptions as to the amount of frictional unemployment we are likely to experience with reasonably full employment in the future, a 2-percent unemployment insurance rate, instead of a 4-percent unemployment insurance rate as provided in the previous bill, will be ample to pay adequate unemployment insurance benefits.

Second. The total contribution rate to finance retirement, extended disability and survivors benefits has been reduced from 4 percent to 2 percent, in accordance with the recent act of Congress in freezing for the fourth time the existing contribution rate of 2 percent. The 2 percent rate will cover current disbursements for all these benefits for several years after the end of the war. At that time, it will be necessary either to increase the contribution rate or provide a Government subsidy to the insurance system out of general revenues.

I have long been in favor of a substantial Government contribution to the social insurance fund. The bill provides, therefore, as does the present Federal old-age and survivors insurance law, for authorizing appropriations to the trust fund out of general revenues, whenever the Congress deems necessary. I have consistently opposed in the past freezing the old-age and survivors insurance contribution at 1 percent each on the employer and on the employee because the Congress has not clearly committed itself to a long-run financial policy under the present law. Moreover, I repeatedly stated that there are difficult problems involved in providing a governmental contribution under an insurance system which covers only part of the population.

Extension of the coverage of the insurance system, and provisions for systematic financial review as specified in the present bill makes a Government contribution more equitable and makes it possible to pay the benefits under the retirement, survivors and extended disability insurance provisions with a contribution of 1 percent each on employers and employees for the next several years.

TRIPARTITE SYSTEM OF FINANCING

I believe that it is sound for employees and employers and the Government to share in the costs of a comprehensive social-insurance plan. Contributions by the employees are necessary and desirable to assure that benefits will be paid as a matter of right. Contributions by employers are a recognition of the employer's interest in maintaining healthy and secure employees and of taking the human factor into consideration in determining costs of production.

GOVERNMENT CONTRIBUTION

A government contribution is desirable because social insurance has a social purpose. It protects society as a whole as well as the individual and his family. Moreover, a social insurance system reduces relief costs of the Government and the general taxpayer, and a contribution out of general revenues is a recognition of the social obligation of the community to meet the needs of aged, disabled, and unemployed individuals, widows, and orphans.

I hope that as the total disbursements for retirement benefits increase because of present population trends, the Government will contribute to the insurance fund until eventually its share will represent about one-third of the total disbursements. I also hope that such governmental contributions will come from general revenues raised by progressive taxation. In this way we can assure the development of a financially sound social insurance system.

The Government, of course, must make contributions to the insurance system for the insurance protection afforded to veterans. Where benefits are provided to needy individuals or on behalf of persons already retired or disabled, it is reasonable also to expect the Government to meet these costs.

Two additional insurance benefits have been added in our present bill—dental and home nursing. It is uncertain how rapidly these additional benefits can be furnished, and the provisions of the bill are therefore very flexible. The addi-

tional costs may be small at first and may rise gradually for 5 or 10 years. These additional benefits are to be financed from general-revenue funds as needed.

The funds required for grants and loans to construct needed hospitals, for grants for public health, for maternal and child health and welfare services, and for public assistance are to be derived from general revenues, not from social insurance contributions. Since these expenditures are intended for general community-wide programs, as in the past for the same or similar programs, this is a sound method of financing.

REVIEW OF FINANCING BY ADVISORY COUNCIL

While I believe that the financial aspects of the bill are sound, I recognize that we cannot construct the financial set-up of social insurance for all time without frequent review and provision for possible change. To preserve this flexibility, the bill provides that the Advisory Council created under the bill study the entire problem of financing social insurance in the post-war years.

NECESSITY FOR IMMEDIATE ACTION

Countries all over the world, large and small—Great Britain, Venezuela, Uruguay, and our neighbors, Canada and Mexico—have improved their social security legislation, even during the war. Is the United States to lag behind other nations? We should have started long ago to expand, extend, and improve our social security program. We must move forward now before it is too late.

With full employment and full production, we can have a complete and adequate social security system at a modest cost.

If we do not achieve full employment, it is all the more imperative that we have a complete and adequate social security program.

The plan embodied in this bill is an American plan—geared to the wage scales and standards of living of the individual families in various sections of the country. The plan provides for a practical program within our ability to pay.

The program is a practical one in a much higher sense. Our democracy could provide no better bulwark against the troubled times which may be ahead than to develop this dignified, all-embracing plan for social security upon which each family can build its own future by its own efforts.

Mr. President, I have prepared a summary of the provisions of the bill for the information of Senators who wish to study the bill in detail. I ask unanimous consent that this summary be included in the Record immediately following my remarks.

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

(See exhibit A.)

Mr. WAGNER. Mr. President, this bill is not put forward as the final solution to all social-security problems. It is proposed merely as a desirable next step that can be put into operation now. As our national income increases, Congress can and should consider further improvements in the benefits. As experience is gained in the administration of the program, further simplifications can

be adopted. But we need not wait for a perfect social security plan to improve the present program.

This bill is not proposed on the assumption that social security is an end in itself. In a democracy where human values depend basically on the dignity and freedom of the individual and the family, social security is only a means toward this end.

Mr. President, the distinguished chairman of the Committee on Education and Labor, Mr. MURRAY, who has joined me in sponsoring this bill, is absent on public business. I, therefore, ask unanimous consent to have printed in the RECORD immediately following my remarks a statement prepared by him on the bill.

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

(See exhibit B.)

EXHIBIT A

SUMMARY OF MAJOR PROVISIONS OF WAGNER-MURRAY-DINGELL BILL—THE SOCIAL SECURITY AMENDMENTS OF 1945

The social security bill contains 10 sections. The general outline of these 10 sections is as follows:

BRIEF OUTLINE OF BILL

Section 1. Short title: Social security amendments of 1945.

Sections 2 and 3. Grants and loans for construction of health facilities: Provides a 10-year program of Federal grants and loans for construction and expansion of hospitals, health centers and related facilities to be financed out of general revenues. The Federal Government will pay at least 25 percent of the cost of a project and up to 50 percent in accordance with a State's per capita income. Loans may not exceed an additional 25 percent of the cost of the project.

Section 4. Grants to States for public health services: Provides Federal grants to States from general revenues for expansion of public health services. The Federal Government will pay at least 25 percent of the amounts expended by a State and up to 75 percent in accordance with a State's per capita income.

Section 5. Grants to States for maternal and child health and welfare services: Provides Federal grants to States from general revenues for maternal and child health and welfare services. The Federal Government will pay at least 25 percent of amounts expended by a State and up to 75 percent in accordance with a State's per capita income.

Section 6. Comprehensive public assistance program: Provides for Federal grants to the States for public assistance to needy individuals—aged, blind, dependent children, or others. Federal Government will pay at least 50 percent of amounts spent by States and up to 75 percent for States in accordance with a State's per capita income.

Sections 7 and 8. A national system of public employment offices: Provides for a continuation of Federal operation of the United States Employment Service.

Section 9. National social insurance system: Consisting of health insurance, unemployment insurance, temporary disability insurance, and retirement, survivors, and extended disability insurance.

Part A. Prepaid personal health service insurance: Provides for insurance of medical care costs; not State medicine.

Part B. Unemployment and temporary disability insurance benefits: On a Federal basis. Benefits of \$5 to \$30 per week up to 26 weeks; if funds are adequate, up to 52 weeks for unemployment.

Part C. Retirement, survivors, and extended disability insurance benefits: Provides for more liberal benefits than existing law. Minimum, \$20 per month; maximum, \$120.

Part D. National social insurance trust fund: All funds invested in United States Government bonds.

Part E. Credit for military service: One hundred and sixty dollars wages credited under the insurance system for each month of military service.

Part F. Coverage provisions and definitions: Extends coverage to about 15,000,000 additional persons.

Part G. Social insurance contributions: Four percent each on employers and employees. Government contribution authorized when necessary.

Part H. General provisions: Judicial review, national advisory council and rehabilitation of disabled persons.

Section 10. Definitions.

SECTION 1. SHORT TITLE: "SOCIAL SECURITY AMENDMENTS OF 1945"

SECTIONS 2 AND 3. GRANTS AND LOANS FOR HOSPITAL AND HEALTH CENTER CONSTRUCTION

Section 2: This section provides for a 10-year program to build, improve, and enlarge hospitals and health centers as needed, especially in rural communities, and areas where facilities are overtaxed as a consequence of the war and where the need for additional facilities is likely to continue. In order that the facilities shall be built most advantageously where they are needed, surveys are to be made by the States. A total of \$5,000,000 is authorized to be appropriated, to provide grants to the States to assist them (with their own funds) to make the surveys. The Surgeon General of the Public Health Service is authorized to make such surveys in the event a State does not do so.

A total of \$950,000,000 is authorized to be appropriated over a 10-year period for construction grants and loans, of which \$50,000,000 is for the fiscal year 1946 and \$100,000,000 for each of the 9 succeeding years. The program is to be administered by the Surgeon General of the Public Health Service, with the assistance of the Federal Works Agency, on construction matters.

Grants, or grants and loans, may be made to States, their political subdivisions, and to nonprofit organizations for hospitals and health centers. All amounts appropriated are to be available until spent, except that balances at the end of the tenth year, and loans as they are repaid, revert to the Treasury. Loans are to be repaid within 20 years and are limited to hospitals which receive grants. The grants shall be for not less than 25 percent nor more than 50 percent of the cost of the project, exclusive of the cost of the site. Loans may not exceed 25 percent of the cost of the project.

Grants for construction projects are adjusted according to a formula specified in the bill and based upon the per capita income of each State compared to the average for the United States. The same formula applies to grants toward the cost of administering the State construction plans.

Applications for grants and loans are to be made to the Surgeon General and shall include the information necessary to establish the need for the hospital project, to show that the project is in accordance with the State construction program and is approved by the State agency, to show that the applicant needs a grant or a grant and loan, and that the hospital will be used so as to furnish services of satisfactory quality in accordance with standards prescribed by the State.

In the event a State has not developed a construction program by January 1, 1948, the Surgeon General may make State surveys of needed facilities, and may approve applications that are in accord with the results of such surveys. Prior to that date, he may not approve an application for projects in States that have no approved plan unless the application is for an urgently needed facility in a rural, semirural, or a war-distressed area, for an existing hospital that cannot continue to operate without the new project, or for a

health center approved by the State health agency.

A National Advisory Hospital Construction Council is established to advise the Surgeon General in the administration of this program, particularly with respect to standards for determining the need for additional hospital facilities, for assuring proper construction and equipment, and adequate maintenance and use. The Council is to have nine members—the Surgeon General ex officio, and eight members appointed by him after consultation with the National Advisory Medical Policy Council and with the approval of the Federal Security Administrator. The eight appointed members shall be selected from leading medical and other authorities and from among persons who are concerned with the need for hospitals in urban and rural areas. The Council is to review and to make a recommendation upon each application for grants. Specific provision is made to assure that hospitals assisted under this program will remain free from control by the Federal Government.

Section 3: This section merely provides for changing the section numbers of the Public Health Service Act because of the addition of the new title on hospital construction in that act.

SECTION 4. INCREASED GRANTS TO STATES FOR PUBLIC HEALTH SERVICES

This section amends section 314 of the Public Health Service Act. The subsections concerned with grants for the venereal disease and for the tuberculosis programs are unchanged. The subsections dealing with general public health work are revised so as to strengthen the program and pledge complete Federal cooperation to the States in moving as rapidly as practicable toward the development of adequate public health services in all parts of the country. The present authorization of \$20,000,000 a year for grants to States is replaced by an authorization to appropriate a sum sufficient to carry out the purposes. Also, the annual amount available to the Surgeon General of the Public Health Service for demonstrations, training of personnel, and administrative expenses is increased from \$3,000,000 to \$5,000,000 a year.

In order to receive the Federal grants the States are required to develop their own plans in accordance with their own needs, and to submit these plans for approval. They must be approved by the Surgeon General if they meet the requirements that are specified. An orderly system of arrangements is laid down, ensuring reasonable standards and systematic financial participation by the States (and by the localities cooperating under the State plans). This is the same general pattern as has been followed for public assistance since the original Social Security Act of 1935. The amounts of the grants to States are determined by an explicit formula, designed to give relatively more aid to the poorer States and relatively less to the richer States. The variable Federal grants would range from 25 to 75 percent of the total public funds expended under the approved State programs.

SECTION 5. INCREASED GRANTS TO STATES FOR MATERNAL AND CHILD HEALTH AND WELFARE SERVICES

This section amends title V of the Social Security Act relating to Federal cooperation with the States to provide health and welfare services for mothers and children. A common plan is followed in each of the three parts, dealing respectively with maternal and child health, crippled children, and child welfare. In order to receive Federal grants, the States are to develop their own plans, in accordance with their own needs. If these plans meet the requirements specified, they must be approved by the Chief of the Children's Bureau. The requirements are those that are essential to insure reasonable standards, systematic financing and administration, and reasonably rapid extension of the

services to all parts of the States and on an adequate basis. Administration by the Federal authorities shall be in close consultation with the State authorities.

As in the case of grants for public-health work and public assistance, the Federal grants would be on a variable basis, so as to give special aid to the poorer States. The variable Federal grants would range from 25 to 75 percent of the total public funds expended under the approved State programs, the amount in each case being determined by a specific formula written into the law. The Federal Government would be entering into full partnership with the States in providing services for mothers and children, leaving wide latitude to the States as to the scope and content of the programs.

SECTION 6. COMPREHENSIVE PUBLIC-ASSISTANCE PROGRAM

This section provides Federal grants to States for assistance to all needy persons. It provides variable Federal grants to the States, ranging from 50 percent to 75 percent of the total expended, depending upon the State's per capita income. The higher rates apply to the States with the lower per capita incomes. The program authorizes Federal matching, on this variable grant basis, of money payments to any aged person, dependent child, blind person, or other needy individual (without the rigid maxima provided by existing law); and where so provided in an approved State plan, medical services to needy individuals, payments for the care of children in foster homes, and such services as may assist in making needy individuals self-supporting.

These Federal grants, like the similar provisions of the present law, are made out of general revenues. As under existing law, State plans must meet various requirements, including maintenance of civil-service merit standards for administrative personnel. In determining need, the State must take into consideration any other income of any individual claiming assistance except that the State may, in its discretion, not take into consideration any amounts of current income received by an individual up to \$20 per month, as the State may determine.

The bill provides that States may choose to provide assistance to the needy aged, blind and dependent children included under the present law or that States may choose to add additional groups or provide assistance to all needy persons. The limitations in the existing Federal law are removed so that States may obtain Federal funds for a wide variety of purposes designed not only to provide assistance to persons already needy but to help persons to be restored to self-support. Most States are already providing such services under existing public-welfare laws. By providing Federal financial participation toward meeting part of such costs, States will be encouraged to broaden the scope and improve the quality of such services.

In view of the fact that the proposed legislation would make additional Federal funds available to every State in the Union, it is essential that the State programs provide more adequate assistance and improved and simplified administration. The bill requires that as a condition for receiving Federal grants States must not impose as a condition of eligibility for assistance under the plan any citizenship or residence requirements. Since under the revised program the largest part of the total cost will come from Federal funds, it is reasonable that all persons in the United States who are actually determined to be needy by State agencies be given assistance irrespective of State or county residence or inability to prove citizenship. The bill also provides that as a condition for obtaining Federal funds the State public assistance plan must provide for distribution of funds so as to assure meeting in full the need of individuals throughout the State as determined in accordance with standards established by the State. This

provision would not modify the existing law which places upon the State the responsibility for determining who is a needy individual and the amount of assistance to be granted such individual. It is designed, however, to assure that needy individuals in a particular county will not be denied assistance because of the lack of adequate local financial participation by such county.

In the interests of economy and efficiency of operation the bill provides that there be one State agency and also only one local agency to administer all assistance in each locality.

The bill also provides that special consideration should be given to the special needs of individuals. The bill specifically provides that where an individual has special needs because of illness, disability, or special costs due to employment, education, or the like, such persons shall have these factors taken into account in the determination of the individual's need.

SECTIONS 7 AND 8. A NATIONAL SYSTEM OF EMPLOYMENT OFFICES

SEC. 7. This section provides for an expanded and strengthened national system of public employment offices established in the Social Security Board, to assist war workers, war veterans, and all others to avail themselves of civilian employment opportunities throughout the Nation, to promote employment in private industry and on farms, and, generally, to bring together available workers and available jobs in the maximum use of the Nation's productive facilities and manpower. Among other duties, the expanded Employment Service is directed to provide facilities in cooperation with the administration of unemployment insurance.

Provision is made for the establishment of a National Advisory Employment Service Policy Council for the purpose of formulating policies, reviewing administrative operations, and discussing problems relating to the Employment Service.

Six months after the termination of hostilities in the present war, the present Employment Service and all related activities of the War Manpower Commission are transferred to the new United States Employment Service created by the bill.

SEC. 8. This section provides for the repeal of the Wagner-Peyser Act under which the Federal-State Employment Service was originally established.

SECTION 9. NATIONAL SOCIAL INSURANCE SYSTEM PART A. PREPAID MEDICAL CARE INSURANCE

Part A of this section provides for medical and hospital insurance.

Freedom of medical practice is carefully safeguarded. Each insured person is entitled to choose his own doctor from among all physicians or groups of physicians in the community who have voluntarily agreed to go into the insurance system. Each doctor or group of doctors is free to go in or stay out of the insurance system. These doctors who participate are free to accept or reject patients who may wish to select them as their family doctor, and the participating doctors are likewise free to choose the method through which they are to be paid from the insurance fund. Patients and doctors may change the arrangements after they have been made if they become dissatisfied. Doctors practicing as specialists, individually or in groups, would be entitled to special rates of payment if they meet professional standards for specialists. Thus, existing arrangements for choosing a doctor and obtaining medical, laboratory, or hospital care would not be disturbed.

The bill contains various provisions to assure that medical benefits will be the highest quality that can be made generally available, will promote personal relations between doctor and patient, will emphasize prevention of disease, and will be adapted to the needs and practices of the community, in both rural and urban areas.

The Surgeon General of the United States Public Health Service—a doctor—would ad-

minister the technical and professional aspects of the program. The Surgeon General would also be authorized to work out the closest possible coordination between the medical and hospital services and the public health services of the Federal, State, and local governments.

Hospital care is limited to 60 days per year, with a possible maximum of 120 days if experience proves that the insurance fund can afford it. All qualified hospitals are eligible to participate. The Surgeon General is forbidden from exercising supervision or control over the management of hospitals that participate in the insurance system.

The Surgeon General is directed to establish a National Advisory Policy Council. Members of this advisory council would be appointed from panels of names submitted by professional and other organizations concerned with medical services, education, hospitals, etc. The advisory council must also include representatives of the public.

Specific provision is included for hearings and appeals on any disputed issues between practitioners, hospitals, and insured persons. Specific provision is made for the judicial review of any disputed issues arising under the plan.

The Surgeon General is directed to decentralize the administration of the program by giving priority and preference to the use of existing State and local agencies. Where no such arrangements have been made, the Surgeon General is directed to establish committees in each locality to aid in the administration of the program and to assure that the program will be adapted to local needs. Such committees shall include representatives of the insured population, doctors, hospitals, other agencies furnishing service under the program, and other persons informed on the need for, or provision of, health benefits. The Surgeon General is authorized to negotiate cooperative working arrangements with Federal, State, or local governmental agencies, and with private groups or individuals, to provide the benefits by utilizing their services and facilities on payment of fair and reasonable compensation. The health insurance benefits may be furnished to noninsured persons such as needy persons receiving public assistance, if appropriate arrangements are made to pay on their behalf the cost of services furnished to them.

The Surgeon General and the Social Security Board are directed to make studies and to report to Congress on dental, nursing, or other services not provided under the insurance system, and on services and facilities needed for the care of the chronic sick and for persons afflicted with mental diseases.

The Surgeon General is directed, with the advice of the National Advisory Medical Policy Council, to administer grants-in-aid to nonprofit institutions and agencies engaging in research or in undergraduate or postgraduate professional education. Such grants would be made for projects showing promise of making valuable contributions to the education, and training of persons in furnishing health insurance benefits, or of making valuable contributions, with respect to the cause, prevention, or methods of diagnosis or treatment of disease or disability. Provision is made for giving preference to educational projects for returning servicemen seeking postgraduate education or training in medical, dental, and related fields. The sum available each year for such grants-in-aid would be 1 percent of the total expended for all social-insurance benefits exclusive of unemployment insurance or 2 percent of the amount expended for health insurance, whichever is less.

PART B. UNEMPLOYMENT AND TEMPORARY DISABILITY INSURANCE

Part B establishes a new Federal unemployment insurance system administered by the Social Security Board. Unemployment benefits are payable for 26 weeks. If the funds available are deemed adequate, the duration of benefits may be extended to a

maximum total of 52 weeks, but the Board may require attendance at a training course as a condition for receiving such extended benefits. Weekly benefits are payable from \$5 to \$20 per week for single individuals. As in the case of old-age insurance, benefits are increased for workers with dependents. The maximum benefit payable is \$30 per week in contrast to most existing State laws in which the maximum is between \$15 and \$20 per week. The waiting period is 1 week. Benefits will be paid to eligible persons upon registration and continued reporting for work at the public employment office or at training courses approved by the Board. Failure to report or to accept suitable work when offered is a ground for disqualification.

Insured workers who are certified as temporarily disabled, through illness or injury, are likewise eligible for the same benefits, after 1 week's waiting period, for a maximum duration of 26 weeks. In addition to the maximum duration for disability benefits, married women workers are entitled to weekly benefits, in the same amounts, for 12 weeks of maternity leave.

TABLE 1.—*Illustrative weekly unemployment and temporary disability insurance benefits under the bill*

| Average weekly wage | Worker | Worker and wife | Worker, wife, and 1 child | Worker, wife, and 2 or more children |
|---------------------|--------|-----------------|---------------------------|--------------------------------------|
| \$10 or less..... | \$5 | \$6.50 | \$7.50 | \$8 |
| \$20..... | 10 | 13.00 | 15.00 | 16 |
| \$30..... | 15 | 19.50 | 22.50 | 24 |
| \$40 or more..... | 20 | 26.00 | 30.00 | 30 |

PART C. RETIREMENT, SURVIVORS AND EXTENDED DISABILITY INSURANCE

Under this part of the bill, the present Federal old-age and survivors insurance system is broadened to include monthly cash benefits where the insured worker is totally disabled for 6 months or more before he reaches the retirement age. These benefits would be equal to those paid under old-age insurance, and in the same way would be increased for the worker who has a dependent wife, dependent children, or dependent parents.

Effective January 1, 1946, the bill changes the benefit formula and the method for calculating an individual's average wage. In addition, the maximum family insurance benefit is increased from \$85 under present law, to \$120. The minimum benefit also is increased from \$10 under present law to \$20 for a single worker and \$30 for a worker with a dependent wife age 60 or over. Thus the bill provides an assured minimum of \$30 a month for an insured couple, and higher payments up to a maximum of 80 percent of average wages or \$120, whichever is smaller, the exact amount depending on prior wages and years of employment. The same minimum and maximum provisions would apply in the case of extended disability.

TABLE 2.—*Illustrative monthly old-age retirement or extended disability benefits under the bill*

| Number of years of coverage | Insured person | Insured person and wife | Insured person, wife, and 1 child | Insured person, wife, and 2 children |
|-----------------------------|----------------|-------------------------|-----------------------------------|--------------------------------------|
| Average monthly wage \$100 | | | | |
| 10 years' coverage..... | \$36.00 | \$54.00 | \$72.00 | \$80.00 |
| 20 years' coverage..... | 39.00 | 58.50 | 78.00 | 80.00 |
| 30 years' coverage..... | 43.00 | 64.50 | 80.00 | 80.00 |
| 40 years' coverage..... | 46.00 | 69.00 | 80.00 | 80.00 |
| Average monthly wage \$200 | | | | |
| 10 years' coverage..... | \$47.00 | \$70.50 | \$94.00 | \$117.50 |
| 20 years' coverage..... | 51.00 | 76.50 | 102.00 | 120.00 |
| 30 years' coverage..... | 56.00 | 84.00 | 112.00 | 120.00 |
| 40 years' coverage..... | 60.00 | 90.00 | 120.00 | 120.00 |

The bill also reduces from 65 to 60 years the age when women become eligible for retirement and widow's benefits.

Upon the death of any insured worker, the bill provides for a lump-sum death payment to the surviving spouse equal to six times the primary old-age benefit of that worker. If there is no surviving spouse, this lump-sum benefit will be paid to any other person equitably entitled, to the extent that he has paid the burial expenses of the deceased worker.

TABLE 3.—*Illustrative monthly survivors benefits under the bill*

| Number of years of coverage | Widow | Widow and 1 child | Widow and 2 children | 2 parents |
|-----------------------------|---------|-------------------|----------------------|-----------|
| Average monthly wage \$100 | | | | |
| 10 years' coverage..... | \$27.00 | \$45.00 | \$80.00 | \$36.00 |
| 20 years' coverage..... | 29.25 | 48.75 | 80.00 | 39.00 |
| 30 years' coverage..... | 32.25 | 53.75 | 80.00 | 43.00 |
| 40 years' coverage..... | 34.50 | 57.50 | 80.00 | 46.00 |
| Average monthly wage \$200 | | | | |
| 10 years' coverage..... | \$35.25 | \$58.75 | \$105.75 | \$47.00 |
| 20 years' coverage..... | 38.25 | 63.75 | 114.75 | 51.00 |
| 30 years' coverage..... | 42.00 | 70.00 | 120.00 | 56.00 |
| 40 years' coverage..... | 45.00 | 75.00 | 120.00 | 60.00 |

The bill also changes the provisions for determining the insured status of an individual so that all persons engaged in governmental arsenals, or any other type of war work not covered by the social-insurance system, will not have the period prior to 1946 count against them in determining their eligibility for retirement, survivors, and extended disability insurance benefits.

This section of the bill also liberalizes the existing provision of law which permits an individual to earn up to \$15 per month and still draw his insurance benefit. The amended provision increases this amount to \$25 per month. For blind persons this amount is increased to \$50 per month.

PART D. TRUST FUND

The bill creates a social insurance trust fund to which is transferred existing funds credited to the Federal old-age and survivors insurance system. The bill provides that all contributions are to be deposited directly in the trust fund. A board of trustees, composed as at present of the Secretary of Labor, the Secretary of the Treasury, and the Chairman of the Social Security Board, is established to hold the trust fund and make annual reports to Congress on the benefit payments and the status of the fund. The Secretary of the Treasury, as managing trustee, is authorized to invest the trust fund in United States bonds.

Provision is made, as under the present Federal old-age and survivors insurance law, for authorizing appropriations to the trust fund, out of general revenues, whenever the Congress deems necessary. Appropriations would be required to pay the cost of covering the insurance rights of war veterans, the cost of medical and hospital benefits provided to old-age, survivors, disabled beneficiaries, and for meeting the costs of medical and hospital benefits to needy persons for whom arrangements are made under section 209, and for dental and home-nursing benefits.

These contributions provided in the bill will be sufficient to pay all insurance benefits for several years after the end of the war, depending primarily upon employment conditions. Before that time it will be necessary to decide whether the contributions should be increased or the Government should contribute to the insurance system out of general revenues, or some combination of both.

PART E. CREDIT FOR MILITARY SERVICE

The bill gives wage credits of \$160 per month to men and women in the armed forces for the entire period of their military service. The individual war veteran and his family would thus be insured for all social-insurance benefits provided in the bill, without deductions from his pay during military service. The cost of this protection is borne by the Federal Government out of general revenue.

PART F. COVERAGE OF INSURANCE SYSTEM

This section extends coverage to all persons in industry and commerce (except railroad workers) under the entire social insurance system, including agricultural and domestic workers, seamen, and employees of nonprofit institutions (except ministers and members of religious orders). Self-employed persons (small businessmen, farmers, and professional persons) are covered under all insurance programs except unemployment and temporary disability insurance.

Present or future employees of State or local governments who are covered by existing pension systems specifically continue to be exempt, as under the present law. Employees of State or local governments who are not under existing pension systems may be covered (under retirement, survivors, extended disability, and medical insurance) by a voluntary compact between the Social Security Board and the appropriate State or local governmental unit.

Federal employees are not covered by the bill except hourly employees of the Tennessee Valley Authority.

PART G. SOCIAL INSURANCE CONTRIBUTIONS

The bill provides for insurance contributions of 4 percent on employees and 4 percent on employers. The following table shows the allocation of contributions for each of the four insurance programs.

TABLE 4.—*Proposed social-insurance contributions under the bill*

[As a percent of pay roll]

| Program | Em- ployer | Em- ployee | Total |
|--|---------------|---------------|-------------|
| 1. Retirement, survivors' and extended disability insurance..... | Percent 1.0 | Percent 1.0 | Percent 2.0 |
| 2. Medical care and hospitalization insurance..... | 1.5 | 1.5 | 3.0 |
| 3. Unemployment insurance..... | 1.0 | 1.0 | 2.0 |
| 4. Temporary disability insurance..... | .5 | .5 | 1.0 |
| Total contributions..... | 4.0 | 4.0 | 8.0 |

Since the self-employed and employees of States and localities are not covered for unemployment and temporary disability insurance, but are covered only for retirement, survivors and extended disability benefits (for which 2 percent is charged) and medical care and hospitalization insurance (3 percent), their total contribution is 5 percent; in the case of the employees of States and localities (who may be covered on an optional basis if not already covered by their own pension systems) half of this contribution is payable by their employer.

PART H.—GENERAL PROVISIONS

The bill establishes a National Social Security Advisory Council, representing employers, employees, and the general public, to formulate policies on legislation and administration, and to investigate and make recommendations concerning coverage of various groups; the adequacy of benefits in relation to wage levels, cost of living, and other factors; methods of financing of the insurance system, and methods of providing incentives to beneficiaries for rehabilitation and employment.

The Social Security Board is directed to make provision, after consultation with the

the Surgeon General and the Office of Vocational Rehabilitation, for determination and certification of disability, and for the rehabilitation (medical and vocational) of disabled persons who are entitled to disability benefits and who may be assisted by such services so that they can return to gainful work. For these rehabilitation services, a sum equal to 2 percent of disability benefits is set aside from the trust fund.

SECTION 10. DEFINITIONS

Section 10 contains general definitions.

EXHIBIT B

STATEMENT OF SENATOR JAMES E. MURRAY, OF MONTANA, ON INTRODUCTION OF THE SOCIAL SECURITY BILL OF 1945

I am proud to have the opportunity of joining with my distinguished colleague, the senior Senator from New York [Mr. WAGNER] in introducing in the Senate of the United States a bill designed to make our limited system of social security comprehensive and to extend it to practically all of our population.

The Congress already has before it, in the full employment bill, a plan to stabilize our economy and to control those violent fluctuations that in the past have contributed greatly to international evils. Today, Senator WAGNER and I lay before the Congress a plan to bring a full measure of social security to our people. By enacting this bill, the Congress will be giving reality to a large part of the economic bill of rights that our people need to protect them against the perils of the future; and the Congress will take an important and practical step toward achieving all the "four freedoms" by assuring to the American people freedom from want.

There is widespread demand for a comprehensive system of social security. This has been shown, again and again, by polls of public opinion. Both political parties are committed to it.

In the minds of the American people, the results that can be achieved by a comprehensive system of social security are among the main goals of the war. The social and economic problems of our modern industrial life become greater, not smaller; they may be expected to be extremely serious in the years ahead. We must have orderly, secure, and adequate plans to meet the uncertainties of our industrial life. We must act, and act rapidly, if our social-security system is to be ready for the strains that will come with the end of the war and the adjustments that will be required by the transition to peace.

In view of these circumstances, it is important that the Congress should give immediate consideration to the proposals my colleague and I submit for the extension of our existing social-security program.

In asking that the Congress act promptly on our social security bill we are not proposing hasty or intemperate action. We have behind us nearly 10 years of actual experience under the Social Security Act. We have had nearly 2 years of intensive discussion of the bill which Senator WAGNER and I introduced in the Senate, and which Representative DINGELL, of Michigan, introduced in the House, on June 3, 1943. I join with Senator WAGNER in requesting, most earnestly, that our present bill be made the subject of prompt and full hearings in the Senate.

Mr. LANGER. Mr. President, I ask unanimous consent that the bill introduced by the distinguished senior Senator from New York and the distinguished junior Senator from Montana and the remarks of the distinguished senior Senator from New York be printed as a Senate document, and that 25,000 copies be

printed, so that Senators may be able to mail them all over the country in response to requests from their constituents.

The PRESIDENT pro tempore. The Chair is advised by the acting parliamentarian that such a request requires action by the Committee on Printing. The request should be referred to that committee.

Mr. LANGER. Will not that procedure be avoided, Mr. President, if unanimous consent is obtained?

The PRESIDENT pro tempore. The law requires reference of such a request. The Chair is advised that compliance with the Senator's request would violate the law.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Can we not, by obtaining unanimous consent, avoid that?

The PRESIDENT pro tempore. Only by ignoring the law. The Chair will state to the Senator that the request should go to the Committee on Printing, and an estimate of the cost will have to be secured.

Mr. LANGER. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Am I to understand that before the Senate can take such action, the request must first be referred to the Committee on Printing?

The PRESIDENT pro tempore. Yes—for the reason that a law on the subject has been passed by the Congress, and the Senate cannot by unanimous consent overrule that law or disregard it.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 93. An act for the relief of Mary G. Margraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of the estate of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present war section 2 of the act of March 3, 1883 (22 Stat. 481), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

The message also announced that the House had passed the bill (S. 938) to provide for emergency flood-control work made necessary by recent floods, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House insisted upon its amendment to the bill (S. 383) to provide for the further development of cooperative agricultural extension work, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing

votes of the two Houses thereon, and that Mr. FLANNAGAN, Mr. ZIMMERMAN, Mr. PACE, Mr. HOPE, and Mr. KINZER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 341. An act relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes;

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 391. An act to amend section 342 (b) of the Nationality Act of 1940;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1547. An act for the relief of W. H. Baker;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1725. An act for the relief of Mrs. Mary Surface Shaughnessy;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1838. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1857. An act for the relief of the legal guardian of Mona Mae Miller, a minor;

H. R. 1947. An act to authorize an increase in the pay of the chaplain at the United States Military Academy while serving under reappointment for an additional term or terms;

H. R. 1975. An act for the relief of Glassell-Taylor Co., Robinson and Young;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2518. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States;

H. R. 2578. An act for the relief of Rufus A. Hancock;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilms Jackson;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 2951. An act to exempt certain members of the Economic Stabilization Board from certain provisions of the Criminal Code;

H. R. 2966. An act authorizing the President of the United States to award posthumously a special medal of honor to Franklin Delano Roosevelt;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3081. An act for the relief of August Svelund; and

H. R. 3102. An act to authorize the Administrator of Veterans' Affairs to employ on part time, clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies, and for other purposes.

REPORT OF A COMMITTEE DURING THE ADJOURNMENT

Under authority of the order of the 21st instant,

Mr. OVERTON (for Mr. TYDINGS), from the Committee on Appropriations, to which was referred the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, reported it on May 22, 1945, with amendments, and submitted a report (No. 287) thereon.

CONDOLENCES ON DEATH OF FRANKLIN D. ROOSEVELT

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of State, enclosing copy of a despatch from the American Embassy at Quito, Ecuador, transmitting a resolution of the Ecuadoran Permanent Legislative Commission, expressing condolences on the death of Franklin D. Roosevelt, former President of the United States, which, with the accompanying papers, was ordered to lie on the table.

NINETEENTH REPORT OF LEND-LEASE OPERATIONS

The PRESIDENT pro tempore 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 Foreign Relations:

To the Congress of the United States of America:

I am transmitting herewith the nineteenth report of operations under the Lend-Lease Act for the period ending March 31, 1945.

On May 6, 1945, Nazi Germany capitulated to the combined forces of the United Nations. Lend-lease and reverse lend-lease as the basic mechanisms of combined Allied war supply made a vital contribution to that victory.

The defeat of Germany was the first objective of Allied military strategy. There remains, in the Pacific, another powerful and fanatical foe, the Japanese, who, in the never-to-be-forgotten and fateful Sunday of December 7, 1941, struck at Pearl Harbor in a treacherous blow against the peace and security of the world. They, too, must be taught

that the peace and security of the world are sacred and not to be broken by any aggressor nation.

While the bulk of the United Nations forces were engaging the Nazis in Europe, Allied forces succeeded in piercing the perimeter of Japanese defenses and established the bases from which decisive offensives can be launched. Now all of the might and power of the United States, the British Empire, France, the Netherlands, and our other allies can be brought to bear, together with the Chinese forces, against Japan.

Long and costly as the struggle ahead may be, it has been immeasurably shortened by the system of lend-lease and reverse lend-lease. To crush Nazi and Japanese tyranny, we have sent overseas to join our allies on the battle front American fighting men equipped with the best weapons American ingenuity and skill can produce. They have been further strengthened through reverse lend-lease with all that they needed which our fighting allies could provide. Our fighting partners at the front had more men for the battle than they could supply and, through lend-lease, we sent the weapons, the food, and the material with which they could bear fully their burden of the battle.

We cannot measure the sacrifice and heroism of our American forces on the war front or the efforts of the men and women on the production front here at home. Nor can we measure the contribution to victory of those Allied fighting men who, with their own and lend-lease weapons, fought and fell, or the courage and valor of their people behind the lines who, steadfastly through long years under attack, produced the food and tools needed for victory. Each of the United Nations has contributed to the pool of fighting power in accordance with its abilities and capacities.

Adjustments and reductions in Allied war production and in the lend-lease program will be possible even as we and our allies throw augmented forces into the decisive offensives against the Japanese. The task of reconversion and reconstruction is commencing. At the same time lend-lease and reverse lend-lease must continue as a military necessity on the scale required to build the overwhelming power which alone can save American and Allied lives and bring an early and complete end to this terrible war.

HARRY S. TRUMAN.

THE WHITE HOUSE, May 22, 1945.

EXECUTIVE COMMUNICATIONS, ETC.

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

SUPPLEMENTAL ESTIMATE, FEDERAL SECURITY AGENCY (S. Doc. No. 49)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Security Agency, fiscal year 1946, amounting to \$746,600, in the form of an amendment to the Budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

RESCISSIONS OF PORTION OF SEVERAL WAR AND WAR-RELATED APPROPRIATIONS

A communication from the President of the United States, transmitting for the consideration of the Congress proposed rescissions of portions of several war and war-related appropriations available for the fiscal year 1945, amounting to \$92,119,000, and applying to the appropriations for a number of departments and agencies (with accompanying papers); to the Committee on Appropriations.

SUSPENSION OF THE DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report with a list of 643 individuals whose deportation has been suspended for more than 6 months under the authority vested in him (with an accompanying paper); to the Committee on Immigration.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT OF JUNE 25, 1938

A letter from the Acting Administrator of the Federal Security Agency, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes (with an accompanying paper); to the Committee on Commerce.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of personnel requirements for the ceiling unit "Miscellaneous Researches," National Bureau of Standards, for the quarter ending June 30, 1945 (with an accompanying paper); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Legislature of the State of New York; to the Committee on Education and Labor:

"Whereas it is vital to the successful prosecution of the war that maximum war production be maintained; and

"Whereas our wartime economy has demonstrated that the great bottleneck in our productive capacity is manpower and it is imperative that the use of all available manpower, regardless of race, color, or creed, should be promoted and guaranteed; and

"Whereas it is also of the greatest importance to provide and insure the fullest possible opportunities for employment to all discharged war veterans and displaced war workers throughout the war and postwar periods, without discrimination because of race, color, or creed; and

"Whereas to preserve and maintain our fundamental democratic principles and to assure the fullest possible utilization of our manpower resources, the President of the United States, by Executive Order No. 882, established Fair Employment Practice Committee which has greatly contributed to the reduction and elimination of discrimination in employment in war industries; and

"Whereas it is the sense of the people of the State of New York, manifested by the considered judgment of their duly elected representatives in the legislature, that the said committee could be made an even more effective instrumentality for the establishment and maintenance of sound, democratic employment practices and policies if it were made a permanent governmental agency, given legal status, and endowed with full power and authority in law to make and enforce its decisions; and

"Whereas the Congress of the United States has before it for consideration the Chavez bill, bearing Senate 101, which authorizes and provides for the establishment and operation of such a governmental agency: Now, therefore, be it

"Resolved (if the senate concur), That the Congress of the United States be and it is hereby respectfully memorialized to enact with all convenient speed appropriate legislation to establish a Fair Employment Practice Committee as a permanent governmental agency with adequate power and authority to accomplish the purposes of this resolution, and be it further

"Resolved (if the senate concur), That copies of this resolution be transmitted to the President of the United States, the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of the Congress of the United States duly elected from the State of New York, and that the latter be urged to devote themselves to the task of expediting and supporting the consideration and enactment of such legislation."

A concurrent resolution of the Legislature of Puerto Rico; to the Committee on Naval Affairs:

"House Concurrent Resolution 8

"Concurrent resolution to instruct the Resident Commissioner for Puerto Rico in Washington to request of the Congress of the United States the extension to Puerto Rico of various acts of Congress, and for other purposes

"Whereas the circumstance of Puerto Rico being an island constitutes a sufficiently powerful factor for the Legislature of Puerto Rico to wish to establish a School of Navigation for Officers of the Merchant Marine in Puerto Rico;

"Whereas the occupational possibilities that the establishment of a school of this kind would offer a part of our youth vocationally inclined, are obvious and unquestionable;

"Whereas it is reasonable that a school of navigation should enjoy, from the moment of its establishment in Puerto Rico, all such benefits as schools of the same order existing in continental United States, its possessions and territories, now enjoy by virtue of certain acts of Congress: Now, therefore, be it

"Resolved by the House of Representatives of Puerto Rico (the Senate of Puerto Rico concurring):

"First. To instruct the Resident Commissioner for Puerto Rico in Washington, as he is hereby instructed, to request of the Congress of the United States of America, in behalf of the Legislature of Puerto Rico, the extension to Puerto Rico of the following acts of Congress: 34 U. S. C. 1128, of March 3, 1901; 34 U. S. C. 1121, of March 4, 1911; 34 U. S. C. 1122, of March 4, 1911; 34 U. S. C. 1123, of March 4, 1911; in order to obtain for Puerto Rico the same benefits obtained by the Government of the Philippine Islands on June 30, 1906, through the act of Congress 34 U. S. C. 1124.

"Second. That a copy of this resolution be transmitted to the President of the United States of America, the presiding officers of both Houses of Congress, the Secretary of the Interior, and the Resident Commissioner for Puerto Rico in Washington."

A resolution of the Assembly of the State of California; to the Committee on Immigration:

"House Resolution 230

"Resolution relative to memorializing the President and the United States Senate to approve H. R. 776, authorizing the naturalization of Filipinos

"Whereas the blood and suffering of the past 4 years have evidenced, at great price, the unwavering loyalty of the Philippines to the United States; and

"Whereas for four long months on the peninsula of Bataan 75,000 Philippine troops, fighting side by side with Americans, held at bay a ruthless enemy which was fully equipped and four times their number, defending to the bitter end the flag and ideals of this country and rendering up 21,000 of their brave men to unidentified death; and

"Whereas, by this heroic stand, the United States was given time to prepare in Australia; and

"Whereas through the bitter years following the fall of Corregidor 13,000,000 Filipinos maintained their loyalty and devotion to this country in the face of untold destruction and suffering; and

"Whereas now, once again, Americans and Filipinos are fighting side by side with profound realization of their common bonds and ideals, grimly bent toward final victory; and

"Whereas as a token of this country's appreciation and in tribute to the people of the Philippines there has been passed by the House of Representatives, and is now before the Senate of the United States, H. R. 776, by Representative McGEHEE, to authorize the naturalization of Filipinos: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the President and the Senate of the United States are hereby respectfully memorialized to approve H. R. 776 of the Seventy-ninth Congress, first session; and be it further

"Resolved, That the chief clerk is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, and to the two Senators from California in the Congress of the United States."

A memorial of the Legislature of the State of Florida; to the Committee on Military Affairs:

"House Memorial 5

"Memorial to the President and the Congress of the United States urging the immediate activating of the provisions of the Surplus Property Act of 1944, to secure the benefits as intended in said act to States and political subdivisions and their instrumentalities

"Whereas the Seventy-eighth Congress passed Public Law 457, the same being known as the Surplus Property Act of 1944; and

"Whereas it is provided in said act for the establishment of a Surplus Property Board; and

"Whereas section 13 of said act gives priorities to States and political subdivisions and instrumentalities thereof over all other disposals of property except transfers to Federal agencies; and

"Whereas there has been no material compliance made with the provisions of section 13 aforesaid for the benefit of the local governments, but on the contrary there has been evidence that the Board and Federal agencies charged with the administration of the Surplus Property Act are neglecting, failing, and refusing to discharge their duties as required by said act and, further, are discriminating against said local governments, has been disclosed by recent investigations and events; and

"Whereas there have been disclosures of deliberate violations of the act pursuant to investigations by a special Senate committee of Congress, of the Board and of its activities; and

"Whereas it has been disclosed that the Board and its administrative agencies, in their refusal and failure to extend the priorities and benefits to States and political subdivisions and their instrumentalities, have deliberately and intentionally committed acts in violation and disregard of the Surplus Property Act and to the loss and injury of many local governments. Included among the violative acts of the Board and its administrative agencies was the enforcement of restrictive provisions that precluded the city of New York from making bids on a

great deal of material that it wished to purchase. Certain surpluses were offered to local governmental agencies at prices above current market prices and then, after having been turned down, were sold at lower prices to private bidders, and other such instances of disposals whereby local governmental agencies were not given proper chance to purchase; and

"Whereas a Senate subcommittee has failed to find evidence that any procedure has been established to get a coordinated statement of the requirements of State and local governments, and this subcommittee has determined that the demands of the local government units are certain to be large; and

"Whereas there has been no system provided by the Board for establishing priorities to local governments as intended by said act, nor has there been set up any reasonable means whereby local governments can regularly receive information as to surplus properties that may be bought; and

"Whereas local governments should have, and were intended by the Surplus Property Act to have, priorities and first opportunity except as to Federal agencies to buy surplus properties; and

"Whereas the Surplus Property Act contemplated that pursuant to its provisions a system should be devised and put into operation that would permit local governments to secure the priorities and maximum benefits intended by said act; and

"Whereas the true intent of the act has been completely ignored to the disadvantage, loss, and injury of the States and political subdivisions and instrumentalities thereof: Now, therefore, be it

"Resolved by the Legislature of the State of Florida: 1. That the President of the United States is hereby petitioned to lend his Executive powers in requiring that the Surplus Property Board, as provided to be appointed by the President under the Surplus Property Act of 1944, take immediate action to correct the evils now practiced by said Board in its discrimination against the States and political subdivisions and instrumentalities thereof, and in its persistent refusal to comply with the requirements of the said act.

"2. That the Congress of the United States is hereby petitioned to make such further investigations of the administration of the Surplus Property Act of 1944, that may be necessary to determine the action by the Congress to correct the discriminations against the States and political subdivisions and instrumentalities thereof and to insure the priorities and benefits to these local governments and their agencies that were intended for them under the provisions of the said Surplus Property Act of 1944.

"3. That copies of this memorial be transmitted to the President of the United States, to the Speaker of the House, and President of the Senate in Congress and to each of Florida's representatives in both the House and Senate in Congress.

"4. That a copy of this memorial be spread upon the Journal of both the Senate and the House of Representatives of the State of Florida and that sufficient copies thereof be furnished to the press.

"Became a law without the Governor's approval.

"Filed in office, secretary of state, May 17, 1945.

QUIETING OF TITLES OF CERTAIN STATES TO LANDS BENEATH TIDE WATERS AND NAVIGABLE WATERS

Mr. MORSE. Mr. President, I present a resolution adopted by the State Land Board of the State of Oregon, relating to legislation quieting titles of certain States to lands beneath tide waters and navigable waters, and ask that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

SALEM, OREG., May 15, 1945.

The State Land Board met in special session in the conference room of the executive office at 10:45 a. m.

"Whereas the State of Oregon, since its admission to the Union in 1859, has always claimed title and does now claim title to all of the tide land and submerged land along the coast of the State of Oregon and in the bays and harbors thereof and three nautical miles westward from the coast line in the bed of the ocean; also from the banks of any navigable stream from the point of mean high water along said banks; and

"Whereas the courts of this State and of the United States, through all of this period, have held the title to all tide and overflow lands below mean high water belonging to the State of Oregon; and

"Whereas the courts of the Nation and of the respective States which have passed upon this question have held, with complete uniformity, that each State, upon its admission to the Union, became vested by its sovereignty with the absolute ownership of all tide and overflow lands, unless any of such lands had been granted prior to Statehood into other ownership by a sovereign then having dominion over said tide and overflow lands prior to the acquisition of that territory by the United States; and

"Whereas there has been introduced into the Seventy-ninth Congress, first session, in the House of Representatives a joint resolution known as 'A joint resolution quieting titles of the States to lands beneath tide-waters and navigable waters': Now therefore, be it

"Resolved, That the State land board in special session, petitions its representatives in the Senate and the House of Representatives in the Congress of the United States to give their full support to the passage of the above-mentioned resolution quieting the title of all tide and overflow lands in the respective States to the States in which said lands are located; and be it further

"Resolved, That a certified copy of this resolution be sent to each Member of the Oregon delegation in the Congress of the United States."

No further business appearing, upon motion, the meeting was adjourned.

EARL SNELL, Governor.

By Mr. THOMAS of Oklahoma:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Agriculture and Forestry:

"House Concurrent Resolution 10

"Concurrent resolution directing the attention of the Agricultural Adjustment Administration to the construction of farm ponds on small farms, and asking a change of policy in their program so as to equalize this work and build ponds on small farm units in the same manner as they do on larger farms

"Whereas at the present time the Agricultural Adjustment Administration in carrying out its farm-pond program, seems to be and is building farm ponds on large farms and ranches and neglecting, failing, and refusing to build farm ponds on small farm units; and

"Whereas this program should extend to farm units of all sizes: Now, therefore, be it

"Resolved by the House of Representatives of the Twentieth Legislature of the State of Oklahoma (the honorable Senate concurring therein), That we demand of the Agricultural Adjustment Administration a modification of their farm-pond program so as to include small-farm units in a like manner as larger units and build ponds thereon in equal proportions; be it further

"Resolved, That the clerk of the house of representatives shall mail a certified copy of this resolution to the Agricultural Adjustment Administration, Washington, D. C., and to each member of the Oklahoma delegation in Congress."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"House Concurrent Resolution 17

"Concurrent resolution memorializing the Federal Government and its Veterans' Rehabilitation Administration to avail itself of the efficacy of mineral waters, known by the trade name of radium water, in the city of Claremore, Okla., in the treatment of our returning soldiers of this World War II who are returning as casualties of the conflict and who require hospitalization and treatment for wounds and nervous disorders.

"Be it resolved by the House of Representatives of the State of Oklahoma (the Senate concurring therein) that:

"Whereas our returning soldiers from the present conflict in World War II brings to us a great number of casualties and a great number of men who are suffering from wounds of various and sundry kinds received in the service, and an enormous number suffering from nervous disorders on account of such service; and

"Whereas there is in the city of Claremore, Okla., a certain mineral water the efficacy of which has been proven for nervous disorders and for the treatment of various and sundry disorders caused by long service and wounds received as a result thereof; and

"Whereas it has been established beyond the peradventure of a doubt that the use of such waters, together with such treatments as hydrotherapy and physiotherapy, would go far toward rehabilitating these men from the conditions which they have present; and

"Whereas the efficacy of such in such cases has gone beyond the speculative or experimental stages and are recognized by the leaders of the medical profession and are known to be a wonderful relief for such; and

"Whereas the said waters at the said city of Claremore flows in abundance and would be available for such purposes; and

"Whereas the Federal Government already has located at the city of Claremore a fine hospital under Government control and supervision, known as the United States Indian Hospital, and around and near which is an abundance of room for many other units for the hospitalization of returned soldiers; and

"Whereas the city of Claremore is located at the intersection of two main trunk-line railroads, the Missouri Pacific leading from Kansas City Mo., to Little Rock, Ark., and the St. Louis & San Francisco, leading from St. Louis, Mo., to Oklahoma City, Okla., and Texas, and located on the main street of America, U. S. Highway No. 66, and is easily accessible to all sections of the country: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oklahoma (the Senate concurring therein) That the Federal Government and its agencies having charge of such be and they are hereby memorialized to use such waters and their kindred treatments at the city of Claremore, within the State of Oklahoma, and to erect and maintain suitable quarters for such purposes adjacent to the said city as will enable the use of such waters for such purposes; be it further

"Resolved, That certified copies of this resolution be forwarded to the Veterans' Rehabilitation Administration of the Federal Government, to the War and Navy Departments of the United States, and a certified copy to each of the United States Senators and Congressmen of the State of Oklahoma at the Capitol of the United States."

By Mr. WHITE:

A petition of sundry citizens of Portland, Maine, praying for the enactment of legis-

lation to prohibit the sale of alcoholic beverages of whatever content; to the Committee on Military Affairs.

By Mr. SALTONSTALL (for himself and Mr. WALSH):

Resolutions of the General Court of the State of Massachusetts; ordered to lie on the table:

"Resolution memorializing the Congress of the United States in favor of a Federal-State plan of establishing and developing a national system of airports

"Whereas there are now pending in the Congress of the United States certain bills intended to establish a national system of airports; and

"Whereas certain of these bills, particularly the Bailey bill, so-called (S. 34), and the McCarran bill, so-called (S. 2), in the Senate, and the Randolph bill, so-called (H. R. 4), in the House of Representatives, provide for the allotment of 25 to 50 percent of Federal appropriations for establishment and development of a national system of airports as direct aid to large municipalities for establishing and developing airports without regard to the interests of the States in which such communities are situated; and

"Whereas the States would have no control over such sums as might be allotted to municipalities for these purposes from the total of Federal appropriations but would be forced into competition with their larger municipalities for allotments of such funds to airports under State control; and

"Whereas the proposed direct allocation of large percentages of Federal appropriations for these purposes to municipalities is a departure from the established practice of allocating all grants-in-aid through the States, successfully followed since 1916 in the distribution of Federal appropriations in aid of highways and for other purposes; and

"Whereas the Council of State Governments, the Governors Conference, and the officers of the National Association of State Aviation Officials have joined in opposing the projected method of allocation on the ground that it is unnecessary, that it would complicate any sound plan for a national airport system, and would be likely to result in many abuses, particularly in the direction of increasing friction between the Commonwealth and such of its municipalities as might be eligible for direct aid under any of the proposed bills that might be enacted: Therefore be it

"Resolved, That the General Court of Massachusetts, believing that the proposals specified are unnecessary, unsound, and undesirable, hereby urges the Congress of the United States to provide, in any plan that it may adopt in aid of the establishment and development of a national airport system, that grants-in-aid shall be made only to and through the several States, and that no part of such grants shall be made direct to municipalities, no matter how large, in derogation of State interests and authority; and be it further

"Resolved, That the state secretary forthwith send copies of these resolutions to the President of the United States, to the Presiding Officers of both branches of Congress, and to all Members of Congress from Massachusetts."

PETITIONS FROM MARYLAND

Mr. BARKLEY. Mr. President, the senior Senator from Maryland [Mr. TYNGS], who is absent on official business, has asked that certain petitions from citizens of Maryland be presented to the Senate and appropriately referred. In his name I present the petitions and ask that they be properly referred.

The PRESIDENT pro tempore. Without objection, the petitions will be received and appropriately referred.

By Mr. BARKLEY (for Mr. TYDINGS): A resolution adopted by the city council of Baltimore, Md., commending the plan for a commission to select a site and design for a memorial to the contributions of members of all religious faiths to American military and naval history; to the Committee on the Library.

A resolution adopted by the board of directors of the Council of Churches and Christian Education of Maryland-Delaware, Inc., favoring adoption of the so-called Bretton Woods peace proposals; to the Committee on Banking and Currency.

A resolution adopted by the Graphic Arts Association of Washington, D. C., protesting against the enactment of Senate bill 17, to prohibit the issuance of alcoholic beverage licenses in certain localities in the District of Columbia, to prohibit advertising the price of such beverages, and for other purposes; to the Committee on the District of Columbia.

Resolutions adopted by IWO Lodge No. 3871, Baltimore, Md., protesting the enactment of House bill 414, to reduce immigration quotas 50 percent; House bill 545, to end all immigration for 5 years after the termination of the present war, and House bill 677, to suspend immigration until the number of unemployed in the United States is less than 1,000,000; to the Committee on Immigration.

Resolutions adopted by IWO Lodge No. 3871, Baltimore, Md., protesting the enactment of House bill 511, to eliminate the educational and literacy requirements for applicants for citizenship who are 50 years of age or older and who have lived here since before July 1, 1924; House bill 173, to permit the naturalization of natives of India, and House bill 776, to permit the naturalization of Filipinos; to the Committee on Immigration.

A memorial of sundry citizens of Baltimore, Md., remonstrating against the enactment of any prohibition legislation affecting the manufacture and sale of all fermented malt beverages; to the Committee on the Judiciary.

ST. LAWRENCE WATERWAY

Mr. WILEY. Mr. President, I present for appropriate reference and printing in the RECORD a resolution adopted by the mayor and common council of the city of Manitowoc, Wis., favoring the enactment of legislation to complete the St. Lawrence waterway between the Great Lakes and the Atlantic Ocean.

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

Whereas the Wisconsin Legislature has adopted a resolution memorializing the President and the Congress of the United States to take such steps as are necessary to develop the Great Lakes-St. Lawrence waterway immediately upon termination of the war, and

Whereas the city of Manitowoc, having the finest harbor on the Great Lakes, is vitally interested in having the St. Lawrence waterway completed as soon as possible so that our city will receive all the benefits of increased shipping from our harbor: Now, therefore, be it

Resolved by the mayor and Common Council of the City of Manitowoc, That we urge our representatives in Congress to do all within their power to expedite the passage of necessary legislation to complete the St. Lawrence waterway between the Great Lakes and the Atlantic Ocean; be it further

Resolved, That copies of this resolution be sent to our Congressman from this district and to our United States Senators from the State of Wisconsin.

DEVELOPMENT OF RESOURCES OF THE MISSOURI RIVER—RESOLUTION OF NEBRASKA RECLAMATION ASSOCIATION

Mr. BUTLER. Mr. President, I present and ask to have printed in the body of the RECORD and appropriately referred a resolution adopted by the board of directors of the Nebraska Reclamation Association.

The resolution was referred to the Committee on Irrigation and Reclamation and ordered to be printed in the RECORD, as follows:

The board of directors of Nebraska Reclamation Association at its meeting at Lincoln, Nebr., this 11th day of May 1945, resolve as follows:

1. We note with interest, satisfaction, and approval the coordinated program projected jointly by the Army engineers and the Bureau of Reclamation for the development of the resources of the Missouri River area, and we favor prompt action by Congress for carrying those plans into effect.

2. We appreciate the evidence so far indicated that these agencies in the further development of detailed plans, propose to consult with organizations in the various States whose primary interest is in the development of these resources in conformity with the best interests of the various localities within the valley. By such consultation we believe there can be established a well coordinated program for the most effective beneficial use of our soil and water resources.

3. We anticipate that when the operational stage is reached means will necessarily have to be developed for the effective coordination of the various activities and the avoidance of conflict with State laws and vested irrigation rights thereunder.

4. We urge that in the development of future plans for the operation of the various facilities now in contemplation adequate representation on behalf of the people domiciled in the Missouri Valley be provided for and the greatest possible home-rule powers be reserved to the people in the valley consistent with the efficient functioning of the facilities developed.

THE PINE RIDGE INDIAN AGENCY, S. DAK.—LETTER FROM RUSHVILLE CHAMBER OF COMMERCE

Mr. BUTLER. Mr. President, I present and ask to have printed in the RECORD and appropriately referred a statement adopted by the Chamber of Commerce of Rushville, Nebr., relating to the Pine Ridge Indian Agency, of Pine Ridge, S. Dak.

The statement was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

RUSHVILLE CHAMBER OF COMMERCE.

Rushville, Nebr., May 14, 1945.

To Whom It May Concern:

South Dakota residents have recently called it to our attention that a movement is on foot to displace certain Government officials, or personnel, including the Superintendent of Indian Affairs, Pine Ridge Agency, Pine Ridge, S. Dak., and to replace them with certain Indians.

This movement does not in any sense represent the sentiments of the majority; on the contrary, it seems to be promoted by a few self-seekers, ambitious for personal power and gain.

Observations of informants is to the effect that everyone concerned would be better off under the present set-up, with present officials, rather than risk the future of all in the hands of those unqualified few who are agitating this drastic movement.

The Rushville Chamber of Commerce desires to go on record with the statement

that we feel that Superintendent W. O. Roberts, of the Pine Ridge Agency, and his very able fellow officials, are a definite asset not only to the agency but to the entire surrounding territory, including Rushville. He has proved to be the most cooperative agent in the history of the agency, ever willing to lend aid, both with advice and participation, in all community activities, and the citizens of Rushville feel deeply indebted to him for such aid in the past. The loss of Mr. Roberts would be felt in the entire territory, as well as within the agency, and to replace him, and others, with untried and unqualified personnel would defeat the very purpose of the Office of Indian Affairs, setting that department back 50 years in their endeavors.

The Rushville Chamber of Commerce feels that the proper procedure is to inform the various delegations of this movement, voicing our disapproval of it, requesting that these delegations then bring the matter to the attention of those in charge of Indian Affairs.

Respectfully yours,

RICHARD DAVID, O. D.,

President.

GENE M. LEAHY,

Secretary.

SUGGESTED CHANGES IN PRICE CONTROL ACT—RESOLUTION OF NORFOLK (NEBRASKA) CHAMBER OF COMMERCE

Mr. BUTLER. Mr. President, I present for printing in the RECORD and appropriate reference a resolution adopted by the Retail Trade Committee of the Norfolk (Nebraska) Chamber of Commerce, suggesting certain changes in the Price Control Act.

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

Be it resolved by the retail trade committee of the Norfolk Chamber of Commerce, Norfolk, Nebr., That—

Whereas the present Price Control Act is now being studied by the House Committee on Banking and Currency of the United States Congress, and will be considered by the appropriate committee of the Senate of the United States Congress; and

Whereas certain provisions in said Price Control Act, and certain interpretations of said act work injustices and hardships upon retail merchants which in many instances are unfair and inequitable and should be corrected: Now, therefore, be it

Resolved by this body, That the following changes in the extension of the Price Control Act be made in order to assist in eliminating said injustices and inequalities:

1. The law provides that price ceilings shall be "generally fair and equitable." In administering the law OPA has "squeezed" the normal gross margins of retailers by forcing them to absorb increases in production costs while maintaining retail prices. Congress should define the term "generally fair and equitable" to prevent the present "squeeze" and insure price ceilings that are fair to all retailers under whatever business conditions may develop.

2. Permit the courts to use discretion as to granting injunctions in cases of purely technical or nonwillful violations that inevitably occur among billions of transactions.

3. Grant to the United States district and circuit courts, nearest the point of business of the petitioner, the right to review OPA decisions.

4. Extend the act to allow proper control over commercial rents in war emergency areas.

5. Renew the act for a 12-month period, not 18 months as proposed by others; be it further

Resolved, That a copy of this resolution be sent to Hon. HUGH BUTLER, and Hon. KENNETH S. WHERRY, United States Senators from Nebraska, and to Hon. KARL STEFAN, Member of Congress from the Third Congressional District of the State of Nebraska, urging their support for these proposed changes.

NATIONAL REPRESENTATION FOR THE PEOPLE OF THE DISTRICT OF COLUMBIA

Mr. CAPPER. Mr. President, I present and ask unanimous consent to have printed in the Record, with the signatures, and referred to the Committee on the Judiciary, a petition signed by officers of 37 organizations of the District of Columbia, including many of the principal business, labor, civic, educational, political, and social groups supporting Senate Joint Resolution 9, proposing an amendment to the Constitution of the United States granting a new power to the Congress with respect to the people of the District of Columbia. Under this new power the Congress, by subsequent legislation, would be enabled to grant to the people of the National Capital voting representation in the Congress and among the electors of President and Vice President.

In plain language, it would make it possible for these people to participate in the government of their country, just as truly as the Government of that country now requires them to fight, bleed, and die on its fields of battle and to bear all the civic burdens precisely as if they had a part in the Government.

The amendment for which these petitioners pray is a brief, clear-cut proposal which is strictly in harmony with the language and spirit of the Constitution. It opens the way for the United States to prove the sincerity of its demand that the people of all lands shall participate in the Government of their own country.

Adoption of this amendment is the first required step toward affording an opportunity to my friends on the other side of this Chamber to show their adherence to the plank in the Democratic Party national platform promising suffrage for the District of Columbia.

These petitioners are not asking that the control of the Congress over the seat of the National Government be taken away from Congress or in any way diminished. They are simply asking that the Congress through the amendment give to itself the power to make participating American citizens of our fellow countrymen marooned in this voteless and unrepresented realm. Congress would continue to hold and exercise every power over the District which it now possesses, the only difference being that after the exercise by Congress of the new power, the people here, through their duly elected Representatives and Senators, would be a part of that Congress.

Mr. President, this is a fundamental American proposal to grant to Congress a power over the Federal district which it should have possessed from the very beginning. Now, with the participation of nearly 100,000 from the District in the armed forces of our country in the greatest of all wars, it is time that we pause and ask ourselves if it is right, if it is American, to deny to those who fight

our battles, who leave their homes and undergo hardships, are wounded and die, the same participation in the government of our country as possessed by those who serve from the States. They are all comrades in arms, comrades in danger and many are comrades in death—why should they not be comrades in exercise of peaceful participation in the government of their country?

The strangest experience in my long membership in the Senate is that I have never heard anyone give what could be considered as a valid reason for depriving these fine fellow Americans of our National Capital of their natural-born right of participation in the Government of our country. I ask Senators what reason or excuse can we give for prolonging this condition which is a contradiction of the most cherished principles of our government?

What an example to the people of all nations—the greatest democratic republic of all time preaching the doctrine of participation in government by all peoples of all lands and all the while maintaining a contradiction of that belief at its very heart. Senators, it is time that we match our practice with our preaching and remove this blot from the national escutcheon.

The PRESIDENT pro tempore. The petition presented by the Senator from Kansas will be received and appropriately referred.

The petition, with the signatures attached, was referred to the Committee on the Judiciary, and ordered to be printed in the Record, as follows:

To the Congress of the United States:

Your petitioners, the Citizens' Joint Committee on National Representation for the District of Columbia, and the presidents of its constituent and cooperating organizations, whose names are subscribed below, hereby reaffirm the principles proclaimed by the founders of our Republic that "Taxation without representation is tyranny"; that "Governments derive their just powers from the consent of the governed"; and in order that "Government of the people, by the people, and for the people" may become an accomplished fact for all the people of the United States, respectfully represent:

"That the over one-half million totally disfranchised and unrepresented citizens of the United States resident in the District of Columbia, obey national laws, outnumber the residents of each of 12 States, and pay more national taxes than each of 29 of the States.

"That over two decades ago, when they outnumbered only six States, they supplied to the Army and Navy of the United States, a larger number of men than any one of seven of the States, and oversubscribed their quotas of all wartime funds.

"That again in the present war for the preservation of the principles of democracy and civilization as against depotism and barbarism thousands of these voteless and unrepresented Americans of the District of Columbia are now by voluntary enrollment and by draft serving in the armed forces of our country.

"That these, your fellow Americans, now have no voice in their National Government which requires them to fight, to bleed, and perhaps, to die.

"That as a fundamental right they are as justly entitled as are other Americans, to voting representation in the Congress and among the electors of President and Vice President.

"That the only sound reason which can be offered for any departure, in the case of the

District of Columbia, from the fundamental American concepts of representative government is for protection of the national interest in the Nation's seat of Government, and then only to the extent required for such effective protection.

"That this protection of the national interest—coupled with recognition of the interest and rights of the people of the District—is provided in our proposed constitutional amendment which confirms in Congress continuing control of District representation so that both the Nation's and the District's interest may always be equitably protected.

"We, therefore, respectfully petition the adoption of House Joint Resolution 62 and the identical Senate Joint Resolution 9, which propose an amendment to the Constitution of the United States empowering Congress to grant the above sought relief to the citizens of the United States resident in the District of Columbia.

"THE PROPOSED AMENDMENT"

"The Congress shall have power to provide that there shall be in the Congress and among the electors of President and Vice President members elected by the people of the District constituting the seat of Government of the United States, in such numbers and with such powers as the Congress shall determine. All legislation hereunder shall be subject to amendment and repeal."

Theodore W. Noyes, chairman, Citizens' Joint Committee on District of Columbia National Representation; E. Barrett Prettyman, president, Board of Trade; Wilbur S. Finch, president, Federation of Citizens' Associations (68 member groups); John Locher, president, Central Labor Union (151 local unions); Gertrude Parks, president, Federation of Women's Clubs (31 clubs); Alice B. Duffield, president, Voteless District of Columbia League of Women Voters; J. G. Bell, president, Merchants' and Manufacturers' Association; Clarence E. Kefauver, president, District of Columbia Building and Loan League; John J. Carmody, president, Bar Association; Nadine Lane Gallagher, president, Women's Bar Association; Raymond G. Dunne, president, Federation of Business Men's Associations (24 associations); Robert J. Buxbaum, president, Maryland State and District of Columbia Federation of Labor (293 local unions); Harry N. Stull, chairman, Inter-Federation Conference; Theodore W. Noyes, president, Association of Oldest Inhabitants; Roscoe Jenkins, president, Northeast Washington Citizens' Association; Lewis T. Breuninger, president, Washington Real Estate Board; Matt Meyer, president, Advertising Club of Washington; Mrs. Howard G. Nichols, president, Twentieth Century Club; Marguerite McD. Luckner (Mrs. John T.), president Women's City Club; Etta L. Taggart, president, Society of Natives of the District of Columbia; Elizabeth M. Cox, president, Washington Zonta Club; Lillian Deire, president, Washington Section, National Council of Jewish Women; A. Julian Brylawski, president, Motion Picture Theater Owners of the District of Columbia; Jack Morton, president, Junior Board of Commerce; Abe Coonin, president, Associated Retail Credit Men of Washington, D. C.; E. B. Simms, president, Hotel Greeters of America, Charter 31; Neil Baird, president, Newcomers Club; Florence M. Meara, president, Soroptimist

Club; Etta L. Taggart, president, The Washingtonians; Hazel Fenning (Mrs. Karl), president, American Association of University Women, Washington branch; Leon H. Neville-Thompson, department commander, Department of District of Columbia Veterans of Foreign Wars (15 posts); Lee R. Pennington, department commander, Department of District of Columbia American Legion (44 posts); John J. Saunders, president, District of Columbia Chapter, Rainbow Division of Veterans; Malcolm S. McConihe, Democratic National Committeeman for the District of Columbia; E. F. Colladay, Republican National Committeeman for the District of Columbia; Mrs. M. B. Fetzer, president, District of Columbia Congress of Parent-Teacher Associations (70 associations); Wilbur S. Finch, president, District of Columbia Suffrage Association.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Education and Labor:

S. 101. A bill to prohibit discrimination in employment because of race, creed, color, national origin, or ancestry; without amendment (Rept. No. 290).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 2875. A bill to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia"; with amendments (Rept. No. 288).

By Mr. JOHNSTON of South Carolina, from the Committee on the District of Columbia:

H. R. 2839. A bill to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia; without amendment (Rept. No. 289).

By Mr. WALSH, from the Committee on Naval Affairs:

S. 130. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; with amendments (Rept. No. 291).

S. 716. A bill to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; without amendment (Rept. No. 293).

S. 732. A bill for the relief of Ensign Elmer H. Beckmann, United States Naval Reserve; without amendment (Rept. No. 294).

S. 761. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset Hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944; without amendment (Rept. No. 295).

S. 822. A bill to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944; without amendment (Rept. No. 296).

S. 823. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944; without amendment (Rept. No. 297).

S. 824. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset Hut E-172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945; without amendment (Rept. No. 298).

S. 984. A bill to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; without amendment (Rept. No. 292).

S. 1003. A bill to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances; without amendment (Rept. No. 299).

By Mr. JOHNSON of Colorado, from the Committee on Military Affairs:

S. 626. A bill for the relief of William D. Warren; without amendment (Rept. No. 300).

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

S. 1009. A bill to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 301).

S. 1010. A bill to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect; without amendment (Rept. No. 302).

H. R. 1812. A bill to authorize an award of merit for uncompensated personnel of the Selective Service System; without amendment (Rept. No. 303).

H. R. 2322. A bill to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve forces of the Army on active duty in 1916 and 1917; without amendment (Rept. No. 304).

H. J. Res. 136. A joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund; without amendment (Rept. No. 305).

By Mr. MYERS, from the Committee on Naval Affairs:

S. 727. A bill for the relief of the commissioned officers of the United States ship *St. Louis* during the Spanish-American War, May 18, 1898, to September 2, 1898; with an amendment (Rept. No. 306).

By Mr. GEORGE, from the Committee on Finance:

H. R. 1044. A bill for the relief of Marlin-Rockwell Corporation with respect to the jurisdiction of The Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act; without amendment (Rept. No. 307).

By Mr. STEWART, from the Committee on Inter-oceanic Canals:

H. R. 2125. A bill to amend the Canal Zone Code; without amendment (Rept. No. 308).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—EMPLOYMENT IN EXECUTIVE BRANCH OF GOVERNMENT

Mr. BYRD. Mr. President, from the Joint Committee on Reduction of Non-essential Federal Expenditures, I present a report on civilian employment in the executive branch of the Federal Government for the month of April 1945.

The total number of paid employees for April 1945 is 3,002,258, excluding 429,173 employees of the War Department stationed outside the continental United States as of December 31, 1944. The grand total of employees within and outside the continental United States is 3,431,431 as of April 30, 1945.

The grand total of employees stationed outside continental United States reported for April 1945 is 548,577. Of this figure, 429,173 are employees of the War Department and the remaining 119,404 are reported by other departments and agencies.

During the month of April 1945, 40 departments and agencies decreased by 21,844 employees, while 22 departments and agencies increased by 10,083, making a net decrease of 11,761 for the month of April.

The following departments and agencies show the greatest reductions: War Department, 11,691; Navy Department, 6,830; Commerce Department, 696; and Office of Censorship, 477.

Those departments and agencies which increased during the month of April are as follows: Post Office Department, 2,880; Agriculture Department, 1,891; Veterans' Administration, 1,751; and Office of Price Administration, 788.

It is worth noting that the national war agencies alone show a net increase of 917. This added to the net increase of 639 shown in the March report amount to 1,556 additional employees being placed on the already overburdened Federal pay roll, in the last 60 days. The committee feels that such increases are not essential toward the war effort.

The increases in such agencies as Office of Price Administration which is a total of 1,359 for the months of March and April should be noted. This increase is more than the total employment of the Securities and Exchange Commission—1,158—and is equivalent to adding another agency to the spreading bulk of existing Government. That is not all. The increase for the War Manpower Commission for the same 2 months amounted to 523 and the Office of Strategic Services, though it showed a decrease of 82 for March now comes up with an increase of 340 employees for April.

This amounts to a net increase in the war agencies, for 2 months, of 2,222. On the basis of the average per annum salary of Federal employees the cost of employment for this increase in personnel would equal the purchase of 272,565 War bonds of the \$25 denomination which would supply funds enough to secure 567,844 "Mae Wests" for use in fighting the Japanese war.

The above figures show that steps should be taken to bring about the elimination of all nonessential civilian employees. However, those emergency war agencies that have succeeded in reducing personnel are to be commended. This commendation is further extended to those departments that reduced personnel. Since these departments, as regular established organizations, not only perform wartime duties but must also perform the regular nonwar activities as well, should serve as an example to the war agencies.

I ask unanimous consent that the report be printed in the body of the RECORD.

There being no objection, the report submitted by Mr. BYRD was ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment of the executive branch of the Federal Government, by departments and agencies, for the months of March and April 1945, showing the increases and decreases in number of paid employees

| Department or agency | March 1945 | April 1945 | Increase (+) or decrease (-) |
|--|------------|------------|------------------------------|
| EXECUTIVE OFFICE OF THE PRESIDENT | | | |
| Bureau of the Budget..... | 588 | 581 | -7 |
| DEPARTMENTS | | | |
| Agriculture Department..... | 78,550 | 80,441 | +1,891 |
| Commerce Department..... | 29,963 | 29,267 | -696 |
| Interior Department..... | 41,849 | 42,259 | +410 |
| Justice Department..... | 27,257 | 27,004 | -253 |
| Labor Department..... | 6,431 | 6,135 | -296 |
| Navy Department..... | 760,603 | 753,773 | -6,830 |
| Post Office Department..... | 376,127 | 379,007 | +2,880 |
| State Department..... | 10,042 | 10,291 | +249 |
| Treasury Department..... | 96,365 | 96,037 | -328 |
| War Department..... | 1,176,332 | 1,164,641 | -11,691 |
| NATIONAL WAR AGENCIES | | | |
| Committee on Fair Employment Practice..... | 140 | 140 | ----- |
| Foreign Economic Administration..... | 6,419 | 6,457 | +38 |
| National War Labor Board..... | 3,756 | 3,703 | -53 |
| Office of Alien Property Custodian..... | 784 | 773 | -11 |
| Office of Censorship..... | 9,458 | 8,981 | -477 |
| Office of Civilian Defense..... | 106 | 102 | -4 |
| Office of Contract Settlement..... | 61 | 66 | +5 |
| Office of Defense Transportation..... | 3,525 | 3,462 | -63 |
| Office of Economic Stabilization..... | 12 | 13 | +1 |
| Office of Inter-American Affairs..... | 1,273 | 1,262 | -11 |
| Office of Price Administration..... | 62,503 | 63,381 | +788 |
| Office of Scientific Research and Development..... | 1,338 | 1,326 | -12 |
| Office of Strategic Services..... | 2,385 | 2,925 | +540 |
| Office of War Information..... | 9,687 | 9,679 | -8 |
| Office of War Mobilization..... | 104 | 188 | +84 |
| Petroleum Administration for War..... | 1,025 | 1,008 | -17 |
| Selective Service System..... | 19,040 | 18,980 | -60 |
| Smaller War Plants Corporation..... | 1,853 | 1,874 | +21 |
| War Manpower Commission..... | 28,043 | 28,393 | +350 |
| War Production Board..... | 12,677 | 12,667 | -10 |
| War Shipping Administration..... | 5,307 | 5,383 | +76 |
| INDEPENDENT AGENCIES | | | |
| American Battle Monuments Commission..... | 1 | 1 | ----- |
| Civil Aeronautics Board..... | 348 | 336 | -12 |
| Civil Service Commission..... | 7,423 | 7,696 | +273 |
| Employees' Compensation Commission..... | 512 | 507 | -5 |
| Export-Import Bank of Washington..... | 59 | 58 | -1 |
| Federal Communications Commission..... | 1,556 | 1,539 | -17 |
| Federal Deposit Insurance Corporation..... | 1,482 | 1,438 | -44 |
| Federal Power Commission..... | 657 | 648 | -9 |
| Federal Security Agency..... | 31,643 | 31,850 | +207 |
| Federal Trade Commission..... | 438 | 436 | -2 |
| Federal Works Agency..... | 20,730 | 20,455 | -275 |
| General Accounting Office..... | 13,081 | 13,143 | +62 |
| Government Printing Office..... | 7,022 | 6,976 | -46 |
| Interstate Commerce Commission..... | 2,015 | 1,991 | -24 |
| Maritime Commission..... | 11,674 | 11,464 | -210 |
| National Advisory Committee for Aeronautics..... | 6,604 | 6,664 | +60 |
| National Archives..... | 334 | 323 | -11 |
| National Capital Housing Authority..... | 225 | 225 | +1 |

¹ Includes several thousand employees who work only a few hours daily.

² Does not include employees stationed outside continental United States.

Civilian employment of the executive branch of the Federal Government—Continued

| Department or agency | March 1945 | April 1945 | Increase (+) or decrease (-) |
|--|------------|------------|------------------------------|
| INDEPENDENT AGENCIES—Continued | | | |
| National Capital Park and Planning Commission..... | 18 | 17 | -1 |
| National Gallery of Art..... | 258 | 254 | -4 |
| National Housing Agency..... | 16,073 | 15,769 | -304 |
| National Labor Relations Board..... | 789 | 792 | +3 |
| National Mediation Board..... | 107 | 97 | -10 |
| Panama Canal..... | 29,516 | 29,693 | +177 |
| Railroad Retirement Board..... | 1,907 | 1,886 | -21 |
| Reconstruction Finance Corporation..... | 10,764 | 11,258 | +494 |
| Securities and Exchange Commission..... | 1,158 | 1,154 | -4 |
| Smithsonian Institution..... | 414 | 412 | -2 |
| Tariff Commission..... | 291 | 288 | -3 |
| Tax Court of the United States..... | 120 | 119 | -1 |
| Tennessee Valley Authority..... | 13,153 | 13,112 | -41 |
| Veterans' Administration..... | 59,694 | 61,445 | +1,751 |
| Total..... | 3,014,019 | 3,002,258 | -11,761 |
| Net decrease..... | | | -11,761 |
| War Department..... | 429,173 | 429,173 | ----- |
| Grand total..... | 3,443,192 | 3,431,431 | -11,761 |

³ Includes employees stationed outside continental United States as reported by various departments and agencies excepting the War Department; totals, March, 119,369; and April, 119,404.

⁴ Does not include such employees formerly reported in a terminal leave status.

⁵ Employees stationed outside continental United States reported quarterly as of Dec. 31, 1944.

NOTE.—Employment figures now reported to the committee include dollar-per-annum and without-compensation employees of the consultant-expert type who are authorized to receive per diem in lieu of subsistence.

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. GEORGE:

S. 1041. A bill conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Mrs. Velma G. Turner, as successor trustee to Allen W. Turner, for the uses and benefit of Allen W. Turner, Jr., under deed executed October 13, 1931, recorded in book 401, page 368, clerk's office, Bibb Superior Court, and/or Allen W. Turner, Jr., of Macon, Georgia; to the Committee on Claims.

By Mr. BAILEY:

S. 1042. A bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

S. 1043. A bill to set aside certain lands in Oklahoma in trust for the Indians of the Kiowa, Comanche, and Apache Indian Reservation; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma (by request):

S. 1044. A bill to authorize the use of certain lands of the United States for flowage in connection with providing additional storage space in the Pensacola Reservoir of the Grand River Dam project in Oklahoma, and for other purposes; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 1045. A bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the

Navy, Marine Corps, and Coast Guard because of underage at the time of enlistment, and for other purposes; and

S. 1046. A bill to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. MORSE:

S. 1047. A bill conferring jurisdiction upon the United States Court of Claims with respect to suit numbered E-344 entitled "Klamath and Modoc Tribes and Yahooskin Band of Snake Indians versus United States," and for other purposes; to the Committee on Indian Affairs.

By Mr. ELLENDER (by request):

S. 1048. A bill for the relief of A. M. Strauss; to the Committee on Claims.

(Mr. McCLELLAN introduced Senate bill 1049, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

(Mr. WAGNER (for himself and Mr. MURRAY) introduced Senate bill 1050, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BARKLEY (for Mr. TUNNELL):

S. 1051. A bill for the relief of William J. Simpson;

S. 1052. A bill for the relief of John E. McBride; and

S. 1053. A bill for the relief of John R. Rogers, Sr.; to the Committee on Claims.

By Mr. STEWART:

S. 1054. A bill to amend the Emergency Price Control Act of 1942, as amended, with respect to maximum prices for foodstuffs; to the Committee on Banking and Currency.

S. 1055. A bill for the relief of the estate of Charlie South and Mrs. Charlie South; to the Committee on Claims.

S. 1056. A bill to prohibit the naturalization of aliens until 6 months after the termination of the war; and

S. 1057. A bill to establish a Bureau of Immigration and Naturalization as an independent agency of the United States, and for other purposes; to the Committee on Immigration.

By Mr. WILEY:

S. J. Res. 68. A joint resolution to provide for designation and appointment of June 10 as Lidice Day; to the Committee on the Judiciary.

By Mr. STEWART:

S. J. Res. 69. A joint resolution to provide for the preparation and publication as an official document of railroad cost scales or tables and related information; to the Committee on Interstate Commerce.

TERMS OF OFFICE OF CERTAIN GOVERNMENT OFFICERS

Mr. McCLELLAN. Mr. President, I introduce a bill to fix the terms of office of all officers of the Federal Government other than Cabinet members, judges, and officers of the uniformed services and postmasters, at a term of 2 years.

If the bill is enacted into law I think it will bring the administrative departments of government under closer supervision and control of the Congress, in that each 2 years all appointive administrative officers of the Government will come up for reappointment, and for reconfirmation by the Senate of the United States, and thus the legislative branch of the Government, the Congress, will be able to keep better supervision and control of the administrative agencies of the Government.

Mr. President, in view of the subject matter dealt with by the bill, I think the

Committee on the Judiciary is the appropriate committee to which to have it referred.

There being no objection, the bill (S. 1049) to fix the terms of office of all officers of the Federal Government, other than Cabinet members, judges, and officers of the uniformed services, and postmasters at 2 years, was read twice by its title and referred to the Committee on the Judiciary.

AMENDMENTS TO LEGISLATIVE APPROPRIATION BILL

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

There shall be paid to each Senator, after January 2, 1945, an allowance of \$2,500 per annum for the purpose of increasing the compensation of Senators; to defray expenses incurred in the discharge of official duties and until a general readjustment of salaries and expenses can be made. Actual expenses of Senators related to or resulting from the discharge of their official duties (including expenses for travel, lodging, and subsistence while away from their State domiciles in the performance of their official duties) shall be deductible for income-tax purposes. For making such payments through June 30, 1946, \$358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. McKELLAR submitted amendments intended to be proposed by him to House bill 3109, the legislative appropriation bill, which were ordered to lie on the table and to be printed, as follows:

On page 3, line 19, strike out "\$3,600" and insert "\$4,500"; and

On page 3, line 21, strike out "\$3,120" and insert "\$3,800"; and

On page 3, line 9, strike out "\$5,000 and \$1,500 additional" and insert "\$8,500."

Mr. BURTON submitted amendments intended to be proposed by him to House bill 3109, the legislative appropriation bill, which were ordered to lie on the table and to be printed, as follows:

On page 14, line 6, strike out "\$4 per day" and insert "\$5 per day."

On page 14, line 7, strike out "\$15,204" and insert "\$19,005."

On page 14, line 7, strike out "\$279,494" and insert "\$283,295."

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. BURTON submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraphs 1 and 4 of rule XVI for the purpose of proposing to the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, the following amendment, namely: On page 14, line 6, to strike out "\$4 per day" and insert "\$5 per day"; in line 7, to strike out "\$15,204" and insert "\$19,005", and strike out "\$279,494" and insert "\$283,295."

Mr. BURTON also submitted an amendment intended to be proposed by

him to House bill 3109, the legislative appropriation bill, which was ordered to lie on the table and to be printed.

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

PARTICIPATION OF UNITED STATES IN INTERNATIONAL MONETARY FUND, ETC.—AMENDMENTS

Mr. THOMAS of Oklahoma. Mr. President, I submit two amendments intended to be proposed by me to the bill (S. 540) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development. I ask that they be referred to the Committee on Banking and Currency and printed in the RECORD.

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

On page 4, line 7, before the period, insert a colon and the following: "Provided, That the Secretary of the Treasury is authorized to coin coins containing an ounce of gold, such coins to contain 480 grains of pure gold (Troy weight) and to contain sufficient alloy to make them nine-tenths fine and to weigh 35 times the weight of a gold dollar containing 15 5/21 grains of gold nine-tenths fine."

On page 4, line 23, before the period, insert a colon and the following: "Provided, That the Secretary of the Treasury is directed to use all silver in the Treasury not held as security for outstanding currency of the United States and all silver which may from time to time come into the Treasury to pay that part of the subscription of the United States to such International Monetary Fund which is not required to be paid in gold under the provisions of the Articles of Agreement of the International Monetary Fund: *Provided further*, That all silver which may be paid into such International Monetary Fund shall be valued in terms of gold from day to day on the basis of the commercial or fair world value per ounce of such silver and on such basis such silver shall be regarded as the full equivalent of gold: *Provided further*, That nothing herein shall be deemed to affect the obligation of the United States to pay in gold to such International Monetary Fund that portion of its subscription thereto required under the terms of such agreement to be paid in gold."

CHANGE OF REFERENCE—ANNIE L. NESBITT AND OTHERS

Mr. ELLENDER. Mr. President, I ask unanimous consent that the Committee on Inter-oceanic Canals be discharged from the further consideration of the bill (S. 96) for the relief of Annie L. Nesbitt and others, and that it be referred to the Committee on Claims. I have conferred with the chairman of the Committee on Inter-oceanic Canals and the proposed change is perfectly satisfactory to him.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the change of reference will be made as requested by the Senator from Louisiana.

REQUEST FOR RETURN OF A BILL FROM THE HOUSE

Mr. ELLENDER. Mr. President, on the 21st instant, the Senate passed the bill (H. R. 1260) for the relief of Dr. Walter L. Jackson and City-County Hospital. I understand that the matter in-

volved in the measure has been settled, and instead of passing the bill the Senate should have indefinitely postponed it. Therefore, I ask unanimous consent that the House be requested to return the bill to the Senate, and I desire to enter a motion to reconsider the vote by which the bill was passed.

The PRESIDENT pro tempore. Without objection, the House will be requested to return the bill to the Senate, and the motion to reconsider the bill will be entered.

PRINTING OF REVIEW OF REPORT ON MONTEREY BAY, CALIF. (S. DOC. NO. 50)

Mr. BAILEY. Mr. President, I present a letter from the Secretary of War, transmitting a report dated January 25, 1944, from the Chief of Engineers, United States Army, together with accompanying papers and an illustration, on a review of report on Monterey Bay, Calif., with a view to improvement of Moss Landing, and I ask unanimous consent that it may be referred to the Committee on Commerce and printed as a Senate document, with an illustration.

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

DAYLIGHT-SAVING TIME

Mr. WILSON (for himself and Mr. HICKENLOOPER) submitted the following concurrent resolution (S. Con. Res. 18), which was referred to the Committee on Interstate Commerce:

Resolved by the Senate (the House of Representatives concurring), That in accordance with the provisions of section 2 of the act entitled "An act to promote the national security and defense by establishing daylight-saving time," approved January 20, 1942, the Congress hereby designates the date on which the two Houses of the Congress concur in the provisions of this concurrent resolution as the date on which such act shall cease to be in effect.

HOUSE BILLS REFERRED OR ORDERED PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred or ordered to be placed on the calendar, as indicated:

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1547. An act for the relief of W. H. Baker;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1677. An act for the relief of Hires-Turner Glass Co.;

H. R. 1725. An act for the relief of Mrs. Mary Surface Shaughnessy;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1838. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of A. G. Bailey against the United States;

H. R. 1857. An act for the relief of the legal guardian of Mona Mae Miller, a minor;

H. R. 1975. An act for the relief of Glass-Taylor Co., Robinson and Young;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2158. An act for the relief of the Cowden Manufacturing Co.;

H. R. 2518. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Eastern Contracting Co., a corporation, against the United States;

H. R. 2578. An act for the relief of Rufus A. Hancock;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilms Jackson;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased; and

H. R. 3081. An act for the relief of August Svelund; to the Committee on Claims.

H. R. 341. An act relating to the status of Keetoowah Indians of the Cherokee Nation in Oklahoma, and for other purposes;

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes; and

H. R. 2754. A bill to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma", approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma; to the Committee on Indian Affairs.

H. R. 391. A bill to amend section 342 (b) of the Nationality Act of 1940; to the Committee on Immigration.

H. R. 1599. A bill to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.; ordered to be placed on the calendar.

H. R. 2949. A bill to extend 5-year-level-premium-term policies for an additional 3 years; to the Committee on Finance.

H. R. 2951. A bill to exempt certain members of the Economic Stabilization Board from certain provisions of the Criminal Code; to the Committee on the Judiciary.

H. R. 2966. A bill authorizing the President of the United States to award posthumously a special medal of honor to Franklin Delano Roosevelt; to the Committee on the Library.

H. R. 3102. A bill to authorize the Administrator of Veterans Affairs to employ on part time, clerks, stenographers, typists, and machine operators holding positions in other Federal departments and agencies, and for other purposes; to the Committee on Civil Service.

THE PURPLE HEART—LETTER TO GENERAL MACARTHUR

Mr. MOORE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter addressed to Gen. Douglas MacArthur by John W. Anderson, which has been reprinted from the Gen. Douglas MacArthur edition of the Purple Heart, the official organ of the Military Order of the Purple Heart, and adopted as a creed by that organization. It represents a fine expression of my own philosophy of the American Government.

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

DEAR GENERAL MACARTHUR: The world knows you not only as a skillful militarist but also as a devout humanitarian. Out of these and other commanding qualities has come your greatness as a general.

Those who have served America and humanity at your command know well that nothing within your resources will ever be left undone to heal and help those wounded in any cause for which you fight.

But neither the warmth of your great heart, nor hatred for the beasts that seek to break it, will alone suffice to bring to bearers of the Purple Heart that comfort and security their sacrifice has won for them their right to earn.

That millions of grateful hearts may bleed for him, sincerely and in deepest sympathy, can never satisfy the longing of the bearer of the Purple Heart for the proud right to feel a part of what goes on in our America—and, too, the prouder right to know that what he gives to neighbors measures, according to his strength, a fair return for what those neighbors give to him.

All must return to civil life—to renew such hopes and to resume such helpful tasks as their remaining years and strengths permit. That these honored casualties of war may not become the hopeless wreckage of a helpless industrial economy, confused by false doctrines and bedeviled by an entrenched bureaucracy, is a responsibility of no one man—but of our entire citizenry.

The sacrificial heart that conquers seething jungles and its venomous Japs is the same stout heart that learned its sportsmanship—and built its strengths and skills—in the eager competitions of the sandlots and the open enterprises of our free America.

America was born in the blood of productive peoples made desperate by prolonged extortions. Men fought and died that children might go free.

As your brave soldiers fight today they learn again, the bitter way, the ruthless crimes of men gone wild with overmuch authority—as petty men so often do.

The children of America today are the controlling citizens of its tomorrow. What they believe, today, shapes the America to come.

For America lies not in her waters and her fields—not in her mines and factories. Those are but the workshops and the playgrounds of America.

America lies instead in the minds and hearts of her people. As their faith endures, her traditions hold fast. As their courage lives, there is sustained her will to fight aggression—whether from without, and armed with guns, or from within, and armed with false philosophies.

Our America will survive only through the determination of succeeding generations of her people to permit, along her road to higher destiny, no meddlesome hitchhikers, eager to grab the steering wheel of government and throw away the maps that brought her safely where she is today.

There are among us deluded men who teach that we should shackle now, at home, that courage which, inspired by the inducements of our open enterprise, has built that tough creative and productive muscle which, twice now in less than half a century, has helped free men to turn the tide against enslaving tyrannies.

There are among us faltering men who teach that the peacetime tasks of our citizens, tomorrow, will exceed their understanding—and their strength. They plead for acquiescence in their witless plans, by which all citizens would share alike, and eat, what cake there is—while those among us skilled

in failure mix and bake another batch by history's repeatedly discarded recipes.

Thus is defined, for our returning champions, a task no less important than today's defense by them against armed foreign gangsters bent upon destruction of all liberty, wherever found.

May the contagious courage of returning bearers of the Purple Heart, and of their comrades, so inspire our faltering people as to lift them far above the deadly teachings of fanatical impracticals. May that same courage, by example, set our Nation firmly on the road to new and limitless frontiers unveiled for us from day to day by patient men of science and invention.

Our debt to you, Stout General, is measured not alone in lands reconquered and in enemies destroyed. Just as your courage and resourcefulness inspire your soldiers to heroic deeds so you, and your companion immortals leading our fight at other battlefronts, lift to new heights the courage of our people to achieve all things which strengthen our America.

And may she be full strong to meet that sacrificial hour which comes again as there is ended, in stupidity and greed of unredeemed humanity, the next long armistice. May your strength endure—and may your tribe increase.

JNO. W. ANDERSON,

GARY, IND., December 1944.

STATE-WIDE PLANNING OF VETERANS' EDUCATION

Mr. CHAVEZ. Mr. President, I present for printing in the RECORD and appropriate reference a digest with comments on "Data for State-Wide Planning of Veterans' Education," prepared by Ernest V. Hollis at the request of the chairman of the Senate Committee on Education and Labor.

There being no objection, the matter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

VETERANS WILL STUDY TO UP-GRADE EMPLOYABILITY

(A digest with comments on Data for State-Wide Planning of Veterans' Education, (United States Office of Education Bulletin 1945, No. 4, by Ernest V. Hollis), prepared by the author at the request of the chairman of the Senate Committee on Education and Labor. The bulletin is based on data supplied by the War Department and on published material from other agencies.)

Most veterans will want new or better jobs when they return to the civilian labor force. Fortunately situated men have worked to that end while in the armed forces. Many of these and their comrades expect to give full or part time to preparing for a career when they are eligible for benefits under the GI bill of rights or Public Law 16. Without this aid most veterans would have to return to their old jobs or seek one in a labor market in which they never had a place and for which they likely are not prepared.

According to the War Manpower Commission less than one-fourth of the 1,500,000 men and women who have been separated from the armed forces have returned to their old jobs. The proportion is expected to decline as the younger men and women who never had a permanent job are demobilized. In fact, it must be remembered, the provision in the Selective Service Act which guarantees the veteran his old job was enacted before we entered the war and on the assumption that after a year of military training the individual would return to civilian life. It would be unrealistic to expect ambitious young men who had their feet no higher than the first rung of the employment ladder when they entered the armed forces to return willingly

to jobs as farm hands, messengers, clerks, waiters, filling station attendants, and the like. In 4 or 5 years of war many of them have attained recognition for the technical or leadership qualifications they possess. They are, of course, ambitious to have comparable status in postwar civilian life and many are willing to pay the price in additional education and training that is required for the careers they envision.

A poll of 20,000 soldiers in every major theater of the war, made by the Research Branch of the War Department's Information and Education Division, shows two-thirds of the white troops have definite plans for a better postwar career, and that an additional 17 percent have tentative plans. About half of the Negro troops have definite career plans. Immediately or after further education and training, it is estimated that of an expected veteran population of fourteen or fifteen million men and women approximately a million men (7 percent) will enter or return to business for themselves, most of them taking advantage of the loan provision of the GI bill of rights; in a like manner, 850,000 men (6 percent) plan to own and operate farms. In round numbers, 750,000 (5 percent) say they expect to secure or return to jobs in National, State, and local government. The nearly four-fifths remaining are planning careers in the professions, return to private business as employees, and careers in the armed forces.

In preparation for these careers, the Army poll indicates that roughly a million (7 percent) of the fourteen to fifteen million men and women mentioned in the preceding paragraph may be expected to return to school and college full time for some period of education and training. An additional two and a half million (18 percent) servicemen are expected to study part time. Age and previous education are the important considerations in predicting who actually will resume formal schooling. Over 90 percent of the men who said they definitely plan to return to school and college full time were under 25 years of age, 90 percent had the formal requirements to enter or resume college work, 93 percent were unmarried. Four-fifths of the men had all three characteristics, and all but 3 percent had at least two of them.

However, one-third of the men who were eligible to return to college said they expected to take vocational training without regard for whether it was college-level work. Servicemen who plan to upgrade their employability through attending school part time while holding a job, follow a different pattern from that just described. Two-thirds of this group were under 25 years of age and unmarried, and half of them were eligible for college work. Two-thirds of those eligible for college work said they also intended to take vocational courses.

What would the national education and training picture be like if all men and women in the armed forces should distribute themselves after the fashion of the sample of 20,000 men? Even the outline of an answer is of crucial importance to those groups in each State who are responsible for planning education, training, and employment for veterans. Moreover, it is a matter of concern to all laymen who assume that the postwar economic and cultural program of the United States will be influenced significantly by veterans.

Through the cooperation of the War Department it has been possible to prepare for planning bodies a series of tables that show by States and regions the age and education of 7,144,401 enlisted men. These tables also show the education of 729,193 officers. At the end of 1944 the national distribution shows 47 percent of the enlisted men were 26 years of age and older. If they follow the sample polled, this group will not furnish more than 10 percent of the men who return for schooling. Therefore, the nature, size, and incidence of veterans in the school population is more likely to be learned from a study of the previous education of the 53 percent 25 years of age and under who, according to the poll, are likely to furnish 90 percent of the men returning for full-time schooling and two-thirds of those who expect to study part time.

One of the first jobs of planning groups and interested spectators is to estimate how many of the veterans who plan to come back for training will have completed elementary school, high school, and college. This will need to be done by States as well as for the Nation as a whole, because the responsibility for providing education rests with the States individually. After that, planners can make a calculated guess as to what veterans will want to study and can begin to develop and coordinate facilities for that purpose. Table 1 (from U. S. Office of Education Bulletin, 1945, No. 4), which accompanies these comments, shows a considerable variation among the States in the proportion of men at the several levels of education. Table 2 provides a key for estimating the number from each category who are likely to want further schooling. In general, table 2 shows that up to college graduation the more education the men had when they entered the Army the greater the likelihood of their returning to school. It is, of course, recognized that academic credit for military courses and experience will enable many of the men to return to school at levels higher than their preservice formal education indicates. It is also probable that a greater percentage than is indicated of the men with less than high-school education will return to school; men

at these levels of education often do not make up their minds very far in advance of events.

Once the size and incidence of veteran enrollment is foreshadowed, the next job is to make some calculated guesses as to what program of studies will be in demand. While the educational choices of veterans who have already resumed schooling may not be representative of the choices all veterans will make, they at least are straws in the wind. According to reports compiled by the Veterans' Administration, four-fifths of the men receiving educational benefits under the GI bill of rights are studying in colleges, and one-fifth of them are pursuing vocational courses of less than college grade. Approximately one-fifth of the men in college are studying an arts and sciences program, and four-fifths of them are enrolled in professional and technical curricula. The distribution of men with service-connected disabilities who are being rehabilitated to employability under the financially more liberal provisions of Public Law 16, is not essentially different from that of men studying under the educational provisions of the GI bill.

There is a wide variation among the States in the proportion of Army personnel they have at each of the levels of education already mentioned. The variations shown in table 1 are, of course, due largely to the quality and variety of educational opportunities the States were able to provide for their youth in the decade before the outbreak of World War II. No judgment should be entered against a State or invidious comparison be made without taking into account relative financial ability to provide education and the effort made to do so. For example, it is not very meaningful to say that California has done a better job than Mississippi of educating its soldiers—unless it is also shown that its relative taxable wealth is so much greater that with one-third less tax rate it each year collects \$122 per child 5-17 years of age as compared to \$24 per child in Mississippi. The real marvel may be that Mississippi has done so much with so little.

In planning for the education and training of veterans it must never be forgotten that while the Federal Government pays the bill of the individual veteran, each State is responsible for the quality and variety of schooling provided within its borders. Available information indicates that each State may expect to provide programs for the number of men it sent to the armed forces, and of a level and variety suited to their civic and vocational needs. Polls indicate that each State may expect at least 80 percent of its native sons to return home for education and employment, and that States with superior opportunities may expect up to one-fifth more veterans than they sent into the armed forces.

TABLE 1.—Distribution of Army enlisted men to show the educational level of men 25 years of age and under¹

| State, by region | Total | Percent 26 and over | Percent 25 and under | Number and percent of enlisted men 25 years and under at four educational levels | | | | | | | | |
|--------------------------------|-----------|---------------------------|----------------------------|--|------------|---------|---------------------------------|---------|---|---------|------------------------------|---------|
| | | | | Total | Grades 1-8 | | 1, 2, 3 years of high school | | 4 years of high school and 1, 2, 3 years of college | | 4 years of college and up | |
| | | | | | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| Continental United States..... | 7,144,401 | 47.0 | 53.0 | 3,789,545 | 899,127 | 23.7 | 1,233,304 | 32.5 | 1,551,800 | 41.0 | 105,314 | 2.8 |
| New England: | | | | | | | | | | | | |
| Maine..... | 43,130 | 47.8 | 52.2 | 22,499 | 6,422 | 28.5 | 7,920 | 35.2 | 3,044 | 35.8 | 113 | .5 |
| New Hampshire..... | 23,931 | 46.8 | 53.2 | 12,721 | 3,094 | 24.3 | 3,623 | 28.5 | 5,851 | 46.0 | 153 | 1.2 |
| Vermont..... | 16,369 | 50.0 | 50.0 | 8,194 | 1,760 | 21.5 | 2,234 | 27.2 | 3,998 | 48.8 | 202 | 2.5 |
| Massachusetts..... | 227,809 | 50.8 | 49.2 | 112,137 | 20,667 | 18.4 | 39,761 | 35.5 | 49,560 | 44.2 | 2,149 | 1.9 |
| Rhode Island..... | 39,204 | 50.8 | 49.2 | 19,271 | 3,792 | 19.7 | 9,123 | 47.3 | 5,882 | 30.5 | 474 | 2.5 |
| Connecticut..... | 104,672 | 47.1 | 52.9 | 55,371 | 9,489 | 17.1 | 20,466 | 37.0 | 24,130 | 43.6 | 1,286 | 2.3 |
| Middle Atlantic: | | | | | | | | | | | | |
| New York..... | 807,137 | 52.3 | 47.7 | 385,223 | 48,098 | 12.5 | 152,729 | 39.7 | 173,474 | 45.0 | 10,922 | 2.8 |
| New Jersey..... | 262,123 | 50.5 | 49.5 | 129,789 | 23,740 | 18.3 | 40,541 | 38.2 | 53,618 | 41.3 | 2,890 | 2.2 |
| Pennsylvania..... | 596,196 | 44.1 | 55.9 | 333,338 | 61,114 | 18.4 | 116,764 | 35.0 | 149,788 | 44.9 | 5,672 | 1.7 |

¹Compiled from data supplied by The Adjutant General of the Army.

TABLE 1.—Distribution of Army enlisted men to show the educational level of men 25 years of age and under—Continued

| State, by region | Total | Percent 26 and over | Percent 25 and under | Number and percent of enlisted men 25 years and under at four educational levels | | | | | | | | |
|-----------------------|---------|---------------------------|----------------------------|--|------------|---------|---------------------------------|---------|---|---------|------------------------------|---------|
| | | | | Total | Grades 1-8 | | 1, 2, 3 years of high school | | 4 years of high school and 1, 2, 3 years of college | | 4 years of college and up | |
| | | | | | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| East North Central: | | | | | | | | | | | | |
| Ohio..... | 386,404 | 46.5 | 53.5 | 206,856 | 31,442 | 15.2 | 73,892 | 35.7 | 98,627 | 47.7 | 2,895 | 1.4 |
| Indiana..... | 185,833 | 45.1 | 54.9 | 101,975 | 15,036 | 14.7 | 31,454 | 30.9 | 53,369 | 52.3 | 2,116 | 2.1 |
| Illinois..... | 452,823 | 50.5 | 49.5 | 224,030 | 38,334 | 17.1 | 81,003 | 36.2 | 101,254 | 45.2 | 3,439 | 1.5 |
| Michigan..... | 288,339 | 43.0 | 57.0 | 164,237 | 28,465 | 17.3 | 60,758 | 37.0 | 72,772 | 44.3 | 2,242 | 1.4 |
| Wisconsin..... | 145,032 | 46.7 | 53.3 | 77,255 | 13,713 | 17.7 | 23,614 | 30.6 | 38,710 | 50.1 | 1,218 | 1.6 |
| West North Central: | | | | | | | | | | | | |
| Minnesota..... | 136,886 | 52.1 | 47.9 | 65,518 | 14,146 | 21.6 | 17,869 | 27.3 | 32,487 | 49.6 | 1,016 | 1.5 |
| Iowa..... | 114,910 | 49.4 | 50.6 | 58,108 | 10,604 | 18.4 | 13,989 | 24.1 | 32,298 | 55.6 | 1,127 | 1.9 |
| Missouri: | | | | | | | | | | | | |
| White..... | 180,688 | 47.0 | 53.0 | 95,760 | 26,454 | 27.6 | 25,600 | 26.8 | 41,939 | 43.8 | 1,758 | 1.8 |
| Negro..... | 14,236 | 49.9 | 50.1 | 7,134 | 2,086 | 29.2 | 2,826 | 39.6 | 2,222 | 31.2 | 0 | 0 |
| North Dakota..... | 29,394 | 53.1 | 46.9 | 13,790 | 4,134 | 31.3 | 2,978 | 21.6 | 6,092 | 44.2 | 406 | 2.9 |
| South Dakota..... | 27,519 | 51.5 | 48.5 | 13,337 | 3,871 | 29.0 | 3,348 | 25.1 | 5,888 | 44.2 | 230 | 1.7 |
| Nebraska..... | 58,799 | 51.3 | 48.7 | 28,654 | 4,646 | 16.2 | 6,575 | 22.9 | 16,891 | 59.0 | 542 | 1.9 |
| Kansas..... | 90,448 | 49.1 | 50.9 | 46,034 | 8,552 | 18.6 | 11,190 | 24.3 | 25,954 | 56.4 | 338 | .7 |
| South Atlantic: | | | | | | | | | | | | |
| Delaware: | | | | | | | | | | | | |
| White..... | 13,131 | 42.3 | 57.7 | 7,581 | 2,031 | 26.8 | 3,113 | 41.1 | 2,437 | 32.1 | 0 | 0 |
| Negro..... | 2,254 | 31.9 | 68.1 | 1,535 | 409 | 26.6 | 509 | 33.2 | 617 | 40.2 | 0 | 0 |
| Maryland: | | | | | | | | | | | | |
| White..... | 85,837 | 43.9 | 56.1 | 48,155 | 12,724 | 26.4 | 15,364 | 31.9 | 17,829 | 37.0 | 2,238 | 4.7 |
| Negro..... | 22,562 | 50.2 | 49.8 | 11,246 | 6,482 | 57.6 | 3,267 | 29.1 | 1,497 | 13.3 | 0 | 0 |
| District of Columbia: | | | | | | | | | | | | |
| White..... | 29,976 | 56.4 | 43.6 | 13,083 | 1,015 | 7.8 | 3,655 | 27.9 | 7,977 | 61.0 | 436 | 3.3 |
| Negro..... | 17,651 | 52.8 | 47.2 | 8,332 | 2,733 | 32.8 | 3,418 | 41.0 | 2,181 | 26.2 | 0 | 0 |
| Virginia: | | | | | | | | | | | | |
| White..... | 103,680 | 46.1 | 53.9 | 55,922 | 19,527 | 34.9 | 16,593 | 29.7 | 18,651 | 33.4 | 1,151 | 2.0 |
| Negro..... | 34,222 | 43.9 | 56.1 | 19,201 | 11,055 | 57.6 | 5,342 | 27.8 | 2,524 | 13.1 | 280 | 1.5 |
| West Virginia: | | | | | | | | | | | | |
| White..... | 97,625 | 43.2 | 56.8 | 55,383 | 19,987 | 36.1 | 15,364 | 27.7 | 19,360 | 35.0 | 692 | 1.2 |
| Negro..... | 6,006 | 34.6 | 65.4 | 3,930 | 1,092 | 27.8 | 1,706 | 43.4 | 1,132 | 28.8 | 0 | 0 |
| North Carolina: | | | | | | | | | | | | |
| White..... | 127,767 | 42.7 | 57.3 | 73,174 | 24,307 | 33.2 | 24,787 | 33.9 | 22,794 | 31.2 | 1,286 | 1.7 |
| Negro..... | 39,935 | 42.9 | 57.1 | 22,822 | 12,965 | 56.8 | 7,322 | 32.1 | 2,216 | 9.7 | 319 | 1.4 |
| South Carolina: | | | | | | | | | | | | |
| White..... | 54,600 | 42.8 | 57.2 | 31,259 | 10,209 | 32.7 | 10,356 | 33.1 | 10,220 | 32.7 | 474 | 1.5 |
| Negro..... | 27,846 | 39.4 | 60.6 | 16,890 | 9,963 | 59.0 | 4,981 | 29.5 | 1,809 | 10.7 | 137 | .8 |
| Georgia: | | | | | | | | | | | | |
| White..... | 104,418 | 47.0 | 53.0 | 55,341 | 15,847 | 28.6 | 18,038 | 32.6 | 20,373 | 36.8 | 1,083 | 2.0 |
| Negro..... | 41,102 | 39.8 | 60.2 | 24,751 | 15,046 | 72.9 | 4,486 | 18.1 | 1,949 | 7.9 | 270 | 1.1 |
| Florida: | | | | | | | | | | | | |
| White..... | 65,954 | 53.1 | 46.9 | 30,917 | 7,716 | 24.9 | 8,122 | 26.3 | 14,458 | 46.8 | 621 | 2.0 |
| Negro..... | 27,929 | 47.8 | 52.2 | 14,591 | 8,417 | 57.7 | 4,263 | 29.2 | 1,911 | 13.1 | 0 | 0 |
| East South Central: | | | | | | | | | | | | |
| Kentucky: | | | | | | | | | | | | |
| White..... | 131,957 | 42.8 | 57.2 | 75,430 | 33,723 | 44.7 | 19,914 | 26.4 | 20,507 | 27.2 | 1,296 | 1.7 |
| Negro..... | 13,757 | 56.6 | 43.4 | 5,975 | 2,749 | 46.1 | 1,998 | 33.4 | 1,160 | 19.4 | 68 | 1.1 |
| Tennessee: | | | | | | | | | | | | |
| White..... | 130,494 | 45.2 | 54.8 | 71,481 | 31,405 | 44.0 | 18,817 | 26.3 | 20,670 | 28.9 | 589 | .8 |
| Negro..... | 22,125 | 44.4 | 55.6 | 12,292 | 7,339 | 59.7 | 3,343 | 27.2 | 1,473 | 12.0 | 137 | 1.1 |
| Alabama: | | | | | | | | | | | | |
| White..... | 96,646 | 44.2 | 55.8 | 53,983 | 18,749 | 34.7 | 18,048 | 33.4 | 16,510 | 30.6 | 676 | 1.3 |
| Negro..... | 39,893 | 39.6 | 60.4 | 24,105 | 15,064 | 62.5 | 6,662 | 27.6 | 2,311 | 9.6 | 68 | .3 |
| Mississippi: | | | | | | | | | | | | |
| White..... | 62,989 | 45.0 | 55.0 | 34,637 | 9,205 | 26.6 | 11,574 | 33.4 | 12,868 | 37.0 | 990 | 3.0 |
| Negro..... | 51,684 | 42.4 | 57.6 | 29,743 | 22,244 | 74.8 | 5,707 | 19.2 | 1,792 | 6.0 | 0 | 0 |
| West South Central: | | | | | | | | | | | | |
| Arkansas: | | | | | | | | | | | | |
| White..... | 77,711 | 46.9 | 53.1 | 41,275 | 14,906 | 36.1 | 11,781 | 28.6 | 14,047 | 34.0 | 541 | 1.3 |
| Negro..... | 19,438 | 42.5 | 57.5 | 11,176 | 7,119 | 63.7 | 3,282 | 29.4 | 707 | 6.3 | 68 | .6 |
| Louisiana: | | | | | | | | | | | | |
| White..... | 82,244 | 45.9 | 54.1 | 44,481 | 15,220 | 34.2 | 12,367 | 27.8 | 16,104 | 36.0 | 890 | 2.0 |
| Negro..... | 44,599 | 44.8 | 55.2 | 24,642 | 15,420 | 62.6 | 5,879 | 23.8 | 3,275 | 13.3 | 68 | .3 |
| Oklahoma: | | | | | | | | | | | | |
| White..... | 101,089 | 44.8 | 55.2 | 55,828 | 15,067 | 27.0 | 17,763 | 31.8 | 21,848 | 39.1 | 1,150 | 2.1 |
| Negro..... | 8,164 | 36.8 | 63.2 | 5,161 | 1,774 | 34.4 | 1,855 | 35.9 | 1,464 | 28.4 | 68 | 1.3 |
| Texas: | | | | | | | | | | | | |
| White..... | 301,622 | 48.3 | 51.7 | 156,066 | 46,848 | 30.0 | 49,776 | 31.9 | 57,406 | 36.8 | 2,036 | 1.3 |
| Negro..... | 51,926 | 44.7 | 55.3 | 28,727 | 13,442 | 46.8 | 10,303 | 35.9 | 4,845 | 16.8 | 137 | .5 |
| Mountain: | | | | | | | | | | | | |
| Montana..... | 26,574 | 51.5 | 48.5 | 12,888 | 2,234 | 17.3 | 3,046 | 23.6 | 7,201 | 55.9 | 407 | 3.2 |
| Idaho..... | 24,567 | 47.1 | 52.9 | 12,993 | 2,442 | 18.8 | 3,286 | 25.3 | 7,010 | 53.9 | 255 | 2.0 |
| Wyoming..... | 12,042 | 47.4 | 52.6 | 6,337 | 1,422 | 22.4 | 1,151 | 18.2 | 3,696 | 58.3 | 68 | 1.1 |
| Colorado..... | 50,281 | 49.9 | 50.1 | 25,194 | 4,673 | 18.5 | 7,147 | 28.4 | 12,888 | 51.2 | 486 | 1.9 |
| New Mexico..... | 28,836 | 43.7 | 56.3 | 16,235 | 5,416 | 33.4 | 4,408 | 27.1 | 5,746 | 35.4 | 665 | 4.1 |
| Arizona..... | 24,180 | 45.8 | 54.2 | 13,113 | 4,808 | 36.7 | 3,600 | 26.7 | 4,737 | 36.1 | 68 | .5 |
| Utah..... | 30,018 | 40.7 | 59.3 | 17,801 | 920 | 5.2 | 5,391 | 30.3 | 11,168 | 62.7 | 322 | 1.8 |
| Nevada..... | 8,598 | 56.6 | 43.4 | 3,728 | 474 | 12.7 | 1,198 | 32.1 | 1,853 | 49.7 | 203 | 5.5 |
| Pacific: | | | | | | | | | | | | |
| Washington..... | 81,814 | 49.4 | 50.6 | 41,425 | 4,554 | 11.0 | 12,692 | 30.6 | 23,705 | 57.2 | 474 | 1.2 |
| Oregon..... | 51,690 | 49.4 | 50.6 | 26,080 | 4,116 | 15.8 | 8,739 | 33.5 | 13,089 | 50.2 | 136 | .5 |
| California..... | 385,279 | 51.7 | 48.3 | 186,185 | 20,529 | 11.0 | 57,376 | 30.8 | 103,887 | 55.8 | 4,393 | 2.4 |

TABLE 2.—Educational plans of Negro and white enlisted men, classified by previous education, summer, 1944¹

| Plans | Percent among men who have— | | | | | | | | | |
|---|-----------------------------|-------|---------------|-------|---------|-------|---------------|-------|------------------|-------|
| | Grade school 1-8 | | High school | | | | College | | | |
| | | | 1, 2, 3 years | | 4 years | | 1, 2, 3 years | | 4 years and over | |
| | Negro | White | Negro | White | Negro | White | Negro | White | Negro | White |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Plans for full-time school: | | | | | | | | | | |
| Definite..... | 0.6 | 0.4 | 3.6 | 2.2 | 10.9 | 7.7 | 26.0 | 25.5 | 16.0 | 6.8 |
| Tentative..... | 6.8 | 1.6 | 5.6 | 2.2 | 10.7 | 5.0 | 10.6 | 6.9 | 16.0 | 5.8 |
| Plans for part-time school: | | | | | | | | | | |
| Would prefer full-time school, but planning | | | | | | | | | | |
| part-time only..... | 7.7 | 3.6 | 10.8 | 4.8 | 10.8 | 8.0 | 10.9 | 8.6 | 13.5 | 9.1 |
| Want part-time school only..... | 28.7 | 8.8 | 22.7 | 12.5 | 19.0 | 12.4 | 18.3 | 10.6 | 15.4 | 9.5 |
| No plans for further education..... | 61.2 | 85.6 | 57.3 | 78.3 | 48.6 | 66.9 | 34.2 | 48.4 | 39.1 | 68.8 |
| Total..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

¹ Reproduced from Report No. B-133, Post-War Educational Plans for Soldiers, Army Service Forces 1944.**DEPORTATION OF HARRY BRIDGES**

Mr. WILLIS. Mr. President, several weeks ago I made an address before the Senate on the subject of the deportation of Harry Bridges. I desire to have inserted at this point in the RECORD, as a part of my remarks, a letter which I received from a longshoreman at Long Beach, Calif., touching upon this subject.

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

See where you attacked Harry Bridges. You are right. I am a longshoreman, but I also have two sons in the service, one in the Navy in the Pacific and one in Europe with Patton. I want to get the goods to them. Bridges got a rule which limits a load on a sling board to 2,100 pounds. That is what is called the Pacific-coast agreement with employers. He calls it safety, but it is not that. It is slow-down that we were taught before the war. There are many other slow-down practices. We can lift only 2,100 pounds but soldier gangs working the same equipment pick up 4,500 pounds and I know the Army wouldn't do anything unsafe with them. This is pure bosh. It seems if Bridges wants to be so patriotic as he pretends he would enter into an agreement with the employers for the duration of the war to lift more on the pallets and to discontinue other slow-down methods under the agreement. The agreement is all we hear about in the union hall and other places. It makes me sick just as it does every waterfront worker with a son, brother, or father out there battling. We are for getting the goods to them and getting it there fast. Thanks for calling attention to this very bad situation. I wish I could sign my name but if I did the union officials would hound me to eternity. I wouldn't get anything but crap jobs and would be put in a crap gang. They have their ways. I think those in the waterfront work here are just about even for and against Bridges. All the commies are for him though and that is about one out of three in the union. Then the paid officials are for him. But not the men with interest in servicemen. Why doesn't he agree to call off load-limit during the war if he is trying to do best for our boys? That's a shame, and I know it, for I lift them measly loads every day and if you get a pound more on there you are skinned for breaking the agreement. Yet the soldier gangs come right behind us and put on twice as much on one pallet load.

ADDRESS BY SENATOR BAILEY AT COMMENCEMENT OF MEREDITH COLLEGE, JUNE 3, 1940

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address delivered by Senator BAILEY at the commencement exercises at Meredith College, Raleigh, N. C., June 3, 1940, which appears in the Appendix.]

THE LIGHT METALS INDUSTRY IN THE WEST—ADDRESS BY THE GOVERNOR OF OREGON

[Mr. MORSE asked and obtained leave to have printed in the RECORD an address entitled "The Light Metals Industry in the West," delivered by Governor Earl Snell, of Oregon, at the Western Governors' conference, at Reno, Nev., on April 20, 1945, which appears in the Appendix.]

ERNIE PYLE—ADDRESS BY WILLIAM E. KELLEHER

[Mr. WILLIS asked and obtained leave to have printed in the RECORD a memorial address on the late Ernie Pyle, delivered by William E. Kelleher at a memorial service held at Albuquerque, N. Mex., on May 13, 1945, which appears in the Appendix.]

PRAYER OF THANKSGIVING ON NATIONAL PRAYER DAY BY ARCHBISHOP FRANCIS J. SPELLMAN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a Prayer of Thanksgiving After Victory, offered by Archbishop Francis J. Spellman at St. Patrick's Cathedral, New York, May 13, 1945, National Prayer Day, which appears in the Appendix.]

POSTWAR ECONOMIC PLANNING—FULL EMPLOYMENT

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a memorandum prepared by the Department of Commerce on the developments in Canada with respect to postwar full employment, which appears in the Appendix.]

RACIAL DISCRIMINATIONS IN GOVERNMENT POLICY IN FOREIGN COUNTRIES

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the outline of contents and an abstract of the report prepared by the Legislative Reference Service on Racial Discriminations and Governmental Policy in Foreign Countries, which appear in the Appendix.]

DATA FOR STATE-WIDE PLANNING OF VETERANS' EDUCATION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD excerpts from Education Bulletin 4 of the Office of Education entitled "Data for State-Wide Planning of Veterans' Education," and comments thereon by Dr. Ernest V. Hollis, who prepared the report, which appear in the Appendix.]

ST. LAWRENCE SEAWAY AND POWER DEVELOPMENT

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an article entitled "Union Council Backing Seaway—Philadelphia (Pa.) Labor Group Asks CIO to Make Fight for Project Developments," published in the Watertown (N. Y.) Times of May 11, 1945, which appears in the Appendix.]

ATTITUDE OF THE SOUTH ON THE FEPC BILL—ARTICLE BY THURMAN SENSING

[Mr. BILBO asked and obtained leave to have printed in the RECORD an article on the subject of the FEPC entitled "The South Takes a Stand," by Thurman Sensing, which appears in the Appendix.]

CABINET CHANGES—EDITORIAL COMMENT

[Mr. HATCH asked and obtained leave to have printed in the RECORD editorials commenting on recent changes in the President's Cabinet, published in the Washington News, the Washington Star, the Washington Post, and the Baltimore Sun, which appear in the Appendix.]

CENSORSHIP OF NEWS PUBLISHED IN GERMANY—ARTICLE BY JOHN W. HILLMAN

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an article relative to the censorship of news in Germany, written by John W. Hillman and published in the Indianapolis Times, which appears in the Appendix.]

LEAVES OF ABSENCE

Mr. HART. Mr. President, I ask unanimous consent that I may be excused for most of the session today to enable me to keep a speaking engagement in New York.

The PRESIDENT pro tempore. Without objection, the request is granted.

Mr. MURDOCK. Mr. President, beginning Monday of the coming week a subcommittee of the Committee on Public Lands and Surveys will hold hearings at Salt Lake City. I am a member of that subcommittee. It is quite urgent that I attend the hearings. Therefore, I ask unanimous consent to be excused from attendance on the Senate during the period when the hearing will be held.

The PRESIDENT pro tempore. Is their objection? The Chair hears none, and consent is granted.

Mr. GUFFEY. Mr. President, I ask consent of the Senate to be absent next week. I shall be away on business, but, at my own expense.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and consent is granted.

Mr. REED. Mr. President, I ask unanimous consent to be absent from the Senate on a trip to Europe which is to be taken by certain members of the subcommittee on the War Department of the Appropriations Committee, of which I am a member. I am uncertain how many days the trip will require.

The PRESIDENT pro tempore. Is their objection to the request of the Senator from Kansas? The Chair hears none, and the request is granted.

CONGRESSIONAL EXPENSE ALLOWANCE

The PRESIDENT pro tempore. Morning business is concluded.

Mr. WILEY. Mr. President, I understand that this afternoon the Senate will take up for consideration House bill 3109, and on page 2 thereof is found an amendment proposed by the Senate Committee on Appropriations. I shall have to be absent from the Senate a part of the time today, and therefore refer to the matter now.

The issue before the Senate is raised by the amendment of the Senate Committee on Appropriations to which I have referred, as well as by House bill 3109 itself, providing for a \$2,500 tax-exempt expense allowance for Senators and Representatives.

The issue is a simple one. Should there be added to the compensation which each Senator and Representative receives an additional amount of \$2,500 per annum?

The arguments for the measure, as they have already been stated in the House debate, are briefly as follows:

First. Each Representative and Senator pays out of his own salary a considerable amount of money for expenses which, if he were in private business or in any other public position, he would be allowed to take credit for in his income-tax return.

Second. Each is required to bear the expense incident to maintaining two homes. Until the last 6 or 7 years, a Representative or Senator would spend a great deal of his time at home, because Congress would only remain in session some 4 to 6 months. But now he is away from his home the entire year, with the result that he is put to large additional travel expense and the maintenance of two homes.

Third. As has already been indicated, men in business, when they are away

from home, have their expenses paid. This is true also of Government officials who travel on Government business. Their transportation, hotel bills, and other necessary expenses are paid. This also applies to Army officers and Navy officers when they travel on Government business. They receive subsistence and other expense allowances. Practically every Governor and mayor likewise has an expense account when he is looking after public business.

Fourth. In the office, any businessman or Government official, except a Representative or Senator, can charge telephone calls to his expense account. A Senator has the right of only 10 long distance calls a month. This provision for 10 calls only went into effect in July 1944.

Fifth. Since businessmen have had to come to Washington during the war period, every Senator and Representative is called upon to entertain his constituents in the dining rooms of the respective Houses. This amounts to no inconsiderable amount in a year's time. In business this would be a deductible expense, and it is really part of the service that the Senator and Representative renders to his district and his constituency. In fact, during the luncheon hour, the constituent is given an opportunity to air his problem with his Representative.

Sixth. Because of the above, it is contended that the \$2,500 provided for in this bill is not a salary increase, but rather an appropriate provision for those expenses incidental to the service rendered by a Representative and Senator.

Over against these arguments in favor of the bill, it has been clearly contended that:

First. This is a very inappropriate time for such a measure. We are at war and passage of this bill would only increase the pressure for wage increases of every group which feels that it is not adequately paid. Moreover, the proposed 25-percent increase, if it be considered a salary increase, is larger than that authorized under the Little Steel formula.

For some years past, we have been trying to avoid inflation. We have placed ceilings on commodity prices and wages. The danger of inflation is greater now than ever and we should not join in the slightest degree in any move that would break the Little Steel formula. If we vote this sum, what argument have we in the locker to meet the argument of certain labor groups for increased wages?

Shortly, we will be called upon to pass upon the extension of the Emergency Price Control Act. Faulty as that act has been administered in many directions, it seems to be the consensus among the Members that to repeal it now would open the floodgates. What is needed there is competent administrators, not so much at the top as in the various divisions and subdivisions. Many instances of square pegs in round holes in this great agency have come to the attention of every Senator.

But although injustice has been done on occasions, everyone seems to sense the imperative need to hold the general line. Doesn't that same argument apply to this matter now before us? With the war only half over, should we not resist every pressure which would make for higher prices and higher wages?

I fought last year to get the Congress to pass a bill that would permit salary increases to the white-collar workers where the workers and the employer could agree, when the increase would not involve wages higher than \$37.50 a week. The Senate passed that bill but the House turned it down. I cannot see how Congress can increase its own salary and not do likewise with the white-collar worker. It is the function of Congress to help hold the line. This sum of \$1,642,500, while inconsequential in amount to the total appropriations, does, in my opinion, make a breach of more significance than the sum involved.

Second. With our national debt approaching \$300,000,000,000, should we not be thinking of cutting corners wherever we can? This proposal would increase governmental overhead by only \$1,642,500, but should we not make every attempt, however small, to curtail nonwar appropriations?

Third. In Wisconsin and other States there is a constitutional prohibition against increasing (and that means directly or indirectly) the compensation paid to members of the State legislature.

Fourth. Our United States Constitution wisely provides that the President's compensation "shall neither be increased nor diminished during the period for which he shall have been elected." Should not this provision apply in spirit to our Congress? As it now stands, the proposal would make the expense allowance retroactive to January 1945.

Fifth. This is not a matter of urgency and should be referred to the Joint Committee on Congressional Reorganization to take up.

Sixth. The argument has been advanced in support of this tax-free allowance that in 1929 a married person having a salary of \$10,000 and one dependent, paid a tax of \$415. Now on the same salary, he pays a tax of \$2,585—an increased tax voted by the Congress. This is not a valid argument for the expense increase. We all recognize the enormous financial obligations that have been placed on our Treasury because of the war. These obligations have required higher taxes to meet them.

Mr. President, when I ran for office and was reelected last fall, after almost 6 years in Washington, I had full knowledge of the situation, the amount of income tax I would pay, the sums that I would have to expend for travel, living expenses, and so forth, in Washington; the cost resulting from entertaining my constituents, and the maintenance of two homes—one in Wisconsin and one in the District of Columbia. I realized that if I had to educate my children, I could not have made ends meet on a Senator's salary. But I ran for reelection, knowing all those facts. I was re-

elected, and I do not feel that I can, under the present circumstances, vote for any direct or indirect increase of my compensation as Senator.

Therefore, I shall vote against the amendment reported by the committee.

DATE FOR COMMENCEMENT OF HEARINGS AND TIME LIMIT FOR REPORT ON MISSOURI VALLEY AUTHORITY BILL

Mr. BILBO obtained the floor.

Mr. OVERTON. Mr. President, will the Senator yield to me, so that I may undertake to correct the RECORD in one respect.

Mr. BILBO. I am glad to yield.

Mr. OVERTON. The other day, Mr. President, I requested unanimous consent to abrogate the rule in reference to the time limit which was placed upon consideration of the Missouri Valley Authority bill by the Committee on Irrigation and Reclamation. I find that although I proposed the unanimous-consent request, no action was taken upon it. I think that was due to the fact that I was interrupted by a number of Senators who desired information, and unfortunately the Chair did not ask whether there was objection. So the request was not agreed to.

The PRESIDENT pro tempore. Does the Senator desire that the permanent RECORD be corrected?

Mr. OVERTON. I desire to propose another request, which I think will better cover the subject matter.

Mr. President, I propose the following unanimous-consent request: With respect to Senate bill 555, to provide for a Missouri Valley Authority, I ask unanimous consent that the provision in Senate Resolution 97, agreed to on March 15, 1945, requiring, in effect, that the Committee on Irrigation and Reclamation shall report on said bill within 60 days from the date of its reference to said committee, be abrogated.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection—

Mr. LANGER. Mr. President, I should like to ask a question. When would the hearings be held and a report be made?

Mr. OVERTON. The author of the bill said that when he returned from Montana, which would be about the middle of June, he and I would confer with regard to the matter and undertake to fix a time for hearings on the bill.

Mr. LANGER. Was it the plan to have the matter go over for the summer?

Mr. OVERTON. There was no plan whatever. The Senator from Montana desired that there be a postponement of the consideration of the bill by the Committee on Irrigation and Reclamation.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Louisiana?

Mr. LANGER. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. OVERTON. Then, Mr. President, I notify everyone concerned beginning on June 4, 1945, hearings will be held by a subcommittee of the Committee on Irrigation and Reclamation on the proposed

Missouri Valley Authority. All witnesses, including the Governors of the various States who may be interested, must be present on that date in order to be heard.

Mr. LANGER. Very well.

Mr. OVERTON. The author of the bill will be absent when the hearings are held. I regret it very much. I have endeavored to extend to him the courtesy for which he asked, and I regret that the Senator from North Dakota is taking the position which he has assumed.

Mr. OVERTON subsequently said: Mr. President, I rose to make a motion to take up a bill, but before doing so I desire to withdraw the announcement I previously made that on June 4 the Committee on Irrigation and Reclamation will begin the conduct of hearings on the Missouri Valley Authority. I am advised by the Journal clerk that the unanimous-consent request was granted on Monday last, and that it is not necessary that it should appear in the RECORD. Of course, the entry in the Journal has precedence over any omission in the RECORD.

The PRESIDENT pro tempore. The Chair has a copy of the Journal before him, and will say that that statement is correct.

Mr. OVERTON. So then it is understood that the hearings will not be conducted beginning June 4. I will state for the benefit of Senators who are interested that the hearings will be held at some later date which may hereafter be agreed upon between the able Senator from Montana [Mr. MURRAY] and myself.

Mr. LANGER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LANGER. Do I correctly understand that the ruling was that unanimous consent was granted?

The PRESIDENT pro tempore. Unanimous consent was granted on last Monday.

TIME LIMIT TO REPORT ON SAVANNAH VALLEY AUTHORITY BILL

Mr. OVERTON. Mr. President, these authority bills are so tangled up with requirements as to time limit on filing reports that it is utterly impossible for them all to be considered simultaneously. I find it necessary to make another unanimous consent request with reference to the Savannah Valley Authority.

I ask unanimous consent that the time limit fixed heretofore by unanimous consent for the report on Senate bill 737, to establish a Savannah Valley Authority, be abrogated. That is the bill in which the junior Senator from Georgia [Mr. RUSSELL] and the Senator from South Carolina are interested. I have understood from them that there will be no objection to the request.

The PRESIDENT pro tempore. The Chair is informed that a similar unanimous request was made a few days ago, and granted.

Mr. OVERTON. The request was not in the precise language of the present request. It was that the hearings on the bill be postponed. I am now asking consent that the time limit on filing a report, as fixed heretofore by unanimous consent, be abrogated.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

PROPOSED PERMANENT FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. BILBO. Mr. President, a few days ago I read into the RECORD correspondence between the Reverend Louis L. Scott of Savannah, Ga., and myself. In that connection I wish to read a letter which I have just received from him together with a letter which he directed to the Manuscript, post office box 6666, Washington, D. C. The first letter to which I have referred is as follows:

Senator THEODORE G. BILBO,
United States Senate Building,
Washington, D. C.

DEAR SIR: Enclosed herewith is a copy of a letter I am today sending to a Negro paper known as the Manuscript. Under its May 14 issue, it took exceptions to my letter sent you, and of which you read into the Senate RECORD. I do appreciate your doing that, for every truth, causes just such reaction, but this is no reason to let up, and believe me, I shall never do so until our aims are accomplished. I have received many letters of congratulation for my position. Therefore, again I want to thank you.

Very truly yours,

LEWIS L. SCOTT.

The second letter which I wish to read into the RECORD is as follows:

SAVANNAH, GA., May 15, 1945.

The MANUSCRIPT,
Washington, D. C.

DEAR EDITORS: The immortal Wendell Phillips in his tribute to the gallantry of the great statesman and soldier, Toussaint L'Ouverture, had this to say: "You think me a fanatic tonight, for you read history, not with your eyes, but with your prejudices." If Phillips lived today and knew the facts, all the facts about which your Manuscript so miserably distorted, he would have said again, " * * * you read * * * not with your eyes, but with your prejudices." For it is very obvious you have never seen the speech of Senator BILBO, and it is a certainty you have never read it. Why not read it?

There never has been a measure proposed in the United States Congress to send Negroes back to Africa or anywhere else. I can see surprise register on your face. You did not know that. Negroes born or naturalized in the United States are citizens and are not subject to be "sent" anywhere, and are as much so as the Hon. THEODORE G. BILBO, who knows this as well as any person alive. If you don't know the facts relative to this proposed measure, you have only to ask me. I have them before me, and will send them to you at once, for you do need them.

Your article dares take issue with me on what I said, you simply starts and stops, calling names. I would ask an apology, when you say I am a Quisling, but I am too sure you don't know the meaning of the word. If taking the position that Africa should be in the hands of Negroes, from one side to the other, and from top to bottom, makes me a Quisling, then you do me honor by calling me such. In that sense George Washington, Abraham Lincoln, Booker T. Washington, and Franklin D. Roosevelt were the greatest of Quislings, for they, too, believed in liberty and independence for all people.

Too many Negroes are dreamers and wishful thinkers, and unfortunately some of them operate what we are to understand is the "press," where they are in position to broadcast their distortions and inconsistencies to Negro children and their parents who are too busy to study and know the whole truth beyond what they read. The freedom

of speech and press are privileges which can prove themselves equally as dangerous, for they may misguide thousands.

Your Manuscript, in its reference to me, concludes by saying that Senator BILBO used my letter in his argument against the FEPC, and then you further say that I was "tricked" by the Senator in his revealing the contents of my letter on the floor of the Senate. What doubtless stirred your "fun-gus" was the fact that Senator BILBO opposed the FEPC, and, of course, my letter was merely an incident. I would say, "You know," but that would be an error, for you don't know; therefore I shall tell you.

This is the opinion of the Reverend Scott, of Savannah, Ga., who is one of the leading Negro preachers of the South. His letter continues:

The FEPC is a meaningless gesture on the part of a few politicians to divert the attention of Negroes from their basic needs, and the most good it will ever do is give a few dollars out to those who run around the country and talk about it. It is as impractical as perpetual motion, and as long as it is alive and wherever it is alive it will always provoke the race question, and introduce race consciousness and embitter the otherwise good relationship that could exist. If I had known Senator BILBO desired to use my letter in his fight against this measure I would have made it stronger, and may do so yet.

The race question is as deep rooted in this country as cancer, and any M. D. will tell you that anointing the spot with vaseline and covering it with a clean cloth will not cure it. So bring out your FEPC, your PEFC, or whatever you may wish it to be called, and the problem will remain * * * until the condition is struck at its source.

I close with an analysis of the proceedings in question occurring in the Senate relative to Senator THEODORE G. BILBO's speech and proposed measure on April 24, 1939. It is headed "Voluntary resettlement of American Negroes in Africa," and after quoting Abraham Lincoln who said, " * * * favorable to our interest to transfer the African to his native clime."

Here I desire to digress to remark that there are not many people who know that when Abraham Lincoln wrote the Emancipation Proclamation he made a part of it the proposition to resettle the Negro in some country other than the United States. That part of the proclamation is forgotten:

Then the speech gave vivid reasons and manner by which this may be done, leaving the matter of the Negroes' transfer to him and placing the burden of making the Negro secure in his native land upon the shoulders of the United States Government. Suppose the Big Three placed Africa in its entirety in the hands of Negroes; and Africa with all of its natural resources were placed under the direct supervision of Negroes, with the necessary help toward making that country into what it can and should be, coming from the great powers of the earth. Did you not know, with an educational program throughout that country with its vast millions of human beings, that Africa could and would rank among the leading powers of the earth? Then our position all over the earth would be different. Nation would dare not make laws and ordinances denying us of certain rights because we were Negroes, for we would be in position to retaliate in kind.

Ignorance and poverty will forever be the object of disrespect. A good illustration comes from this city. A Negro woman known for years as "Aunt Mandy" was called this by everybody, white and colored, with no disrespect to her. Her husband was accidentally killed and the company settled with her for \$5,000. No sooner had this information

gotten out before an automobile salesman went out to see her. But not once in the course of his sales talk did he call her "Aunt Mandy," but instead "Mrs. Johnson," to which she replied, "Just listen at my money talk."

No, Senator BILBO has not proposed sending Negroes back to Africa, nor have I pledged my help in doing so, but remember this: As long as one people or nation has that which belongs to another, the world will never be at peace. But when India shall be given back to the Indians, and China to the Chinese, and last but not least, Africa to the Negroes, then, and not until then, shall the "lamb and the lion lie down together," and a little child can lead them.

Now, if Manuscript is honest, it will retract what it has said of me, in which case I shall appreciate receiving a copy.

Very truly yours,

REV. L. LLEWELLYN SCOTT.

Mr. President, I desire to make a brief observation in connection with this excellent contribution by the Reverend L. Llewellyn Scott.

I have been accused of injecting the question of race relations into public discussions at a time when our country is at war. I think my colleagues will appreciate the fact that I have enough of genuine American patriotism not to want to do anything that would detract from or lessen our efforts to bring to a successful conclusion the second part of this World War; but I have been forced to do what I have done because it is evident to any observant mind that the principal minority group in this country—the Negroes—and I sometimes think there are a few other groups joining hands with them—are seeking to take advantage of the war situation to try to force upon the Congress and to propagandize through the press, over the radio, and on the hustings everywhere, ideas and conceptions which are utterly foreign to the people whom I represent in part on the floor of the United States Senate. So I have been compelled to speak out my opposition, even if we are in a war. They propose to take advantage of the situation. For instance, they demand the enactment of the FEPC legislation. We all know that that is sponsored by minority groups, and largely by the Negro group, and it is sponsored for no other purpose on earth except to destroy what they are pleased to call discrimination, because it is the philosophy, it is the contention of all the intelligentsia among the Negroes of the United States that any form, kind, or suggestion of segregation is discrimination. There never was a greater mistake made or a greater untruth uttered than to say that segregation is discrimination. If segregation is discrimination, we Democrats on this side of the aisle are guilty of discrimination, because we ask the gentlemen representing the Republican Party to sit on the other side. They are segregated on the other side. That is not discrimination.

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

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I yield.

Mr. CHAVEZ. With due respect to the merits or demerits of the FEPC bill,

political thought is largely motivated and political action is taken by political parties. If the question of a Fair Employment Practice Committee were not a matter that deserved attention, why was it that the two major political parties, the Republicans at their convention in Chicago, and the Democrats at their convention in Chicago, declared themselves in favor, and both Presidential candidates spoke in favor of a permanent Fair Employment Practice Committee. Can the Senator tell us that?

Mr. BILBO. I shall be glad to answer the question.

Mr. CHAVEZ. Or was it a question of political expediency?

Mr. BILBO. I shall be glad to answer the question; but I am surprised that the Senator should ask such a simple question, because we all understood and we all understand now, indeed we know, that this kind of legislation, un-American, unconstitutional, violative of every concept of the American way of life, legislation which is destined to bring almost a revolution in this country, was sponsored both by my party and by the other party and is being advocated today by Senators on this side of the Chamber and possibly on the other side for no other purpose except to satisfy the pressure of a group whose votes they want in the elections, just as has always been the case of political parties. Delegations representing these minority groups were there, demanding that the parties do something about discrimination.

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

Mr. BILBO. I yield.

Mr. CHAVEZ. Of course, I do not doubt the sincerity of purpose behind the answer of the Senator from Mississippi—

Mr. BILBO. The Senator from New Mexico knows it is true.

Mr. CHAVEZ. No; I do not know whether it is true or not.

Mr. BILBO. Some people hesitate to admit the truth.

Mr. CHAVEZ. No; I have too much faith in the integrity of the Democratic Party to feel that the Senator might be correct.

Mr. BILBO. I will say that I have faith enough in the Democratic Party, in its ability and sagacity and ingenuity, to believe that it would put in the platform things which will appeal to the voters of the country; and that is what they were doing.

Mr. CHAVEZ. I disagree with the Senator. I do not think that the Democratic Party and I do not believe that the Republican Party are so disloyal, so naive, as to make a pronouncement of political policy, a pronouncement of party pledges, in order to get a few votes.

Mr. BILBO. Mr. President, behind the scenes, and under cover, and in the cloak rooms, the Senator will find that the advocates of this measure do not hesitate to say, "We have to pass this in order to control, in order to get the votes of a certain minority." They do not make any bones about it, and why fool ourselves, and why be insincere about a thing? We know what this is intended for.

I say that if this bill shall ever become a law—and I pray to God it never will—if it shall ever become a law and there is an honest attempt to put it into force, it is not going to be considered a law against southern people in the interest of the Negro, but there will be found opposition springing up against it in every nook and corner of the United States, because when under the proposed law an agent goes out to California and tells every businessman or private enterprise that has six employees or more that a Japanese will have to be hired, hell is going to break loose, and we know what will happen if they go to other sections and say that a member of this nationality or that nationality must be employed. Yet that will be done, because the bill provides that there must be respect for ancestry. It is race, creed, color, religion, and ancestry.

Mr. CHAVEZ. That is correct.

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. BILBO. I yield.

Mr. CHAVEZ. It says just that very thing, for the same reason that Congress has passed legislation which says to a selective service board, "Take this man, irrespective of his nationality or ancestry, and send him to feel the bayonet of a Japanese." If the Congress can do that, if it can take the little boy from the South, if it can pick up one of Polish ancestry, in Cleveland, and say, "Go into the Army and face all the damnation of the Germans, or go to Iwo Jima and feel all the dirt of the Japanese," how can it be said we cannot pass a law which shall say, "There shall be no discrimination against a person in the way of getting employment, or in having decent working conditions, or in being the recipient of what he fought for with the spirit of 1776?" The Senator from Mississippi can never convince the majority of American people by his argument.

Let me add, further, from the political standpoint, we, the Democrats, made a solemn pledge at Chicago, and either the Democrats stand behind that pledge, or I predict that it will not be long before many chairmen of committees in this body will be changed.

Mr. BILBO. The proponents are saying by this bill, "Good-by America, good-by freedom, good-by freedom of action on the part of the citizens of this country. We have the power in Washington, and we are going to the State where someone has a little business of seven employees, and tell him whom he shall employ in his business."

At Nashville, Tenn., there is a great Baptist publishing concern. I foresee the day when the head of the FEPC will go to Nashville and say to the Baptist brethren, "Look here; you are a kind of a close corporation, and you are printing books and papers that circulate throughout the country. That is interstate commerce, and we want you to employ this Catholic, we want you to employ this Negro, we want you to employ this Chinese, we want you to employ this Japanese, we want you to do this and that." Or he will go up to Boston, Mass., where the Christian Science Monitor and other publications of the Christian Sci-

ence Church are published. The adherents of that religious denomination are very enthusiastic about it. And they want no one there working with the outfit except those who believe in the Christian Science doctrine, or denomination. The FEPC says "Yes, sir, we are going to break up this outfit. We are going to put some people in here, perhaps Catholics, or those who belong to the Jewish religion," and so on. That is what it means.

Mr. CHAVEZ. Will the Senator yield?

Mr. BILBO. I yield.

Mr. CHAVEZ. The statement of the Senator from Mississippi indicates that possibly when he read the bill he did not do so very carefully, because there is nothing in the bill which provides for anything of that kind. It does not provide that one has to employ Catholics, or has to give a job to a Baptist, or to a Jew, or to a Negro, or to anyone else. All it says is that there shall be no discrimination because one does happen to be a Catholic or happens to be a Jew. That is all it says.

Mr. BILBO. That is the same thing. The Senator is admitting my statement, he is admitting my argument.

Of course, Mr. President, I did not mean to take up the time of the Senate with this out-of-line argument this morning, but I wish again to ask my colleagues to read the article by Mr. Sensing, which sets forth what is going to happen in the South if there is an attempt made to enforce the proposed law. This is a free country, and every man engaged in private enterprise should have some say-so about whom he shall employ in his place of business, and not have little autocrats or bureaucrats from the banks of the Potomac River tell him that he has to employ Mr. Jones because Mr. Jones has applied for a job, "and we think he is qualified, but you have turned him down because he happens to be a Catholic, or happens to be a Jew, or happens to be a Negro, or happens to be a Pole, or something else." I think a man should be permitted to organize his own affairs.

Mr. CHAVEZ. Mr. President—

Mr. BILBO. I shall yield, but I wish to make one further statement. The Senator says I have not read the bill. If it ever comes up for discussion, he will find that I have read it. The bill even proposes—and I am sure the Senator will desire to amend it when it is thoroughly exposed—to tell private enterprise whom they shall put into their places of business to carry on their industry or work, and it provides that this agency in Washington shall have the power to establish a thousand or ten thousand headquarters or agencies from which to operate, and then it is proposed to let them appoint a million agents to go forth and tantalize the American people, to see that the political party gets votes. That is what the proponents of the bill are after.

Mr. CHAVEZ. Mr. President, will the Senator yield to me to make a short observation?

Mr. BILBO. I have yielded the floor.

Mr. CHAVEZ. The Senator from Mississippi can put any interpretation on the bill he deems proper. He has talked about the rights of industry and the

rights of business men to manage their own affairs and provide for their own protection, but he forgets the inalienable rights of the citizens of this country. Those should also be considered; and the time will come when we can consider those things.

STATEMENT OF MATTERS TO BE INVESTIGATED IN EUROPE BY A GROUP OF SENATORS

Mr. RUSSELL. Mr. President, a group of Senators representing the Committee on Military Affairs, the Committee on Naval Affairs, and the Committee on Appropriations, propose to go to Europe the latter part of this week to investigate matters which will later be the subject of legislation by Congress. I ask unanimous consent that a brief statement of some of the matters which the committee has in mind to investigate be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

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

The committee proposes to look into the vast redeployment program now in process of transferring men and equipment from Europe to this country and to the Pacific theater. They will visit redeployment centers to study the effectiveness of the plan for the discharge of men from the Army and get the views of men of all ranks and all branches of the service as to the fairness of this program and the efficiency of its operation. They intend to visit the centers where American soldiers released from German prisons are stationed and see how these men are being provided for and the steps being taken to repatriate them.

The committee will endeavor to get information as to the nature and extent of the properties and supplies which the Army does not propose to move to the Pacific theater or bring home. The administration of the military government in Germany and Italy and the methods being used by the Army and UNRRA to furnish food and clothing, as well as the extent and merits of future demands likely to be made upon this country for these supplies, will also be a subject of inquiry.

The members of the Naval Affairs Committee will be particularly interested in the operations of the great ports of Bremen and Bremerhaven, the administration of which has recently been taken over by the United States Navy. The committee will also view the scenes of some of the great decisive battles for a thorough understanding of the difficulties overcome by fighting our men and the efficiency of the equipment furnished them.

LEAVE OF ABSENCE

Mr. RUSSELL. Mr. President, I ask unanimous consent that leave of absence be granted to the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. STEWART], the Senator from South Carolina [Mr. MAYBANK], the Senator from South Dakota [Mr. GURNEY], the Senator from West Virginia [Mr. REVERCOMB], and the Senator from Georgia [Mr. RUSSELL], to make the trip to Europe to which I have just alluded.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and leave of absence is granted.

ST. LAWRENCE SEAWAY AND POWER PROJECT—ACTIVITIES OF G. E. MACE

Mr. AIKEN. Mr. President, about a month ago, many Members of the Senate received a pamphlet bearing the name of the Commerce and Industry Association of New York City and which was critical of the St. Lawrence seaway and power project.

In the pamphlet was reiterated the opposition to the project which this organization had maintained for 25 years or so.

In 1933 representatives of this association appeared before the Foreign Relations Committee of the Senate and argued against the St. Lawrence development on the basis that it was uneconomical and unnecessary.

The pamphlet, which has been sent to Members of the Senate, is signed by G. E. Mace, manager of the transportation bureau of this association. It is my understanding now that Mr. Mace distributed this booklet after the executive committee of the association had unanimously voted to take no further action with respect to the seaway, even though the association had consistently opposed it for 25 years.

Whether that is true or not is perhaps immaterial. The fact remains that this pamphlet, issued by Mr. Mace with or without the instructions of his executive committee, is literally reeking with false statements and misrepresentations.

I will mention only one of them here, and I mention that only because he makes reference to myself in it.

On page 6 of the pamphlet, it is stated that on March 17, 1944, the Legislature of the State of Vermont by a vote of 123 to 69 defeated a resolution to introduce the St. Lawrence project and that action was taken following an active campaign conducted by Senator AIKEN of Vermont in his home State in favor of the project.

This is a sample of the false statements contained in this pamphlet.

The facts are that on March 15, 1944, the Vermont Legislature was called into special session for the express purpose of enacting a soldiers' vote law. It was understood that nothing but emergency matters would be taken up at that session, yet someone, whose enthusiasm undoubtedly exceeded his better judgment, undertook to interject the St. Lawrence project into this special session of the legislature.

The matter was introduced without my knowledge and certainly any campaign on my part, and the legislature rightfully voted not to consider it at that time. If I had been a member of the legislature and had been present, I would have voted likewise.

As a matter of fact, more than 10 years ago, the Vermont Legislature created a commission to work for the development of the St. Lawrence seaway and power project. It is only fair to say that this commission has not functioned for several years and that work in behalf of the St. Lawrence is now carried on principally by agricultural and labor organizations and industrial associations in my State.

I give this illustration as a sample of the plain, unadulterated fallacies which saturate this pamphlet prepared and distributed by an employee of the Commerce and Industry Association of New York.

Other misrepresentations are pointed out in a letter which I have received from a member of the association itself, Mr. Julius H. Barnes, one of the most highly respected businessmen in America. I understand that Mr. Barnes is not the only member of this association who has repudiated Mr. Mace's false statements.

On the second page of this pamphlet are printed the names of the board of directors of the association. All of them are prominent business leaders in New York, and I hope for their own sake and for the sake of the reputation of the association for veracity, that they do not subscribe to such falsehoods as are perpetrated in this pamphlet.

I ask unanimous consent to have the letter to me from Julius H. Barnes printed in the RECORD at this point.

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

NEW YORK, N. Y., May 10, 1945.

HON. GEORGE D. AIKEN,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: Recently, the Commerce and Industry Association of New York sent to every Member of Congress, a pamphlet signed by G. E. Mace, manager of their transportation bureau, attacking the St. Lawrence seaway and power project.

I have been a member of this association for a quarter century and have also been president of the United States Chamber of Commerce three terms, and later also chairman for an additional three terms, believing always in business organizations and their expressions on public policy, rising above any local or selfish interest.

In all my experience with such organizations, there has never been issued a more inaccurate statement on any issue of public interest, than this particular pronouncement. It does a distinct disservice to public enlightenment on a great national question and an injury to public confidence in business organizations. This is particularly regrettable because in that association are many proven national business leaders of unquestioned public spirit who, if informed of such unfair statements, would not subscribe to such methods, reflecting little honor on an organization allowing thus an employee to use the association name.

Please point out to your colleagues some of the misstatements in this bulletin which violate American standards of accuracy and fairness.

For example, on the very first page, Mr. Mace says:

"The voyage from Montreal to Duluth entails 1,334 miles, much of which is difficult navigation."

This absurd statement is made although the Great Lakes constitute the greatest inland waterway system in the world. It handles in its 9 months season more than half the 12 months total tonnage of all the other three seacoasts of the United States. The far-western city of Duluth, although in winter latitude, ranks second in tonnage to the great port of New York. The single Lake Superior passes through the Soo locks each year three times the total tonnage of the whole Volga system serving all of Russia.

Is that "difficult navigation"?

Again, the pamphlet states (p. 4):

"It is proposed to construct 21 locks between Montreal and Duluth. These locks would constitute 21 physical barriers to navigation."

This is completely inaccurate. The whole St. Lawrence seaway from Montreal to Duluth would need only 16 locks, 8 of which are already constructed. Seven of these finished locks at the Welland Canal, built by Canada, costing \$130,000,000 wait today ready with ocean-size locks and depths for the great ships still blocked at Montreal by the out-moded locks and channels, half a century old. There are only three additional locks yet to be built by the United States, and five by Canada, all in the single stretch of 48 miles above Montreal. The association could have verified this easily by consulting the factual reports of the Department of Commerce completed under Secretary Jesse Jones. Only ignorance or intellectual dishonesty would have stated "21 physical barriers" to be constructed.

The pamphlet states (p. 4):

"The distance from the source of the St. Lawrence River (Lake Ontario) to the open sea is 1,182 miles. Navigation would be restricted for the entire distance."

Another completely inaccurate statement. Navigation from the Atlantic to Montreal (1,000 miles) is free and unhindered today for oceangoing vessels, even of 30-foot draft, until they are stopped by the 14-foot draft of the 50-year-old St. Lawrence locks at Montreal. In Document 110, Seventy-third Congress, the Interdepartmental Board stated, "The completed seaway from Duluth to the Atlantic Ocean will provide a waterway in which vessels may move with unrestricted speed over approximately 97 percent of the total distance."

The restriction seems to be only in Mr. Mace's anxiety to make a case.

The pamphlet states (p. 8):

"Throughout the years such steamship lines have either maintained an eloquent silence or have actively opposed the proposition."

On the contrary, in the Senate Committee on Foreign Relations hearings of 1932-33 (p. 706), Robert Dollar, president of Dollar Steamship Lines, a great figure in placing the American flag on American ships all over the world, stated:

"Ships will certainly go to the Lakes for cargo When the canal is finished there is no more reason for doubting that ships will go from the ocean to the Great Lakes than there is that ships will go to any port on the Atlantic seaboard. The fact that they can get nearer the center of the great producing country of the United States would be a great inducement in using the canal. Looking at the question from the shipowner's viewpoint, I am positive that it will be a great benefit to the shipowner, but more especially to the producers in the Pacific Northwest."

Take your choice between Mr. Mace and Capt. Robert Dollar.

In this record of omissions, evasions, and misstatements, please read page 5, citing the following questionable statements:

"In 1921 the International Joint High Commission reported in favor of the project Congress declined to authorize the construction of the seaway."

"In 1932 the treaty again failed of ratification."

"In 1934 the Senate again withheld ratification."

"In 1941 again Congress did not pass the requested legislation"

The facts are that over all those years, the only action by Congress was a Senate vote of 1934, 49 in favor to 43 against. This followed the 1933 approval of the Senate Foreign Relations Committee, 15 to 5. In 1941 the only congressional action was the

approval by the House Committee on Rivers and Harbors, 17 to 8, and just two weeks before Pearl Harbor deferred consideration. Is the Mace statement an honest presentation of the record between 1921 and 1941?

The pamphlet states (page 6):

"New York never has approved this project in its entirety."

The facts are that under Governor Franklin D. Roosevelt, the New York Legislature passed unanimously the Power Authority Act directing that organization to promote both navigation and power on the St. Lawrence River. Through the succeeding administrations of Governor Lehman and the present Governor Dewey, repeated efforts to repeal or amend the Power Authority Act or to oppose the St. Lawrence seaway have been defeated. The State of New York through its legislature and its Governors, both Republican and Democratic, has steadfastly favored the development of both navigation and power on the St. Lawrence. Only last January 3, Governor Dewey, addressing the assembly stated: "For years I have advocated the completion of the St. Lawrence seaway and power project." The association's statement does not square with the facts.

Without burdening this letter with repetition of other inaccuracies and fallacies in that pamphlet, may I point out one important omission emphasizing its unfair methods and argument. On pages 12 to 15 is reproduced a letter from Mr. James Norris, of Chicago addressed to you, Senator, criticizing the seaway and claiming it would be of no benefit to the grain trade. That letter was from the CONGRESSIONAL RECORD of March 12 last, where you, yourself, introduced it together with a detailed factual reply which Mr. Mace does not reproduce or even mention. To my mind your reply was an accurate and adequate refutation, and I speak on this point with a lifetime of grain exporting myself, and with a unique experience of World War I as President Wilson's and Herbert Hoover's head of the United States Grain Corporation.

If the deeper St. Lawrence had been open in that World War I, American and Canadian grain would have more nearly approximated the European price.

This pamphlet exhibits a curious history perspective. On pages 3 and 12 it goes back to 1900 to find the only unfavorable official report ever made on the St. Lawrence project. Even that report was immediately followed by the construction in 1903 of the present outmoded locks built for ships of 250 feet instead of today's 800, and for ships requiring 14 feet draft instead of today's 27 feet. The commerce of 1900 was handled in ships of 2,000 tons instead of today's 20,000. Turn back the clock.

In this pamphlet sent to every Member of Congress and widely to the press, the final paragraph is a striking example of selfish impudence. It reads:

"Having failed of justification on every point upon which support has been advanced, the project should permanently be abandoned. After approximately half a century of studies, estimates and discussion, it warrants no further expenditure of time, money, or consideration."

Your colleague should read that advice in the light of the approvals of five Presidents of the United States, including President Truman, three New York State Governors, including Governor Dewey, two New York State Legislatures, five Boards of Engineers, two committees of Congress, a majority vote of the United States Senate in favor, the Maritime Commission, building and operating the world's wonder fleet, the Department of State, War, Navy, Commerce, and Agriculture. These judgments expressed by national and State agencies invested with a wide public interest can be measured against this individual employee of a commercial body in a single port. The

Federal Government has already properly spent in the improvement of New York harbor more than half the total cost to our Government of operating the St. Lawrence now with its score of great cities waiting for it. Sounds selfish, doesn't it?

This Association has always been backward on the St. Lawrence project. Let us see what has happened on this half century.

On power, even 30 years ago, the total generated power of America was 14,000,000,000 kilowatt-hours. In 1934 when this Association opposed the project before Congress, America used 90,000,000,000 kilowatt-hours. In 1941 when this Association again opposed this project and stated that power was not needed, America generated 160,000,000,000 kilowatt-hours. Last year, America used 240,000,000,000 kilowatt-hours. The greatest power-operated industrial Nation, because of such opposition, sees today, flowing unused to the sea, the cheapest source of power remaining in America, more than the T. V. A. total improvement. In the 4 years since 1941 association opposition, the population of the Northeastern United States has actually shrunken almost 5 percent. At what stage would this association change its views?

In these same 4 years more than half the national expenditure in new plants and plant expansion has centered around the Great Lakes cities. From the management genius and the swelling pool of skilled labor flowed the miracle industrial production that saved the world.

If the St. Lawrence had in 1934 been approved by only 15 additional Senators there would have been saved untold lives and unnumbered ships over the protected St. Lawrence route during the critical years since Pearl Harbor.

America was not built by men who oppose and object, but by men of courage and faith in America's growth, magnificently justified especially in these last 4 years of war. Men in this National St. Lawrence Association like Owen D. Young, Edward P. Noble, John Cowles, Cyrus Eaton, Henry Ford II, Marshall Field, Jay N. Darling, C. B. Thomas, Bernard Ridder, Murray Van Wagener will continue to ask of Congress fair play in presenting the weighty reasons for congressional approval and firm in the faith that opening a fourth seacoast in the war industry heart of America will not so much divert tonnage and commerce from other ports and railroads, but rather create a great upsurge in industry, employment, and earnings, marking a new and brilliant chapter in America's world leadership.

Sincerely,

JULIUS H. BARNES,

Member of Commerce and Industry
Association of New York.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH

Mr. OVERTON. Mr. President, I move that the Senate proceed to consider House bill 3109, making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3109) making appropriations for the legislative branch for the fiscal year ending June 30, 1946, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. OVERTON. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the amendments of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Senate," at the top of page 2, to insert:

There shall be paid to each Senator, after January 2, 1945, an expense allowance of \$2,500 per annum, to assist in defraying expenses related to or resulting from the discharge of his official duties (including expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties) to be paid in equal monthly installments. Such allowance shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law. For making such payments through June 30, 1946, \$353,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. OVERTON. Mr. President, this amendment will require some time for explanation, and it is a controversial amendment. Therefore I suggest that it be passed over for the time being.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the amendment will be passed over.

The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Office of the Secretary," on page 3, line 7, after the word "and," to strike out "\$1,000" and insert "\$2,000"; in line 22, after the word "clerks" and the dash to insert "one at \$3,900"; on page 4, line 6, after the word "each", to insert "additional clerical assistance and readjustment of salaries in the disbursing office, '\$4,020';"; in line 8, after the amendment just above stated, to strike out "assistant in library, \$1,440" and insert "two assistants in library at \$1,800 each"; in line 11, after the word "messenger", to strike out "\$1,260" and insert "\$1,320"; in the same line, after the words "one at" where they occur the first time to strike out "\$1,980" and insert "\$2,040"; in line 12, before the word "five", to strike out "\$1,620" and insert "\$1,680"; in the same line, after the words "five at", to strike out "\$1,440" and insert "\$1,500"; in the same line, after the words "one at", to strike out "\$1,380" and insert "\$1,440"; in line 13, after the words "Secretary's office", to strike out "\$1,680" and insert "\$1,740"; in the same line after the word "one" where it occurs the second time, to strike out "\$1,560" and insert "\$1,620"; in line 14, after the word "one", to strike out "\$1,260" and insert "\$1,320"; and in the same line, after the words "in all", to strike out "\$153,920" and insert "\$165,720."

The amendment was agreed to.

Mr. AIKEN. Mr. President, may we know on what page the amendments appear which are now being agreed to? The amendments are read so fast I have not been able to find where they are.

The PRESIDENT pro tempore. The last amendment agreed to appears on page 4.

The next amendment was, under the subhead "Document Room," on page 4, line 19, after the word "laborer", to strike out "\$1,380" and insert "\$1,440"; and in the same line, after the words "in all", to strike out "\$19,220" and insert "\$19,280."

The amendment was agreed to.

The next amendment was, under the subhead "Committee Employees," on page 5, line 4, after the figures "\$4,800", to insert "assistant clerk, \$3,600 for the office of the ranking minority member of the Committee on Appropriations, to be appointed by him;"

The amendment was agreed to.

The next amendment was, in line 13, after the figures "\$2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, \$6,000."

The amendment was agreed to.

The next amendment was, in line 15, after the figures "3,900", to insert "assistant clerk, \$3,180."

The amendment was agreed to.

The next amendment was, in line 18, after the figures "3,900", to insert "assistant clerk, \$3,600."

The amendment was agreed to.

The next amendment was, in line 24, after the figures "2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, \$6,000."

Mr. AIKEN. Mr. President, at this time I should like to ask what is the purpose of these appropriations which it is proposed to make to the majority and the minority conferences of the Senate? For what purpose is that money supposed to be used? What are the clerks and assistant clerks supposed to do? Is it simply the setting up of political organizations within the Senate itself? And why should public money be expended for that purpose, if that is the purpose?

Mr. OVERTON. That is the question which is before the Senate. The amendment was offered by the able Senator from Ohio [Mr. TAFT]. Perhaps he would prefer to explain it.

Mr. TAFT. Of course, it is to be understood, first, that the regular minority conference clerks described in the bill are the personal clerks who are assigned to the Senator from Michigan [Mr. VANDENBERG]. As the Senator from Michigan he receives his allowances just as if he were a committee chairman instead of receiving them as an individual Senator. So, most of these clerks in this list are his personal office force. The additional \$6,000 is sought for the purpose of the direct clerical assistance to the minority conference. I think it does not provide for any more than are now there, but I have assigned one of my clerks and the Senator from Kansas [Mr. REED] has assigned one of his clerks. I think there are now one research clerk and two stenographers. They are to be covered by the \$6,000. It seems proper that the cost should be charged directly to the minority conference.

Mr. AIKEN. Are these extra clerks and assistants additional to the regular clerks which the chairmen of the ma-

jority and minority conferences are allowed as Senators?

Mr. TAFT. Yes, as Senators.

Mr. AIKEN. They are additional?

Mr. TAFT. The Senator from Michigan, by reason of being the chairman of the minority conference receives \$3,840 more than he would receive if he were merely a Senator from Michigan and not the chairman of the conference. That \$3,840 he is willing to assign plus the \$6,000, which would bring the total altogether to about \$9,800, which covers I think about four clerks who are assisting the research assistant.

Mr. AIKEN. Then the Senator from Michigan, and the majority chairman, who I presume is the Senator from Kentucky [Mr. BARKLEY]—

Mr. TAFT. Yes.

Mr. AIKEN. Would receive about \$18,000 a year more for clerk hire because of being chairman.

Mr. TAFT. Not \$18,000. To be exact, the Senator from Michigan would receive \$9,840, in addition to what he receives by virtue of the fact that he is a Senator from Michigan. The \$9,840 would be for additional clerical assistance.

The same condition exists in every committee of the Senate. I think the existing system is a very poor way to handle the problem; but every committee chairman is assigned a certain number of clerks, and no distinction is made between his personal office force and those who serve the committee. It is up to the chairman to decide how much clerical assistance he will assign to the committee, and how much he will keep in his office. I think it is a poor system.

Mr. AIKEN. I agree with the Senator.

Mr. TAFT. We discussed that question with the committee. We felt that if we were to undertake any general reform, the two activities should be separated. Every Senator should have his individual clerks, and each committee should have the clerks necessary to do the committee work. But so long as the present system exists, this seemed to me to be the best way to handle this particular situation.

So far as the Senator from Michigan is concerned, he will receive exactly what he receives as a Senator from Michigan, and the \$9,840 which he would receive in addition would be used to provide an office force for the minority conference.

Mr. AIKEN. Is the additional money proposed to be assigned to the majority and the minority to hire clerks to keep up with their politics?

Mr. TAFT. No; to keep up with the research work, which is very valuable. This work is being done continuously, and is of great value to the minority. In some cases the results of the work are placed in the CONGRESSIONAL RECORD and made available to all Senators. As a matter of fact, much of the research work done is available to any Democratic Senators who wish to have it. So far as I know, there has been nothing secret about it up to this time. It has been something that we could get directly and quickly, and from the point of view from which we wished to have the particular problem studied.

Mr. AIKEN. What research work is done that the Library of Congress would not willingly do?

Mr. TAFT. A Senator can call up the Library of Congress and have certain formal research work done. I should say that this particular research work is done very much better, and very much more reliably. It is approached from the particular point of view of the members of the minority conference. I have heard no criticism whatever of the work done, and I have heard nothing but praise for the assistance which has been rendered to Senators who have availed themselves of it.

Mr. AIKEN. The research work should be on a wholly impartial basis. Otherwise, public funds may be used for partisan or propaganda purposes.

Mr. TAFT. Does not the Senator believe that all research work is done from a particular standpoint? A Senator may say "I want to get the arguments on this side of the problem, or on that side of the problem, or on both sides." Those who are asked to do the research work are usually willing to do it, no matter from what point of view the work is approached. Suppose the Senator's charge were true. I do not know how many Government bureau research workers are approaching the thing solely from a political standpoint. There are probably a thousand times as many as the three clerks who might be assigned to the minority conference.

Mr. AIKEN. Mr. President, I have made no charges that I am aware of. I am simply questioning the advisability of adding \$6,000 each to the appropriations for the majority and minority leaders, without having a pretty good idea that the money is to be well spent, and in the public interest. I do not see why it should be spent for any other purpose than in the public interest. I hope the amendment will not prevail.

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

Mr. OVERTON. I yield.

Mr. LANGER. How does this amount compare with the amount which the late Senator McNary had available?

Mr. TAFT. The amount is exactly the same as the amount which Senator McNary had, except for the additional \$6,000. As the Senator knows, the work now covers a somewhat broader field. As I say, we have actually used these clerks. I have assigned one to the minority conference, which I cannot afford to do permanently. The Senator from Kansas [Mr. REED] has assigned one clerk, which he cannot afford to do permanently. It seemed proper that they should be paid for directly by the Senate, instead of by individual Senators.

Mr. LANGER. Is it proposed to appropriate \$6,000 additional for the majority leader as well?

Mr. TAFT. Yes.

Mr. AIKEN. Suppose the Senator from Ohio should tell one of the research assistants that he desired data to substantiate one side of a question, and the Senator from North Dakota should tell the same clerk that he desires data to support an argument on the other side

of the question. Would both Senators be entitled to make their requests?

Mr. TAFT. Both of them would receive what they requested; and if the research worker were asked for his opinion, undoubtedly he would give his opinion, which might be either way. He would be likely to be a man of very set opinions of his own. However, it would be clear that his opinions were his own, and not those of anyone else.

Mr. AIKEN. Mr. President, I have no objection to leaving the appropriation as it is at present, but I do not think we should appropriate \$6,000 additional of public money for this purpose. The majority leader could use his allotment to promote the cause of the majority party, and the minority leader could use his to promote the cause of the minority party, and the public would pay the bill.

Mr. OVERTON. Mr. President, it depends very largely on the viewpoint. Year after year we appropriate, not a few thousand dollars, but millions of dollars, for clerical help in the executive agencies and departments in Washington, and not a single objection is raised. But when an effort is made to assist the United States Senate and United States Senators in the discharge of their legislative duties, and a small appropriation is asked for that purpose, very frequently objection is heard.

So far as I am individually concerned, I believe that we ought to be better equipped than we are with able clerical help. I see no reason why the majority conference and the minority conference should not have the small sum of \$6,000 each for additional clerical help.

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

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Louisiana yield to the Senator from Vermont?

Mr. OVERTON. I yield.

Mr. AIKEN. I should like to ask the Senator from Ohio [Mr. TAFT] a question. Did I correctly understand the Senator from Ohio to say that the information gathered by these research assistants is available to any Senator?

Mr. TAFT. I do not think I would say that, because one of the purposes of asking for such information, and one reason for having a minority force, is to obtain a confidential report which is not available to everyone unless it is desired to make it available. Most of the information which has been obtained has been available to all Senators. Every committee chairman in the Senate can use one of his clerks to make a partisan research study, and can keep it confidential if he wishes to do so. If he can do so, why should not the chairman of the minority conference and the chairman of the majority conference have the same privilege? I do not understand the Senator's point of view. I do not understand his criticism of this proposal.

Mr. AIKEN. I know that every Senator can have his clerks do research work for his own political benefit. He has an appropriation for that purpose. If every Senator, including the majority and minority leaders, has an appropriation for clerks and can use it for that

purpose, what is the sense of having an additional appropriation for that purpose?

Mr. TAFT. Because we can have better work done, especially if our own clerks are busy. Incidentally, Senators are not given any allowance for a real research clerk. The clerks in his office are so busy with his own work that he cannot always afford to assign them to research work. At least, he cannot afford to employ an individual or a force with sufficient breadth of knowledge and ability to study all kinds of problems, which we can do if we combine in an effort to get the work done.

Mr. AIKEN. Has there been any complaint on the part of Senators that they could not get that work done by their own office forces?

Mr. TAFT. Yes; and there has been great satisfaction with the work which has been done.

Mr. AIKEN. There is some dissatisfaction with some of the work that has been done, or is going to be done.

Mr. TAFT. I do not know what the Senator can tell about what is going to be done.

Mr. AIKEN. Too much of this money has been used for propaganda purposes.

Mr. President, I have nothing further to say. I will vote against the proposed appropriation.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 5, beginning in line 24.

Mr. AIKEN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the request sufficiently seconded?

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

The PRESIDING OFFICER. The clerk will call the roll.

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

| | | |
|-----------|-----------------|---------------|
| Aiken | Green | O'Daniel |
| Bailey | Guffey | O'Mahoney |
| Bankhead | Gurney | Overtown |
| Barkley | Hart | Pepper |
| Bilbo | Hatch | Revercomb |
| Bridges | Hayden | Russell |
| Briggs | Hickenlooper | Saltonstall |
| Burton | Hoey | Shipstead |
| Bushfield | Johnson, Colo. | Smith |
| Butler | Johnston, S. C. | Stewart |
| Byrd | La Follette | Taft |
| Capper | Langer | Thomas, Okla. |
| Chandler | Lucas | Thomas, Utah |
| Chavez | McClellan | Tobey |
| Cordon | McKellar | Wagner |
| Donnell | McMahon | Walsh |
| Eastland | Maybank | White |
| Ellender | Moore | Wiley |
| Fulbright | Morse | Willis |
| George | Murdock | Wilson |
| Gerry | Myers | Young |

Mr. BARKLEY. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], and the Senator from Nevada [Mr. SCRUGHAM] are absent because of illness.

The Senator from Florida [Mr. ANDREWS] is necessarily absent.

The Senator from Texas [Mr. CONNALLY] is absent on official business as a delegate to the International Conference in San Francisco.

The Senator from California [Mr. DOWNEY], the Senator from Montana [Mr. MURRAY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from

Washington [Mr. MAGNUSON], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Alabama [Mr. HILL] is absent because of illness in his family.

The Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MITCHELL], and the Senator from Delaware [Mr. TUNNELL] are absent on official business for the Special Committee Investigating the National Defense Program.

The Senator from Nevada [Mr. McCARRAN] is absent on official business.

The Senator from Arizona [Mr. McFARLAND] and the Senator from Montana [Mr. WHEELER] are absent on official business for the Committee on Interstate Commerce.

The Senator from Maryland [Mr. TYDINGS], chairman of the Committee on Territories and Insular Affairs, has been designated to visit the Philippine Islands and, therefore, is necessarily absent.

Mr. WHITE. The Senator from Vermont [Mr. AUSTIN], the Senator from Illinois [Mr. BROOKS], and the Senator from Nebraska [Mr. WHERRY] are absent, by leave of the Senate.

The Senator from Michigan [Mr. VANDENBERG] is absent on official business as a delegate to the International Conference at San Francisco.

The Senator from Idaho [Mr. THOMAS] and the Senator from Colorado [Mr. MILLIKIN] are absent because of illness.

The Senator from New Jersey [Mr. HAWKES] is absent on official business, by leave of the Senate.

The Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON] are absent on official business of the Senate, as members of the Mead committee.

The Senator from Indiana [Mr. CAPEHART] is necessarily absent on official business.

The Senator from Wyoming [Mr. ROBERTSON] is absent by leave of the Senate, on official business of the Committee on Public Lands and Surveys.

The Senator from Kansas [Mr. REED] is detained in committee meeting, and the Senator from Delaware [Mr. BUCK] is necessarily absent.

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

Mr. AIKEN. Mr. President, I suggested the absence of a quorum because I should like to have a record vote on this amendment, which proposes to give \$6,000 a year to the majority and minority leaders for clerk hire, in addition to the \$9,000 or \$10,000 they now have for that purpose. It looks to me as if the additional \$6,000 asked for is simply for political purposes. I do not think it should come out of the public funds, when it would be used for party political purposes. I have no objection to leaving the appropriation as it now is, but I do not believe we should allow the extra \$6,000. I hope the Members of the Senate will be willing to go on record regarding how they feel about the additional appropriation. Therefore, I have asked for the yeas and nays.

The PRESIDENT pro tempore. The yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. AIKEN. Mr. President, I wish to call attention to the fact that the Senator from Massachusetts [Mr. WALSH], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from North Dakota [Mr. LANGER], and I were willing to have our positions on this amendment recorded.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 5, in line 24.

The amendment was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, on page 6, in line 4, after the figures "\$2,220", to insert a semicolon and "additional clerical assistance at rates of compensation to be fixed by the chairman of said committee, \$6,000"; in line 10, after the figures "\$3,900", to insert "assistant clerk, \$2,880"; in line 11, after the figures "\$2,220", to strike out "additional clerk, \$1,800" and insert "two additional clerks at \$1,800 each"; in line 16, after the figures "\$3,900", to insert "assistant clerk, \$3,600"; in line 17, after the figures "\$2,220", to strike out "additional clerk, \$1,800" and insert "two additional clerks at \$1,800 each"; in line 25, after the figures "\$3,900", to insert "assistant clerk, \$3,600"; on page 7, line 3, after the figures "\$2,580", to insert "assistant clerk, \$2,400"; in line 4, after the figures "\$2,220", to strike out "additional clerk, \$1,800" and insert "two additional clerks at \$1,800 each"; in line 11, after the figures "\$2,220", to insert "assistant clerk, \$2,040"; in line 22, after the figures "\$2,220", to insert "assistant clerk, \$2,040"; in line 23, after the figures "\$3,900", to insert "special assistant, \$3,300"; on page 8, line 2, after the figures "\$2,220", to insert "two assistant clerks at \$1,800 each"; in line 6, after the figures "\$3,900", to strike out "assistant clerk, \$2,400" and insert "two assistant clerks at \$2,400 each"; in line 15, after the figures "\$2,400", to strike out "assistant clerk, \$2,220" and insert "two assistant clerks at \$2,220 each"; in line 18, after the figures "\$2,000", to insert "assistant clerk, \$1,800"; in line 20, after the figures "\$3,900", to insert "assistant clerk, \$1,800 and \$1,500 additional so long as the position is held by the present incumbent"; on page 9, in line 3, after the figures "\$1,800", to insert "Special Committee on Conservation of Wildlife Resources—clerk, \$3,900; assistant clerk, \$1,800"; and in line 8, after the words "in all", to strike out "\$515,140" and insert "\$587,800."

The amendment was agreed to.

The next amendment was, under the subhead "Clerical assistance to Senators," on page 9, line 14, after the word "each" where it occurs the second time, to strike out "such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman."

Mr. OVERTON. Mr. President, for the purpose of the RECORD, I desire to make a statement in respect to the additional

clerks to whom the Senate is now addressing itself.

As Senators know, these additional clerks are not new clerks; they have been on the Senate roll, but they have been paid out of the contingent fund of the Senate in accordance with a resolution which was reported by the Committee to Audit and Control the Contingent Expenses of the Senate. At the opening of the present session that committee reported resolutions with respect to these additional clerks and provided that the period of their employment should expire on June 30 of this year. The committee did so for the express purpose of having such additional clerks carried as permanent clerks in the appropriation bill now being considered, if the Senate desired that to be done.

I make that explanation in order that Senators may understand that no additional offices are being created.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 9 in line 14.

The amendment was agreed to.

The next amendment was, on page 10, line 15, after the word "Senator", to strike out "from each State having a population of 4,000,000 or more inhabitants, \$90,720; and \$4,020 per annum for each Senator from each State having a population of less than 4,000,000, \$315,560 in all, \$404,280" and insert "\$493,840."

The amendment was agreed to.

Mr. BYRD subsequently said: Mr. President, I ask the Senator from Louisiana to refer back to the amendment beginning in line 15 on page 10. Am I to understand that the plan of affording ex officio clerks to Senators representing the larger States is to be changed?

Mr. OVERTON. No; that is not correct. We have left undisturbed the additional clerical help furnished to Senators representing the larger States; but it will be remembered that when the Senate originally made that provision at the last session of Congress we added certain clerks for the remaining Senators. For the purpose of supplying additional clerks we made a distinction between clerks of Senators who represented the larger States and clerks of Senators who represented the smaller States. We see no reason why there should be a distinction between those additional clerks in respect to their salaries.

Mr. BYRD. The Senators representing the larger States receive additional clerical assistance, as I think they should.

Mr. OVERTON. They receive such assistance.

Mr. BYRD. The provision to which I have referred on page 10 would not disturb that situation?

Mr. OVERTON. No.

Mr. BARKLEY. Mr. President, if the Senator from Louisiana will yield let me say that, as I understand, this amendment eliminates the ceiling which may be observed with respect to the compensation paid to clerks so that their compensation does not depend upon the population of any State.

Mr. OVERTON. That is correct. After providing for additional clerks to Senators from the larger States, the Senate last year provided an additional clerk for each Senator regardless of the population of the State which he represented, whether it be a State of large population or a State of small population. We are now fixing the compensation of those additional clerks from all States, large and small, at the same rate.

Mr. BARKLEY. That is what I mean.

Mr. OVERTON. Yes.

The next amendment was, on page 12, line 3, after the word "Senators", to strike out "\$1,567,080" and insert "\$1,646,640: *Provided*, That all clerks, assistant clerks, and additional clerks under this heading shall be ex officio clerks, assistant clerks, and additional clerks of any committee of which their Senator is chairman."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Sergeant at Arms and Doorkeeper", on page 12, line 20, after the word "majority", to strike out "\$2,280 and \$120 additional so long as the position is held by the present incumbent" and insert "\$2,640"; in line 23, after the word "minority", to strike out "\$2,280 and \$120 additional so long as the position is held by the present incumbent", and insert "\$2,640"; on page 13, line 7, after the word "one", to strike out "\$2,040" and insert "\$2,220"; in the same line, after the word "upholsterer", to strike out "\$2,040" and insert "\$2,220"; in line 11, after the word "passage", to strike out "\$1,740" and insert "\$1,800"; in line 13, after the word "at", to strike out "\$1,500" and insert "\$1,560"; in line 15, after the word "at", to strike out "\$1,500" and insert "\$1,560"; in line 16, after the word "chief", to strike out "\$2,460 and \$280 additional so long as the position is held by present incumbent" and insert "\$3,000"; in line 17, after the amendment last stated, to strike out "fourteen at \$1,620 each" and insert "assistant chief, \$2,400; thirteen at \$1,800 each; longevity pay of operators as authorized by Public Law No. 2, Seventy-ninth Congress, \$1,350"; in line 21, after the word "space", to strike out "\$1,200" and insert "\$1,260"; in line 25, before the word "each" where it occurs the first time, to strike out "\$1,560" and insert "\$1,620"; in the same line, after the words "two at", to strike out "\$1,440" and insert "\$1,500"; on page 14, after the words "two at", to strike out "\$1,440" and insert "\$1,500"; in line 3, after the words "one at", to strike out "\$1,320" and insert "\$1,380"; in the same line, after the amendment last stated, to strike out "twenty-seven at \$1,260 each" and insert "twenty-six at \$1,320 each"; in line 4, after the words "three at", to strike out "\$480" and insert "\$540"; and in line 7, after the words "in all", to strike out "\$272,484" and insert "\$279,494."

The amendment was agreed to.

Mr. BYRD. Mr. President, are all these employees under the classified civil service?

Mr. OVERTON. To what item is the Senator referring?

Mr. BYRD. I was referring to the laborers provided for on page 13.

Mr. OVERTON. No; the employees under the Sergeant-at-Arms are not under civil service.

Mr. BYRD. Are any of them affected by the bill which was passed last week increasing the salaries in the classified civil service? I know that janitors and others were affected.

Mr. OVERTON. Those employees whose salaries are to be increased in this bill were not taken care of in the bill passed a few days ago.

Mr. BYRD. We are not being asked to change any salaries which were affected by the bill which was passed last week covering employees of the legislative branch of the Government; are we?

Mr. OVERTON. No.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, on page 14, line 9, after the word "Captain", to strike out "\$2,700" and insert "\$3,000"; in the same line, after the word "at", to strike out "\$1,740" and insert "\$2,000"; in line 10, after the word "at", to strike out "\$1,740" and insert "\$2,000"; in line 11, after the word "at" where it occurs the first time, to strike out "\$1,680" and insert "\$1,920"; in line 12, before the word "each", to strike out "\$1,620" and insert "\$1,800"; and in the same line, after the words "in all", to strike out "\$105,480" and insert "\$117,680."

The amendment was agreed to.

The next amendment was, under the subhead "Post Office," on page 14, line 15, after the figures "\$2,280", to insert "assistant, \$1,740"; and in line 17, after the words "in all", to strike out "\$56,460" and insert "\$58,200."

The amendment was agreed to.

The next amendment was, under the subhead "Folding room," on page 14, line 20, after the word "incumbent", to strike out "clerk, \$2,400; clerk, \$1,740" and insert "clerks—one at \$2,400, two at \$1,740 each"; in line 22, after the figures "\$2,040", to strike out "fourteen" and insert "thirteen"; and in line 23, after the words "in all", to strike out "\$29,340" and insert "\$29,640."

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses of the Senate," on page 16, line 15, after the word "labor", to strike out "\$372,962" and insert "\$401,762."

The amendment was agreed to.

The next amendment was, on page 16, line 21, after the words "by law", to strike out "\$9,376.66" and insert "\$10,249.66, and the maximum allowance per capita of \$96.66 is increased to \$105.66 for the fiscal year 1946 and thereafter."

The amendment was agreed to.

Mr. LUCAS. Mr. President, I should like to ask the Senator from Louisiana a question with respect to the amendment in line 8, on page 14, in fact the entire paragraph beginning in line 8, dealing with the salaries of the Capitol Police force. I should like to know how the salaries of the Capitol Police force compare with the salaries of the police force here in the District of Columbia.

Mr. OVERTON. The salaries of the Capitol Police are substantially lower than the salaries of the Metropolitan Police, to such an extent that it has been very difficult to obtain policemen and officers for the Capitol Police, and the salary is so low that the right of patronage exercised by Senators with respect to members of the Capitol Police force is now very rarely taken advantage of, because men from the different States are unwilling to come to Washington and work at so meager a compensation.

We have done the best we could. We have provided a rather slight increase, not so large an increase as was suggested, but we felt that, on the whole, we were doing substantial justice or at least we were improving the situation.

Mr. LUCAS. I am glad to have that explanation. I hope that at some time we can have a police force for the Capitol which will be in keeping with the dignity of the Congress and that money may be provided to pay them compensation to which a good police officer is entitled. Some day, as a member of the Rules Committee, I hope to make some kind of a report dealing with that subject. As I have observed from time to time the workings and operations of the police force in the Capitol, it has sometimes occurred to me that they perform public service commensurate with the pay received.

I am not speaking in any disrespect of any man on the Capitol Police force; but I definitely feel that they are all underpaid and that there should be established a more rigid and efficient system that would make the Capitol Police force an enforcement agency that would receive the commendation of all visitors who come to the Capitol.

Mr. OVERTON. I wish to say now with respect to the observation made by the Senator from Illinois concerning the Capitol Police that the Sergeant at Arms of the Senate stated to the committee that he has a very efficient police force; that he has no criticism to make of it; and that they are very attentive to their duties. I may say in this connection that their duties are not so light as might be indicated by the observations made by the able Senator from Illinois. They have a great responsibility and they have considerable territory to cover, including all the buildings and grounds around the Capitol, and they are constantly vigilant and on the alert. Mr. Romney, the Sergeant at Arms of the House of Representatives, intimated that if the compensation of the Capitol Police could be increased he thought he could obtain more efficient policemen on the House side.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. OVERTON. I yield.

Mr. LUCAS. I am not complaining so much about the manner in which the Capitol Police perform their duties; in fact, one of the members of the police force is from Illinois. I know he is a capable and competent officer. I am complaining primarily, more than anything else, about the salaries these men are now paid in comparison with the salaries paid members of the Metropolitan Police force of this city and other

cities. I think that the duties of the Capitol Police force around the Capitol, so far as responsibility is concerned, are just as heavy as and more important in many cases than the responsibilities of policemen on regular beats here in the city.

Mr. OVERTON. I quite agree with the Senator. However, I did not feel personally like urging too great an increase, because in acting as chairman of the subcommittee I was acting in a substitute capacity. The regular chairman of the subcommittee was absent, and I did not wish to advocate too many and too large increases in the salary rates.

The PRESIDENT pro tempore. The clerk will state the next amendment reported by the committee.

The next amendment was, on page 17, line 6, after the word "resolution", to insert a colon and the following proviso: "Provided, That whenever any person has left or leaves any civilian position in any department or agency in the executive branch of the Government in order to accept employment by the Senate Committee on Appropriations, he shall be carried on the rolls of such committee and shall be solely employed by such committee, and responsible only to it; but he shall be entitled upon making application to the Civil Service Commission within 30 days after the termination of his employment by such committee (unless such employment is terminated for cause) to be restored to a position in the same or any other department or agency where an opening exists, comparable to the position which, according to the records of the department or agency which he left to accept employment by the Senate Committee on Appropriations or in the judgment of the Civil Service Commission, such person would be occupying if he had remained in the employ of such department or agency during the time he was employed by such committee; and such person shall be restored to such position with the same seniority, status, and pay as if he had remained in the employ of the department or agency which he left, during such time. This section shall not be construed to require any person to be restored to a position in any department or agency after the expiration of the time for which he was appointed to the position which he left to accept employment by such committee."

The amendment was agreed to.

The next amendment was, on page 18, line 11, after the name "Senate", to strike out "the initial 3-minute toll charges on not to exceed 10 strictly official long-distance telephone calls from Washington, District of Columbia, per month for each Senator", and insert: "toll charges on not to exceed 26 strictly official long-distance telephone calls, aggregating per month for each Senator not more than 130 minutes, to and from Washington, District of Columbia."

The amendment was agreed to.

The next amendment was, on page 18, after line 17, to insert:

There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee

to Audit and Control the Contingent Expenses of the Senate, toll charges on strictly official long-distance telephone calls originating and terminating outside of Washington, District of Columbia, not to exceed \$300 per year for each Senator.

The amendment was agreed to.

The next amendment was, on page 19, line 2, after the name "Senate", to strike out "\$26,900" and insert "\$46,300: *Provided*, That commencing with the fiscal year 1946 the allowance for stationery for each Senator and for the President of the Senate shall be \$400 per annum."

The amendment was agreed to.

The next amendment was, under the heading "Architect of the Capitol—Capitol Buildings and Grounds," on page 38, line 22, after the numerals "1941", to strike out "\$317,200" and insert "\$331,000."

The amendment was agreed to.

Mr. JOHNSON of Colorado. Mr. President, I desire to reserve the right to offer an amendment on page 19, lines 16 to 25, inclusive. I desire to reserve the right to move to amend that provision.

The PRESIDENT pro tempore. The amendment of the Senator from Colorado will be in order after the committee amendments shall have been disposed of.

Mr. JOHNSON of Colorado. I merely wanted that to be understood.

The PRESIDENT pro tempore. The Senator from Colorado will have the opportunity to offer an amendment.

The clerk will state the next amendment reported by the committee.

The next amendment was, on page 39, line 24, after the words "in all", to strike out "\$349,500" and insert "\$339,500."

The amendment was agreed to.

The next amendment was, under the heading "Library of Congress," on page 43, after the word "Librarian", to strike out "\$1,777,000" and insert "\$1,783,310."

The amendment was agreed to.

The PRESIDENT pro tempore. That concludes the committee amendments except the first committee amendment on page 2, which will be stated.

The CHIEF CLERK. Beginning at the top of page 2 it is proposed to insert the following:

There shall be paid to each Senator, after January 2, 1945, an expense allowance of \$2,500 per annum, to assist in defraying expenses related to or resulting from the discharge of his official duties (including expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties) to be paid in equal monthly installments. Such allowances shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law. For making such payments through June 30, 1946, \$358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. OVERTON. Mr. President, a number of Senators desired to know when this amendment, relative to the congressional expense allowance, would come up. I stated to them that I would suggest the absence of a quorum. Although there is a very full attendance of the Senate at this time, in order that other Senators may be present—

Mr. HATCH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from New Mexico?

Mr. OVERTON. I yield.

Mr. HATCH. Is it the intention of the Senator to proceed with this amendment this afternoon?

Mr. OVERTON. Yes, indeed. Therefore, Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

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

| | | |
|-----------|-----------------|---------------|
| Aiken | Green | O'Daniel |
| Bailey | Guffey | O'Mahoney |
| Bankhead | Gurney | Overt |
| Barkley | Hart | Pepper |
| Billbo | Hatch | Revercomb |
| Bridges | Hayden | Russell |
| Briggs | Hickenlooper | Saltmestall |
| Burton | Hoey | Shipstead |
| Bushfield | Johnson, Colo. | Smith |
| Butler | Johnston, S. C. | Stewart |
| Byrd | La Follette | Taft |
| Capper | Langer | Thomas, Okla. |
| Chandler | Lucas | Thomas, Utah |
| Chavez | McClellan | Tobey |
| Cordon | McKellar | Wagner |
| Donnell | McMahon | Walsh |
| Eastland | Maybank | White |
| Ellender | Moore | Wiley |
| Fulbright | Morse | Willis |
| George | Murdoch | Wilson |
| Gerry | Myers | Young |

Mr. WHITE. Mr. President, I announce again the unavoidable absence of the Senator from Oregon [Mr. MORSE] in attendance upon public business.

The PRESIDENT pro tempore. Sixty-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment beginning at the top of page 2.

Mr. OVERTON obtained the floor.

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

Mr. OVERTON. I yield.

Mr. LUCAS. I should like to call the attention of the able Senator to the last two paragraphs on page 18. The first paragraph deals with toll charges for telephone calls made by Senators to be paid from the contingent fund of the Senate, under the control of the Committee to Audit and Control the Contingent Expenses of the Senate, of which the Senator from Illinois is chairman. I think I thoroughly understand the change which has been made in paragraph 1 with respect to toll charges which each Senator may incur, but with respect to paragraph 2 I am not certain. Paragraph 2 reads:

There shall be paid from the contingent fund of the Senate, in accordance with rules and regulations prescribed by the Committee to Audit and Control the Contingent Expenses of the Senate, toll charges on strictly official long-distance telephone calls originating and terminating outside of Washington, D. C., not to exceed \$300 per year for each Senator.

In paragraph 1 it is provided that each Senator may make "not to exceed 26 strictly official long-distance telephone calls" from his home to Washington, if official business, or from Washington to his home, if official business. It is stated that in addition to those telephone calls there shall be paid from the contingent fund "toll charges on strictly official long-distance calls" terminating outside

of Washington, D. C., "not to exceed \$300 per year."

That paragraph provides that the Committee to Audit and Control the Contingent Expenses of the Senate shall lay down the rules controlling the expenditure of the \$300. Am I to understand that each Senator must keep an itemized account of each and every telephone call that is made, or at the end of the year will the Committee to Audit and Control the Contingent Expenses of the Senate be directed to pay each Senator the sum of \$300?

Mr. OVERTON. I do not understand it would work that way. I think it would operate just as the present system does, a practice with which the Senator is familiar, that is, that the telephone company would make note of the charges, and when the \$300 was exhausted then, of course, that would end the Senator's allowance with respect to telephone calls outside of Washington.

Mr. LUCAS. In other words, the telephone company is to keep the books for each Senator with respect to these telephone calls?

Mr. OVERTON. That is my understanding, and if that be found, after consultation by the Committee to Audit and Control the Contingent Expenses of the Senate with the representatives of the telephone company, to be a burden that is unbearable, then the other alternative would be for the Committee to Audit and Control to establish, by rules and regulations, the requirement that each Senator keep an itemized statement of his long-distance telephone calls outside of Washington, and not directed to his office in Washington.

Mr. LUCAS. I thank the Senator for the explanation, but there is still some doubt in my mind, under the wording of the amendment, whether at the end of the year a Senator would not be entitled to the difference between \$200, let us say, charged for long-distance calls he has made, and the \$300, which would mean \$100, which would have to go to him.

It is obvious to me that telephone companies cannot keep the records as suggested by the Senator from Louisiana. I am certain each Member will have to keep an itemized report and submit it to the Committee to Audit and Control the Contingent Expenses of the Senate for approval. That is, providing Senators are not entitled to the maximum amount of \$300.

Mr. OVERTON. No; a Senator would not be entitled to withdraw any money whatsoever; in fact, it is not contemplated that he would pay any money. It is contemplated that the charge would be made against the Government. But if that be found to be too impracticable, then another arrangement can be effected by the Committee to Audit and Control the Contingent Expenses of the Senate, and whatever arrangement may be effected will of course be agreeable to the Senate, and must be agreeable, under the provisions of the amendment.

Mr. President, we have for consideration now that provision of the bill which may be designated as the congressional expense allowance provision. A similar provision originated in the House of Rep-

representatives, and it may be well, before beginning a presentation of the merits of the amendment and some of the reasons which actuated the committee to recommend its adoption, that I should point out the differences which exist between the House provision and the proposed Senate amendment.

The House provision is to be found on page 19 of the bill, and reads as follows:

There shall be paid to each Representative and Delegate, and to the Resident Commissioner from Puerto Rico, after January 2, 1945, an expense allowance of \$2,500 per annum to assist in defraying expenses related to or resulting from the discharge of his official duties to be paid in equal monthly installments.

Then follows the necessary appropriation. The Senate committee provision carries the language contained in the House provision, with the changes necessary with respect to the designation of Representatives and Delegates and the Resident Commissioner from Puerto Rico, substituting the word "Senators."

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

Mr. OVERTON. Certainly.

Mr. BYRD. Does the House provision require the submission of an itemized statement of expenses and an explanation of the same?

Mr. OVERTON. Yes. That is my personal interpretation of it. Of course, the House would be in better position to give an interpretation of the provision than I am. It is a congressional allowance for the House, and the House legislatively determined that the average congressional expenditure which would be allowable under this provision would amount to the sum of \$2,500.

Mr. BYRD. Does the Senator regard that as being nontaxable?

Mr. OVERTON. In my opinion it is not nontaxable. In my opinion the language of the House provision makes the \$2,500 taxable.

Mr. BYRD. The language in the Senate provision corrects that, and makes it nontaxable?

Mr. OVERTON. Yes.

Mr. BYRD. The Senator thinks that is a correction?

Mr. OVERTON. The Senate did not undertake to interfere at all with whatever the House desired inserted with respect to its own membership. That is a rule of comity which, so far as I know, invariably has existed between the two Houses. The House is not disturbed at what the Senate does with reference to its own employees or its own body. The Senate, on the other hand, does not interfere with such provisions peculiarly applicable to the House which are made by the House.

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

Mr. OVERTON. I yield.

Mr. BANKHEAD. Is there any evidence other than the language used in the amendment to indicate whether the House thought it was making this item nontaxable?

Mr. OVERTON. There is a statement in the report made by the House committee. The House committee took no evidence. The Senate committee, on

the other hand, had evidence before it concerning which I shall make observations later on.

Mr. BANKHEAD. In view of the language contained in the report the House was informed and believed that it was passing a nontaxable item?

Mr. OVERTON. It did. The House Appropriations Committee stated in its report:

Since this item is entirely for expenses incidental to office it would not be income, therefore not taxable.

In addition to retaining the House language the Senate committee in its suggested amendment specifically includes among the expenses relating to or resulting from the discharge of a Senator's duties, the following:

Expenses for travel, lodging, and subsistence while away from his State domicile in the performance of his official duties.

And then it contains the following additional language which is not found in the House provision:

Such allowance shall not be considered as income for the purposes of Federal, State, or other law, and such expenses, to the extent that they exceed such allowance, shall be deductible for income-tax purposes if otherwise authorized by law.

Then follows the necessary appropriation which, insofar as the Senate is concerned, amounts for 18 months to the sum of \$358,667.

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

Mr. OVERTON. I yield.

Mr. BARKLEY. What is meant by the phrase "if otherwise authorized by law"? I do not know of any law which authorizes a Senator or a Member of the House to engage in any particular expenditure to the extent that it is authorized by law, and I do not understand that phrase. In other words, if an individual Senator spends more money than the \$2,500 provided for, it is deductible if it is authorized by law. Under what law is that?

Mr. OVERTON. Under the revenue law. The revenue law provides for certain deductions, as the Senator well knows.

Mr. BARKLEY. It does not provide for any deductions on the part of Members of Congress. It provides for deductions on the part of everybody else, but—

Mr. OVERTON. I think that in the main the Senator is correct, but not altogether so.

Mr. BARKLEY. Does the phrase "if authorized by law" mean that the deductions are authorized by law or that the expenditures exceeding \$2,500 are authorized by law?

Mr. OVERTON. Deductible expenditures are allowed. The deductions from the income tax of certain expenditures are allowed by law.

Mr. BARKLEY. As we all know, the Treasury Department has never been willing to make any deductible allowance for expenditures incurred by Members of Congress in the performance of their duties, even in connection with matters that are directly in line with their duties. For instance, if we travel

to various places to make speeches for or otherwise engage in Government bond sales, and in behalf of the Government to urge people to buy bonds, which most of us are probably going to do in the next few days at our own expense, that is in line with our duties, and we are glad to do it, but we get no deduction for income-tax purposes for that expenditure, whereas if anyone from the Treasury Department goes out to do that he is given the deduction. He also has his expenses paid. I wonder whether the phrase to which the Senator has referred "if authorized by law" means if the deduction is authorized in the revenue laws, or whether the expenditure is itself authorized by law.

Mr. OVERTON. The deduction is authorized by law.

Mr. BARKLEY. It refers to the deduction.

Mr. OVERTON. Yes. I now read from the report submitted by the Senate committee:

The allowance will not be considered as income for income-tax purposes and if expenditures are made in excess of the allowance for items otherwise deductible under the law these items will still be deductible.

I thoroughly and heartily agree with the able Senator from Kentucky that, according to the rules of the Bureau of Internal Revenue, there are very few items which they recognize as deductible insofar as Representatives and Senators are concerned. I shall give as an illustration, long distance telephone calls. All long distance telephone calls made in the discharge of a Senator's duties are not covered by the provision now existing, but under the provision adopted by the committee they will be considered deductible. I say they will be considered deductible, but the vagaries of the Bureau of Internal Revenue are many when it comes to applying the law to Senators and Representatives, as I shall undertake to show shortly. The Bureau did allow a deduction to be made because when Senator REED, of Pennsylvania, was in the Senate he had inserted in the revenue law a provision to the effect that expenditures made in the discharge of the official duties of a Senator should be regarded as deductible. So, the Bureau has heretofore been allowing a deduction for certain telephone charges.

I give that as an illustration. But in order to point out their inconsistency and, I think the severity of their ruling, it developed in the course of the hearing that they now hold that if Senators make any additional calls they cannot deduct them because the Congress has in effect declared that only a certain number of telephone calls may be made by a Senator.

I agree with the Senator from Kentucky; and I shall undertake to show in the course of my remarks that I think the rulings of the Bureau of Internal Revenue have been rather harsh when it comes to Senators and Representatives.

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

Mr. OVERTON. I yield.

Mr. TAFT. I do not quite understand the effect of the language "and such expenses, to the extent that they exceed

such allowance, shall be deductible for income-tax purposes if otherwise authorized by law." If they were otherwise authorized by law to be deducted, they would be deductible. Why do we have to say it again? Is that language intended to change what may be deducted? What is the purpose of inserting that language?

Mr. OVERTON. The purpose is this: Under the present rulings of the Bureau of Internal Revenue, no expenses for travel, maintenance, and subsistence are deductible so far as a Senator or Representative is concerned. So if we allow the \$2,500 and provide that such allowance shall not be considered as income, then if the expenditures which we make for maintenance, travel, and subsistence are in excess of \$2,500, they will not be deductible. Therefore, in order to make them deductible, we must legislatively declare that they are deductible.

Mr. TAFT. Yes; but as I understand the present law as interpreted—and presumably correctly—they may not be deducted.

Mr. OVERTON. That is correct.

Mr. TAFT. Therefore they are not "otherwise authorized by law." So I do not see that this sentence changes the situation in any way. This language seems to me to say that they can be deducted if they can be deducted; and I do not understand how the language would change the present law.

Mr. OVERTON. I understand the Senator's point. Unless we were to say "if otherwise authorized by law" we could then deduct expenses which would not be deductible under the law, and could deduct them ad libitum. We would then far exceed what is contemplated, namely, an allowance of \$2,500 for senatorial official expenditures. Then, when we enter the realm of uncontrolled deductions, we would probably be doing something which, as legislators, we would not want to do.

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

Mr. OVERTON. I yield.

Mr. PEPPER. Does the Senator mean, then, that if the expenses referred to are the type of expenses which would ordinarily be regarded as a business expense if incurred by others, they may be deducted? For example, I refer to such things as telephone calls, traveling expenses, and similar items. Is that what the Senator means to imply by saying "if otherwise authorized by law"?

Mr. OVERTON. As I interpret the amendment, by the language "if otherwise authorized by law" the committee means as the law is interpreted by the Bureau of Internal Revenue.

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

Mr. OVERTON. I yield.

Mr. GEORGE. It seems to me that the very clear meaning is that the deductible expenses of a Member of Congress are not necessarily limited to \$2,500.

Mr. OVERTON. That is correct.

Mr. GEORGE. But if the actual expenditures exceed \$2,500, and are of such character as are now deductible, there may be a deduction in addition to the \$2,500.

Mr. OVERTON. I think that is perfectly clear; but what the Senator from Ohio wished to know was the reason for inserting the restrictive phrase "if otherwise authorized by law."

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

Mr. OVERTON. I yield.

Mr. PEPPER. If I correctly understood the Senator, according to my recollection there are no expenses now deductible except, perhaps, telephone expenses. I do not know of any other congressional expenses which are deductible under the present law.

Mr. OVERTON. There may be others. None occurs to me now. For example, a Senator is granted a certain allowance for stationery. Suppose he should exceed the stationery allowance and had to buy more stationery, over and above the amount allowed for stationery. That expense would be deductible. A Senator is allowed certain other items. For example, he is allowed mileage in traveling to and from a regular session of the Congress once a year. If a Senator's expenditures should exceed the mileage allowance in traveling to and from Washington in attendance upon a regular session of the Congress, the excess could be deducted.

Mr. PEPPER. Yes; but suppose a Senator's expenditures for travel should exceed the amount which he now receives; namely, the regular mileage allowance for traveling to and from a regular session of the Congress. Although it might be necessary travel, he would not be entitled to a deduction for the additional expenditure. If he were to hire more clerks in his office to handle his mail than the allowance now authorizes—

Mr. OVERTON. He would be entitled to a deduction.

Mr. PEPPER. He would not be entitled to a deduction for that expenditure.

Mr. OVERTON. Yes; he would. I beg the Senator's pardon.

Mr. PEPPER. I never heard of such a deduction.

Mr. OVERTON. I did not know that such expenditures were deductible until I made an inquiry into the matter. We brought experts before the subcommittee and learned that there were little items here and there that were deductible. I think we have mentioned them all—additional clerical assistance, additional telephone calls, additional mileage, additional stamps, and additional stationery.

Mr. PEPPER. The Senator is now speaking only of the mileage allowance to cover expenses incurred in traveling once to and from a regular session of the Congress, is he not?

Mr. OVERTON. That is all that is allowed.

Mr. PEPPER. However, many Members of Congress of necessity travel between Washington and their homes a greater number of times during a session of the Congress.

Mr. OVERTON. That expense would be taken care of under the \$2,500 provision.

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

Mr. OVERTON. I yield.

Mr. BARKLEY. In view of what seems to be a difference in construction of the phrase "if otherwise authorized by law" I offer this suggestion: The language "if otherwise authorized by law" refers to deductions of expenses. The Senator might give consideration to the substitution of the language "if incurred in the performance of official duty" in lieu of the language now in the bill, so that if a Senator should expend more than the amount allowed in the performance of official duties, such additional expenses could be deducted. I offer that suggestion to the Senator.

Mr. OVERTON. I would not object to such an amendment, except that then we would have an unlimited expense account which would be deductible. If we wish to take the position—and I believe we would be perfectly justified in doing so—that all expenses which Senators incur in the discharge of their official duties should be deductible, as they are in the case of every other employee of the Federal Government, then the suggested amendment would be entirely proper.

On the other hand, the committee did not feel that it should go quite that far. The committee amendment still makes a discrimination against Members of Congress, because it places a limit upon the deductible expenses which may be incurred in the discharge of official duties. That limit is \$2,500. However, if a Senator spends more than that, he can deduct the additional expense from his income-tax return, provided that the expenses are incurred in the discharge of his official duties, and provided also that the deduction of such items is authorized by law. The phrase "if otherwise authorized by law" simply means as the Bureau of Internal Revenue or The Tax Court may interpret the law.

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

Mr. OVERTON. I yield.

Mr. BYRD. As I understand, what this amendment proposes to do is to exempt entirely from the Internal Revenue regulations a lump sum of \$2,500.

Mr. OVERTON. That is correct.

Mr. BYRD. And to say that \$2,500 shall be deducted, regardless of what it is spent for. There would be no itemized statement. There would be nothing upon which the Bureau of Internal Revenue could pass. Is not that a new departure in taxation? Has that ever been done before? If so, I have never heard of it. We are allowed only certain deductible and itemized expenses. If the Senator desires to proceed along the line of this amendment, it seems to me that the amendment ought to state what are deductible items.

Mr. OVERTON. I will tell the Senator the reason. If we were to follow his suggestion it would make the Senator from Virginia an accountant. He would have to keep an itemized account of every nickel and dime.

Mr. BYRD. Does not everyone have to do that for his income-tax returns?

Mr. OVERTON. He can do it or not, as he wishes. But if he is entrusted with \$2,500, it is his obligation to keep an itemized account of it.

Mr. BYRD. But the Senator knows that one cannot make a deduction for purposes of income tax unless an itemized account or statement is kept.

Mr. OVERTON. I do not keep an itemized account of all such matters, but that is optional with me. When, however, I receive a fund as a trust, I must make an accounting of it.

Mr. BYRD. If, as the Senator says, we would not be compelled to keep itemized statements, and if we provided that we would be able to make lump-sum deductions, the income-tax law would be completely destroyed; would it not?

Mr. OVERTON. I think not. The Federal judges are allowed per diem and mileage allowances. Does the Senator think they make itemized statements of their expenditures, and that they return such statements? So far as I know, they do not.

Let us consider the situation as it would apply to a Senator from California. He is allowed mileage to California and mileage from California to Washington. Does he keep an itemized statement of all of his expenditures under it?

Mr. BYRD. Mr. President, the Senator is discussing an entirely different thing. In the instance to which the Senator from Louisiana has referred, a Senator is not expected to keep an itemized statement. He is allowed that as a flat allowance. But he is expected to make an itemized statement when he makes deductions from his taxable income.

Mr. OVERTON. Exactly, and that is what we would do. We would give a flat allowance of \$2,500, to represent the expenditures of a Senator. If he wishes to make any deductions, for purposes of his income tax, for an excess over and above the \$2,500—which is entirely optional with him—then he should submit an itemized statement of what he expended.

Mr. BYRD. Then, Mr. President, in reality the Senator proposes to increase the salaries of Senators by \$2,500 and to make the \$2,500 exempt from taxation, because it would not be subject to any regulations of the Bureau of Internal Revenue, and no one would know whether the deductions were allowable.

Mr. OVERTON. That is a very strange interpretation, but it is not the purpose in any way whatever.

Mr. BYRD. I will say to the Senator that it is the effect of the amendment, regardless of whether it is the purpose.

Mr. OVERTON. Mr. President, I refuse to yield further until I can at least clarify the Senator's own mind. Then I shall be glad to yield.

What we would do would simply be to allow the \$2,500. We would not require an itemized statement to be kept. But if a Senator anticipated that he would use more than the \$2,500 in the discharge of his official duties and in expenditures which would be deductible items, then he would keep an itemized statement of the \$2,500 and of any excess expenditures he might make, and when the deputy collectors of the Bureau of Internal Revenue called upon him, to look over his income-tax return he would say, "Here they are; here are all the

expenditures I made." But he would not have to do it unless he wanted to make deductions for the excess.

I hope I make myself clear.

Mr. BYRD. Mr. President, the Senator hoped he would clarify the mind of the Senator from Virginia, but what he has said is exactly what the Senator from Virginia believed in the beginning.

Mr. OVERTON. Very well.

Mr. FULBRIGHT. Mr. President, would the amendment make deductible anything which is not now deductible?

Mr. OVERTON. Indeed, it would.

Mr. FULBRIGHT. I mean in addition to the \$2,500. Suppose my rent is \$3,000 a year. Would I be able to deduct the \$500 in excess of the \$2,500?

Mr. OVERTON. Not under this amendment. The Senator would be allowed the \$2,500 to assist in paying the expenses relating to the discharge of his official duties.

Mr. FULBRIGHT. But the amendment would not change or make deductible any item which is not now deductible—that is, leaving out the \$2,500?

Mr. OVERTON. That is my understanding.

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

Mr. OVERTON. I yield.

Mr. BUTLER. The general purport of the amendment is, of course, to increase the income of a Senator by \$2,500.

Mr. OVERTON. I do not so interpret it.

Mr. BUTLER. Then, let us put it this way: Under the present rules and regulations of the Bureau of Internal Revenue the legitimate traveling expenses of a Senator are not deductible; they are not deductible under the present arrangement.

Mr. OVERTON. That depends; there is some qualification to that rule.

Mr. BUTLER. But if the pending amendment is adopted, we will be providing what the rule of the Bureau of Internal Revenue shall be with reference to the \$2,500.

Mr. OVERTON. We would be providing what the law would be.

Mr. BUTLER. I wonder whether it would not be more consistent with good business rules to provide by law that the Bureau of Internal Revenue should look upon the expenses of a Senator in the same way as it does the expenses of a traveling salesman for a flour mill or for any other business concern. We would thereby place ourselves in the same category as that which legitimate business is in, instead of trying to increase our income by a scheme of this kind.

Mr. OVERTON. The Senator has expressed an opinion. Is he asking me for a reply?

Mr. BUTLER. Could we not just as well provide that the expenses would be deductible?

Mr. OVERTON. I think I can answer that question and a number of other questions if I am able to proceed for a little while without interruption, and thus undertake to present my view of the situation. Of course, I am glad to yield at any time. I do not think the pending question is so important, but it excites considerable interest, politi-

cally and otherwise. Consequently, I shall be very glad indeed to answer any questions which may be asked.

The amendment would place United States Senators in the same category and classification as other Government employees and the judges of the Federal courts. All the employees in the executive departments have their expenses which are incurred in the discharge of their official duties paid. If an employee of an executive department goes to Colorado and back again in the discharge of his official duties, compensation is paid to him for the expenditures he makes. If a subordinate in the Office of Price Administration desires to telephone to San Francisco, Calif., he picks up the telephone and engages in a 15- or 20-minute conversation, and the Government pays for it, regardless of the number of calls he may make.

I am indebted to the very able Senator from Virginia [Mr. BYRD] for the very careful study he has made of the uncontrolled expenditures made by executive agencies and departments of our Government. He submitted an illuminating report on May 20, 1943; and if it is not the last word, at least it will suffice for what I am about to say. Let us consider traveling expenses. For the 6-month period between July 1 and December 31, 1942, the Department of Agriculture spent for traveling expenses \$5,175,796, or more than \$10,000,000 a year.

The Department of Justice spent three - million - four - hundred - thousand - and - some - odd dollars, or at the rate of approximately \$7,000,000 a year; the War Production Board, at a similar rate of approximately \$7,000,000 a year; the Federal Security Agency, at the rate of approximately \$4,000,000 a year; the Office of Price Administration, at the rate of more than \$3,500,000 a year. That is to be found on page 5 of the committee report submitted by the chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, the distinguished Senator from Virginia [Mr. BYRD]. On page 4 of that report will be found a long list of the various agencies within the Government, together with the amounts which they expended for travel during 1941 and 1942.

I summarize the situation in the language of the Senator from Virginia:

According to the figures submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures by the various departments and agencies of the Federal Government, a total of approximately \$35,672,000 of a nonmilitary nature—

Nothing whatsoever to do with the bill—

was spent on travel expenditures in the 6-month period between July 1 to December 31, 1942.

That is at the rate of more than \$70,000,000 a year. Yet a suggestion has been made that a United States Senator should be asked to make a trip in the discharge of his official duties to Baltimore, Md., for instance, employ a conveyance for that purpose, and that he may make no reduction in his income-tax return, and that he may receive no remuneration from the Federal Government to reimburse him for the expenses to which he has been put.

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

Mr. OVERTON. I yield.

Mr. BYRD. Does the Senator contend that no Senator has ever been allowed remuneration for expenses while traveling on official business?

Mr. OVERTON. I do.

Mr. BYRD. Many Senators are reimbursed for their expenses while on official business. All members of committees who have been traveling to various places have been reimbursed for their expenses.

Mr. OVERTON. That is true; but only in connection with special appropriations for that purpose.

Mr. BYRD. I care not whether it be by a special appropriation or what it may be. The Senator is giving the impression that no Member of the Senate is ever repaid for his expenses in connection with official business.

Mr. OVERTON. That is the general rule. Every Senator is subject to the general rule unless the Senate graciously, through its Committee to Audit and Control the Contingent Expenses of the Senate, allows some amount for the payment of expenses of committee members in the discharge of certain official duties.

Mr. BYRD. Standing appropriations are available from which Senators may be reimbursed for expenses incurred in the performance of their official duties. There can be no question about that.

Mr. OVERTON. That is true; and from time to time money has been appropriated for such purpose. But I am thinking, for example, of this situation: I went home 2 or 3 weeks ago when the flood in my State was at a terrific height, and the people were calling upon me to come there and look at the flood and undertake to help them. I went there. I could not be reimbursed for the expenses to which I was put, and the expenses were not deductible from my income-tax return. When the people who are interested in the apple-growing business in Virginia perhaps hold a convention and ask the junior Senator from Virginia to come and address them in reference to some particular regulation of the Federal Government, for example, and he accepts the invitation, he can make no deduction in his income-tax return for the expenses to which he has been put. However, if a subordinate in a branch of the executive department of the Government goes on a trip in connection with his duties he is reimbursed for his expenses. As the Senator from Kentucky pointed out a few minutes ago, there may be a problem connected with tobacco growing, or a problem which is vital to the agricultural interests of his State; but, if he goes to his State in connection with such problem he must pay his expenses out of his own pocket. Yet, according to the report of the Senator from Virginia, more than \$70,000,000 has been spent by various executive agencies, and the Senator is objecting to \$380,000 being spent by Senators in connection with their official duties.

Mr. BYRD. I object to the method which the Senator is suggesting. I object to the fact that he has not provided for itemized statements to be filed by the Senators. He is suggesting an innovation in the tax laws. The Senator also

knows that he cannot make a flat deduction in his income-tax report without itemizing for what the money was spent.

Mr. OVERTON. I do not care whether it is an innovation or not. I shall never vote that a Senator must make a detailed and itemized statement of the \$2,500 expense allowance.

Mr. BYRD. Why should a Senator be superior to anyone else? Every other taxpayer in the United States must make itemized statements in connection with deductions which he claims when he files his income-tax return?

Mr. HATCH. Mr. President, will the Senator yield in order that I may propound a question to the Senator from Virginia?

Mr. OVERTON. I yield.

Mr. HATCH. Would the Senator from Virginia object to the actual expenses incurred by Senators or Members of the House of Representatives in the discharge of their official duties being properly deductible from their income-tax returns?

Mr. BYRD. I may say to the Senator from New Mexico that I would not object to it. I think it would be entirely proper if the expenses were clearly defined, properly deductible, and itemized in accordance with the usual procedure in connection with the income-tax laws.

Mr. HATCH. If the Senator from Louisiana will further yield to me, I may say that I propose shortly to offer a substitute which will provide that the actual expenses incurred in the discharge of official duties shall be deductible items.

Mr. BYRD. And itemized, so that a statement of the expenses will be presented?

Mr. HATCH. Yes. The expenses would have to be shown, of course, as having been incurred in connection with the discharge of a Senator's official duties.

Mr. BYRD. I perhaps would be in favor of that.

Mr. HATCH. I also propose to vote for the language of the committee authorizing an allowance of \$2,500. I think the necessary expenses should be paid.

Mr. BYRD. I am opposed to increasing the allowance greater than 15 percent, which has been the effect of the wage-control program. I am opposed to increasing compensation of Senators more than we have increased the compensation of hundreds of thousands of civilian employees by the bill which was passed last week.

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

Mr. OVERTON. No; I would rather not yield. We are becoming diverted to a discussion of an amendment which has not yet been offered, and I have not yet had an opportunity to present the committee amendment completely to the Senate.

The Senator from Virginia has said that we are getting away from the Little Steel formula. The Little Steel formula has nothing more to do with the subject which we are discussing than has the meat on the Senate restaurant tables. Compensation of Senators and Representatives—

Mr. BYRD. Mr. President, if the Senator will yield, let me say that according to the morning newspapers, there is no meat on Senate restaurant tables. [Laughter.]

Mr. OVERTON. Mr. President, may we have order? This matter is important. If we want to make a joke out of it, very well; but if we wish to consider it seriously, I think we should proceed to do so.

The present compensation of \$10,000 to Senators was fixed in 1925. It has not been increased since. According to the record of the hearings held at the time, in 1925 the average weekly earnings for factory or industrial workers was \$25.71. In the month of February of this year, 1945, it had increased to \$47.33, or an increase of more than 84 percent. Therefore there is absolutely no relation between the expense allowance for Senators and the Little Steel formula.

Mr. TAFT. Mr. President, will the Senator yield at that point?

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. OVERTON. I yield.

Mr. TAFT. In the case of the white-collar workers there was no increase to speak of before the 1st of January of 1941, and from that time on it has been frozen to 15 percent. Very few of the millions of white-collar workers are permitted by the Senate today to get more than a 15-percent increase. I cannot defend myself justly to the people of my State that I today am holding them down to 15 percent—and there are hundreds of thousands of them in Ohio who are particularly under the salary clause; not so much the industrial workers, for they did not have the early increase the others had—I cannot defend giving myself a larger increase than those people have had, and I do not see how we can reconcile one situation with the other.

Mr. OVERTON. The Senator from Ohio, I think, is making an erroneous argument. The white-collar workers are allowed their expenses; they are reimbursed their expenses. We are not by this amendment asking for an out-and-out increase of \$2,500.

Mr. TAFT. Mr. President—

Mr. OVERTON. Allow me for a moment to say something about this amendment which the committee has charged me with the duty of presenting to the Senate. In this amendment we undertake to reimburse Senators for what we legislatively undertake to declare is an average expenditure for travel, maintenance, and lodging. That is all we do except that if we spend more than \$2,500 and if we desire to do so, we can deduct the excess from our income taxes. But the white-collar workers have been having their expenses paid all the time and are still having their expenses paid; Senators have not.

Mr. TAFT. I should like to ask the Senator the meaning of a provision of the amendment. I assume when it says "including expenses for travel, lodging, and subsistence" it does not mean the expenses of a Senator's family, for instance?

Mr. OVERTON. It does not.

Mr. TAFT. Therefore a Senator would have to separate his rent and live—

ing expenses from those items incurred by members of his family and charge only that portion that could be attributed to him as an individual. Is that a correct interpretation of the provision?

Mr. OVERTON. It is not necessarily a correct interpretation at all. I think that where there are besides the Senator other members of the family he should make a calculation and so far, for instance, as subsistence is concerned, that is the meals served, he should obtain credit for his proportion of the cost. Suppose there were three in the family; then the Senator would make for his subsistence a deduction of one-third of the expense; but if there are, say, two in the family, he and his wife, and they occupy a modest room with a little kitchenette, he would deduct for the total rent, for if the Senator were a bachelor he would occupy the same quarters or if he left his wife at home he would still occupy the same quarters.

Mr. TAFT. Mr. President, will the Senator yield for a moment in order that I may ask him one other question?

Mr. OVERTON. I yield.

Mr. TAFT. Suppose a Senator owns his house here—and today it is necessary for some Senators to buy houses in order to have a place in which to live—I do not suppose he could charge anything for lodging under those circumstances, unless the language of the section were changed. Is that a correct view?

Mr. OVERTON. I have given some thought to that. I think he could in that case. It is not his regular home; his home is back in the State, and that is property that he uses in furtherance of his business, and so he could make a deduction for taxes, depreciation, and repairs and the usual deductions that are allowed in the case of other property not occupied as a home by the taxpayer.

Mr. TAFT. Mr. President, will the Senator yield for the last time?

Mr. OVERTON. I yield.

Mr. TAFT. I myself only feel as to the deduction of expenses, that, if there is to be one, I should much prefer a provision permitting the deduction of a per diem for the time spent in Washington. It is not quite fair to say for one thing that all the expenses in Washington are additional expenses. A Senator has to keep up some of his expenses at home, but he certainly saves a very large amount by reason of being here 6 months at a time. His house at home is closed; he has probably no food expenses and no family expenses at home. Therefore the principle of deducting every cent of expenses incurred in Washington is not sound and just. I think it is fair to make some allowances for that, but I do not think it ought to be the entire expenses, and I certainly do not think it ought to include directly or indirectly any family expenses. I think the provision as it is drawn is open to that interpretation or at least to doubt.

Mr. OVERTON. Mr. President, I desire to comment on the situation which has arisen because of which Senators—and I am dealing now only with Senators but it applies to Members of the House of Representatives as well—cannot make any deduction for rent, subsistence, or maintenance in the District

of Columbia, when any businessman or any professional man who comes from his home to the District of Columbia can make deductions for travel expenses, for his maintenance, his subsistence, and his lodging. I may say that some such persons occupy very palatial quarters in the magnificent hotels that adorn our Capital City. Some of them reserve large suites at high prices, but the Internal Revenue Department permits them to deduct every dollar which they spend. Some of them live when they are here on the very best of the hotels and restaurants can afford. They eat the finest meals—caviar, oysters a la Rockefeller, poulet en Rochambeau, and every conceivable kind of magnificent dish served in course dinners, that can be served. All such expenses are deductible in the case of others, but not one cent may be deducted by a Senator. That is a strange circumstance, is it not? Why is it? It is because the Internal Revenue Bureau place the most remarkable interpretation on the law which the Congress has enacted. Here is what the Internal Revenue Code declares:

Section 23. Deductions from gross income. In computing net income there shall be allowed as deductions:

(a) Expenses.

(1) In general.

All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; traveling expenses (including the entire amount expended for meals and lodging) while away from home in pursuit of a trade or business.

The Internal Revenue Code declares that the term "trade or business" includes the performance of the functions of a public office. Therefore, within the intentment of the law, while we are here in the Senate, we are conducting a trade or business, that is, we are in the performance of the functions of a public office.

Mr. BANKHEAD. Mr. President, while on that point, I understand that deductions are given businessmen for the expense of maintaining boats on rivers and upon the sea merely for the purpose of entertaining their business guests.

Mr. OVERTON. For anything spent in the furtherance of their business. They can give parties, and, if they are advertising parties, deduct the expenses. As the Senator says, they can have boats and take boat trips and excursions, and deduct the expenses. They can pay fabulous sums for advertising over the radio, in newspapers, and deduct them. But if a Senator engaged in a campaign should dare to deduct one cent of his campaign expenses, they would not be allowed. Let a Senator undertake to make any other deduction in connection with his official duties, except the few paltry items I have mentioned, and the Bureau of Internal Revenue says, "Nay, nay, that cannot be done." Yet, according to the report of the Senator from Virginia, they allow more than \$70,000,000 a year for the different executive departments.

Mr. BYRD. Mr. President—

Mr. OVERTON. One minute. I have not quite finished with the Senator's re-

port. Let me say to the Senator it is one of the most illuminating reports—

Mr. BYRD. Mr. President—

Mr. OVERTON. I refuse to yield.

Mr. BYRD. Mr. President—

Mr. OVERTON. I ask for order. [Laughter.] Let me quote from the able Senator from Virginia, who has made such an intense study of economy in government, and yet, so far as I know, has accomplished nothing, because the millions upon millions of dollars we appropriate for the different departments and agencies continue to pile up, and the Senator does not, in connection with any appropriation bill I have heard of—

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

Mr. OVERTON. No; not until I give the Senator this quotation from the report. The Senator from Virginia does not raise his strong and able voice in order to strike down the appropriations which are made for traveling and subsistence expenses for various executive agencies.

Mr. BYRD. I think the Senator should yield to me on that subject.

Mr. OVERTON. I refuse to yield.

Mr. BYRD. If the Senator wants to misrepresent the Senator from Virginia—

Mr. OVERTON. I shall give the Senator ample opportunity to correct himself.

This is what the Senator says on page 1 of his report, to which I have referred. I have not said anything about communications, a subject into which the Senator goes—that is, in connection with telegrams and long-distance calls. The Senator starts out with this statement:

Based on totals of the 6 months' period between July 1, 1942, and January 1, 1943, it is possible to estimate that the total travel and communication expenditures—

He itemizes the travel expenditures to be more than \$70,000,000. Now he brings in the communications.

The total travel and communication expenditures for the executive branch of the Federal Government in the fiscal year 1943 will exceed \$100,000,000, excluding the War and Navy Departments.

Now I yield to the Senator.

Mr. BYRD. Mr. President, I realize fully that any man who has stood for economy in the Senate is often the subject of ridicule, as the Senator from Louisiana has tried to ridicule me today, but when he says that I have not offered amendments to reduce these appropriations he speaks without a knowledge of the facts. It is true I have not had the assistance of the Senator from Louisiana, as powerful as that assistance would be, because he is a member of the great Committee on Appropriations, of which I am not a member. I have repeatedly offered amendments to reduce traveling expenses and I have offered amendments whenever I thought they stood one ghost of a show of being adopted, and I expect to continue to do so, even though they might not meet the approval of my beloved friend—and he still is and always will be—the Senator from Louisiana. I think we should cut down these expenditures in Washington, and I do not care who derides me in my effort to do it.

Mr. OVERTON. I should like to interrupt the able Senator a moment. It was never my intent to ridicule the Senator. I have too high a regard and affection for him. I thought the shoe was on the other foot, not that he is trying to ridicule me, but he twitted me about this amendment the committee has reported.

Mr. BYRD. I assure the Senator the affection is reciprocated, and always will be.

Mr. OVERTON. I thank the Senator.

Mr. BYRD. I merely wish to make clear the point that in reading the report made by the Senator from Virginia for the economy committee, and made for the purpose of calling attention to the fact that too much money is spent for travel, the Senator is taking the position that that is deductible from the income taxes of these employees. That is a perfect absurdity. These expenditures—

Mr. OVERTON. I did not say they were deductible.

Mr. BYRD. Yes; the Senator did, and the RECORD will show that he mentioned it as a deduction from their income taxes.

Mr. OVERTON. If so, I certainly will retract the statement. I never would make the absurd statement that when an employee is reimbursed for his expenses he can likewise deduct them.

Mr. BYRD. I wish to interrupt the Senator only briefly, because while I am opposed to his amendment, I have not made any statement which would reflect in any way on the distinguished Senator. I am opposed to the amendment for what seem to me to be good and sufficient reasons. I cannot imagine a greater mistake on the part of the Senate of the United States than to increase the salaries of Senators, and then make the increase tax exempt.

The Senator says he is putting Senators on an equality with the departmental heads, or the departmental officers and employees who travel. Is that correct?

Mr. OVERTON. In the same category; yes.

Mr. BYRD. What the Senator's amendment says is this, "including expenses for travel, lodging, and subsistence while away from his State domicile."

Mr. OVERTON. I have not been able to present that matter yet, and I would rather the Senator should not anticipate me, but let me present it, because I have never reached that point.

Mr. BYRD. Let me finish my question. The Senator said his amendment places them on an equality. The Senator inserted the words "State domicile" to protect Senators, because there are thousands and hundreds of thousands of employees throughout the Nation who have State domiciles outside of the place where they do their work. Does the Senator contend that the expenses of a department head should be paid here in Washington by the Federal Government if he has a State domicile, let us say, in Louisiana?

Mr. OVERTON. I shall reach that point directly. I have not gotten to it yet.

Mr. BYRD. The Senator has just said, has he not, that the amendment he proposes puts the departmental heads, the department bureau chiefs, whatever we may call them, on an equality with Senators?

Mr. OVERTON. That it puts Senators on an equality with them.

Mr. BYRD. It puts Senators on an equality with the Government officials. In order to do that, we would have to allow such officials and employees expenses while they are in Washington.

Mr. OVERTON. I have not yet reached that point. I shall answer the question.

Mr. BYRD. The Senator has not reached it, but it is in the Senator's amendment, and I should like to have him explain that, because it is a very important point.

Mr. OVERTON. I was about to reach that when I was interrupted.

Mr. BYRD. The Senator uses the words "State domicile" because he wants to protect Senators. He knows the domicile of Senators must be in the States, because they cannot be elected if they are not in the States. Then he wants to pay their expenses while they are away from their domicile.

Mr. OVERTON. Let me proceed in regular order.

Mr. BYRD. I shall not interrupt the Senator further.

Mr. OVERTON. I want the Senator to make his argument in his own time.

Mr. BYRD. If the Senator does not desire to be interrupted, I shall not interrupt him further.

Mr. OVERTON. I shall reach the points suggested by the Senator from Virginia, but I should like to make my statement in my own way. I am perfectly willing to yield to any Senator who desires to ask a question for information, but I should like to have the Senator state his opposition in his own time.

Mr. CHANDLER. Mr. President, will the Senator from Louisiana yield?

Mr. OVERTON. I yield.

Mr. CHANDLER. I wish to know where a United States Senator lives. I have been informed by the Revenue Department that a Senator lives in Washington.

Mr. OVERTON. That is his home.

Mr. CHANDLER. I do not believe any such thing. I do not think he could be elected if he lived in Washington. I do not believe he could continue to have membership in the Senate if that were a fact. We are not permitted to deduct any of our expenses in making up our income tax returns because, I understand, the revenue department says we live here.

Mr. OVERTON. The Senator is correct. The statute declares very clearly that what are deductible are "travel expenses—including the entire amount expended for meals and lodging—while away from home in pursuit of a trade or business," or in the discharge of a public function or office.

"While away from home." What interpretation does the Bureau of Internal Revenue put on the words "away from home"? When a businessman comes to Washington from his State, he is away from home; when he goes into another

State, he is away from home; when he goes 10 miles away, he is away from home; but when a Senator comes to Washington from the State which has elected him, it is said, "You have come home, Mr. Senator." When he goes back to his own State which elected him, he finds himself, under the ruling of the Bureau of Internal Revenue, a stranger in his own State.

I want to show the Senate how ridiculous that ruling is. The ruling is based on this proposition: The Bureau says that the United States Code Annotated contains this provision:

All offices attached to the seat of government shall be exercised in the District of Columbia, and not elsewhere, except as otherwise expressly provided by law.

Since, therefore, Members of the legislative branch cannot enact measures into law except in Washington, their home is in Washington, and when they are away from Washington they are away from home, and when they are here in the District of Columbia they are back at home.

The Bureau of Internal Revenue and the Tax Court, as it is now called, have overlooked a provision of the Constitution of the United States. Perhaps that is customary these days; perhaps it is strictly a la mode. Not only those in the Bureau of Internal Revenue but a great many others overlook the Constitution of the United States, which has fallen somewhat into decadence. But the Constitution of the United States in the second paragraph of section 2 of article I, provides:

No person shall be a Representative who shall not * * * when elected, be an inhabitant of that State in which he shall be chosen.

The Constitution with meticulous care, made provision with reference to the domicile of a Senator, when it provided:

No person shall be a Senator who shall not * * * when elected, be an inhabitant of that State for which he has been chosen.

So the Constitution fixes the home of the Senator in the State from which he is elected. Yet it is said that that provision is not correct, and that when a Senator leaves his State and comes here to Washington he is not incurring any expense in the discharge of his official duties, but he is going to home sweet home. That is the ruling of the Bureau.

Although I believe it had nothing at all to do with Senators or Representatives, I think a ruling made by the Fifth Circuit Court of Appeals is a correct one. A lawyer has his home in Jackson, Miss. He spends most of his time in Mobile, Ala., where he conducts his law practice and where he largely receives his income because he is employed by a client there from whom he receives a lucrative income. His obligation to his client requires him to stay most of the time in Mobile, Ala. The Fifth Circuit Court of Appeals declared that his expenses while going to his law office in Mobile, Ala., and his travel and his maintenance and his subsistence were deductible from his gross income.

On the other hand, the Fourth Circuit Court of Appeals decided the very oppo-

site in a North Carolina case. In North Carolina there is a judge who lives some distance from Raleigh, the State capital. He is obliged to go to Raleigh twice a year to hold a term of court. The circuit court of appeals in that case, following the rulings of the Bureau of Internal Revenue, held that when he left his home, where he had his family, where he lived, and went to Raleigh, N. C., to hold court, he was, in the language of the statute, going home because that was the place for him to discharge his official duties.

Mr. President, I have undertaken to present the main points in connection with this matter. It is not a salary amendment at all. If it were a salary amendment, it would simply provide that the salary of a Senator shall be \$12,500 a year, and there would be nothing in reference to income-tax provisions contained in the amendment. It is intended as an expense allowance amendment, and the Senate, as did the House, concluded that most, if not all, Senators do spend in Washington during these long sessions extending throughout the year as much as \$2,500 a year for rent, for meals, and for travel. If they do not spend that much, they are leading a life of stern economy, shall I say? I think they ought to be encouraged to live with sufficient dignity here in the Nation's Capital City to spend \$2,500 a year for their lodging, their maintenance, and there must be considered also under this item their travel expenses, except such as are paid to them by the Federal Government under the mileage allowance.

It is therefore, Mr. President, an expense allowance, and it places, as best the committee could resolve the problem, Senators in the same category and classification with all other employees of the Federal Government, including the white-collar employees whom the Senator from Ohio mentioned, as well as the judges of the courts.

Mr. President, there is no reason why we should not do this. There is no reason why there should be such rank discrimination against Senators and Representatives. There is no reason, at least none exists to my mind, why the Bureau of Internal Revenue or any court should hold that the home of a United States Senator or Representative is in Washington, D. C., instead of in the State from which he is elected. Their entire ruling which establishes us in a place entirely by ourselves, and makes us bear all our expenses, derives from their interpretation of the phrase "away from home" as it appears in the revenue law.

Mr. HATCH. Mr. President, I am about to offer a substitute for the committee amendment. I understood that the Senator from Maine [Mr. WHITE] had promised to have a quorum call. Would he rather have it now, or wait until I have finished?

Mr. WHITE. Mr. President, I do not wish a quorum call unless a vote is imminent. I have thought that this matter might be considered, and that some compromise might be effected, and that perhaps we would not reach the voting stage on any phase of it this afternoon.

Mr. BARKLEY. Mr. President, I can assure the Senator from Maine and other

Senators that there will be no vote this afternoon on the amendment or on the substitute, because I think it is a matter of such importance that we ought to give it a little further study, in the hope that at least an effort will be made to draft language which will be more acceptable than apparently the language of the committee amendment is. So I hope we can continue to debate the question, but I do not think we shall be able to vote on it today.

Mr. WHITE. In those circumstances, I have no purpose of making the point of no quorum.

Mr. BANKHEAD. Mr. President, I believe there should be a greater attendance of Senators to hear the substitute about to be proposed by a very able Senator. Therefore I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

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

| | | |
|-----------|-----------------|---------------|
| Alken | Gerry | O'Daniel |
| Bailey | Green | O'Mahoney |
| Bankhead | Guffey | Overton |
| Barkley | Gurney | Pepper |
| Bilbo | Hatch | Revercomb |
| Bridges | Hayden | Russell |
| Briggs | Hickenlooper | Saltonstall |
| Burton | Hoey | Shipstead |
| Bushfield | Johnson, Colo. | Taft |
| Butler | Johnston, S. C. | Thomas, Okla. |
| Byrd | La Follette | Thomas, Utah |
| Capper | Langer | Tobey |
| Chandler | Lucas | Walsh |
| Chavez | McClellan | White |
| Cordon | McKellar | Wiley |
| Donnell | McMahon | Willis |
| Eastland | Moore | Wilson |
| Ellender | Morse | Young |
| Fulbright | Murdoch | |
| George | Myers | |

The PRESIDENT pro tempore. Fifty-eight Senators have answered to their names. A quorum is present.

Mr. McCLELLAN. Mr. President, will the Senator from New Mexico yield to me for a few minutes?

Mr. HATCH. I yield.

Mr. McCLELLAN. I thank the Senator from New Mexico for his courtesy in yielding to me at this time.

Mr. President, I find that I must leave the Chamber for the remainder of the afternoon. I had thought that the Senate would reach a vote on the pending amendment this afternoon, and I had hoped that I might cast my vote on it; but I shall have to be away from the Senate tomorrow and for several days. Inasmuch as the Senate will not vote on this amendment until tomorrow, I will not have an opportunity to cast my vote on it.

Mr. President, a great deal can be said in favor of the pending amendment. There is much merit in the proposal. We all know that today it is most difficult for Members of the Congress to meet their necessary expenses and their cost of living out of their present salaries. Particularly is that true in view of the present income-tax rates.

Mr. President, I assume that no Member of the United States Senate is in greater need of the benefits of the proposed legislation than I am. I am ready now to vote for an increase in salary for myself and for my colleagues, to take effect at the time when the Stabilization Act expires. In other words, I recog-

nize, and I believe the people of the Nation recognize, that there is justification for the Congress to adjust upwards the salaries of its Members. I do not think the majority of the people would object; I think they expect it; but so long as we have the present wage restrictions remain in effect, whereby the so-called white-collar workers—the clerks in the stores, the bookkeepers, the accountants, and other clerical workers cannot receive an increase in salary by reason of laws which the Congress has enacted, I believe that we, as Members of the Congress, should not, either by subterfuge or directly, pass any measure which would increase our salaries or our incomes or inure to our benefit insofar as a salary increase is concerned, until such time as we can make the same law or the same rule applicable to every citizen alike.

Certainly, Mr. President, sacrifices have been made during the period of the war, and every one of us knows that the white-collar workers and the wage earners in such capacities have suffered more than anyone else. Therefore, I am not willing, by means of an expense account or otherwise, to increase my salary until we can accord to them the same adjustment. When that time comes, I shall be ready to join with my colleagues, and to face the issue squarely, and to vote for an increase in salary appropriate and commensurate with the positions we hold and the economic conditions of the country. I am ready to do that and ready to have my vote recorded.

As I have said, Mr. President, there is merit in the proposal. It is justified from every standpoint except one, namely, the one I have just pointed out, for by this amendment we would be taking care of ourselves but we would leave without benefit of an increase millions of wage earners—workers who are just as deserving and who are suffering under present conditions just as much as we ourselves are. Until we can carry them along with us, I do not believe we are justified in taking this course of action.

Therefore, Mr. President, if I were present tomorrow I would vote against the pending amendment.

I thank the Senator from New Mexico for his courtesy in yielding to me.

Mr. HATCH. Mr. President, there is much in what the Senator from Arkansas has just said. However, we are not confronted with a theoretical situation whereby we may postpone meeting the issue until some future date. The issue is here today; we must meet it today. We cannot postpone it until some future time, and we might just as well face it.

As a matter of fact, the House of Representatives has already met the issue. Regardless of what the Senate may do, under the provisions of the bill which have not been changed, which have not been amended, and which will not even go to conference unless we make some amendment here, Members of the House of Representatives will receive an increase of \$2,500 a year. If the pending amendment is rejected, Senators will not receive that increase. That is the reason why I say the issue is before us and we cannot avoid it.

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

Mr. HATCH. I yield.

Mr. BARKLEY. I myself do not regard the question of comity between the two Houses as going so far as to permit the Members of one House to draw larger salaries than the Members of the other House draw, no matter under whatever guise it might be proposed. My feeling is that if the amendment is rejected—and probably I shall vote against it—I should also vote to strike out the provision for the House of Representatives, which would make the same allowance for the House, because the comity between the two Houses has always required that their Members draw the same salaries.

I am ready to adjust the salaries, not only Members of Congress, but of the judiciary and others, but I will not vote to have the Members of one House draw more salary than the Members of the other House draw. I would not do it for the Senate, and I would not do it for the House of Representatives.

Mr. HATCH. Mr. President, I agree with the Senator from Kentucky, and the question of comity does not disturb me at all. If the substitute which I am about to offer is adopted by the Senate, I propose to offer a similar substitute for the House of Representatives and put both the Senate and the House on exactly the same basis. Assuming that what the Senator from Kentucky has said is correct, namely, that the amendment offered by the committee relating to Senators will be voted down, very well. Then the Senator from Kentucky may move to strike out the House provision, and perhaps the motion will be agreed to. The Senate would thereby overrule the House in that regard.

Mr. President, it is not a very pleasant situation in which we find ourselves. Because it is not pleasant, on yesterday I tried hurriedly to draft a measure which I thought might meet some of the objections which have been not only raised in the Senate but in my own mind as well. First of all, I do not wish to be critical of the Senate committee. I think the committee did its best to meet the situation with which it was confronted, and that it did a very good job. I certainly do not want to be placed in the position of criticizing the committee, or casting any reflection of any kind upon the committee for the purposes which it had in mind. However, we might just as well be frank and honest. That is exactly what I am trying to do by the substitute which I am about to offer.

I do not know why, but for some reason I think the country has the definite idea that the Congress of the United States is trying to increase salaries of Senators and Representatives by subterfuge, disguise, and back-door methods. Whether that be true or not, I think that to adopt a provision which would substantiate the already-formed opinion to which I have referred, would give the Congress of the United States, deservedly or undeservedly, a very black eye. That is something which I wish to avoid.

Mr. President, long before the present emergency existed—

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

Mr. HATCH. I yield.

Mr. OVERTON. Does the Senator from New Mexico place the interpretation which he has given on the amendment suggested by the committee?

Mr. HATCH. I do not place that interpretation upon it, but others do.

Mr. OVERTON. I know that; but I do not think we should be yielding to misinformed public opinion. I do not think that politically, if the Senator will pardon me, so much importance should be attached to the influence of misinformed public opinion. I recall that when the "Bundles for Congress" movement attracted notice and the suggestion was made that we should beat a retreat because of the outcry and hullabaloo which had been raised with regard to it, I had the temerity to stand on this floor and suggest that nothing of the kind be done. Last fall I was engaged in a campaign for reelection and my stand, as publicized all over my State, and in my broadcasts, was to pay no attention to the position which I had taken, except to say to those who mentioned it to me, "Yes; I assumed such position, and if you reelect me I will assume it again as soon as the opportunity arises." I lost no votes.

Mr. HATCH. Mr. President, the Senator from Louisiana has spoken today as he did at the time the "bundles for Congress" suggestion was made; namely, in a forthright, straightforward manner. I think that is what Congress should do today. I will join the Senator from Louisiana in making any kind of a straightforward declaration with regard to the situation of increasing salaries of Senators, and set aside specific amounts for expenses, or whatever they may be called. But let us call them by name, and say what they are, and then we can go forth and face the people regardless of any misinformed public opinion which may exist. However, I doubt very much whether the Senator from Louisiana or I can go before the country under the guise of an expense account and thereby increase our own compensation. I know that that is not the purpose of the Senator from Louisiana; but I also know that that is the thought throughout the country at the present time.

So, Mr. President, I have prepared the substitute amendment, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The amendment in the nature of a substitute offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. In lieu of the committee amendment on page 2, line 1, it is proposed to insert the following:

There shall be paid to each Senator after January 2, 1945, an allowance of \$2,500 per annum for the purpose of increasing the compensation of Senators; to defray expenses incurred in the discharge of official duties and until a general readjustment of salaries and expenses can be made. Actual expenditures of Senators related to or resulting from the discharge of their official duties (including expenses for travel, lodging, and subsistence while away from their State domiciles in the performance of their

official duties) shall be deductible for income tax purposes. For making such payments through June 30, 1946, \$358,667, of which so much as is required to make such payments for the period from January 3, 1945, to June 30, 1945, both inclusive, shall be immediately available.

Mr. HATCH. Mr. President, in explanation of the substitute I wish to say that it frankly declares, in the first instance, that the \$2,500 is for the purpose of increasing compensation of Senators and defraying their expenses.

It was said by the able Senator from Louisiana that expenses of Senators would equal \$2,500, or more. Possibly that is true. I do not know. In that case there would be no increase in the compensation of a Senator. But, while some Senators might spend \$2,500 or \$3,500, and it would be a legitimate item deductible from his tax income, others might spend only \$1,000. In the case of a Senator who had spent only \$1,000 he would have \$1,500 left, which would be clearly an increase in his compensation.

The substitute removes the provision which makes the allowance tax exempt. I assert, Mr. President, that I could never support the committee amendment which provides that the allowance shall not be subject to taxation. We in the Congress are charged with the responsibility of placing upon the people of this country a heavy burden of war taxation. We cannot escape, and we should not escape that responsibility. But, by the same token, when we place tax burdens upon every man and woman in this country, we certainly must bear our own share of the burdens, whatever they may be. Whether the increase in compensation be \$500, \$1,000, or \$2,500, that part which represents an increase in compensation ought certainly to bear its part of the tax burden of the country. Under my substitute it is proposed to assure that such shall be done.

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

Mr. HATCH. I yield.

Mr. PEPPER. I think the Senator from New Mexico has made some progress in approaching this matter, but I wonder what he would think about another method of approach, which is slightly different from the one he suggests.

Mr. HATCH. I do not like any of the methods of approach at all, either that of the House, that of the committee, or my own. If the Senator has a better one, I should like to have him state it.

Mr. PEPPER. I was about to make a proposal which is a sort of consensus or deduction from what has been said here this afternoon by those who have commented upon the subject. Generally speaking, I think all of us feel that Members of Congress are entitled to some increase in compensation, because an increase has not been made since 1925. A great many people in private employment have received some increase, which has been legitimized by a directive of the War Labor Board, and the Congress has provided for a percentage increase for all governmental employees.

Suppose we provided an outright salary increase for Members of Congress of 15

percent of their salaries. I cannot see how anyone could properly object to that. I do not know how the able Senator from Virginia might feel, but I inferred from his remarks a while ago that he did not think it would be objectionable if Congress merely increased its own compensation the amount allowed under the Little Steel formula, a figure comparable to what we have already provided for Federal employees. I do not see how anyone could criticize Congress for providing for itself the same percentage of increase which has been allowed private employees, and which has been allowed governmental employees. Let that be in one category.

Furthermore, I see no reason why we should not clarify the law relative to a Member of Congress being entitled to a deduction for what we might call a business expense, anything that is properly related to or arises out of the performance of the duties of the office of Senator or Representative.

If we clarified the law and the rulings of the Bureau of Internal Revenue on that subject, and allowed ourselves deductions for what might be called business expenses, that would be a great boon to all of us, because we do not now, as a matter of fact, get such deductions. In my last income-tax report—if I may be personal—I did not claim any deduction whatever for any item associated with the performance of the duties of my office.

I think the able Senator from Virginia is absolutely correct in stating that every deduction we took should be corroborated by an itemized statement. If one traveled to his State on official business, he should put down transportation to Tallahassee, Fla., so much, Pullman so much, and meals so much, or travel expenses to and from Washington and Tallahassee, Fla., so much. A few days ago I went to Florida and addressed a joint session of the Florida Legislature at a memorial service for President Roosevelt. No one paid my expenses. Yet I am sure that no one would object to that being called an official expense.

Mr. HATCH. With all due regard to the ability of the Senator from Florida as an eloquent orator, which he is, would he have been invited to make that address if he had not been a Senator?

Mr. PEPPER. No; I would not. I say, I think that is absolutely an official expense, because I went for the reason that I was a Senator. The legislature invited me because it was a legislative body. When \$150, the amount it cost to make a trip such as that, is taken out of a monthly salary of something over \$600, the amount we have left after taxes, it can be seen what it does to the family budget.

I cannot see how anyone could honestly criticize the Congress for doing the two things I suggest, yet if we did those two things it would mean to all of us a considerable boon, and I respectfully suggest to the able Senator the consideration of those two approaches to the subject.

Mr. HATCH. I am grateful to the Senator from Florida. I think he has made a valuable contribution. As I

stated, I have not been satisfied with the approach to this question either by the House, by the Senate committee, or my own. I have been perturbed myself. It is very likely that when the expenses are deducted—and I think this is what the Senator from Louisiana has in mind—there would not be an increase of salary which would amount to 15 percent. Is not that correct?

Mr. OVERTON. That is correct; it would not amount to 10 percent.

Mr. HATCH. And there would be no violation of what is called the Little Steel formula.

Mr. OVERTON. What the Senate committee was trying to do was to avoid requiring Senators to make an itemized statement with reference to their expenses.

I suggested to the committee with reference to allowing these deductions, an amendment providing that not to exceed \$2,500 could be deducted upon a certification made to the Secretary of the Senate. But there was objection to that. Senators seemed to think that if there were any difference between \$2,500 and what was actually expended, the difference would be so small there would not be any profit in it.

Mr. BANKHEAD. A point of order, Mr. President. We cannot hear what is being said.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. OVERTON. I was stating that the committee felt that if there were any difference between the actual expenditures of a Senator—and when I say expenditures, I mean such as those contemplated by the amendment—and \$2,500, the profit which any Senator would make out of the difference would be so insignificant that there would be no necessity of requiring him to render an itemized statement about the matter, and that it would be best to fix a modest lump sum, say \$2,500. That is the reason why we have done it.

Mr. PEPPER. Mr. President, will the Senator from New Mexico yield?

Mr. HATCH. I wish to make one further observation.

Mr. OVERTON. On the other hand, the amendment of the Senator from New Mexico would require that an itemized statement of all expenses be kept. I think the other solution is an easier one.

The suggestion made by the able Senator from Florida is subject to objection for a very different reason, that is, it might make the drain on the Treasury much higher than it would be under the amendment offered by the committee and the amendment suggested by the Senator from New Mexico, because in addition to giving the increase of \$2,500 he would allow all expenditures for maintenance, subsistence, and travel to be deducted from the income-tax return. So, a Senator might spend a thousand dollars a month on his lodging, and it would be deductible. No one could say to him, "You should have spent only \$200. You should not have spent a thousand dollars." He may live much more sumptuously than he would otherwise, because the item would be deductible.

Mr. PEPPER. That objection, which might be made, could easily be met by fixing a maximum that could be deductible, inserting some such language as this, "Provided, however, That total deductions shall not exceed \$2,500 a year." Will the Senator from New Mexico allow one further observation?

Mr. HATCH. Certainly.

Mr. PEPPER. As the Senator from Arkansas [Mr. McLELLAN] has pointed out, we must consider sometimes not only what we do, but what the natural inference is from what we do. Yesterday afternoon I was meeting with the executives of 21 standard railroad brotherhoods, and when I started to leave one of those gentlemen said to me, "When you gentlemen start to increase your salaries tomorrow, I want you to remember whether or not you tried to put John L. Lewis in jail for getting some more money for the miners." He may or may not have been logical in the comment he made, but he made it, and he was honest in making it.

What I was about to say was that we are, however, entitled to deduct business expenses, that is to say, expenses which are correctly and naturally appropriate to the duties of our offices, and no one has a right to deny us that. We are entitled to the same percentage of increase others have had, which the Little Steel formula makes possible for them.

If there is a desire to limit the amount of the deduction, we could say, "Provided, That the total deduction shall not exceed \$2,500, or \$2,700, or \$3,000 a year," and that would be all right, but if we should do the two things I have suggested, we would meet the problem in a way which would be helpful to Members of Congress, and it seems to me it would stand the scrutiny of any fair criticism.

Mr. HATCH. Mr. President, before I yield further I wish to say that I have been very desirous of obtaining a vote and completing action on the bill this afternoon, but when the Senator from Kentucky [Mr. BARKLEY] and other Senators stated that there was no chance to obtain a vote today the plans which I had made of course went out the window.

Several Senators have expressed a desire to have me yield, and I am perfectly willing to yield and let them make such contributions to the discussion as they wish to make and perhaps work out some reasonable and intelligent solution to this problem on tomorrow.

Mr. BARKLEY. Mr. President, I was induced to make the statement about not voting today because many Senators felt that if we could study the question overnight we might frame a provision which would apply to both Houses and be acceptable. Personally I should like very much to dispose of the matter today, but in view of that feeling I thought it might not be amiss to work on the problem during the time between now and tomorrow's session. Perhaps by tomorrow we can work out something which is acceptable.

Mr. HATCH. I hope the Senator did not think I was censoring him.

Mr. BARKLEY. Not at all.

Mr. HATCH. I personally have a little engagement I wanted to keep; that is all.

Mr. BARKLEY. I want to compliment the Senator on the effort he has made to solve this problem. I think that our difficulty in part grows out of the fact that the matter is being dealt with separately by both Houses.

Mr. HATCH. There is no question about that.

Mr. BARKLEY. There ought to be uniform legislation applying to all Members of Congress alike. We are injected into a situation where we must deal with the matter separately when it ought to be dealt with as a whole. We have a parliamentary situation which may result in the Members of one House getting what is equivalent to a \$2,500 increase in their salaries without the Members of the other House getting it, which would be something that has never before happened in the history of the United States and ought not to happen.

Mr. HATCH. I want to interrupt the Senator to say one word. As the Senator from Louisiana said, I think this is a serious matter. It is not a frivolous matter. We ought to devote our best efforts to working the problem out with the other branch of the Congress.

Mr. BARKLEY. I think so, too. The House undoubtedly felt that this was not a matter of salary; that it was purely a matter of expense, and on the same basis as that of clerk hire, in which one House has not interfered with what the other House thought it should do respecting clerk hire for Members. Personally, I do not believe that is the sound basis for action which would justify each House dealing by itself. If it were, the Senate might even conceivably reduce the allowance for expenses to Senators, or increase the expense allowance, and leave the House provision as it is. So the Members of the two Houses would be upon a totally different basis in regard to compensation. That would be most unfortunate. If anything is to be done—and the House has injected this matter into the bill—I was hoping we might do something which would be acceptable to both Houses. I hope something can be done with the item one way or the other, or else that it be eliminated altogether. Perhaps by a little consultation and cooperation we can settle upon a plan by which the difficulty can be solved.

Mr. McKELLAR. Mr. President—The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from New Mexico yield to the Senator from Tennessee?

Mr. HATCH. I yield.

Mr. McKELLAR. I want to say that in the committee this amendment gave me a great deal of concern. I voted against the amendment which was reported. In trying to work the matter out along the lines we have been trying to follow in the case of the salaries of government employees generally, with an increase of about 15 percent, it occurred to me that the proper thing for us to do would be to take similar action for ourselves; and so my idea of the amendment which ought to be adopted is as follows:

There shall be paid to each Senator, after January 1, 1945, a salary of \$11,500 a year.

I realize that there is objection to such a proposal; that is that the House would probably not be willing to accept it. It

would make a difference between what the House has voted to its Members and what the Senate would vote for Senators. There would be that objection.

It seems to me we might reach a compromise respecting the first phrase of the amendment proposed by the Senator from New Mexico.

Mr. HATCH. I wish to say to the Senator from Tennessee that I am not tied to my own particular amendment.

Mr. McKELLAR. I know that, and that is why I am addressing myself now to the Senator from New Mexico. I am inclined to think it would be better if the Senator were to frame his amendment so as to read:

There shall be paid to each Senator, after January 1, 1945, a salary of \$12,500 a year.

If the Senator were to stop right there, and say nothing about expenses, and use no words in an attempt to legislate about the question of deductions from income, or anything else, but simply make the salary \$12,500 a year, and amend the House provision to that effect also, it would be better. If the Senator will further yield, I will give my reason for that suggestion.

Mr. HATCH. I am glad to yield to the Senator from Tennessee.

Mr. McKELLAR. I think it would be a serious mistake, and I so stated before the committee, for the Senate to provide that a part of the salary of a Senator shall not be subject to income tax. I simply cannot vote for such legislation. Then, when we come to the question of making deductions for expenses, we find it to be very involved. Expenses are different with almost each and every Senator. Therefore, there is a very great objection to such a provision.

So I make the suggestion to the Senator from New Mexico for whatever he may think it to be worth. I hope the Senator will change the language of his amendment so it will read:

There shall be paid to each Senator, after January 1, 1945, a salary of \$12,500 a year.

Leave the language of the amendment with those words. Then we would not be subject to the charge of increasing our salaries by indirection. We could not be subjected to the charge of trying to escape income taxes which we ourselves have imposed. For that reason I believe an amendment such as that which the Senator from New Mexico has suggested, providing for an increase in salary of \$2,500, in view of the fact that the House has fixed upon that base sum, would probably be better, and I hope he and other Senators will consider what I have stated.

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

Mr. HATCH. I yield.

Mr. WHITE. I want to say a very brief word about the situation. It troubles me greatly. I am perplexed by the substantive provisions of the House draft of the amendment reported by the committee, and of the substitute offered by the Senator from New Mexico [Mr. HATCH]. I am concerned also because of the parliamentary situation which was presented to us, and which still is with us through the action of the House of Representatives.

I feel strongly opposed to any provision which exempts us as Senators of the United States from the general provisions of the tax laws of the United States. I do not myself want to vote and I do not want to see the Senate of the United States vote to put Senators in an exempted or an excepted or a preferred class under the tax laws of the United States.

Mr. President, I do feel that there ought to be some adjustment in the pay which is afforded Senators of the United States. I remember very well a good many years ago in the House, and I suspect it was in 1925, the year to which the Senator from Louisiana referred, that an able Member of that body laid down the rule, which I have always remembered, as to the pay of Members of the Congress of the United States. It was Ogden Mills, reputed to be a wealthy man, who said that the pay of a Member of Congress ought not to be so large that men would seek to come to the Congress of the United States because of the salary alone; that salary ought not to be the attraction which brings men into public life. Then he added that, on the other hand, the salary ought not to be so low that only men of independent means and wealth would be able to devote their lives to the service of the Nation in the legislative bodies.

I have always believed that this was a sound rule. Under the present circumstances, with all the demands made upon Members of the Senate and Members of the House, I do not believe that a salary of \$10,000 is an adequate payment to Members of Congress. I am perfectly willing to vote for an increase in the salary of both Senators and Representatives. That is not my first choice. If I could do as I pleased I would provide, first of all, for a sound retirement law for Members of Congress, a retirement law under which the beneficiaries would make contributions to the fund out of which payments were made to them. That would be the first thing I would do if I could have my will.

Next, I would meet the question of salary head-on, with no collateral questions of taxes or tax exemptions. I would meet it directly, pay adequate salaries, and then let Senators meet their tax obligations from their salaries, precisely as every other citizen does.

Coming to what I really had in mind to say when I rose, I believe that the suggestion of a recess, and conferences upon this question, is altogether wise. I believe that the majority leader should have an opportunity to confer with others who are interested in this subject, and who have given study and thought to the question. I hope there will be included in such conference the ranking minority member of the Committee on Appropriations, the Senator from New Hampshire [Mr. BRIDGES]. I have a real faith that something can be worked out which will at least obviate some of the difficulties, and bring before us a legislative proposal for which we can vote in good conscience, and which we can incorporate into the law of the land. I hope the recess will be arranged, and that conferences will follow.

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

Mr. HATCH. I yield.

Mr. MORSE. I appreciate the Senator's yielding to me. I wish to make a few comments for about 5 or 10 minutes on the proposed amendment.

Mr. HATCH. The Senator proposes to discuss the pending proposal, does he not?

Mr. MORSE. That is correct.

Mr. HATCH. I am glad to yield.

Mr. MORSE. Mr. President, I would prefer not to become involved in this controversy. However, this particular proposal involves issues which, for 2 years as a public member of the War Labor Board, I found it necessary to pass upon, so far as the wage-stabilization principles are concerned.

In my judgment, the proposal before the Senate constitutes a violation of the wage-stabilization policy of the Government, imposed upon industry and workers. I believe that the same wage-stabilization principles should apply to Members of Congress which they in turn expect the War Labor Board to apply to the population as a whole. It is only basic fairness that the same rules apply to the salaries of Congress as are applied to workers and salaried people generally.

I believe it is perfectly clear, no matter what language we use for terminology, that this proposal constitutes a salary increase for Members of the Senate. I agreed with the distinguished Senator from New Mexico when he refers to it as being clothed in language of subterfuge and indirection. I think it is a clear example of a subterfuge and an indirect means of increasing the "take-home" money, so to speak, of Members of the United States Senate. Later in my remarks I shall make a statement of my opinion as to the desirability of a salary increase for Members of the Senate at the close of the war; but for the duration of the war I believe that Members of the Senate should adjust themselves to the same wage policies which we call upon American employers and employees to adjust themselves to.

I believe that we should keep in mind the basic principles of the wage-stabilization policy as those principles relate to the Little Steel formula. I think we need to keep in mind the fact that it has been the policy of the War Labor Board, and still is the policy of the War Labor Board, to look at the rates of pay as of January 1, 1941, and compare those rates with the rates as of May 1, 1942. As the comparison shows that the workers concerned received a pay increase of 15 percent during that period of time, then they are not entitled to any further increase under the Little Steel formula.

Moreover, the War Labor Board has always sought to prevent evasions of the wage-stabilization program by voiding hidden or indirect wage increases granted after May 1, 1942, when such increases exceeded the Little Steel formula. I have sat through a great many cases and I am sure that Senators would be interested in knowing some of the various devices which employers and representatives of workers have attempted to

use in obtaining wage increases by indirection and subterfuge.

One of the most common devices was by way of the introduction into the plant for the first time of an expense account not theretofore paid or by way of paying bonuses. Sometimes these so-called bonuses were offered in the form of war bonds or free housing or other gratuities which had the effect of increasing the income of the worker or salaried official concerned.

I remember one case, which was somewhat humorous, in which we found that at Christmas time the employer proposed a substantial gift by way of subsistence, paying for a considerable food outlay. It would have amounted, of course, to a substantial increase in dollars and cents and amounted to a Christmas bonus. However before the war this employer was never so moved by the Christmas spirit. There was even one case in which the Board went so far as to say that gifts of turkeys at Thanksgiving and Christmas constituted a bonus and was recognized as a device to obtain manpower by way of an unauthorized wage increase. The Board ruled in such cases that the bonus was in violation of the wage stabilization program of the Government. It ordered that the employer should not be allowed to make such subterfuge wage increases. If prior to May 1, 1942, the granting of bonuses, expenses, and other gratuities was an established and fixed part of the wage structure of a given employer then he could continue to pay them after that date. However in a whole series of cases the Board has denied wage increases in the form of expense accounts which were not paid by the employers at the time the wage stabilization program went into effect.

In my judgment, what the Congress is attempting to do in this instance is to increase the income of individual Members of Congress by way of an expense account not paid by the Government at the time the wage-stabilization program became effective. Hence, I say that I think the amendment is an outright violation of the wage-stabilization program of the Government; and if the same rules were to be applied to Congress by the War Labor Board as Congress in turn expects the War Labor Board to apply to industry as a whole, the increase would have to be denied.

One of the most recent cases of the Board was a case with which I am sure many Senators are familiar. I refer to the Ohio telephone case. You will recall that in that case a telephone company struck upon the device of hiring girls in various towns and moving them to town Y and paying their living expenses in town Y. The War Labor Board held that when the company paid the living expenses of girls moved from town X to town Y, for example, it was guilty of violating the wage stabilization policies of the Government. The War Labor Board rightly called such an expense allowance a wage increase by way of subterfuge, and an attempt by indirection to undermine the wage stabilization program. Hence it ordered the

company to cease paying the expense account allowance.

I invite the attention of the Senate to Executive Order 9250, of October 3, 1942. That order followed President Roosevelt's great stabilization speech on April 27, 1942. I do not pretend to quote him exactly, but it will be recalled that in that speech his meaning and intent was to this effect: He said to every American citizen, "If you work for wages, those wages shall not be increased for the duration of the war, save and except under certain exceptional criteria." This criteria were set out in the speech. They related primarily to substandard wages, gross inequities, and wage increases necessary to aid in a more effective prosecution of the war.

Executive Order 9250 is so broad that it makes it perfectly clear that wage increases by way of bonuses, or by way of indirection through the payment of expense accounts not theretofore paid, would constitute improper wage increases within the meaning of the order and would be in violation of it if paid.

So I say that it is my sober judgment that when we test this amendment against the Executive orders now being applied by this Government under our wartime wage-stabilization program, it is a clear violation of them and if the War Labor Board had jurisdiction over the amendment, it would have to decree that the amendment provides for an improper wage increase by way of subterfuge.

The next point I wish to make, Mr. President, is with respect to the relation of the amendment, if adopted, to the whole problem of economic stabilization for the remaining period of the war. Certainly it should be unnecessary for me to plead at any great length for our doing everything which we as a Congress can do to maintain and protect the value of the American dollar. It would be a calamity for that dollar to become a cheapened dollar. We must not commit any act which will increase the danger of inflation in this country. Is it a stretch of logic to say that the adoption of this amendment by the Senate of the United States would start an inflationary spiral? I think not. I think not, if we will keep in mind how these great wage movements work; I think not, if we will recognize that those who are seeking to increase wages are always making use of arguments based upon precedents. What a great argument we would give them in their wage hearings before the War Labor Board if we were to put them in a position where they could say, "Well, the Congress of the United States, by indirection, by way of an expense account which this Board in specific cases has disallowed when it has involved private employers and private employees, has voted itself a wage increase of \$2,500, an amount far in excess of the 15 percent allowed by the Little Steel formula. We think we are entitled to at least as good treatment as Congress gives itself."

It would be a very persuasive argument, and I think it would be an argument to which members of the War Labor Board would have to give great heed. I know of no greater act of cruelty which we could commit against the workers

of this country than to take a step which would result in the cheapening of the American dollar. That is exactly what will happen if we do not succeed in the fight on the home front against inflation. I have said in a great many War Labor Board decisions—I said it for the first time in 1940, in the San Francisco ship clerks case, during the defense days, long before we went into the war, that "The time has come to make clear to the American people that pockets bulging with cheap money are always pockets close to empty stomachs." I repeated that statement in several decisions of the War Labor Board, because it is a statement of a principle of which we must not lose sight. If we permit the American dollar to become cheapened through inflation in this country, we shall be headed for the most disastrous depression, with resulting widespread unemployment and economic chaos, in the history of our country. I think that we, as the Congress, are guardians of the value of the American dollar. I do not think we should take any action in connection with the pending appropriation bill which could possibly provide a basis for an argument for a general wage increase in this country, because following such an increase there would be bound to be a corresponding increase in prices, and the old spiral would work in its historical cycle form, as it has throughout our economic history. Labor and farmers would be the greatest sufferers.

A very fine job of economic control has been done during this war. There have been weaknesses in it, and I have been critical of them; but by and large, I think, the stabilization boards which we have set up have done a magnificent job in protecting the real income of the American workers and consumers. There still are many wage injustices which need to be corrected, but I am confident that the War Labor Board can best do its job if we the Congress do not adopt a policy relating to our own salaries which violates the policies of the Board. If and when a general wage increase in excess of the Little Steel formula is needed to meet cost-of-living problems in the country as a whole, then I think the Board should be directed to make it universally applicable. However, I think that before we resort to such a wage policy a greater effort should be made to check and roll back prices, because I think that is the best way to protect the value of the consumer's and worker's dollar. In any event, we as guardians of the value of the dollar, should not grab an increase for ourselves and then expect the War Labor Board, Economic Stabilizer Davis and War Mobilizer Vinson to hold down the lid on the economic kettle already boiling with inflation pressure.

The third and last major point I wish to make in these extemporaneous remarks, Mr. President, is that I think we have presented here a problem which requires us, as Members of the Senate, to proceed to educate the American people in regard to the financial obligations and the financial costs which face the Members of the Senate. It is going to be a sad day for America if the Senate of the United States becomes just a rich

man's club. Yet, in view of my economic resources, I must confess that today a man has to have more wealth than I have, to serve in the Senate and do more than just break even. We need to inform the American people and give them evidence and facts as to the financial outlays inherent in service in the Senate. We need to make clear to them—as I am sure they will recognize, once they get the facts—that it is in the interest of American democratic government that we see to it that poor men can come to the Senate and can at least have reasonable security in their old age, after service in the Senate.

That is not the case today. I do not have to make an argument to you gentlemen to substantiate the point that service in the Senate, on the basis of the salary now paid, and in view of the costs and expenses which Members of the Senate suffer, makes it impossible for a Senator to develop any security for his own old age or any economic security for his family. Democratic government in this country will not remain healthy if that condition continues to exist.

However, Mr. President, our obligation, as I see it, is to collect the facts and frankly go before the American people, educate them to a better understanding of what is entailed in service in the Senate from the standpoint of expenses, and give them an opportunity, through public discussion, to pass judgment upon it. Then, when the war is over, we should come forward frankly, directly, and openly with a bill which provides that Members of the House of Representatives and Members of the Senate be paid a salary commensurate with the responsibilities and in keeping with the duties and obligations of the office. A bill which will make it possible for them to retire from the House of Representatives or from the Senate with some decent security in their old age.

Let us be frank about it: Congress has suffered severe criticisms from public opinion in recent years because, rightly or wrongly—and I think rightly—the public has formed the impression that the Congress has sought to face its financial problem by indirection and subterfuge; and they do not like it. I do not think it is good for government in this country to have public opinion of the frame of mind that we are not willing to come to the public directly and openly and to say to the public, "Yes; on the basis of the obligations and expenses of the office, we need, we deserve, we are entitled to a salary which is decent and which will permit us to meet our expenses." My faith in the fairness of the people is such that I think they will insist that we raise our salaries after the war once they know the facts about our expenses.

I would suggest that when the war is over we ought to defend and we can defend a salary for the Members of both branches of the Congress equal to that of a Cabinet officer.

But until the war is over, as guardians of the value of the American dollar, as the ones who, after all, have a primary responsibility in protecting this country from inflation, as a Congress, we owe it to the people, in my judgment, to main-

tain strict controls over the economic life of this country until the supply of civilian goods balances the purchasing power of America. Until that time is reached, we owe an obligation to protect our people from the ravages of inflation. We must not be guilty of voting ourselves a wage increase by way of indirection and subterfuge which will violate the Little Steel formula, which will violate Executive Order 9250, and which, in my opinion, will be conducive to inflation in America. Hence, I am unalterably opposed to the amendment.

Mr. BARKLEY. Mr. President, it is obvious that we cannot conclude consideration of this bill today. I had hoped that we might be able to finish it tomorrow, and then adjourn over until Monday. If there is to be any effort made to perfect an agreeable and workable plan among ourselves, or with the Members of the other House, I doubt very much if it can be done by tomorrow. For that reason I intend to move that the Senate recess until Monday.

I wish merely to make this observation in connection with the entire situation: I feel very deeply that it is most unfortunate that this issue has come to us in the way in which it has come. I felt that way about it when it was put into the bill by the other House. I do not say that with any criticism in mind. I know that it is a hard situation with which to deal. I am acutely aware of the difficulties which beset Members of Congress who have no independent income beyond their salaries. I belong to that category. Since I became a Member of the Senate the income taxes have been increased by both the Government and the State from which I come, until last year, out of my salary I paid \$3,000 more in income taxes to the Federal Government and to the State than I had ever before paid at one time. I make no complaint about that because I voted for those taxes, and I voted for them to be withheld from my salary, as I also voted that taxes be withheld from salaries of other people throughout the country.

Mr. President, the number of people in the United States who have the impression that Members of Congress pay no taxes whatever is amazing. Frequently I have become aware of that misinformation in my talks with persons who were surprised when they were told that we pay taxes. How they could have thought that we could have avoided paying taxes, or have the temerity to excuse ourselves from paying taxes, I do not know. But many persons honestly believe that we exempted ourselves from taxation, and especially from the payment of income taxes.

Of course, we know that we are not exempt, and, so far as I am concerned, I shall not vote for any provision which would exempt Members of Congress from paying taxes, whether it be by way of a direct or an indirect increase in a Member's salary. That is one reason why I do not like the provision reported by the committee which was in the appropriation bill now before us. I do not like the indirection by which the objective is sought to be gained. I do not mean by that statement any offense to anyone in any branch of the Govern-

ment. But what the provision in the House bill would do, and what the amendment offered by the committee would do, would be to give Members of Congress an allowance for expenses which we had theretofore been paying out of our own salaries. There can be no doubt about that. That is what either provision would do. It would mean an increase in salary no matter what Senators may call it. If we are going to do that, I would infinitely rather do it directly, and say so in broad open daylight, so that everyone would understand what we were doing.

The parliamentary situation is such, Mr. President, that it embarrasses me, and I feel sure that it embarrasses other Members of the Senate as well. If this proposal is intended as an increase in salary it should have applied to the salaries of Members of both Houses. It should not have been left to one House to increase its salaries, and to the other House to determine whether it, in turn, would also increase its salaries. That has never been done heretofore. I was a Member of the House when the last increase in congressional salaries was made. It was made applicable to the Members of both Houses. It has always been that way during the entire history of the country. There has never been any discrimination between the compensation of Members of the two Houses. From a parliamentary standpoint it is possible that we might find ourselves in such a situation that the Members of one House would receive the increase and the Members of the other House would not receive it. I hope that whatever can be worked out will be applied to both Houses.

Mr. President, I think that the Members of Congress have frequently been unfair to themselves in regard to these matters. I recall a very amusing experience which I had after the increase in salaries from \$7,500 to \$10,000 was granted. I was then a Member of the other House. Approximately 2 weeks before that time I had voted against an increase in the salaries of Government employees. When the salary increase for Members of Congress came before the House I felt that I could not consistently vote to increase my salary after having voted against increasing the salaries of Government employees, and therefore I voted against the proposal. The newspapers in my district carried articles about my having voted against the increase in salaries. They said in effect, "Old BARKLEY stood by the people. He didn't believe in any robbing of the Treasury." Congress adjourned within approximately a week thereafter and I went home. I thought that I would be the hero in my home town. I spent a week going up and down Broadway thinking that everyone whom I met would pat me on the back and say, "Old fellow, you certainly stood by us." I was at home a week before any one even mentioned the matter to me. Finally a farmer who lived 15 miles in the country, who had been a devoted friend of mine for many years, and who always came into town to see me when he heard that I was home from Congress, met me. We backed ourselves up against a brick wall near the street and talked for ap-

proximately an hour about what had been taking place. After talking for about that length of time my farmer friend said, "Well, I see you fellows increased your salaries up there." I said, "Yes, they did it, but I voted against it." He looked at me for about 2 minutes, right in the eye, and finally said, "Well, you are just a damned fool." [Laughter]. That is the only comment I ever heard from that day to this in my district with regard to my having voted against the increase in salaries.

So we are often prone to underestimate the intelligence of the people. We are prone to underestimate their understanding of a situation, and we sometimes magnify our timidity in dealing with our own problems. But when we deal with them I want to deal with them face to face, open and above board, and in broad daylight. I want everybody to know what we are doing. It is for that reason that I do not like the way this proposal has been put into the appropriation bill. I do not much more like the way in which it has been reported by the committee.

I appreciate what the Senator from Oregon [Mr. MORSE] has said about increasing the wages of other people and whatever may be done about the matter. I am not sure that I shall vote now for any increase in congressional salaries. My mind is open on that subject. But when I do it I want to know I am doing it so that everybody will understand it, so that there will be no subterfuge about it, no thought that I have gone around through the back yard and come in the kitchen door in order to get into the living room for more salary than I enjoy. That is the way I feel about it. In the attempt to reach a solution I think all those in charge of the proposed legislation should be consulted, and I include those in the House, too, because, from the parliamentary standpoint, as I see it, if the Senate amendment should be rejected and the House language should be retained, there would be nothing in conference, the conferees could not change the provision, because the provision of the bill as it passed the House would be in the bill unchanged, and there would be nothing in the bill with respect to the Senate, so that the question would not be in conference, and the result would be that one House would get the increase and the other would not. I think all of that should be taken into consideration.

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

Mr. BARKLEY. I yield.

Mr. OVERTON. I merely wish to make the observation that I think it is rather a harsh criticism of the committee amendment to say that we are trying to come in through a back door. The committee amendment spells out clearly just what we are doing. We are providing an expense account, and we have made a finding that it would amount to about \$2,500. I think in pretty nearly every case it would amount to about \$2,500. Anyone who reads the provision is bound to understand it. There cannot be any misconception about it.

Mr. BARKLEY. I do not want my remarks to be regarded as harsh. What has made me feel the way I do about it

is what was done elsewhere. I do not desire to be harsh about that, even, but there is this to be said about it. I do not think any of us can deny that the language of the bill as it passed the House and the language of the Senate committee amendment cover expenses we are now bearing ourselves out of our salaries. There is no question about that. To that extent it is an increase in our net income.

Mr. OVERTON. Expenses which no other employee is bearing, and it is all due to a misinterpretation of the language "away from home."

Mr. BARKLEY. I agree no other employee is bearing it, yet we have been doing it all this time.

Mr. OVERTON. It is due to a misinterpretation of the phrase "away from home."

Mr. BARKLEY. I do not think it is altogether due to a misinterpretation by the Bureau of Internal Revenue, because the disallowance of what we might regard as our expenses on the part of the Internal Revenue Bureau would not be as much as the amount by which we are asked to increase the expense allowance, because if we got all the deductions to which we might think we were entitled, in my judgment, the tax would not amount to as much as the \$2,500 a year.

What gnaws at my conscience is the difference between doing this thing directly, by a straight-out increase in salary, and calling it that, and not exempting it from taxation, and providing an allowance for expenses. It is not subject to taxes, if the expense is a legitimate expense. We do not have to exempt it if it is a legitimate expense. As applied to anyone in the United States, it would be allowed, and there can be no question that there is a discrimination.

Anyone in business or in a profession is entitled to deduct all he spends in order to get business. A lawyer, a doctor, a dentist, or anyone else is entitled to deduct from his income whatever it costs him to get business.

We have always assumed that being a Member of Congress is not business, that there is an element of honor and distinction that goes along with it which is supposed to compensate us for the disadvantages of which we complain, but no one was ever able to pay a grocery bill or house rent with a distinction or with an honorable title, and especially is that true in the District of Columbia. I had a feeling the last time we increased our salaries that our expenses here were increased enough to absorb the increase, and we really had no more net money than we had before.

Mr. BANKHEAD. It helped when we were away.

Mr. BARKLEY. It helped us when we were away. I hope that before we meet Monday, something can be worked out which we can defend, and that it will be made to apply to both Houses alike, because I think it would cheapen either House for the other one to have what in effect is an increase in salary, and have it made inapplicable to the other House.

Mr. JOHNSON of Colorado. Mr. President, it has been suggested several times this evening that efforts be made to work

out some sort of a compromise on the pending amendment. I think it is incumbent upon me, therefore, to let the Senate know that I intend to make the point of order that the pending committee amendment is legislation on an appropriation bill, and when the substitute offered by the Senator from New Mexico [Mr. HATCH] comes before the Senate I shall make the same point of order against the substitute.

I have discovered in the Senate that if I sit around long enough I do not have to make a speech, that others who are far more eloquent and forceful will make my speech for me. Today that has happened; indeed, it has happened twice. The Senator from Oregon [Mr. MORSE] made the speech I should have liked to make, and the Senator from Kentucky [Mr. BARKLEY] has just made a statement which fits me to a "t," and exactly expresses my own feeling regarding this whole situation.

Mr. President, it seems to me that the integrity of the Congress is at stake in this matter, and I cannot think of anything that is more valuable in this country today than the integrity of Congress. We must maintain that integrity; we must maintain it at all costs in this day of sacrifice. When boys are dying everywhere for the flag, it is not too much to ask us to maintain and support and uphold the integrity of the Congress. That is the thing we must do.

I know it causes sacrifice, of course. The salaries of Senators and the salaries of Representatives have been reduced during the war by extra expenses and by heavy taxes we have laid upon ourselves. Nevertheless, that is a part of the job, that is a part of our duty in this wartime, and we must accept it in the spirit of the present-day situation.

Mr. BANKHEAD. Mr. President, recently I requested the Bureau of Labor Statistics to furnish me a statement relating to the need for higher congressional salaries to meet the rise in living costs. I was furnished with the statement, and in view of the fact that this matter is to go over the week end, I ask that immediately following my remarks the statement be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

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

STATEMENT RELATING TO THE NEED FOR HIGHER CONGRESSIONAL SALARIES TO MEET THE RISE IN LIVING COSTS

1. FEDERAL SALARIES NOT ADJUSTED TO MEET CHANGING CONDITIONS

The Federal service includes the largest, and indeed, almost the only substantial segment of the Nation's employed population, in which salary and wage scales have not been revised as a result of the changing economic conditions of wartime. Despite the excellent record of the program designed to control potential inflationary forces, especially by comparison with the experience of World War I, the cost of living has increased. The need for higher income taxes and the patriotic duty of making substantial purchases of War bonds have imposed further strains on available funds for all of us. In this situation, the Members of Congress occupy a position which, in many respects, is unique.

2. SHARP DECLINE IN REAL SALARIES OF MEMBERS OF CONGRESS

Congressional salaries were fixed at \$10,000 per annum in March 1925; there have been no adjustments since that date. Between 1925 and 1939 there was an increase in the real income of the average person employed for wages or on salary. This represented a continuation of long-term trends in the United States, where rising productivity has made possible a gradual rise in living standards. In this period, though congressional salaries were unchanged in amount, the purchasing power increased because prices were somewhat lower in 1939 than in 1925.

Since 1939, with rising wartime prices and higher income taxes there has been a drastic cut in the buying power of congressional salaries. The typical Member of the Senate or the House of Representatives, in 1939, paid \$304 in Federal income taxes, assuming that he supported a wife and two children and claimed a 10-percent deduction for contributions and had no other source of income than his congressional salary. The portion of his salary available for expenditures and savings thus amounted to \$9,696 a year. By 1944, his income taxes, computed on the basis of the same assumptions, had risen to \$1,915, leaving \$8,085 of his \$10,000 salary available for expenditures and savings. But \$8,085 will not buy nearly as much now as in 1939. Because prices for everyday necessities have increased by about 30 percent since 1939, the purchasing power of \$8,085 after taxes in 1944 was equal to only \$6,326 in 1939. This is according to the figures of the Bureau of Labor Statistics and the President's Committee on the Cost of Living. Put another way, a Member of Congress with a family of two children, by 1944, had suffered a decline in effective purchasing and saving power of almost 35 percent so far as his salary income was concerned.

3. INCOMES OF OTHER GROUPS HAVE RISEN

The gross earnings of Federal employees in the classified service increased from an average of about \$1,929 in January 1941 to \$2,448 per year. The bulk of this increase resulted from the lengthening of the scheduled work week from 40 to 48 hours. There has been virtually no change in basic salary scales since 1930. After allowance for higher taxes and the rise in the cost of living of about 30 percent from January 1941, the purchasing power of their earnings (after allowance for the tax paid by a worker supporting a wife and two children) was almost 5 percent lower in December 1944 than in January 1941. The pay of Members of Congress, of course, cannot possibly be based on the length of the work week, and there has, therefore, been no such basis for offsetting rising living costs, even though there has been an immeasurable increase in the wartime workload of the Congress.

In private industry there are no comprehensive reports on salaried workers in the higher-income brackets. Most of the information available is on wage earners who, however, form the bulk of the working population and whose earnings are of the utmost importance in the general economic situation of the country. Increases in basic wage rates have been granted quite generally in private industry, and the total of these raises approximates the 15 percent set forth in the Little Steel formula of the War Labor Board. For total earnings, as opposed to wage rates, the increase is much greater. In manufacturing, for example, weekly gross earnings of wage earners have risen by 78 percent as a result of the lengthened work week and increased premiums for overtime and night work, as well as the revisions made in basic rates. Their income from wages, after allowance for higher taxes, for increases in Social Security deductions, and for the rise in living costs, are consequently nearly

36 percent higher than in January 1941, according to the Bureau of Labor Statistics.

This is in contrast to the decrease of about 35 percent in salary income available for expenditures and savings experienced by Members of Congress.

4. MEMBERS OF CONGRESS SUBJECT TO HEAVY SPECIAL EXPENSES

There are, however, certain differences which must be taken into account. The effect of price increases since January 1941 on the proportions of income available for expenditure and savings has been measured in terms of the Government's official cost of living index as compiled by the Bureau of Labor Statistics plus allowances made by the President's Committee on the Cost of Living.¹ This index is designed to trace the price changes of the more or less standard or average bill of commodities and services purchased by the typical family of moderate means—those whose 1934-36 incomes averaged about \$1,500. It is obvious that the essentials of living such as food, clothing, rent, and the like constitute a larger share of the total expenditures or living costs of such families than they do in the case of those with incomes of \$10,000. Thus the increase, since 1939, of some 45 percent in the average cost of food is more important to the moderate income groups than it is to those with higher salaries.

It is undoubtedly true, therefore, that the effect of the 30-percent increase in the cost of living index since January 1941 is less serious in the case of the average Member of Congress than it is among the lower-income groups.

There are, however, offsetting factors that are of considerable importance. Members of Congress find it necessary either to incur the expense of moving their households or to maintain their families at home and depend on hotels for their own accommodations. In both cases, the increases in costs are considerable.

If their households are moved to Washington, they must compete for very scarce housing, and, moreover, pay rents which are in general, higher than those in the cities from which they came. The 1940 census indicates that residential rentals in the Washington area were exceeded by only 8 of the Nation's 204 cities of 50,000 or more population. Only one of the 55 cities of 100,000 or more had higher rents than Washington. The problem of finding adequate quarters is emphasized by the fact that, since 1943, at least 13 percent of the single-family dwellings formerly rented in Washington and its suburbs have been removed from the rental market and been occupied by owners. The lack of housing frequently makes it necessary for Members of Congress and their families to live in hotels and eat in restaurants, and that is always an expensive way to live.

While no precise measurement of such factors is possible, it is undeniable that the costs of entertaining and similar items have increased markedly. In the typical family budget, such expenditures are ordinarily classified as luxuries. In the case of Members of Congress, they are essential standards that must, for obvious reasons, be maintained.

This fact has a further important implication. The budget of the typical family with a \$10,000 income usually includes a substantial item for savings—about \$2,500 in 1941. Unanticipated outlays, such as those that result from increased prices, can, there-

¹ The actual increase according to the official index amounted to 25.8 percent. The remainder is an adjustment, arrived at by the President's Committee on the Cost of Living as an allowance for quality deterioration and other conditions inherent in the present seller's market that do not lend themselves to precise statistical measurement.

fore, often be met only by a cut in savings. The special situation of Members of Congress with respect to extra expenses means that the amounts available for savings have probably always been somewhat smaller than those of the typical family in the same income class. There was, consequently, much less leeway in the Congressman's pre-war budget for adjustment to wartime changes in prices and in income taxes.

5. EFFECT OF SALARY REVISIONS

If full allowance were made for higher retail prices since 1941, salaries would have to be at least \$13,000. But wage and salary revisions made in recognition of increased living costs have been limited by the War Labor Board to an average of 15 percent under the wage stabilization program. An increase of 15 percent in Congressional salaries would raise the total salary to \$11,500; and the average income after taxes to \$9,125 in 1944 dollars and to \$7,146 in 1939 dollars, that is, if allowance is made for increased living costs.

Mr. BYRD. Mr. President, I am very much opposed to the pending amendment, but I do not desire to delay the Senate with any further remarks, and I ask unanimous consent to insert in the body of the Record a statement prepared by me giving my reasons for my opposition to the amendment. I make this request because of the fact that I am leaving town tomorrow on official business, and may not be here when the amendment is brought up for disposition.

The PRESIDENT pro tempore. Is there objection?

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

The action of the House and of the Senate Appropriations Committee in making a flat allowance of \$2,500 for expenses of the Members of the House and Senate, which will be exempt from taxation, is, in my judgment, very ill-advised. I know of no similar instance wherein a lump sum is given to any Government official for expenses.

What this in reality means is that the salaries of Senators will be increased by \$2,500, and this increase will be exempt from taxation.

A Representative or Senator who is married, without other dependents, now pays \$2,400 in taxes on a \$10,000 salary. If his salary were increased to \$12,500, he would pay \$3,365. Therefore, by this method of giving a lump sum for expenses, the amount of \$965 is saved to the individual Senator in taxation. This means that instead of the increase in salary being 25 percent, it is actually 35 percent net, taking into consideration the tax exemption on the \$2,500 increase.

Since 1941, all wages have been controlled on a basis of 15 percent increase as applied to January 1941. Representatives and Senators are, of course, entitled to this increase, but, if an increase is made to the Members of Congress in excess of the Little Steel formula, in my judgment, it will inevitably follow that the War Labor Board will be forced to abandon this formula and to make increases throughout the country on a basis of the increase given to Representatives and Senators.

The next few months ahead of us may determine whether we will go from the disasters of war to the disasters of inflation. There could be no more inappropriate time for the Members of Congress to put themselves in a special class and receive special benefits than at this time. For the first time in the history of our country, the Government itself has been attempting to control

wage increases for the purpose of preventing inflation. What Congress does for its own membership will be taken as a criterion and a basis for increases to be made by the various Government boards that have charge of such matters.

In the form in which this increase is submitted to the Senate it presents two vital questions. The first is: Should the salaries of the Representatives and Senators be increased 25 percent? The second is: Should that increase be exempt from taxation?

So far as my knowledge goes, there is not a single Government official who is not compelled to furnish an accounting and exact statements of all expenses incurred before he can be reimbursed out of the Federal Treasury. But, in this case, a lump sum is given, and there is no requirement to furnish an itemized account.

This is not only the wrong time to make an increase as large as this, but it is being done in the wrong way. Neither should this increase be made retroactive back to January 1, as this will establish a precedent for all other wage increases to be retroactive also.

I am perfectly willing, and, in fact, anxious, to see the salaries of the Representatives and Senators increased in proportion to the increases made to all other Government workers which was 15 percent, and in accordance with the wage control policies of the War Labor Board, but let us recognize that when we go beyond this we are inviting a situation which may mean disaster to the country. The amount concerned may not be so great, but the policy may be very far-reaching in its effects.

The Congress of the United States is growing in public esteem. Every day that I remain in the Senate I am more and more impressed with the diligence, hard work, and capacity of the individual Senator, but it is just such a thing as this that will bring discredit upon the Congress. I think it would be far better to defer any increase in salaries until the termination of wage controls, unless such increase is given in accordance with the wage formula of 15 percent increase.

DAVID B. SMITH

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 209) for the relief of David B. Smith, 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 disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "\$3,267.10" insert the figures "\$2,667.10," and agree to the same.

ALLEN J. ELLENDER,
W. LEE O'DANIEL,
WAYNE MORSE,

Managers on the Part of the Senate.

DAN R. MCGHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, JR.,

Managers on the Part of the House.

Mr. WHITE. Mr. President, is this a bill which came originally from the Committee on Claims?

Mr. ELLENDER. It is.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

KATHERINE SMITH

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R.

1567) for the relief of Katherine Smith, 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 disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the figures "\$4,772" insert the figures "\$4,272," and agree to the same.

OLIN D. JOHNSTON,
JAMES M. TUNNELL,
GEORGE A. WILSON,

Managers on the Part of the Senate.

DAN R. MCGHEE,
EUGENE J. KEOGH,
JOHN JENNINGS, JR.,

Managers on the Part of the House.

The report was agreed to.

PROPOSED CONSTITUTIONAL AMENDMENT RELATING TO THE MAKING OF TREATIES

Mr. PEPPER. Mr. President, on the 1st of May the senate of the State of Florida and on the 2d of May the house of representatives of the State of Florida adopted a resolution which I believe will have historic significance. It was an application to the Congress under article v of the Constitution. It is very brief and reads as follows:

Be it resolved by the Legislature of the State of Florida:

SECTION 1. That in accordance with article 5 of the Constitution of the United States of America the legislature of the State of Florida does hereby make application to the Congress of the United States to call a Constitutional Convention for proposing an amendment to the Constitution of the United States by adding thereto an article providing substantially as follows:

"ARTICLE —

"Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

SEC. 2. That a duly authenticated copy of this resolution be transmitted by the secretary of state of the State of Florida to the President pro tempore of the United States Senate, and to the Speaker of the House of Representatives of the United States.

Mr. President, I issued a public release in comment upon the adoption of the resolution by the Florida Legislature, which I ask unanimous consent to have incorporated in the body of the RECORD at this point in my remarks.

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

The Legislature of Florida, upon my recommendation, has just done something historic; something to help prevent War III.

By a resolution passed last week the legislature made Florida the first State in the Union to set in motion the machinery to change the Constitution of the United States so that treaties may be made by agreement of both Houses of Congress rather than by two-thirds of the Senate.

At present the House of Representatives, the body in the Congress closest to the people, is necessary to a declaration of war. But it has no part in making a treaty of peace or in our joining an international organization to keep the peace. Only the Senate has anything to say about that.

But even the Senate cannot agree to a treaty or to any organization like the United Nations unless two-thirds of the Members of the Senate present when such a matter is considered agree to such proposal. That provision defeated the League of Nations and contributed to the present awful war. For there is no doubt that a majority of the

Senate and the House of Representatives would have agreed to the League of Nations as recommended by President Wilson if they had had the power to do so.

This two-thirds rule gives as few as 17 Senators the power to defeat a treaty. Thirty-three Senators could do it at any time.

That means that after the United Nations organization is set up at San Francisco by representatives of all the United Nations a third plus one of the Senate can keep us out of that organization. A third plus one of the Senate could keep us out in spite of the people overwhelmingly favoring our getting in and helping to keep world peace. This third, plus one, of the Senate could keep us out of the United Nations in spite of as many as 63 of the Members of the Senate favoring our taking an honorable part in that effort to prevent war.

The time has come, therefore, to modernize our peace-making and peace-keeping machinery.

Both Houses of Congress represent the people; both Houses declare war; both Houses have to pass legislation which is usually necessary to carry out any treaty we make; both Houses have to make any appropriations necessary to carry out any treaty. Both Houses, therefore, should speak for the people in making agreements with other nations, not just two-thirds of the Senate, whose Members are not answerable to the people except every 6 years.

And both Houses of Congress should act in making treaties as they act in declaring war or in passing all legislation, by a majority vote in each House. That is democracy. Then no other little group of willful men can throw away another peace as they did after the last war.

The Florida resolution is in the exact language of the resolution passed by the House in Washington, of which Chairman HARRY SUMNERS, of Texas, of the House Judiciary Committee is author.

It provides:

"Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

The House resolution of Mr. SUMNERS cannot be submitted to the States by the Congress without the concurrence of the Senate by a two-thirds vote, and I doubt if the Senate will, of its own accord, give up its exclusive power to ratify treaties.

Hence the only way we can hope to strike down the two-thirds rule of the Senate is for 32 States to ask Congress to call a convention for proposing this amendment to permit both Houses of the Congress to ratify treaties.

Florida has shown the way and now if 31 other States will follow her lead we can enable our Government to keep faith with our honored dead and to help to save the peace for which he gave "the last full measure of devotion."

All honor to the vision of the Florida Legislature. The Nation will expect other legislatures, most of which are meeting this year, to follow Florida.

INTERNATIONAL OFFICE OF EDUCATION

Mr. FULBRIGHT. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 281, Senate Resolution 122, relative to participation by the Government of the United States in the organization by the nations of the world of an International Office of Education.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the resolution, which had been submitted by Mr. FULBRIGHT (for himself and Mr. TAFT) on April 30, 1945, and which had been re-

ported from the Committee on Education and Labor with amendments, on page 1, line 3, after the words "world of", to strike out "an International Office of Education" and insert "a permanent international organization for educational and cultural affairs"; and on page 2, after the word "cultural", to strike out "relation, the exchange of students and scholars" and insert "relations", so as to make the resolution read:

Resolved, That the Senate of the United States urges the participation by the Government of the United States in the organization by the nations of the world of a permanent international organization for educational and cultural affairs, for the purpose of advising together and considering problems of international educational and cultural relations throughout the world, and more particularly for the purpose of organizing a permanent international agency to promote educational and cultural relations and the encouragement within each country of friendly relations among nations, peoples, and cultural groups; provided that such agency shall not interfere with educational systems or programs within the several nations, or their administration.

The amendments were agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution as amended.

Mr. WHITE. Mr. President, may I ask if this is the resolution concerning which the Senator from Arkansas spoke to me earlier in the day, in which he and the Senator from Ohio [Mr. TAFT] are interested?

Mr. FULBRIGHT. Yes.

The PRESIDING OFFICER. The question is on agreeing to the resolution as amended.

The resolution, as amended, was agreed to.

The title was amended so as to read: "Resolution relative to participation by the Government of the United States in the organization by the nations of the world of a permanent international organization for educational and cultural affairs."

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD in connection with the resolution a number of letters addressed to me which are representative of others I have received. One is from the Federal Council of the Churches of Christ in America. One from the Educational Policies Commission, one from the American Federation of Labor, one from the American Association for the United Nations, Inc., and one from the American Council on Education.

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

THE FEDERAL COUNCIL OF THE
CHURCHES OF CHRIST IN AMERICA,
New York, N. Y., May 18, 1945.

HON. J. WILLIAM FULBRIGHT,
United States Senate, Washington, D. C.

MY DEAR SENATOR FULBRIGHT: I have the honor to communicate to you the following resolution, unanimously adopted by the Executive Committee of the Federal Council of the Churches of Christ in America on May 15, 1945:

"Believing that the development of a world order of peace and justice requires continuous educational efforts among all peoples, the Executive Committee of the Federal

Council of the Churches of Christ in America urges the Government of the United States to take an active part in the organization and support of an International Office of Education by the nations of the world for the purpose of promoting educational and cultural interests."

I am confident that there is a widespread and growing interest throughout the 26 national denominations which comprise the Federal Council of the Churches of Christ in America in the movement for establishing an International Office of Education and that prompt action by the Congress of the United States along this line would be heartily welcomed.

With high regard, I remain

Very sincerely yours,

SAMUEL MCCREA CAVERT,
General Secretary.

THE EDUCATIONAL POLICIES COMMISSION,
Washington, D. C., May 18, 1945.
The Honorable JAMES WILLIAM FULBRIGHT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR FULBRIGHT: I am authorized to put the National Education Association on record as enthusiastically endorsing Senate Resolution 122. For years our association has been committed to this idea, and we sincerely hope that the Senate will pass your resolution. Doing so at this time will have a profound influence on the delegates assembled at San Francisco. We feel that education must have a place in the organization designed to provide for international security, for the peace of the world depends upon mutual understanding and cooperation among peoples.

The National Education Association wishes to congratulate you on your vision and wishes you success in the passing of this resolution.

Cordially yours,

RALPH F. STREBEL,
Assistant Secretary.

AMERICAN FEDERATION OF LABOR,
Washington, D. C., May 18, 1945.
HON. J. WILLIAM FULBRIGHT,
United States Senate Office,
Washington, D. C.

MY DEAR SENATOR: The American Federation of Labor is on record as approving an International Office of Education. At our last convention held in New Orleans last November, the executive council of the American Federation of Labor reported to the convention on this subject as follows:

"We submit that the reconstruction of the cultural life of nations now at war is certainly as important as their economic reconstruction.

"Above all the principle of cultural autonomy for all nations must be adhered to in every phase of reconstruction. We believe that every possible form of material help must be given the victimized nations in rebuilding their cultural life.

"We believe that in helping the nations which have been laid in ruin by the Axis Powers to reconstruct themselves, we must recognize the right of these people to govern themselves; that while we offer material help to enable these victimized nations to rebuild themselves, the giving of such material help, no matter how vast the amount, must in no instance deny these people complete political and cultural autonomy. On the other hand, we recognize that the treatment afforded the Axis nations must be neither sentimentally indulgent nor dominated by any vengeance. We would treat the people in the Axis nations humanely and seek to afford them the opportunities through which they may regain a sense of moral and social values. We hold, however, that the Axis nations must prove by their deeds that they are worthy of sharing in the common life of the peace-loving world.

"We would particularly urge that every possible aid be given to enable the victimized nations to rebuild their cultural life as quickly as possible, with only such direction from other nations as any nation may ask for from the UNRRA, or from any nation."

"The Boston convention in 1943 endorsed the principle of an International Office of Education. * * *

"Reaffirming convention action of last year, and amplifying it further, we recommend that in the new world institutions there be established an International Office of Education, coordinated with the general international political organization, but free from domination by it, which office shall serve as a medium for exchange of teachers, students, and as a center of investigation and research in any and all fields of education. If and when any nation or people solicits the advice or help of the International Office of Education such advice and help shall be given. The office should also undertake such cooperative projects which are mutually deemed desirable."

"We hold that in this new world educational organization there should be a definite recognition of the role of the free teacher organization."

I sincerely hope the Congress of the United States will approve participation in an International Office of Education organized along the above lines.

Very truly yours,

WM. F. GREEN,

President, American Federation of Labor.

AMERICAN ASSOCIATION FOR THE

UNITED NATIONS, INC.,

New York, N. Y., May 8, 1945.

The Honorable J. WILLIAM FULBRIGHT,

Senate Office Building,

Washington, D. C.

MY DEAR SENATOR FULBRIGHT: I have the honor to send you the following resolution adopted at a meeting of the Education Committee of the American Association for the United Nations:

"The Education Committee of the American Association for the United Nations expresses its hearty approval of participation by the Government of the United States in an International Office of Education to be set up as an autonomous agency of the United Nations Organization. The functions of such an office should be to promote educational and cultural relations among the nations of the world, in particular the exchange of students and scholars, and the encouragement of friendly relations among nations, peoples, and cultural groups."

"Even in normal times such an agency could be of the greatest usefulness in promoting those relations among nations upon which peace depends. In the postwar world, with educational institutions in many countries destroyed, intellectual leaders murdered and millions of youth deprived of normal educational opportunities, such an office becomes of first-rank importance. Cooperation among educational leaders of all the United Nations can assure that positive approach to peace which will be necessary, if peoples of all nations are to understand each other and if youth are to be trained in their responsibilities as citizens of the United Nations."

"It is our considered opinion that adequate provision should be made in the United Nations Charter now being formulated at San Francisco for an International Office of Education which can discharge the above functions."

Members of the committee endorsing the resolution are as follows: Mrs. Dana Converse Backus, chairman; Dr. Harry J. Carman, Dean, Columbia University; Mrs. Harvey N. Davis, Dr. Stephen P. Duggan, director, Institute of International Education; William

A. Hamm, Assistant Superintendent of Schools, New York City; Dr. Erling Hunt, Teachers College, Columbia University; Dr. Quincy Wright, University of Chicago; Mrs. Harrison Thomas, Secretary to the Committee.

We trust the adoption of this resolution will be of interest to you in connection with the bill which you have recently introduced in the Senate.

Yours sincerely,

MRS. HARRISON THOMAS.

AMERICAN COUNCIL ON EDUCATION,

Washington, D. C., May 18, 1945.

The Honorable J. WILLIAM FULBRIGHT,

United States Senate,

Washington, D. C.

DEAR SENATOR FULBRIGHT: I am sending you herewith a copy of a resolution adopted by the executive committee of the American Council on Education, signed by Mr. Julius E. Warren, Commissioner of Education for the State of Massachusetts and acting chairman of the council. Copies of this resolution were sent to each member of the American delegation to the San Francisco Conference.

The resolution calls for the formation of an international education and cultural relations agency within the structure of the world security organization. It is my understanding that a copy of this resolution will be included in a report which you will make to the Senate on Senate Resolution 122.

I am also attaching a tabulation of replies from the constituent members of the American Council on Education to a question which was recently submitted to them individually regarding the setting up of an international office of education and cultural relations.

The membership of the American Council on Education includes nearly 700 leading colleges, universities, and school systems, public and private, and approximately 110 national organizations in the field of education and in allied fields. For your information I am enclosing a list of our membership as of November 1, 1944.

In the absence of Dr. George F. Zook, president of the council, who is now at San Francisco serving as a consultant to the American delegation, I shall be glad to confer with you if it seems necessary to clarify any of the points in the enclosed resolution.

In closing, let me say that the action of the executive committee of the American Council on Education leads me to believe that it strongly endorses the reporting and passage of Senate Resolution 122.

Yours very truly,

A. J. BRUMBAUGH,

Vice President.

MAY 4, 1945.

In accordance with opinions expressed in ballots from representatives of 59 constituent organizations belonging to the American Council on Education, the executive committee of the council, meeting in Washington May 4, 1945, strongly urges the American delegation at the San Francisco Conference to support specific provision for an international office of education and cultural relations as an integral part of an international organization. Provision for this office will give due recognition both to the importance of cultural interchange in the maintenance of world peace and to the role of education in promoting this interchange. It will, moreover, avoid the great confusion which for 20 years prior to the outbreak of the present war has resulted from the division between two international organizations of responsibilities for the closely related fields of education and intellectual cooperation.

JULIUS E. WARREN,

Acting Chairman, American Council on Education.

MAY 18, 1945.

The American Council on Education recently submitted to the representatives of the 59 constituent organizations which make up the council the following question:

"Do you personally favor or oppose the setting up of an international office of education and cultural relations?"

Although only a short time has elapsed, favorable replies have already been received from the delegates of the following organizations:

American Association of Colleges of Pharmacy (B. V. Christensen and Wortley F. Rudd).

American Association of Collegiate Schools of Business (R. P. Brooks).

American Association of Physics Teachers (K. Lark-Horovitz and Richard M. Sutton). American Association of Teachers Colleges (Frank E. Baker).

American Association of University Women (Kathryn McHale).

American Education Fellowship (Frank E. Baker).

American Film Center (J. C. Wardlaw).

American Library Association (Carl H. Milam).

Association of American Colleges (Goodrich C. White and Guy E. Snavely).

Association of American Law Schools (Ernest Fraser and F. G. D. Ribble).

Association of American Medical Colleges (W. T. Sanger).

Association of Collegiate Schools of Nursing (Marion G. Howell, Isabel M. Stewart, and Sister M. Olivia Gowan).

Board of Education of the Methodist Church (John O. Gross).

Boy Scouts of America (E. Urner Goodman and Ray O. Wyland).

Council on Dental Education (William N. Hodgkin, Harlan H. Horner, and John T. O'Rourke).

Council on Medical Education and Hospitals, American Medical Association (Victor Johnson).

Educational Records Bureau (Eugene R. Smith, Arthur E. Traxler, and Ben D. Wood).

Institute of International Education (Stephen Duggan).

International Council on Religious Education (Roy G. Ross).

Jesuit Educational Association (Edward B. Rooney, S. J.).

Middle States Association of Colleges and Secondary Schools (Karl G. Miller).

National Association of Colleges and Departments of Education (M. R. Trabue).

National Association of Secondary-School Principals (Paul E. Elieker).

National Association of Schools of Music (D. M. Swarthout).

National Association of Teachers of Speech (W. Hayes Yeager and Joseph F. Smith).

National Collegiate Athletic Association (K. L. Wilson).

National Council of Independent Schools (Edward B. Rooney, S. J.).

National Council for the Social Studies (Merrill F. Hartshorn).

National Council of Teachers of English (Harold A. Anderson).

National Education Association (Joseph H. Saunders).

National League of Nursing Education (Adelaide A. Mayo).

National University Extension Association (George B. Zehmer).

North Central Association of Colleges and Secondary Schools (G. D. Humphrey, G. W. Rosenlof, and John Dale Russell).

Society for the Promotion of Engineering Education (Donald B. Prentice).

Mr. TAFT. Mr. President, I ask unanimous consent that a statement which I have prepared relating to Senate Resolution 122 may be printed in the RECORD at this point.

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

The resolution before the Senate proposes that we urge upon the President the participation by the Government of the United States in the formation of a permanent international organization for educational and cultural affairs to promote educational and cultural relations and the encouragement within each country of friendly relations among nations, peoples, and cultural groups.

It is perhaps important to point out what the organization is not. The resolution expressly provides that the proposed agency shall not interfere with educational systems or programs within the several nations or with their administration. The character of education given in each country is entirely the affair of that country. Nor has it anything to do with the education of Germany. If any deliberate program is undertaken in Germany to try to eliminate the Nazi philosophy, it is a matter for the forces of occupation and the governments of the occupying powers and not of the proposed international organization.

This organization is more on the order of the International Labor Office established under the League of Nations. Its purposes are to stimulate throughout the world an interest in education and bring home to all the importance of education, both in raising the standard of living and maintaining a world peace. It is to be a forum in which representatives of the different nations may meet, discuss systems of education, and develop ideas for its promotion. In the past there has been such cooperation among those interested in politics, in business, in finance, and in labor, but there has been no such meeting place for those concerned with education.

We are proposing an economic council of the nations, and proposing to concern ourselves with creating a world prosperity. I venture to suggest that no single element can increase the standard of living of a people as much as universal education. It teaches the people the standards of the rest of the world to which they can aspire. Many nations cannot hope for economic prosperity if they go on increasing the population as they have in recent years. I do not think there is any solution to this problem except much wider education in these countries. Furthermore, an education which includes complete knowledge of other peoples and their viewpoint is almost the only hope of peace, and any educational system which is not based on freedom of communications is hardly worth the name of education.

In the immediate future, the proposed organization can give advice and encouragement to the various nations in reconstructing their systems of education destroyed by the war. It can propose methods for the rebuilding and reestablishment of colleges and universities. It can assist in building up a new teacher force. It can arrange for the exchange of standards between different nations in order to remove misunderstandings and causes of war. It can fix standards of education so that nations can judge the quality of the education they are giving.

It may be desirable to set up this organization in connection with the Economic and Social Council provided by the San Francisco agreement, but I believe it could also stand on its own feet if it seems to our Government more desirable to handle it in that way. In any event, and in any form, I believe it will contribute to the cause of peace and prosperity throughout the world.

EXECUTIVE SESSION

Mr. BARKLEY. 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 President pro tempore 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.)

NOMINATION OF JUDGE LEWIS B. SCHWELLENBACH TO BE SECRETARY OF LABOR

Mr. BARKLEY. Mr. President, in connection with the messages from the President submitting sundry nominations, which have just been laid before the Senate, I ask unanimous consent to have printed in the body of the RECORD at this point a statement issued by President William Green of the American Federation of Labor relative to the appointment by President Truman of Judge Lewis B. Schwellenbach to be Secretary of Labor.

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

MAY 23, 1945.

President William Green, of the American Federation of Labor, today issued the following comment on the appointment by President Truman of Lewis B. Schwellenbach as Secretary of Labor:

"We regard Judge Schwellenbach as a most capable and well-qualified man to serve. He showed that he possessed a very clear understanding of labor and labor's problems when he served in the United States Senate. His record there was excellent from a labor point of view. We look forward to his service as Secretary of Labor with a feeling of confidence and satisfaction and will gladly cooperate with him as fully and completely as possible.

"In addition to that, we are going to urge that he take steps to consolidate within the Labor Department all the agencies of the Government that deal with labor problems and labor questions and in that way to expand the service of the Labor Department.

"We hope that he may set up an advisory committee so that we may serve with him and cooperate with him in his work as Secretary of Labor."

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Ronald M. Holmes for appointment as an administrative officer, national headquarters, Selective Service System, under the provisions of law.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

By Mr. WALSH, from the Committee on Naval Affairs:

Rear Adm. Harold B. Sallada to be Chief of the Bureau of Aeronautics in the Department of the Navy, with the rank of rear admiral, for a term of 4 years; and

The following-named midshipmen to be second lieutenants in the Marine Corps from the 6th day of June 1945, in lieu of appointments as ensign in the Navy as previously nominated and confirmed:

Lee A. Klrstein; and
William C. Stack

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. The Chair suggests to the Senator from Kentucky that he except from his request the three nominations of postmasters in New York. One of the Senators from that State asked that the New York nominations of postmasters go over.

Mr. BARKLEY. With the exceptions just referred to, I ask that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters in Arkansas, Ohio, and Oklahoma are confirmed en bloc, and, without objection, the President will be immediately notified.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc, and, without objection, the President will be immediately notified.

That completes the Executive Calendar.

RECESS TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 7 minutes p. m.) the Senate took a recess until Monday, May 28, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 24, 1945:

DEPARTMENT OF JUSTICE

Tom C. Clark, of Texas, to be Attorney General, vice Francis Biddle, resigned.

DEPARTMENT OF AGRICULTURE

Clinton P. Anderson, of New Mexico, to be Secretary of Agriculture, vice Claude R. Wickard, nominated to be Administrator, Rural Electrification Administration.

DEPARTMENT OF LABOR

Lewis B. Schwellenbach, of Washington, to be Secretary of Labor, vice Frances Perkins, resigned.

RURAL ELECTRIFICATION ADMINISTRATION

Claude R. Wickard, of Indiana, to be Administrator of the Rural Electrification Administration for a term of 10 years.

SELECTIVE SERVICE SYSTEM

Austin S. Imirie for appointment as an administrative officer, National Headquarters, Selective Service System, under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended. Compensation for the position of administrative officer, National Headquarters, Selective Service System, will be at the rate of \$6,500 per annum.

PUERTO RICO

Rafael Pico, of Puerto Rico, to be commissioner of education for Puerto Rico, vice José M. Gallardo.

COAST AND GEODETIC SURVEY

The following-named employees of the Coast and Geodetic Survey to the positions indicated:

Walter J. Chovan to be hydrographic and geodetic engineer with rank of lieutenant commander in the Coast and Geodetic Survey, from the 1st day of May 1945.

V. Ralph Sobieralski to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 26th day of March 1945.

Robert H. Randall to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 26th day of March 1945.

Lorin F. Woodcock to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 3d day of February 1945.

A. Gordon Anderson to be aide, with rank of ensign in the Coast and Geodetic Survey, from the 1st day of May 1945.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be lieutenant colonels with rank from June 13, 1945

Maj. Charles Joseph Barrett, Field Artillery (temporary brigadier general).

Maj. Maxwell Davenport Taylor, Field Artillery (temporary major general).

Maj. Henry James Woodbury, Corps of Engineers (temporary colonel).

Maj. Louis Jacob Rumaggi, Corps of Engineers (temporary colonel).

Maj. Edmund Clayton Lynch, Air Corps (temporary brigadier general).

Maj. Francis Jennings Wilson, Corps of Engineers (temporary colonel).

Maj. Alfred August Kessler, Jr., Air Corps (temporary brigadier general).

Maj. Paschal Neilson Strong, Jr., Corps of Engineers (temporary colonel).

Maj. Cortlandt Van Rensselaer Schuyler, Coast Artillery Corps (temporary brigadier general).

Maj. Lawrence Coy Leonard, Ordnance Department (temporary colonel).

Maj. Mervin Eugene Gross, Air Corps (temporary brigadier general).

Maj. Robert Wayne Raynsford, Signal Corps (temporary colonel).

Maj. LeRoy Judson Stewart, Field Artillery (temporary brigadier general).

Maj. John Francis Uncles, Field Artillery (temporary brigadier general), subject to examination required by law.

Maj. Giles Richard Carpenter, Field Artillery (temporary colonel).

Maj. David James Crawford, Ordnance Department (temporary colonel).

Maj. William Field Sadler, Ordnance Department (temporary colonel).

Maj. Earl Foster Thomson, Cavalry (temporary colonel).

Maj. Charles Newsom Branham, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. Francis Borgia Kane, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. William Stevens Lawton, Coast Artillery Corps (temporary brigadier general), subject to examination required by law.

Maj. Albert Svihra, Judge Advocate General's Department (temporary lieutenant colonel), subject to examination required by law.

Maj. Granger Anderson, Coast Artillery Corps (temporary colonel).

Maj. Alfred Eugene Kastner, Field Artillery (temporary colonel).

Maj. Edwin Paul Crandell, Adjutant General's Department (temporary colonel), subject to examination required by law.

Maj. Mark McClure, Field Artillery (temporary brigadier general).

Maj. Benjamin Wiley Chidlaw, Air Corps (temporary major general).

Maj. Myron Leedy, Ordnance Department (temporary colonel).

Maj. Alba Carlton Spalding, Coast Artillery Corps (temporary colonel).

Maj. Robert Landon Taylor, Field Artillery (temporary colonel).

Maj. Stephen Cecil Lombard, Field Artillery (temporary colonel).

Maj. Fred James Woods, Coast Artillery Corps (temporary colonel).

Maj. Kenneth Francis Pughe, Infantry (temporary lieutenant colonel).

Maj. Robert Smith McClenaghan, Field Artillery (temporary lieutenant colonel).

Maj. Charles Hancock Reed, Cavalry (temporary colonel).

Maj. Walter Russell Hensey, Jr., Field Artillery (temporary colonel).

Maj. Orval Ray Cook, Air Corps (temporary brigadier general), subject to examination required by law.

Maj. Perry McCoy Smith, Coast Artillery Corps (temporary colonel).

Maj. James Wrathall Spry, Air Corps (temporary brigadier general).

Maj. Gordon Sherman Armes, Adjutant General's Department (temporary colonel).

Maj. Frederick William Hein, Infantry (temporary colonel).

Maj. Charles Rufus Smith, Infantry (temporary colonel).

Maj. Harold Alfred Meyer, Infantry (temporary colonel).

Maj. Robert Earle Blair, Quartermaster Corps (temporary colonel).

Maj. James Dunne O'Connell, Signal Corps (temporary colonel).

Maj. Gilman Clifford Mudgett, Cavalry (temporary colonel).

Maj. Numa Augustin Watson, Infantry (temporary colonel), subject to examination required by law.

Maj. Wesley Woodworth Yale, Cavalry (temporary colonel).

Maj. Robert Wilkins Douglass, Jr., Air Corps (temporary major general).

Maj. Oliver Wendell Hughes, Infantry (temporary colonel).

Maj. Melville Fuller Grant, Infantry (temporary colonel).

Maj. James Robinson Pierce, Infantry (temporary colonel), subject to examination required by law.

Maj. Lemuel Mathewson, Field Artillery (temporary brigadier general).

Maj. Thomas Varon Webb, Infantry (temporary colonel).

Maj. George Arthur Taylor, Infantry (temporary brigadier general), subject to examination required by law.

Maj. Alfred Lawrence Price, Field Artillery (temporary colonel).

To be lieutenant colonels with rank from June 14, 1945

Maj. Frank Llewellyn Beadle, Corps of Engineers (temporary colonel).

Maj. Gilbert Hayden, Signal Corps (temporary colonel).

Maj. Thomas Herbert Maddocks, Signal Corps (temporary colonel).

Maj. David Marion Fowler, Infantry (temporary colonel).

Maj. Edward Arthur Kleinman, Coast Artillery Corps (temporary colonel), subject to examination required by law.

Maj. Blackshear Morrison Bryan, Jr., Field Artillery (temporary brigadier general), subject to examination required by law.

Maj. John Lawson Ballantyne, Cavalry (temporary colonel).

Maj. Hilbert Milton Wittkop, Air Corps (temporary colonel).

Maj. Donald Quitman Harris, Field Artillery (temporary colonel).

Maj. John Percy Kennedy, Jr., Field Artillery (temporary colonel).

Maj. William Andrew Wedemeyer, Field Artillery (temporary colonel).

Maj. Edwin Carlo Greiner, Cavalry (temporary colonel).

Maj. Oliver Perry Newman, Infantry (temporary colonel).

Maj. Ronald Gorrie MacDonald, Infantry (temporary lieutenant colonel), subject to examination required by law.

Maj. John Hughes Stodter, Cavalry (temporary colonel).

Maj. Thomas Edward Lewis, Field Artillery (temporary brigadier general).

Maj. Stewart Tiffany Vincent, Infantry (temporary colonel).

Maj. Paul Henry Mahoney, Infantry (temporary colonel), subject to examination required by law.

Maj. James Clyde Fry, Infantry (temporary colonel).

Maj. Austin Folger Gilmartin, Infantry (temporary lieutenant colonel).

To be lieutenant colonel with rank from June 26, 1945

Maj. James Harrison Dickie, Finance Department (temporary colonel).

To be major with rank from June 6, 1945

Capt. Elmer Perry Rose, Air Corps (temporary colonel).

To be majors with rank from June 7, 1945

Capt. Ford J. Lauer, Air Corps (temporary colonel).

Capt. Fay Oliver Dice, Air Corps (temporary colonel).

Capt. Herbert Everett Rice, Air Corps (temporary colonel).

Capt. Edward Harold Porter, Air Corps (temporary colonel).

Capt. Joseph Hampton Atkinson, Air Corps (temporary brigadier general).

Capt. Robert Leonard Schoenlein, Air Corps (temporary colonel).

Capt. Frederick William Ott, Air Corps (temporary colonel).

Capt. Wentworth Goss, Air Corps (temporary brigadier general).

Capt. James Leslie Daniel, Jr., Air Corps (temporary colonel).

Capt. Budd John Peaslee, Air Corps (temporary colonel).

Capt. John Franklin Egan, Air Corps (temporary brigadier general).

Capt. Donald Dewey Arnold, Air Corps (temporary colonel).

Capt. Clarence Thomas Mower, Air Corps (temporary lieutenant colonel).

Capt. Louie Percy Turner, Air Corps (temporary colonel).

To be majors with rank from June 9, 1945

Capt. James Laffeter Green, Corps of Engineers (temporary colonel).

Capt. Thomas Alphonsus Lane, Corps of Engineers (temporary colonel).

Capt. Theodore Scott Riggs, Cavalry (temporary colonel).

Capt. Frederick Jensen Dau, Corps of Engineers (temporary colonel).

Capt. William Tell Hefley, Air Corps (temporary colonel).

Capt. Roland Clough Brown, Corps of Engineers (temporary colonel).

Capt. Samuel Roberts Browning, Field Artillery (temporary colonel).

Capt. Lyle Edward Seeman, Corps of Engineers (temporary colonel).
 Capt. William Dixon Smith, Corps of Engineers (temporary colonel).
 Capt. Thomas Fraley Van Natta 3d, Cavalry (temporary colonel).
 Capt. Robert Scott Israel, Jr., Air Corps (temporary brigadier general).
 Capt. David Andrew Watt, Jr., Cavalry (temporary colonel).
 Capt. Donald Bertrand Smith, Air Corps (temporary colonel).
 Capt. Rudolph Ethelbert Smyser, Jr., Corps of Engineers (temporary colonel).
 Capt. Francis Howard Falkner, Corps of Engineers (temporary colonel).
 Capt. Alan Johnstone McCutchen, Corps of Engineers (temporary colonel).
 Capt. David William Helman, Corps of Engineers (temporary colonel).
 Capt. Robert John Fleming, Jr., Corps of Engineers (temporary colonel).
 Capt. Benjamin Smith Shute, Corps of Engineers (temporary colonel).
 Capt. William Everett Potter, Corps of Engineers (temporary colonel).
 Capt. Edmund Koehler Daley, Corps of Engineers (temporary colonel).
 Capt. Webster Anderson, Quartermaster Corps (temporary colonel).
 Capt. James Elbert Briggs, Air Corps (temporary colonel).
 Capt. John Stewart Mills, Air Corps (temporary colonel).
 Capt. George Morris Cole, Field Artillery (temporary lieutenant colonel).
 Capt. Duncan Sloan Somerville, Field Artillery (temporary colonel).
 Capt. David William Traub, Field Artillery (temporary colonel).
 Capt. Thomas Jennings Wells, Infantry (temporary colonel).
 Capt. George Warren Mundy, Air Corps (temporary colonel).
 Capt. Alfred Rockwood Maxwell, Air Corps (temporary brigadier general).
 Capt. Paul Harold Johnston, Air Corps (temporary colonel).
 Capt. William Ross Currie, Infantry (temporary colonel).
 Capt. Peter Duryea Calyer, Infantry (temporary colonel), subject to examination required by law.
 Capt. Walter Godley Donald, Ordnance Department (temporary colonel).
 Capt. Roscoe Charles Wilson, Air Corps (temporary colonel), subject to examination required by law.
 Capt. Walter Edwin Todd, Air Corps (temporary brigadier general).
 Capt. William Henry Hennig, Coast Artillery Corps (temporary colonel).
 Capt. Bryant LeMalre Boatner, Air Corps (temporary colonel).
 Capt. Robert Frederick Tate, Air Corps (temporary colonel), subject to examination required by law.
 Capt. Richard Jerome Handy, Field Artillery (temporary lieutenant colonel).
 Capt. Samuel Robert Brentnall, Air Corps (temporary colonel), subject to examination required by law.
 Capt. John Blanchard Grinstead, Infantry (temporary colonel).
 Capt. John Paul Breden, Cavalry (temporary colonel).
 Capt. Harvey Weston Wilkinson, Field Artillery (temporary colonel).
 Capt. Walter Edgerton Johns, Field Artillery (temporary colonel).
 Capt. Charles Franklin Born, Air Corps (temporary brigadier general).
 Capt. Daniel McCoy Wilson, Coast Artillery Corps (temporary lieutenant colonel).
 Capt. Frank Fort Everest, Air Corps (temporary brigadier general).
 Capt. Frank Quincy Goodell, Field Artillery (temporary colonel).
 Capt. Garrison Barkley Coverdale, Field Artillery (temporary colonel).
 Capt. Leslie Haynes Wyman, Field Artillery (temporary lieutenant colonel).

Capt. John Jordan Morrow, Air Corps (temporary colonel).
 Capt. Mercer Christie Walter, Field Artillery (temporary colonel).
 Capt. Theodore John Dayharsh, Coast Artillery Corps (temporary colonel).
 Capt. Frank Jerdone Coleman, Air Corps (temporary colonel).
 Capt. Robert Loyal Easton, Air Corps (temporary colonel).
 Capt. Elmer Briant Thayer, Field Artillery (temporary colonel).
 Capt. James Stewart Neary, Ordnance Department (temporary major), subject to examination required by law.
 Capt. Norris Brown Harbold, Air Corps (temporary brigadier general).
 Capt. John Cogswell Oakes, Field Artillery (temporary colonel), subject to examination required by law.
 Capt. Leslie George Ross, Coast Artillery Corps (temporary major), subject to examination required by law.
 Capt. George Raymond Bienfang, Air Corps (temporary colonel).
 Capt. Roger Woodhull Goldsmith, Field Artillery (temporary colonel), subject to examination required by law.
 Capt. Russell Alger Wilson, Air Corps (temporary brigadier general), subject to examination required by law.
 Capt. Charles Grant Goodrich, Air Corps (temporary colonel), subject to examination required by law.
 Capt. Elmo Stewart Mathews, Ordnance Department (temporary colonel).
 Capt. Paul Amos Gavan, Field Artillery (temporary colonel).
 Capt. Alvord Van Patten Anderson, Jr., Air Corps (temporary colonel).
 Capt. John Honeycutt Hinrichs, Ordnance Department (temporary colonel).
 Capt. Frederick Lewis Anderson, Air Corps (temporary major general).
 Capt. Marion George Pohl, Coast Artillery Corps (temporary lieutenant colonel).
 Capt. John Archibald Sawyer, Coast Artillery Corps (temporary colonel).
 Capt. John Southworth Upham, Jr., Infantry (temporary lieutenant colonel).
 Capt. Thayer Stevens Olds, Air Corps (temporary colonel).
 Capt. Samuel Leslie Myers, Cavalry (temporary colonel).
 Capt. Robert Albert Howard, Jr., Infantry (temporary colonel).
 Capt. Thomas Joseph Counihan, Field Artillery (temporary lieutenant colonel).
 Capt. Ephraim Hester McLemore, Field Artillery (temporary colonel).
 Capt. James Easton Holley, Field Artillery (temporary lieutenant colonel).
 Capt. Frederick G. Stritzinger 4th, Field Artillery (temporary lieutenant colonel).
 Capt. Robert Falligant Travis, Air Corps (temporary brigadier general).
 Capt. John Dabney Billingsley, Ordnance Department (temporary colonel).
 Capt. Thomas Joseph Cody, Signal Corps (temporary colonel), subject to examination required by law.
 Capt. Robert George Butler, Jr., Ordnance Department (temporary colonel).
 Capt. Carl Herman Sturges, Signal Corps (temporary lieutenant colonel).
 Capt. Joseph Anthony Michela, Cavalry (temporary colonel).
 Capt. William Henry Tunner, Air Corps (temporary brigadier general).
 Capt. Robert Tryon Frederick, Coast Artillery Corps (temporary major general).
 Capt. Ralph Edward Koon, Air Corps (temporary colonel).
 Capt. Verdi Beethoven Barnes, Field Artillery (temporary colonel), subject to examination required by law.
 Capt. Howard Graham Bunker, Air Corps (temporary colonel).
 Capt. Edward Cassel Reber, Ordnance Department (temporary colonel).
 Capt. Allison Richard Hartman, Coast Artillery Corps (temporary colonel).

Capt. John Alexander Samford, Air Corps (temporary brigadier general).
 Capt. Douglas Glen Ludlam, Ordnance Department (temporary colonel).
 Capt. Legare Kilgore Tarrant, Coast Artillery Corps (temporary colonel).
 Capt. Harry Warren Halterman, Infantry (temporary lieutenant colonel).
 Capt. William Mattingly Breckinridge, Infantry (temporary lieutenant colonel).
 Capt. James Lowman Hathaway, Cavalry (temporary colonel).
 Capt. Fred Obediah Tally, Air Corps (temporary lieutenant colonel), subject to examination required by law.
 Capt. Walter Emerson Finnegan, Cavalry (temporary colonel).
 Capt. Russell Blair, Infantry (temporary major).
 Capt. Charles Ralph Pinkerton, Ordnance Department (temporary colonel).
 Capt. Edwin Augustus Cummings, Infantry (temporary lieutenant colonel), subject to examination required by law.
 Capt. Lionel Charles McGarr, Infantry (temporary colonel).
 Capt. James Melvin Lamont, Quartermaster Corps (temporary colonel).
 Capt. Montgomery Breck Raymond, Coast Artillery Corps (temporary colonel).
 Capt. Noble James Wiley, Jr., Infantry (temporary colonel).
 Capt. Wilhelm Paul Johnson, Infantry (temporary colonel).
 Capt. Roger Maxwell Ramey, Air Corps (temporary brigadier general).
 Capt. Carl Ferdinand Fritzsche, Infantry (temporary colonel).
 Capt. John Peter Doidge, Infantry (temporary lieutenant colonel).
 Capt. Forrest Gordon Allen, Air Corps (temporary colonel).
 Capt. Ralph Joseph Butchers, Infantry (temporary colonel).
 Capt. Samuel Egbert Anderson, Air Corps (temporary major general).
 Capt. Everett Davenport Peddicord, Coast Artillery Corps (temporary colonel).
 Capt. James Gallagher Bain, Coast Artillery Corps (temporary lieutenant colonel).
 Capt. August William Schermacher, Coast Artillery Corps (temporary lieutenant colonel).
 Capt. Robert Franklin Tomlin, Coast Artillery Corps (temporary colonel).
 Capt. Louis Test Vickers, Coast Artillery Corps (temporary colonel).
 Capt. Joseph Arthur Bulger, Air Corps (temporary colonel).
 Capt. Kilbourne Johnston, Infantry (temporary colonel).
 Capt. Ralph Harold Sievers, Quartermaster Corps (temporary lieutenant colonel).
 Capt. John Raymond Gilchrist, Finance Department (temporary colonel).
 Capt. Frank Rudolph Maerdian, Infantry (temporary colonel).
 Capt. George Ferrow Smith, Air Corps (temporary colonel).
 Capt. Allen Wilson Reed, Air Corps (temporary colonel).
 Capt. Arthur William Meehan, Air Corps (temporary colonel), subject to examination required by law.
 Capt. Frank Leonard Bock, Infantry (temporary lieutenant colonel), subject to examination required by law.
 Capt. Thomas Joseph Moran, Infantry (temporary lieutenant colonel).
 Capt. James Elmer Totten, Signal Corps (temporary colonel).
 Capt. Truman Hempel Landon, Air Corps (temporary brigadier general).
 Capt. Charles Frank Howard, Infantry (temporary colonel).
 Capt. Hampden Eugene Montgomery, Infantry (temporary lieutenant colonel), subject to examination required by law.
 Capt. Elmer Wentworth Gude, Finance Department (temporary lieutenant colonel).
 Capt. Harry Edgar Wilson, Air Corps (temporary colonel).

Capt. Robert Williams Warren, Air Corps (temporary colonel).

Capt. John Francis Wadman, Air Corps (temporary colonel).

Capt. Delmar Taft Spivey, Air Corps (temporary colonel), subject to examination required by law.

Capt. Maury Spotswood Crallé, Infantry (temporary colonel).

Capt. Ramon Antonio Nadal, Infantry (temporary colonel).

Capt. Carroll Huston Prunty, Cavalry (temporary lieutenant colonel), subject to examination required by law.

Capt. August Walter Kissner, Air Corps (temporary brigadier general).

Capt. Edgar Elliott Enger, Finance Department (temporary colonel).

Capt. LeVerne George Saunders, Air Corps (temporary brigadier general), subject to examination required by law.

Capt. Tito George Moscatelli, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. Louis Russell Delmonico, Infantry (temporary lieutenant colonel).

Capt. George Henry Lawrence, Infantry (temporary lieutenant colonel).

Capt. George Clinton Willette, Infantry (temporary lieutenant colonel).

Capt. Francis Henry Boos, Infantry (temporary colonel).

Capt. Gauden McIntosh Watkins, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. Thomas Lilley Sherburne, Jr., Field Artillery (temporary colonel).

Capt. Stanhope Brasfield Mason, Infantry (temporary colonel).

Capt. Eugene Thomas Lewis, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. Allen Thayer, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. Emmett O'Donnell, Jr., Air Corps (temporary brigadier general).

Capt. Richard Wetherill, Infantry (temporary major).

Capt. Donald Winston Titus, Air Corps (temporary colonel).

Capt. Emmett Felix Yost, Air Corps (temporary colonel).

Capt. James William Lockett, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. Paul DeWitt Adams, Infantry (temporary brigadier general).

Capt. Evan McLaren Houseman, Infantry (temporary lieutenant colonel).

Capt. Ralph Thomas Nelson, Infantry (temporary lieutenant colonel).

Capt. Robert Kinder Taylor, Air Corps (temporary colonel).

Capt. James Morrow Ivy, Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. William Grant Caldwell, Infantry (temporary colonel).

Capt. William Thomas Moore, Infantry (temporary colonel).

Capt. Paul Jones Mitchell, Infantry (temporary colonel), subject to examination required by law.

Capt. Alfred Benjamin Denniston, Quartermaster Corps (temporary colonel).

Capt. James Wilson Brown, Jr., Air Corps (temporary colonel), subject to examination required by law.

Capt. William Columbus Sams, Air Corps (temporary colonel).

Capt. Joseph Franklin Trent, Field Artillery (temporary lieutenant colonel).

Capt. Andrew Thomas McNamara, Quartermaster Corps (temporary colonel).

Capt. Thomas Mason Tarpley, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.

Capt. James Francis Olive, Jr., Air Corps (temporary colonel), subject to examination required by law.

Capt. Edgar Alexander Sirmyer, Jr., Air Corps (temporary colonel), subject to examination required by law.

Capt. Thomas Webster Steed, Air Corps (temporary colonel).

Capt. Paul Elliott MacLaughlin, Infantry (temporary lieutenant colonel).

To be captains with rank from June 12, 1945

First Lt. John Drake Bristol, Corps of Engineers (temporary lieutenant colonel).

First Lt. Donald Abeel Phelan, Corps of Engineers (temporary colonel).

First Lt. Aaron Evan Harris, Corps of Engineers (temporary colonel).

First Lt. David Hamilton Gregg, Corps of Engineers (temporary lieutenant colonel), subject to examination required by law.

First Lt. Albert Joseph Shower, Air Corps (temporary colonel).

First Lt. David Campbell Wallace, Corps of Engineers (temporary colonel), subject to examination required by law.

First Lt. Arthur Houston Frye, Jr., Corps of Engineers (temporary colonel).

First Lt. Herbert Caran Gee, Corps of Engineers (temporary colonel).

First Lt. Jack Wallis Hickman, Air Corps (temporary colonel).

First Lt. Donald Allen Elliget, Corps of Engineers (temporary colonel).

First Lt. Clyde Calhoun Zeigler, Corps of Engineers (temporary colonel).

First Lt. Leighton Ira Davis, Air Corps (temporary colonel).

First Lt. Charles Bernard Rynearson, Corps of Engineers (temporary lieutenant colonel).

First Lt. Oliver Joseph Pickard, Corps of Engineers (temporary colonel).

First Lt. Otto Jacob Rohde, Corps of Engineers (temporary lieutenant colonel).

First Lt. John Somers Buist Dick, Corps of Engineers (temporary lieutenant colonel).

First Lt. William Winston Lapsley, Corps of Engineers (temporary colonel).

First Lt. James De Vore Lang, Corps of Engineers (temporary colonel).

First Lt. Charles Jephthiah Jeffus, Corps of Engineers (temporary colonel).

First Lt. Henry Lewis Hille, Jr., Corps of Engineers (temporary colonel).

First Lt. John Lathrop Throckmorton, Infantry (temporary lieutenant colonel).

First Lt. George Ruhlen, Field Artillery (temporary lieutenant colonel).

First Lt. Cornelis DeWitt Willcox Lang, Field Artillery (temporary colonel).

First Lt. John Richards Parker, Corps of Engineers (temporary lieutenant colonel).

First Lt. Clarence Carl Haug, Corps of Engineers (temporary colonel).

First Lt. John Sutton Growdon, Cavalry (temporary lieutenant colonel).

First Lt. John Joseph Duffy, Field Artillery (temporary lieutenant colonel), subject to examination required by law.

First Lt. Warren Sylvester Everett, Corps of Engineers (temporary lieutenant colonel).

First Lt. Carl Watkins Miller, Field Artillery (temporary lieutenant colonel).

First Lt. Salvatore Andrew Armogida, Corps of Engineers (temporary colonel).

First Lt. William Paulding Grieves, Field Artillery (temporary lieutenant colonel), subject to examination required by law.

First Lt. Stanley Tage Birger Johnson, Corps of Engineers (temporary lieutenant colonel).

First Lt. James Van Gorder Wilson, Air Corps (temporary lieutenant colonel).

First Lt. Frank Alexander Osmanski, Field Artillery (temporary colonel), subject to examination required by law.

First Lt. Bernard Sanders Waterman, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Frederick Benjamin Hall, Jr., Corps of Engineers (temporary colonel).

First Lt. Langfitt Bowditch Wilby, Corps of Engineers (temporary lieutenant colonel).

First Lt. John Dudley Cole, Jr., Corps of Engineers (temporary colonel).

First Lt. George Raymond Wilkins, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Harry James Lewis, Signal Corps (temporary lieutenant colonel).

First Lt. Charles Albert Symroski, Field Artillery (temporary lieutenant colonel).

First Lt. Henry Chaffee Thayer, Ordnance Department (temporary colonel).

First Lt. James Yeates Adams, Infantry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Harry Jacob Lemley, Jr., Field Artillery (temporary colonel), subject to examination required by law.

First Lt. Duncan Sinclair, Field Artillery (temporary colonel).

First Lt. John Kimball Brown, Jr., Air Corps (temporary colonel).

First Lt. Geoffrey Dixon Ellerson, Field Artillery (temporary lieutenant colonel).

First Lt. Robert Morris Stillman, Air Corps (temporary lieutenant colonel), subject to examination required by law.

First Lt. Ray Allen Pillivant, Ordnance Department (temporary lieutenant colonel).

First Lt. Ellery Willis Niles, Corps of Engineers (temporary lieutenant colonel).

First Lt. Robert Rigby Glass, Infantry (temporary lieutenant colonel).

First Lt. George Stafford Eckhardt, Field Artillery (temporary colonel).

First Lt. Richard Elmer Ellsworth, Air Corps (temporary colonel).

First Lt. Alvin Dolliver Robbins, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Sidney George Spring, Corps of Engineers (temporary lieutenant colonel), subject to examination required by law.

First Lt. Edward Stephen Bechtold, Field Artillery (temporary lieutenant colonel).

First Lt. Seth Lathrop Weld, Jr., Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Ivan Clare Rumsey, Corps of Engineers (temporary lieutenant colonel).

First Lt. Daniel John Murphy, Ordnance Department (temporary lieutenant colonel).

First Lt. Clarence Bidgood, Corps of Engineers (temporary major), subject to examination required by law.

First Lt. Walter Albert Simpson, Signal Corps (temporary colonel).

First Lt. Edward Gray, Ordnance Department (temporary lieutenant colonel).

First Lt. Hugh McClellan Exton, Field Artillery (temporary colonel).

First Lt. Durward Ellsworth Breakefield, Ordnance Department (temporary lieutenant colonel).

First Lt. Sanford Welsh Horstman, Field Artillery (temporary lieutenant colonel).

First Lt. Kelso Gordon Clow, Cavalry (temporary lieutenant colonel), subject to examination required by law.

First Lt. Harry Herndon Critz, Field Artillery (temporary colonel).

First Lt. Henry Porter van Ormer, Coast Artillery Corps (temporary colonel).

First Lt. Edward Kraus, Field Artillery (temporary colonel).

First Lt. Kenneth Irwin Curtis, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Joseph Charles Moore, Coast Artillery Corps (temporary lieutenant colonel).

First Lt. Earl Leo Barr, Field Artillery (temporary lieutenant colonel).

First Lt. John Alexis Gloriod, Field Artillery (temporary lieutenant colonel), subject to examination required by law.

First Lt. Nathaniel Macon Martin, Corps of Engineers (temporary colonel).

First Lt. Joseph Gordon Russell, Air Corps (temporary lieutenant colonel).

First Lt. Salathiel Fred Cummings, Jr., Infantry (temporary lieutenant colonel).

First Lt. James Martin Worthington, Field Artillery (temporary lieutenant colonel).

- First Lt. James Michael Donohue, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Robert Clarence McDonald, Jr., Field Artillery (temporary lieutenant colonel).
- First Lt. Joseph Waters Keating, Field Artillery (temporary lieutenant colonel).
- First Lt. Halford Robert Greenlee, Jr., Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Kenneth Paul Bergquist, Air Corps (temporary colonel).
- First Lt. Richard Marvin Bauer, Signal Corps (temporary lieutenant colonel).
- First Lt. Lawrence Robert St. John, Corps of Engineers (temporary lieutenant colonel).
- First Lt. Gerald Frederick Brown, Field Artillery (temporary lieutenant colonel).
- First Lt. Willard George Root, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Robert Van Roo, Ordnance Department (temporary lieutenant colonel).
- First Lt. Arthur Allison Fickel, Air Corps (temporary colonel).
- First Lt. Charles Naclean Peeke, Field Artillery (temporary lieutenant colonel).
- First Lt. Horace Wilson Hinkle, Infantry (temporary lieutenant colonel).
- First Lt. Raymond Boyd Firehock, Field Artillery (temporary lieutenant colonel).
- First Lt. Downs Eugene Ingram, Air Corps (temporary colonel).
- First Lt. Milton Lawrence Rosen, Infantry (temporary lieutenant colonel).
- First Lt. Edgar Allan Clarke, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
- First Lt. James Mobley Kimbrough, Jr., Signal Corps (temporary lieutenant colonel).
- First Lt. John Ralph Wright, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Harrison Barnwell Harden, Jr., Field Artillery (temporary major).
- First Lt. Edward Moseley Harris, Infantry (temporary lieutenant colonel).
- First Lt. James Luke Frink, Jr., Field Artillery (temporary lieutenant colonel).
- First Lt. Elmer John Gibson, Ordnance Department (temporary colonel).
- First Lt. Julius Desmond Stanton, Infantry (temporary lieutenant colonel).
- First Lt. James Howard Walsh, Air Corps (temporary colonel).
- First Lt. Walter Joseph Bryde, Field Artillery (temporary lieutenant colonel).
- First Lt. Thomas Washington Woodyard, Jr., Infantry (temporary lieutenant colonel).
- First Lt. Stuart Gilbert Fries, Infantry (temporary lieutenant colonel).
- First Lt. Harry Rich Hale, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Charles Frederick Leonard, Jr., Infantry (temporary lieutenant colonel).
- First Lt. James Frank Skells, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Willis Fred Chapman, Air Corps (temporary colonel).
- First Lt. Seneca Wilbur Foote, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. James Willoughby Totten, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
- First Lt. William Henderson Baynes, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Eugene Henry Walter, Coast Artillery Corps (temporary colonel).
- First Lt. Albert Curtis Wells, Jr., Ordnance Department (temporary colonel).
- First Lt. Russell Melroy Miner, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. John Nevin Howell, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. John Mason Kemper, Infantry (temporary colonel).
- First Lt. Maynard Denzil Pedersen, Cavalry (temporary lieutenant colonel).
- First Lt. Hamilton Austin Twitchell, Infantry (temporary colonel).
- First Lt. Thomas Wildes, Air Corps (temporary lieutenant colonel).
- First Lt. Alfred Ashman, Coast Artillery Corps (temporary colonel).
- First Lt. Aaron Warner Tyer, Air Corps (temporary colonel).
- First Lt. James Dyce Alger, Cavalry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Ralph Edward Haines, Jr., Cavalry (temporary lieutenant colonel).
- First Lt. Franklin Bell Reybold, Coast Artillery Corps (temporary colonel).
- First Lt. Ewing Chase Johnson, Cavalry (temporary lieutenant colonel).
- First Lt. Robert Monroe Hardy, Coast Artillery Corps (temporary colonel), subject to examination required by law.
- First Lt. Francis Johnstone Murdoch, Jr., Cavalry (temporary lieutenant colonel).
- First Lt. Pennock Hoyt Wollaston, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. German Pierce Culver, Air Corps (temporary colonel).
- First Lt. Carl Theodore Isham, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Francis Mark McGoldrick, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Wilhelm Cunliffe Freudenthal, Air Corps (temporary lieutenant colonel), subject to examination required by law.
- First Lt. John Alfrey, Coast Artillery Corps (temporary colonel).
- First Lt. Joseph Riebler Russ, Infantry (temporary lieutenant colonel).
- First Lt. John Henry Dilley, Infantry (temporary lieutenant colonel).
- First Lt. Kermit Richard Schweidel, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Eugene Charles Orth, Jr., Infantry (temporary lieutenant colonel).
- First Lt. Thomas Duncan Gillis, Cavalry (temporary lieutenant colonel).
- First Lt. Autrey Joseph Maroun, Infantry (temporary lieutenant colonel).
- First Lt. Milton Clay Taylor, Infantry (temporary lieutenant colonel).
- First Lt. Robert Morris, Air Corps (temporary colonel).
- First Lt. Joseph Cobb Stancock, Infantry (temporary lieutenant colonel).
- First Lt. John Brown Morgan, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. William Robert Murrin, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Joseph Henry Wlechmann, Finance Department (temporary lieutenant colonel).
- First Lt. John Foster Rhoades, Cavalry (temporary lieutenant colonel).
- First Lt. Richard Carlton Boys, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. George Robert Oglesby, Chemical Warfare Service (temporary lieutenant colonel), subject to examination required by law.
- First Lt. John Calvin Stapleton, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. William Vincent Martz, Cavalry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Robert Edward Frith, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Norman Arvid Skinrood, Coast Artillery Corps (temporary lieutenant colonel).
- First Lt. Noel Maurice Cox, Infantry (temporary lieutenant colonel).
- First Lt. Joseph Crook Anderson, Infantry (temporary colonel).
- First Lt. John Hart Caughey, Infantry (temporary colonel).
- First Lt. Lawrence Edward Schlanser, Cavalry (temporary lieutenant colonel).
- First Lt. Henry Thomas Cherry, Jr., Cavalry (temporary lieutenant colonel).
- First Lt. LeRoy William Austin, Infantry (temporary lieutenant colonel).
- First Lt. Charles Jordan Daly, Air Corps (temporary colonel).
- First Lt. Edgar Joseph Treacy, Jr., Cavalry (temporary colonel).
- First Lt. Paul Montgomery Jones, Cavalry (temporary captain), subject to examination required by law.
- First Lt. Reuben Henry Tucker 3d, Infantry (temporary colonel).
- First Lt. William Genier Proctor, Infantry (temporary lieutenant colonel).
- First Lt. Lamont Saxton, Air Corps (temporary colonel).
- First Lt. Caesar Frank Fiore, Cavalry (temporary lieutenant colonel).
- First Lt. Elmer Hardie Walker, Infantry (temporary lieutenant colonel).
- First Lt. Clair Beverly Mitchell, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. John Williamson, Infantry (temporary lieutenant colonel).
- First Lt. John Pearson Sherden, Jr., Ordnance Department (temporary lieutenant colonel).
- First Lt. Charles Phelps Walker, Cavalry (temporary lieutenant colonel).
- First Lt. Louis Duzzette Farnsworth, Jr., Infantry (temporary lieutenant colonel).
- First Lt. Charles Joseph Hoy, Cavalry (temporary lieutenant colonel).
- First Lt. Vernon Price Mock, Infantry (temporary lieutenant colonel).
- First Lt. John Allen Beall, Jr., Infantry (temporary lieutenant colonel).
- First Lt. Orin Houston Moore, Infantry (temporary colonel).
- First Lt. Charles Wythe Gleaves Rich, Infantry (temporary colonel).
- First Lt. Donald William Bernier, Infantry (temporary colonel).
- First Lt. Harvey Bower, Ordnance Department (temporary colonel).
- First Lt. Allen Harvey Foreman, Infantry (temporary lieutenant colonel).
- First Lt. Floyd Garfield Pratt, Infantry (temporary colonel).
- First Lt. Thomas Cebern Musgrave, Jr., Air Corps (temporary colonel).
- First Lt. Glenn Cole, Infantry (temporary lieutenant colonel).
- First Lt. Edward William Sawyer, Cavalry (temporary colonel), subject to examination required by law.
- First Lt. William Bradford Means, Infantry (temporary lieutenant colonel).
- First Lt. John Eldell Slaughter, Field Artillery (temporary lieutenant colonel).
- First Lt. Robert Gibson Sherrard, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Andrew Jackson Boyle, Cavalry (temporary lieutenant colonel).
- First Lt. Stephen Disbrow Cocheu, Infantry (temporary major).
- First Lt. John Neiger, Infantry (temporary major), subject to examination required by law.
- First Lt. Thomas Joseph Gent, Jr., Air Corps (temporary colonel), subject to examination required by law.
- First Lt. Albert Ambrose Matyas, Cavalry (temporary lieutenant colonel).
- First Lt. Benjamin Walker Hawes, Infantry (temporary lieutenant colonel), subject to examination required by law.
- First Lt. Benjamin White Heckemeyer, Cavalry (temporary colonel).
- First Lt. Nassieb George Bassitt, Infantry (temporary lieutenant colonel).
- First Lt. Ducat McEntee, Infantry (temporary colonel).
- First Lt. William Robert Patterson, Infantry (temporary colonel), subject to examination required by law.
- First Lt. Oscar Rawles Bowyer, Finance Department (temporary lieutenant colonel), subject to examination required by law.

First Lt. John James Davis, Cavalry (temporary lieutenant colonel).
 First Lt. Norman Basil Edwards, Infantry (temporary lieutenant colonel).
 First Lt. Pelham Davis Glassford, Jr., Air Corps (temporary colonel).
 First Lt. Robert Eugene Tucker, Infantry (temporary lieutenant colonel).
 First Lt. Robert Hollis Strauss, Air Corps (temporary colonel).
 First Lt. Maurice Monroe Simons, Coast Artillery Corps (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Alfred Kirk duMoulin, Infantry (temporary lieutenant colonel).
 First Lt. Walter Edward Bare, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Ralph Shaffer Harper, Cavalry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Paul James Bryer, Infantry (temporary lieutenant colonel).
 First Lt. Raymond Clarence Adkisson, Cavalry (temporary lieutenant colonel).
 First Lt. Burnis Mayo Kelly, Signal Corps (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Lester Lewes Wheeler, Infantry (temporary lieutenant colonel).
 First Lt. Carmon Ambrose Rogers, Quartermaster Corps (temporary colonel).
 First Lt. Russell Batch Smith, Infantry (temporary lieutenant colonel).
 First Lt. Marcus Samuel Griffin, Infantry (temporary lieutenant colonel).
 First Lt. James George Balluff, Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Richard Hayden Agnew, Infantry (temporary lieutenant colonel).
 First Lt. John Leroy Thomas, Infantry (temporary lieutenant colonel).
 First Lt. George Brendan O'Connor, Field Artillery (temporary captain).
 First Lt. Russell Lynn Hawkins, Infantry (temporary colonel).
 First Lt. Eric Per Ramee, Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Edwin Hood Ferris, Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Jack Roberts, Air Corps (temporary colonel).
 First Lt. Robert Middleton Booth, Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. George Madison Jones, Infantry (temporary colonel).
 First Lt. James Louis McGehee, Ordnance Department (temporary lieutenant colonel), subject to examination required by law.
 First Lt. William Graham Barnwell, Jr., Infantry (temporary major).
 First Lt. Walter Albert Riemenschneider, Infantry (temporary lieutenant colonel).
 First Lt. William Pierce O'Neal, Jr., Infantry (temporary major).
 First Lt. George Place Hill, Jr., Infantry (temporary colonel).
 First Lt. Melville Brown Coburn, Field Artillery (temporary lieutenant colonel), subject to examination required by law.
 First Lt. Alvin Louis Mente, Jr., Infantry (temporary lieutenant colonel), subject to examination required by law.
 First Lt. David Bonesteel Stone, Infantry (temporary lieutenant colonel).
 First Lt. Roland Joseph Rutte, Infantry (temporary captain).
 First Lt. Glenn Curtis Thompson, Air Corps (temporary colonel).
 First Lt. Samuel Barcus Knowles, Jr., Air Corps (temporary colonel).
 First Lt. James Baird Buck, Air Corps (temporary colonel).
 First Lt. Ralph Osborn Lashley, Infantry (temporary lieutenant colonel).
 First Lt. Thomas Robert Clarkin, Infantry (temporary lieutenant colonel).

First Lt. John Pope Blackshear, Infantry (temporary lieutenant colonel).
To be captains with rank from June 30, 1945
 First Lt. Ray Willard Clifton, Air Corps (temporary colonel).
 First Lt. Randolph Lowry Wood, Air Corps (temporary colonel).
 First Lt. Arnold Theodore Johnson, Air Corps (temporary colonel).
 First Lt. Marvin Frederick Stalder, Air Corps (temporary colonel).
 First Lt. Noel Francis Parrish, Air Corps (temporary colonel).
 First Lt. Dolf Edward Muehleisen, Air Corps (temporary colonel).
 First Lt. Carl Swyter, Air Corps (temporary lieutenant colonel).
 First Lt. Richard Cole Weller, Air Corps (temporary colonel).
 First Lt. Edward Morris Gavin, Air Corps (temporary colonel).
 First Lt. Robert Edward Jarmon, Air Corps (temporary colonel).
 First Lt. Harry Crutcher, Jr., Air Corps (temporary colonel).
 First Lt. Frank Neff Moyers, Air Corps (temporary colonel).
 First Lt. Joseph Bynum Stanley, Air Corps (temporary colonel).
 First Lt. Clarence Morice Sartain, Air Corps (temporary colonel).
 First Lt. James Hughes Price, Air Corps (temporary colonel).
 First Lt. Joseph Caruthers Moore, Air Corps (temporary colonel).
 First Lt. Lawrence Scott Fulwider, Air Corps (temporary colonel).
 First Lt. Lester Standford Harris, Air Corps (temporary colonel).
 First Lt. Donald Newman Wackwitz, Air Corps (temporary colonel).
 First Lt. Charles Henry Leitner, Jr., Air Corps (temporary colonel).
 First Lt. Clair Lawrence Wood, Air Corps (temporary colonel).
 First Lt. Charles Bennett Harvin, Air Corps (temporary colonel).
 First Lt. George Henry Macintyre, Air Corps (temporary colonel).
 First Lt. Bob Arnold, Air Corps (temporary colonel).
 First Lt. Burton Wilnot Armstrong, Jr., Air Corps (temporary colonel).
 First Lt. Harold Lee Neely, Air Corps (temporary colonel).
 First Lt. Erickson Snowden Nichols, Air Corps (temporary colonel).
 First Lt. Jasper Newton Bell, Air Corps (temporary colonel).
 First Lt. Russell Lee Waldron, Air Corps (temporary colonel).
 First Lt. William Foster Day, Jr., Air Corps (temporary lieutenant colonel).
 First Lt. Harry Coursey, Air Corps (temporary lieutenant colonel).
 First Lt. Daniel Edwin Hooks, Air Corps (temporary colonel).
 First Lt. Raymond Patten Todd, Air Corps (temporary colonel).

IN THE NAVY
 Capt. Roscoe F. Good, United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 22d day of September 1943.

IN THE COAST GUARD
 The following-named cadets to be ensigns in the Coast Guard, to rank from the 6th day of June 1945:
 Frank Charles Anderson
 James Einar Anderson
 William DeForest Ball, Jr.
 William Raymond Banks
 Winford Welborn Barrow
 John Joseph Barry
 Glenn Carroll Bartoo

Donald Joseph Benolken
 Charles William Berkman
 Hobart Millard Bird
 Meindert Peter Boon
 Gerald Graham Brown, Jr.
 Samuel Thomas Brown, Jr.
 William Charles Brown
 Mario Joseph Cataffo
 Philip Norman Chance
 Christopher Stephen Changaris
 Douglas Hoyt Clifton
 William Jacob Cloues II
 Hubert Wilbur Cocklin
 James Arthur Dillian
 William George Donaldson
 Morgan Lee Dring
 William Davidson Ebright
 Martin William Flesch
 James Alexander Ford
 David Daniel Fritts
 Walter Richard Goat
 Leslie MacLachlan Greig
 Ralph Eldon Grosjean
 William Allen Gross, Jr.
 Robert Raymond Hagan, Jr.
 Carl Finley Hanna, Jr.
 Paul Anthony Hansen
 Oliver Willard Harrison
 Bruce Donald Hartel
 Robert Joseph Healy
 James Charles Heffernan
 Spencer Maltby Higley
 Philip Merrill Hildebrandt
 James Joseph Hill, Jr.
 Clarence Richard Howard
 James Richard Iversen
 Robert Leslie Kallin
 Harry James Kolkebeck
 Frederic Newcomb Lattin
 Sam Anthony Lombardo
 Robert Burney Long, Jr.
 Charles William Lotz
 Herbert James Lynch
 Jack Drage Lyon
 Jesse Gilbert Magee, Jr.
 Risto Antero Mattila
 Eugene Edward McCrory
 Edward Perry McMahon
 Julian Paul Mendelsohn
 George William Miller
 Mark Fowlkes Mitchell
 James Hamilton Bates Morton
 Kevin Leo Moser
 Laurence Milton Newkirk
 Ralph Winge Niesz
 Charles Husler Nixon
 John Paul Obarski
 Joseph Brian O'Hara
 Allen Childress Pearce
 Clifford Francis Peistrup
 David Claflin Porter
 Robert Ira Price
 Robert Naylor Rea
 George Thomas Richardson
 Edgar Clark Ritchie
 Casimir Stephen Rcjjeski
 David Robertson Rondstedt
 Stanley Bruce Russell
 William Oscar Schach
 Norman Lee Scherer
 Stanley Schilling
 Jack Wilbur Schwarze
 Robert George Schwing
 Willis Neil Seehorn
 Abe Harold Siemens
 Reuel Floyd Stratton
 Peter Alexander Thistle
 Francis Andrew Tubeck
 Donald Eugene Ullery
 Carl William Vogelsang, Jr.
 David Carl Walker
 Alvin Norman Ward
 Paul William Welker
 Marc Welliver II
 Robert Erving Williams
 Leslie John Williamsen
 Francis Calvin Wilson
 James MacQuaid Wilson
 Robert Douglas Winship
 Robert Arnold Worsing

CONFIRMATIONS

Executive nominations confirmed by the Senate May 24, 1945:

IN THE NAVY

APPOINTMENTS IN THE NAVY FOR TEMPORARY SERVICE

To be an admiral

Richmond K. Turner

To be rear admirals

Dixwell Ketcham
Houston L. Maples
William M. Callaghan
William N. Thomas

To be commodores

| | |
|-------------------|--------------------|
| James E. Boak | William S. Popham |
| Merrill Comstock | Dennis L. Ryan |
| Charles F. Martin | Dixie Kiefer |
| James E. Maher | George C. Crawford |

IN THE MARINE CORPS

APPOINTMENTS FOR TEMPORARY SERVICE

To be major generals

Thomas E. Bourke
LeRoy P. Hunt

To be brigadier generals

Joseph T. Smith
Andrew E. Creasy
Evans O. Ames

POSTMASTERS

ARKANSAS

Corynne Warren, Brickeys.

OHIO

Viola Smathers, Buchtel.
Anna M. Krug, Spring Valley.

OKLAHOMA

Henry R. Hare, Keota.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 24, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou God of all grace and goodness, who art ever standing with outstretched arms waiting to welcome us to Thyself, at this noon hour of another beautiful day, we are again coming unto Thee with many needs.

We pray that our sinful hearts may be cleansed by Thy forgiving love; may our troubled and restless minds be quieted by Thy peace; may our insurgent and inordinate impulses be rebuked and restrained by the divine holiness of our blessed Lord; may our proud and haughty spirits be disciplined by His humility and obedience; may our selfish and ambitious wills be transformed by the remembrance of His sufferings and sacrifices.

Grant that during these days of strain and stress our President and all the chosen leaders and representatives of our beloved country may have Thy wisdom to guide them in the affairs of government and Thy love to cheer them. May all the barriers of misunderstanding and suspicion in the realm of international relationships be broken down and may men and nations be led by Thy spirit to find the way of peace and good will.

In the name of the Prince of Peace we offer our prayer. 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.

ENLISTMENTS IN THE REGULAR ARMY

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2388) to provide for enlistments in the Regular Army during the period of the war, and for other purposes, with a Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, after "reenlistment", insert "": *Provided*, That the number of original enlistments or reenlistments in force pursuant to this act shall not exceed the total enlisted peacetime strength of the Regular Army now or hereafter authorized by law."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. COOPER. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make in the Committee of the Whole today on the bill H. R. 3240, and to include certain tables, excerpts, and other material.

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

There was no objection.

APPOINTMENT OF HON. CLINTON P. ANDERSON AS SECRETARY OF AGRICULTURE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

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

There was no objection.

Mr. McCORMACK. Mr. Speaker, I know all the Members of the House were proud to read and to hear yesterday of the appointment of one of our distinguished Members of the House the gentleman from New Mexico [Mr. ANDERSON] as Secretary of Agriculture.

The House, I know, is pleased with the selection of the gentleman from New Mexico [Mr. ANDERSON] by President Truman. I know that all Members of the House will join with me in expressing our congratulations to the President in his choice of the gentleman from New Mexico, and also in extending to the gentleman from New Mexico [Mr. ANDERSON] our sincere congratulations and our best wishes for the greatest success possible in his new responsible position and of our assurances of cooperation with him in carrying out his plans and his policies and his programs, which we know will be for the best interest of our country.

EXTENSION OF REMARKS

Mr. LYNCH asked and was given permission to extend his remarks in the Record and include an article from the New York Post.

Mr. LANE asked and was given permission to extend his remarks in the Record and include an editorial appearing in the Lawrence Evening Tribune, Lawrence, Mass.

Mr. MANSFIELD of Texas asked and was given permission to extend his remarks in the Record and include correspondence between Mr. R. B. Creager and Mr. Roy Miller.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Record.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the Record and include an editorial appearing in the Milwaukee Journal, May 17, entitled "Action on Trade Pacts."

Mr. ANDERSON of New Mexico (at the request of Mr. SIKES) was given permission to extend his remarks in the Record.

Mr. SIKES asked and was given permission to extend his remarks in the Record in two instances and include certain material.

Mr. FORAND asked and was given permission to extend his remarks in the Record on the subject of the effects of trade agreements on industries in Rhode Island, and include certain tables.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a joint statement signed by Democratic Members of the Michigan delegation relative to our views as to the present industrial situation in Michigan in its relation to the war and reconversion.

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

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and include a short article entitled "WLB Reconversion Wage Policy," which appeared in the May edition of the Research Report issued by the International Research Department, United Automobile, Aircraft and Agricultural Implement Workers of America—UAW-CIO.

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

There was no objection.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include a brief article written by a former Member of the House, the Honorable Sam B. Pettengill, of Indiana. The article is entitled "Poland," and has appeared in approximately 60 newspapers in this country. It is one of the most concise and fair releases I have read on the Polish-Russian situation.

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

There was no objection.

Mr. COFFEE asked and was given permission to extend his remarks in the Record in five instances and include excerpts from newspapers and letters.

Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD and include a radio broadcast delivered on May 16, by Prime Minister De Valera, of Ireland.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an address delivered by the gentleman from Massachusetts, the Honorable JOHN W. MCCORMACK, in Wilmington, Del., May 21, and in the other a resolution adopted by the One Hundred and Tenth General Assembly of the State of Delaware.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a letter from Hon. William B. Oliver, former Member of the House from Alabama, and also a sermon delivered by the Reverend Robert E. Sherrill.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD in two instances, and in one to include a poem, Report From the Aleutian Islands.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a resolution by a Michigan association relative to States' rights.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD and include a resolution from the Pig Garden Farm Bureau Center, and further to extend his remarks and include a statement of the Pattern Makers League of North America, an affiliate of the American Federation of Labor, in opposition to the extension of the Reciprocal Trade Agreements Act.

Mr. JOHNSON of Illinois asked and was given permission to extend his remarks in the RECORD and include a table on ice cream.

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and include an editorial by Mr. A. M. Piper, editor of the Council Bluffs Nonpareil.

Mr. RIZLEY asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include an editorial from the magazine Labor.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD.

Mr. GAVIN asked and was given permission to extend his remarks in the RECORD and include a short story and an editorial, both on the same subject.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a statement by the Association of Southern Commissioners of Agriculture with reference to cotton.

Mr. BYRNES of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Common Council of the City of Milwaukee.

HEARINGS OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rep.

No. 608) back favorably without amendment a privileged resolution (H. Res. 232) authorizing the printing of additional copies of part 1 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 1 of the hearings held before said committee during the current session on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 609) back favorably without amendment a privileged resolution (H. Con. Res. 49) authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Interstate and Foreign Commerce of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 2 of the hearings held before said committee during the current session on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SURVEY OF THE FISHERY RESOURCES OF THE UNITED STATES AND ITS POSSESSIONS

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report (Rept. No. 610) back favorably, without amendment, a privileged concurrent resolution (S. Con. Res. 14) authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of addi-

tional copies thereof, and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the letter of the Secretary of the Interior, dated February 2, 1945, transmitting, pursuant to Public Law No. 302, Seventy-eighth Congress, approved May 14, 1944, a report on a survey of the fishery resources of the United States and its possessions, be printed as a Senate document, and that 33,100 additional copies shall be printed, of which 10,000 copies shall be for the use of the Senate, 22,100 copies for the use of the House of Representatives, 500 copies for the use of the Committee on Commerce of the Senate, and 500 copies for the use of the Committee on the Merchant Marine and Fisheries of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SIGFRIED OLSEN SHIPPING CO.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1566) for the relief of Sigfried Olsen, doing business as Sigfried Olsen Shipping Co., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out all after "of", over to and including "return" in line 2, page 2, and insert "\$32,287.39, in full settlement of all claims against the United States on account of alleged losses in the operation of the vessels *Stanley Griffith*, *James Griffith*, and *Lake Frances* to South America and Panama Canal Zone and return in the summer and fall of 1941."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

SAM SWAN AND AILY SWAN

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan, with a Senate amendment thereto, disagree to the Senate amendment 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 Mississippi? [After a pause.] The Chair hears none and appoints the following conferees: Mr. McGEHEE, Mr. KECGH, and Mr. CASE of New Jersey.

EXTENSION OF REMARKS

Mr. MCCORMACK asked and was given permission to extend his remarks in the RECORD.

HOOR OF MEETING TOMORROW

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet tomorrow at 11 o'clock a. m.

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

There was no objection.

EXTENSION OF REMARKS

Mr. JUDD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in two instances, in one to include a letter and in one to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—ORGANIZATION OF EXECUTIVE BRANCH OF GOVERNMENT

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and referred to the Committee on Expenditures in Executive Departments, and ordered to be printed:

To the Congress of the United States:

The Congress has repeatedly manifested interest in an orderly transition from war to peace. It has legislated extensively on the subject, with foresight and wisdom.

I wish to draw the attention of the Congress to one aspect of that transition for which adequate provision has not as yet been made. I refer to the conversion of the executive branch of the Government.

Immediately after the declaration of war the Congress, in title I of the First War Powers Act, 1941, empowered the President to make necessary adjustments in the organization of the executive branch with respect to those matters which relate to the conduct of the present war. This authority has been extremely valuable in furthering the prosecution of the war. It is difficult to conceive how the executive agencies could have been kept continuously attuned to the needs of the war without legislation of this type.

The First War Powers Act expires by its own terms 6 months after the termination of the present war. Pending that time, title I will be of very substantial further value in enabling the President to make such additional temporary improvements in the organization of the Government as are currently required for the more effective conduct of the war.

However, further legislative action is required in the near future, because the First War Powers Act is temporary, and because, as matters now stand, every step taken under title I will automatically revert, upon the termination of the title, to the preexisting status.

Such automatic reversion is not workable. I think that the Congress has recognized that fact, particularly in certain provisions of section 101 of the War Mobilization and Reconversion Act of 1944. In some instances it will be necessary to delay reversion beyond the period now provided by law, or to stay it permanently. In other instances it will be necessary to modify actions heretofore taken under title I and to continue the resulting arrangement beyond the date of expiration of the title. Automatic reversion will result in the reestablishment of some agencies that should not be reestablished. Some adjustments of a perma-

nent character need to be made, as exemplified by the current proposal before the Congress with respect to the subsidiary corporations of the Reconstruction Finance Corporation. Some improvements heretofore made in the Government under the First War Powers Act, as exemplified by the reorganization of the Army under Executive Order No. 9082, should not be allowed to revert automatically or at an inopportune time.

I believe it is realized by everyone—in view of the very large number of matters involved and the expedition required in their disposition—that the problems I have mentioned will not be met satisfactorily unless the Congress provides for them along the general lines indicated in this message.

Quite aside from the disposition of the war organization of the Government, other adjustments need to be made currently and continuously in the Government establishment. From my experience in the Congress, and from a review of the pertinent developments for a period of 40 years preceding that experience, I know it to be a positive fact that, by and large, the Congress cannot deal effectively with numerous organizational problems on an individual item basis. The CONGRESSIONAL RECORD is replete with expressions of Members of the Congress, themselves, to this effect. Yet it is imperative that these matters be dealt with continuously if the Government structure is to be reasonably wieldy and manageable, and be responsive to proper direction by the Congress and the President on behalf of the people of this country. The question is one that goes directly to the adequacy and effectiveness of our Government as an instrument of democracy.

Suitable reshaping of those parts of the executive branch of the Government which require it from time to time is necessary and desirable from every point of view. A well-organized executive branch will be more efficient than a poorly organized one. It will help materially in making manageable the Government of this great Nation. A number of my predecessors have urged the Congress to take steps to make the executive branch more businesslike and efficient. I welcome and urge the cooperation of Congress to the end that these objectives may be attained.

Experience has demonstrated that if substantial progress is to be made in these regards, it must be done through action initiated or taken by the President. The results achieved under the Economy Act, 1932, as amended, the Reorganization Act of 1939, and title I of the First War Powers Act, 1941, testify to the value of Presidential initiative in this field.

Congressional criticisms are heard, not infrequently, concerning deficiencies in the executive branch of the Government. I should be less than frank if I failed to point out that the Congress cannot consistently advance such criticisms and at the same time deny the President the means of removing the causes at the root of such criticisms.

Accordingly, I ask the Congress to enact legislation which will make it possible to do what we all know needs to be done continuously and expeditiously with respect to improving the organization of the executive branch of the Government. In order that the purposes which I have in mind may be understood, the following features are suggested: (a) the legislation should be generally similar to the Reorganization Act of 1939, and part 2 of title I of that act should be utilized intact; (b) the legislation should be of permanent duration; (c) no agency of the executive branch should be exempted from the scope of the legislation; and (d) the legislation should be sufficiently broad and flexible to permit of any form of organizational adjustment, large or small, for which necessity may arise.

It is scarcely necessary to point out that under the foregoing arrangement (a) necessary action is facilitated because initiative is placed in the hands of the President; and (b) necessary control is reserved to the Congress, since it may, by simple majority vote of the two Houses, nullify any action of the President which does not meet with its approval. I think, further, that the Congress recognizes that particular arrangement as its own creation, evolved within the Congress out of vigorous efforts and debate extending over a period of 2 years and culminating in the enactment of the Reorganization Act of 1939.

Therefore, bearing in mind what the future demands of all of us, I earnestly ask the Congress to enact legislation along the foregoing lines without delay.

HARRY S. TRUMAN.

THE WHITE HOUSE, May 24, 1945.

EXTENSION OF REMARKS

Mr. HILL asked and was given permission to extend his own remarks in the RECORD and include a radio address which he made.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include therein an editorial.

Mr. CARLSON asked and was given permission to revise and extend the remarks which he will make on the reciprocal trade agreement bill and insert certain tables.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein an address delivered by Ernest Wilkinson. This address exceeds the limit set by the Joint Committee on Printing and I am advised by the Public Printer that it will cost \$260. Notwithstanding the cost I ask unanimous consent that it may be extended in the RECORD.

The SPEAKER. Notwithstanding the cost, without objection the extension may be made.

There was no objection.

FOREIGN TRADE AGREEMENTS

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for further consideration of the bill (H. R. 3240) to extend the authority of the

President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself in the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 3240, with Mr. WOODRUM of Virginia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. At the end of the debate on Tuesday, the gentleman from North Carolina [Mr. DOUGHTON] had consumed 2 hours and 11 minutes, the gentleman from Minnesota [Mr. KNUTSON] 2 hours and 48 minutes.

The gentleman from North Carolina is recognized.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 49 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, in this critical period of the history of our country and the world I had hoped that we could approach the consideration of this important subject from a broad and constructive viewpoint in the interest of our whole country and all of our people, and free from any narrow or partisan consideration. It soon developed in the committee, however, that the minority members were determined to exert every possible effort to renew the old partisan fight on the tariff issue that had for so long a time divided the two major political parties.

This bill is one of several very important steps that must be taken for the welfare of this country and our people, especially in the postwar period. I wonder if we realize the tremendous problem that is immediately facing us as far as the employment of our people is concerned and the welfare of the business of this Nation?

The pending bill, H. R. 3240, has been given most careful and thorough consideration by your Committee on Ways and Means and was favorably reported by a vote of 14 to 11, 14 majority members voting for the bill and 10 minority members and 1 majority member voting against it. The bill provides in section 1 for the extension of the reciprocal trade-agreements program for a period of 3 years, from June 12, 1945, the date of the expiration of the present law. This period of extension is deemed vital and necessary for a proper operation of the program and is the customary period of time provided by Congress in the past.

Section 2 of the bill modifies one of the limitations on the President's authority in connection with foreign-trade agreements. Under the present law the President is limited to a reduction of 50 percent in existing rates, which means the tariff rates of the 1930 Tariff Act.

Section 2 of this bill would authorize the President to make reductions in duties up to 50 percent of the rates existing on January 1, 1945.

Sections 3 and 4 of the bill are clarifying provisions included by the committee to avoid any future misunderstanding as to its intention. Section 3 adds a new subsection (d) to section 350 of the Tariff Act of 1930 and makes it clear that emergency or wartime reductions in rates of duty are not to be used as the basis for the increased authority,

Subsection (d) (1) will apply where a return to a higher rate is automatic at the end of the emergency and subsection (d) (2) will apply where the return to a higher rate is optional with the United States.

Section 3 also forbids the restoration of trade agreements suspended by the President. This applies to the first trade agreement with Canada and to the trade agreement with Czechoslovakia.

Section 4 adds the War and Navy Departments to the departments listed in the present law with which the President must consult before entering into trade agreements.

In 1934, when the reciprocal trade-agreement program was first enacted, we were just beginning to emerge from the great depression. Our national income stood at \$49,500,000,000, the gainfully employed was estimated at 40,000,000, our exports amounted to \$2,000,000,000, and our imports to \$1,700,000,000. In 1937, when the Congress first extended the Trade Agreements Act, our national income had risen to \$71,500,000,000, employment to 45,000,000, our exports to \$3,300,000,000, and our imports to \$3,000,000,000.

In 1940, when we again extended the Trade Agreements Act, the war in Europe had begun to distort international trade relations; however, our national income had reached \$77,600,000,000, the employment figure stood at 46,300,000, our exports amounted to \$4,000,000,000, and our imports to \$2,600,000,000.

In 1943, when the Congress considered trade-agreement legislation for the fourth time, we were at war and had been since the attack on Pearl Harbor on December 7, 1941. The national income had increased to \$149,400,000,000, employment to almost 52,400,000, our exports to \$12,700,000,000, and our imports to \$3,400,000,000.

I do not claim that all these remarkable gains were due entirely to trade agreements, but the evidence clearly indicates that the program played a substantial part in the improvement of our foreign trade between 1934 and 1939. In the Trade Agreements Act a direct approach was made to the trade-barrier problem. Foreign trade increased, and the increase was on a sound basis.

The Congress has carefully reviewed the program periodically and has approved it by extending the act. Between the years 1934-35 and 1938-39 our exports to trade-agreement countries rose by 63 percent, while our exports to non-trade-agreement countries rose by only 32 percent, practically double to the trade-agreement countries to what it was to non-trade-agreement countries.

Our imports from these trade-agreement countries increased by 22 percent, and imports from nonagreement countries by only 13 percent. Trade agreements have been negotiated with 28 countries, and 26 of them are still in effect. Hundreds of concessions have been obtained, and, of course, some have been given. Over 65 percent of our normal foreign trade is carried on with trade-agreement countries. These countries have made concessions on 73 per-

cent of their agricultural imports from us and on 48 percent of their nonagricultural imports from us. Concessions were obtained on thousands of individual products which enter into the export trade of the United States. For example, over 1,400 concessions were made in our favor in the agreement with the United Kingdom, while over 1,000 were made by Canada, 400 by Cuba, 200 by Mexico, and 200 by Colombia. Every State in the Union produces some of the products on which concessions were obtained.

I will insert a table showing some of the products and the number of countries making concessions to us:

| Groups of products | Number of countries granting (in the 26 agreements in force)— | |
|---|---|---|
| | Reduced duties, larger quotas, etc. | Concessions of any kind, including bindings of existing treatment |
| Fresh fruit..... | 17 | 24 |
| Canned or prepared fruits..... | 21 | 24 |
| Dried and evaporated fruits..... | 21 | 25 |
| Nuts..... | 5 | 9 |
| Fresh vegetables..... | 5 | 5 |
| Canned vegetables and preparations..... | 18 | 20 |
| Dried vegetables..... | 2 | 2 |
| Wheat and other grains and preparations..... | 18 | 21 |
| Meats and meat products..... | 16 | 18 |
| Dairy products..... | 8 | 11 |
| Raw hides and skins, except furs..... | 2 | 4 |
| Tobacco..... | 4 | 11 |
| Raw cotton..... | 7 | 7 |
| Fish..... | 19 | 21 |
| Leather and leather products..... | 10 | 22 |
| Tobacco manufactures..... | 5 | 11 |
| Rubber and rubber products..... | 16 | 23 |
| Textile manufactures..... | 11 | 17 |
| Paper and paper products..... | 12 | 14 |
| Wood and wood products..... | 13 | 18 |
| Naval stores..... | 3 | 9 |
| Petroleum and petroleum products..... | 5 | 14 |
| Glass and glass products..... | 3 | 6 |
| Cement..... | 3 | 5 |
| Iron and steel products except machinery and vehicles..... | 13 | 20 |
| Copper and manufactures..... | 4 | 8 |
| Lead and manufactures (including solder)..... | 2 | 2 |
| Zinc and manufactures..... | 4 | 4 |
| Silver and manufactures..... | 2 | 2 |
| Aluminum and aluminum products..... | 3 | 3 |
| Automobiles (including chassis), accessories and parts..... | 14 | 23 |
| Trucks and busses (including chassis), accessories and parts..... | 11 | 20 |
| Agricultural machinery and parts..... | 6 | 16 |
| Industrial machinery..... | 15 | 24 |
| Office appliances..... | 13 | 22 |
| Electrical machinery and apparatus..... | 16 | 22 |
| Paints, varnishes, and pigments..... | 14 | 17 |
| Medicinal and pharmaceutical preparations..... | 6 | 12 |
| Soaps and toilet preparations..... | 14 | 14 |
| Films and other photographic equipment..... | 5 | 14 |
| Surgical implements and appliances..... | 1 | 3 |
| Musical instruments and parts..... | 5 | 6 |

We have heard considerable discussion here about the value of the trade-agreements program to agriculture. Coming from an agricultural district I am intensely interested in the welfare of our farmers, and have worked for and supported all agricultural legislation since I have been here. It is my conviction that this program is of greater value to agriculture than most any part of the life of this country.

I invite your attention to the hearings, and especially to the statements of the

Secretary of Agriculture and the American Farm Bureau Federation. I quote from Mr. Wickard, who appeared in support of this bill:

Trade agreements are in force with 26 countries. Of these, 15 have granted duty reductions or larger quotas on pork and pork products and three others have agreed not to increase their duties. Dairy products have received concessions from 11 countries; leaf tobacco from 11; fresh, dried, and canned fruits from 26; vegetables and preparations thereof from 20; wheat flour from 12; rice and rice flour from 10. If all the concessions on farm products now in effect had been in effect in 1937, they would have applied to 48 percent of the total value of our exports of agricultural products in that year. These do not include the concessions on industrial products which use farm products as raw materials.

Provision has been made by Congress for the maintenance of farm prices, particularly in the years of transition from a war to a peacetime economy. Far from being in conflict with such legislation the trade-agreements program will supplement price supports by expanding foreign markets. If foreign markets should be restricted by increased trade barriers, the problem of maintaining domestic prices would be far more serious. Imports of agricultural products can never seriously endanger the domestic market for our own farm products. Even in those years in which we had the greatest imports of farm products counted as competitive, such imports never supplied more than 10 or 11 percent of the domestic market. These were years of prosperity for the farmer. In the years of the depression the share of imports fell to 7 percent. Of course, the farmer was much better off in the years of prosperity when he had 90 percent of a \$12,000,000,000 market, than he was in the depression years when he had 93 percent of a \$6,000,000,000 market.

I would next like to invite attention to parts of the statement of the American Farm Bureau Federation, which has always supported this program, and appeared in support of its extension during the hearings on this bill:

IMPORTANCE OF FOREIGN TRADE TO AGRICULTURE

The total volume of agricultural production in 1944 was 33 percent above the pre-war average, and nearly 50 percent greater than during World War I. Records show that in 1944 approximately 25 percent of our domestic food production was used for military and lend-lease purposes. Although we now have legislation designed to aid the farmer during the reconversion period, we know that once agricultural production has been expanded, it is very difficult to contract. While it is realized that the domestic market is the most important market for agricultural products, the importance of the foreign market, however, as an outlet for farm surpluses cannot be overemphasized. During the 1930's approximately 50 percent of our cotton production, 9 percent of our wheat crop, and 31 percent of our tobacco were exported. We all know that cotton is the basic agricultural industry of the South, upon which the well-being of millions of our citizens depends.

In a study made at Iowa State College by Prof. T. W. Schultz, it has been estimated that in the crop year 1938-39, imports of farm products that theoretically could have been grown in this country would have occupied not more than seven and one-half million acres, while 28,000,000 acres of United States cropland were used in producing crops for export to foreign markets. It was estimated that the increase in the exports of farm machinery, automobiles, rubber products, and iron and steel between 1935 and 1937 was of such a magnitude that American

workers had from \$8,600,000 to \$11,100,000 more to spend for food than they would have had without this increase in foreign trade. At the same time the concessions which the United States has made on the imports from other countries helped alleviate the situation of the American farmer and consumer. Excessive tariffs in the past have been a big factor in keeping the American farmer at an economic disparity with other groups in the country. His goods have been sold on a buyer's market at home and abroad. High tariffs cannot protect a product which is exported and which must meet competition in world markets. No United States tariffs can protect the prices and incomes received by farmers when exports dwindle and excessive supplies are thrown upon a weak home market. On the other hand, prices of many things the farmer buys have been held up by tariffs, which increases the prices he has to pay for his equipment and supplies.

The charge is often made that agriculture has been discriminated against under the trade-agreements program. A careful analysis of the facts does not bear out this contention. Between 1934-35 and 1938-39, the total volume of our agricultural exports remained practically the same. However, the agricultural exports to the countries with which we had trade agreements increased 50 percent, while agricultural exports to the non-trade-agreement countries declined about 26 percent. During this same period total exports of nonagricultural products increased 64 percent (68 percent with the trade-agreements countries, and 60 percent with non-trade-agreement countries.) It would thus appear that agriculture has benefited very materially from the trade-agreements program.

Under the trade-agreements program, concessions from foreign countries have been obtained on about 33 percent of our total exports, expressed on the basis of the value of our exports in 1937. About half of these agreements have been to actually lower trade barriers, while the other half have been agreements not to increase barriers above existing levels. Concessions from other countries were obtained on about 48 percent of our agricultural exports, and on about 29 percent of our nonagricultural exports. However, many of the concessions for agriculture were agreements not to increase existing barriers.

The concessions obtained from other countries on agricultural exports cover a wide variety of products. Through the trade-agreements program, reductions in barriers against the export of our fruits and vegetables have been obtained from 23 nations, reductions on meat and meat products from 16 countries, reductions in barriers on grains and grain preparations have been obtained from 18 nations, and on dairy products from 8 countries.

No actual reductions in tariffs have been obtained for raw cotton, largely because present barriers are not burdensome. However, 7 countries have guaranteed not to raise their existing barriers, or not to impose any tariffs on raw cotton from the United States. Eight countries have agreed to lower their barriers against our manufactured cotton products, and 13 have agreed not to increase existing barriers. In view of existing world conditions in cotton, these concessions may become increasingly important in the future. It is evident from the foregoing information that the trade-agreements program has not been confined to obtaining trade concessions for a few of our agricultural products, but has covered a wide list of agricultural commodities.

Considerable reference has been made here to reductions in certain tariff rates. I submit that a careful consideration of the hearings on this bill will convince any fair-minded person that no domestic in-

dustry has been seriously injured by any of these reductions in tariff rates. The cuts in rates of duty have been gradual under the trade-agreements program.

In 1937 when it came up for its first renewal after it had been in effect for 3 years, the 50-percent cut had actually been applied to only 12.5 percent of the value of our dutiable imports. Another 15 percent had by that time been cut less than 50 percent. By 1940, after 6 years, the 50-percent cut had been applied to only 24 percent of our dutiable imports. A cut of less than 50 percent had been made in a total of 18 percent. And now in 1945, 11 years after the act was first passed, we find that cuts of 50 percent had been made in a total of 42 percent of our dutiable imports, and cuts of less than 50 percent in 20 percent of our dutiable imports. We must know as a practical matter that the 50-percent additional authority provided in section 2 of this bill will not all be used during the extension of the act. I would like to invite attention to a safeguard which should be definitely borne in mind, that is the so-called escape clause which is included in some of these trade agreements. We have the definite assurance from the Department of State that the escape clause will be included in all trade agreements negotiated from now on.

This escape clause provides:

If as a result of unforeseen developments and of the concession granted on any article enumerated and described in the schedules annexed to this agreement, such article is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar articles, the government of either country shall be free to withdraw the concession, in whole or in part, or to modify it to the extent and for such time as may be necessary to prevent such injury.

I submit with that type of escape clause there can be no doubt that American industry will be amply protected under this program.

A great deal has been said about foreign wage scales, but it should be remembered that unit costs and not wages determine the competitive position of manufacturers. Information from our Department of Commerce shows that the output per man-hour in our factories is more than 50 percent greater than in Canada and more than twice that in the United Kingdom and Russia. It is generally conceded that in many industries we have the lowest production costs in the world. This is confirmed by the volume and diversity of our exports to markets in which we compete on an equal basis with other manufacturing nations throughout the world.

American businessmen support this program. Some of the strongest testimony presented to your committee was from outstanding business leaders of this Nation. Among them was the United States Chamber of Commerce, speaking for the business interests of the country.

I will quote from the statement of Mr. Clark H. Minor, representing the United States Chamber of Commerce, who stated that he was a Republican:

The directors of the United States Chamber at their meeting held on May 4, 1945, unanimously endorsed the Doughton bill and authorized the officers of the chamber to pre-

sent these views to the members of the Ways and Means Committee in furtherance and effectuation of the chamber's policy. Due to the unfortunate illness of President Eric Johnston I have been asked by the officers of the chamber to appear in his place and inform you of the views of the United States Chamber of Commerce with reference to the extension and modification of the Reciprocal Trade Agreements Act.

The basic policy of the chamber has been reasonable protection for American industry and agriculture that may be subject to destructive competition from abroad. It realizes, however, the importance of having available the machinery for adjusting our tariff policy by reciprocal negotiation to meet changing world economic conditions. It believes this can best be accomplished by the enactment of H. R. 2652 (now H. R. 3240). All trade agreements include escape clauses providing for modification or withdrawal of concessions in order to prevent serious injury to domestic interests if unforeseen developments should arise.

No change is contemplated in the present procedure of the negotiation and effectuation of trade agreements. That procedure now includes public notice and open hearings, in addition to filing briefs and statements.

Whether selected tariff rates may be advantageously reduced 50 percent, 75 percent, or 2 percent, and still give adequate protection to American industries and agriculture from destructive foreign competition can best be determined by the interested Government departments, with the benefit of technical advice of the experts of the Tariff Commission after public hearings and full consultation with the representatives of industry and agriculture. This is the procedure that has been in effect since 1934 under the provisions of the act.

I will quote next from the statement of Mr. Ralph E. Flanders, president of the Federal Reserve Bank of Boston, an outstanding businessman from Springfield, Vt., and at one time president of the New England Council, an organization of businessmen:

I am chairman of the Research Committee of the Committee for Economic Development, commonly known as CED. The Research Committee is a group of businessmen formed for the study of problems relating to attaining and maintaining a high level of productive employment in the United States. We work with an advisory committee of economists and other social scientists, and through a staff of experts in the various fields concerned with our central problem.

The membership of the Research Committee is as follows: Ralph E. Flanders, chairman, president Federal Reserve Bank, Boston, Mass.; Chester C. Davis, vice chairman, president, Federal Reserve Bank, St. Louis, Mo.; William Benton, vice chairman, chairman of the board, Encyclopedia Britannica, Inc., New York, N. Y.; Gardner Cowles, president and publisher, Des Moines Register & Tribune, Des Moines, Iowa; Harry Scherman, president, Book-of-the-Month Club, New York, N. Y.; Donald David, dean, Graduate School of Business Administration, Harvard University, Cambridge, Mass.; John Fennelly, partner, Glorie, Forgan & Co., Chicago, Ill.; William C. Foster, vice president, Pressed and Welded Steel Products Co., Inc., Long Island City, N. Y.; Paul G. Hoffman, ex officio president, Studebaker Corp., South Bend, Ind.; Eric A. Johnston, president, Brown-Johnston Co., care of Chamber of Commerce of the United States, Washington, D. C.; Ernest Kanzler, chairman of the board, Universal Credit Corp., Detroit, Mich.; Raymond Rubicam, 444 Madison Avenue, New York, N. Y.; Beardsley Ruml, treasurer, R. H. Macy & Co., Inc., New York, N. Y.; R. Gordon Wasson, vice president, J. P. Morgan & Co., Inc., New York, N. Y.

I will now read that section of our forthcoming policy statement: "Reduce and eliminate when practicable, artificial barriers to world trade. The United States should take the lead in its own interest in a program to bring about a great reduction in the artificial barriers to trade between nations, whether they take the form of tariffs, import quotas, restrictive exchange practices, subsidies, or restrictive business agreements. Such a program should include:

"a. The removal of wartime controls over foreign trade at the earliest moment consistent with military necessity and the immediate economic after-effects of war. The large foreign balances held in the United States and the unsettled conditions created by the war are likely to necessitate trade controls in the transition from the war economy to an orderly peace economy.

"b. The protective tariff of the United States should be lowered.

"To this end:

"1. The Reciprocal Trade Agreements Act should be renewed and strengthened by making the 50 percent limit to reductions apply to the rates existing in 1945.

"2. Negotiations under the act should be pressed vigorously so as to bring about substantial rate reductions.

"We feel that a prompt reduction in the American tariff barrier is of the utmost importance, as crucial evidence that the American people are prepared to take practical steps needed to heal a devastated world, attain high and profitable employment, and erase the economic obstacles to political peace. There is need to undo the Hawley-Smoot Act of 1930 and to go much further progressively toward a freer movement of trade. Nothing less than the extension of the power under the act to allow a negotiated reduction up to 50 percent from the 1945 rate in exchange for foreign concessions will give sufficient latitude to allow further substantial reduction in this barrier to trade.

"In the Research Committee there is sentiment for recommendations that go further than the above: Some members would favor a unilateral reduction of tariff rates. The advantage in the reciprocal treaty arrangement is that our reductions can serve as a lever for bringing about corresponding reductions elsewhere, to our advantage and the world's. We strongly favor continuing to lodge the authority for negotiating reductions where it now lies, as the only way to avoid objectionable past practices and to achieve results. We hope that Congress will act promptly in renewing and strengthening the Reciprocal Trade Agreements Act, as suggested, because further reductions in rate in the near future will cause less dislocation than if made later. Reductions in the near future will be only one of many transition problems, and would be by no means a large one against the general background of all our problems. It will mean that in the transition period American industry will work toward a more productive pattern by stimulating the expansion of those industries in which American labor and management are most productive. We shall receive more abundantly those goods and services from other countries which are superior to our own quality, design, and price."

There has been some reference made here, and I think it is one of the most important questions in connection with this program, with relation to the most-favored-nation clause. I should like to take a few moments, if I may, to try to state clearly that policy and its application to this program.

The most-favored-nation clause is the natural policy for the United States whose whole fabric of Government centers around the proposition of "equal rights for all; special privileges for

none." Briefly, it means that we impose identical rates of duty on like products from all foreign sources; when we reduce a duty the lower rate applies to all imports, and when we increase a duty the higher rate applies to all imports, regardless of origin. In other words, we neither grant special privileges to nations nor discriminate against nations in assessing our tariff duties.

For many years the United States followed the conditional most-favored-nation policy, under which we offered special reductions in our duty to third countries only if they extended to us special concessions in duty approximately equal to those extended by the country with which we made the agreement. However, during our entire history up to 1923 these special agreements affected only a small part of our foreign trade and were in effect for only relatively short periods. It follows that with minor exceptions the United States has always had a single-column tariff, that is, one rate of duty applicable to a particular product regardless of its origin.

In 1923, under the leadership of Secretary of State Charles Evans Hughes, the United States abandoned the conditional policy and adopted the unconditional most-favored-nation policy. The unconditional policy means that we extend tariff favors to all nations without requiring any special reduction in their rates on American products. However, we do require that all nations extend to products of the United States the same unconditional most-favored-nation treatment; that is to say, when the United States makes an agreement with country A in which the two nations reduce their tariffs, the United States immediately grants the reduced rates to country B. However, we insist that when country A and country B make an agreement reducing their tariff rates that they shall immediately grant to us such reduced rates.

The unconditional most-favored-nation clause was enacted by Congress as a part of the Trade Agreements Act of 1934, the pertinent language being in section 350 (a) (2), as follows:

The proclaimed (i. e., reduced) duties and other import restrictions shall apply to articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly.

Immediately following is a proviso authorizing the denial of reduced duties to countries which discriminate against our trade—that is, countries which deny us most-favored-nation treatment. The report of the Ways and Means Committee on the trade agreements bill in 1934—report No. 1000, Seventy-third Congress, pages 15 and 16—clearly explained this proposition in the following language:

The bill provides that the duties and other important restrictions which the President may proclaim in accordance with agreements which he may enter into shall apply uniformly to articles brought into the United States whether from the country with which the particular agreement is made or any other country.

It would be necessary that this rule should apply in the case of countries to which the United States is, by treaty or agreement, pledged to accord equality of treatment by virtue of the most-favored-nation clause.

There are 48 such treaties and agreements in existence and others may be added. It is desirable that the rule of uniformity be maintained for its own sake, and for the general atmosphere of good feeling which it creates.

Because of the fact that, as trade is actually carried on, there is a wide differentiation between the commodities which are important as between one country and other separate countries, this generalization of rates does not operate to reduce seriously the bargaining power of a country which, having made one or more agreements, proceeds to negotiate with still other countries. A survey of the situation indicates that almost every important commercial country is the principal supplier of certain articles to the United States. The reciprocity agreements will deal primarily with the articles of which the other parties to them are respectively the principal supplier to this country. The result is that from the point of view of both sound policy and practical procedure, the rule of equality should prevail.

The practice of extending reduced trade-agreement rates to third countries has been called generalization.

It has been charged that by virtue of generalizing trade-agreement rates to countries with whom we have no agreements, the United States has granted great privileges to such countries and gotten in return nothing in the way of trade benefits. Particular point was made in the hearings on May 5, 1945, by domestic pottery interests who opposed the enactment of a similar bill of the Seventy-eighth Congress. They asserted that although Japan was the principal supplier of pottery tableware, we reduced the duty on some of such ware in a trade agreement with the United Kingdom, and by generalizing the reduced duty to Japan gave Japan a great benefit. It is true that for several years before the agreement with the United Kingdom became effective in 1939, and also for 2 years after the agreement was in effect, Japan was the principal source of our total imports of pottery tableware. However, the duties were not reduced on all kinds of pottery tableware but only on the kinds coming chiefly from the United Kingdom. Thus, in 1940, of the imports of bone china tableware on which duties were reduced, the United Kingdom supplied \$588,000 worth and Japan only \$10,000 worth; of the imports of decorated earthenware on which duties were reduced, \$864,000 worth were from the United Kingdom and only \$3,000 worth were from Japan. Other countries shipped us in 1940, \$36,000 worth of tableware on which duties were reduced under the agreement with the United Kingdom.

It is clear that the policy of generalization of trade-agreement rates results in a general reduction in tariffs, but the point to be remembered is that the reduction applies only to the items included in the trade agreements, and of these items the country to whom the concession is specifically made is ordinarily the chief supplier.

A study prepared by the United States Tariff Commission in February 1943 and inserted in the record of the hearings before the Ways and Means Committee on May 4, 1945, included all articles of which imports were valued at one-half million dollars or more each in 1939 on which duties had been reduced by trade

agreements up to February 1, 1943. It was shown that of the 160 articles included in the study 130 concessions were granted to the principal supplier. The 130 commodities represented 91 percent of all articles included in the study, and since the study covered about 90 percent of the total imports of trade-agreement articles in 1939, it is clear that more than 80 percent of the concessions were granted to the country which was the first supplier of the article.

While third countries with which we have no trade agreements do obtain important benefits from our trade-agreements program, the lion's share of the benefits of reductions in duty obviously goes to the countries signing the agreements.

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

Mr. COOPER. I yield.

Mr. KNUTSON. That would not be exactly correct as applies to our treaties with Cuba, would it, I ask the gentleman from Tennessee?

Mr. COOPER. The gentleman knows that Cuba has always been in a special classification since 1902.

Mr. KNUTSON. Yes; I understand that.

Mr. COOPER. We have had commercial treaties with Cuba for many years and we know that it is in a special class.

Mr. KNUTSON. But that is special treatment.

Mr. COOPER. I would like to call attention to the fact that some time ago a special study was made by the State Department and the Tariff Commission of the generalization of concessions and also the other side of the question. Those investigations showed that the generalizations which we made with all the other countries amounted to \$30,000,000 in trade. On the other hand, by that generalization policy we have protected \$250,000,000 worth of our export trade. The ratio has been \$9 of benefits we have received for every \$1 of concessions that we have granted. In my part of the country when you trade on a basis of getting benefits 9 to 1 it is considered pretty good trading.

Mr. Chairman, I would like to briefly call attention to the few remaining moments to another important thing that I think should be borne in mind in connection with this program aside from any technical discussion of the trade-agreements program and the benefits that have thus far come to American business, agriculture, and labor. Bear in mind this program has the overwhelming support of organized labor. Many witnesses representing labor appeared and made some of the strongest statements that were presented during the hearings. Also outstanding business leaders from all over the country appeared in support of the program. I believe in the capitalist system, in individual initiative, and in free enterprise. I am sure we all do.

Let us consider the tremendous value of this program from that aspect, which, I believe, is one of the main reasons that these business leaders throughout the country are strongly supporting this program. It is directly in support of free enterprise. If we go back to the old

method of tariff making and find that other countries of the world have raised all kinds of barriers against the trade of this country, and if those nations have to resort to all types of control and restrictions, what is going to happen to us here in this country when we maintain a system of free enterprise and are hedged in all around by other countries of the world having Government control of various types and kinds?

Let us bear in mind that after this war is over we will have over one-half of the industrial capacity of the world. With agriculture and industry geared up to the highest production point in all our history, what are we going to do with all of these products? We know how difficult it will be during the postwar period to get back to normal civilian production. We must realize that we may have enormous unemployment. We may have business failures and have a depression unless we have some sources throughout the world to which we can send these surplus products of ours. We know that these enormous surpluses, if they are allowed to pile up in this country, can only beat down the domestic price.

Therefore, I feel that this program is of vital importance to the protection of the free-enterprise system that we all support and cherish in this country.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Vermont [Mr. PLUMLEY].

GOLD DOLLARS AND COMMON SENSE—RECIPROCITY BEGINS AT HOME

Mr. PLUMLEY. Mr. Chairman, 7 years ago the 28th day of last January I made a speech on the floor of this House in opposition to the enactment of the law permitting the negotiation of trade agreements because, I said, they were trade treaties, and were provocative of and not panaceas for war.

Since that date I have had no occasion to change my mind with respect to the matter. I received a good many letters from people all over the country with reference to that speech, some commendatory and others critical. The criticisms were not justified by what has happened.

I am going to include a portion of that speech, although I realize that to do so is perhaps something of an imposition on those who have already read it, but there are certain things in it which ought to be informative in view of what has transpired and which will perhaps help to sustain the position of those who are opposed to the renewal of the act.

NOT RECIPROCAL

The truth is, Mr. Chairman, these agreements, or whatever they may be called, are not reciprocal. The benefits derived have been at the expense of the American people.

The agreements will be dead before any bill to resurrect them will become a law. No trade treaties of any importance will be or can be negotiated or consummated while the war is in progress.

GOOD NEIGHBORS FOREVER

What is more in point is the fact that all of these agreements will have to be

submitted to whatever high council finally undertakes to draft proposals for peace to be incorporated in that grand treaty of peace which will eventually have to be submitted to the Congress or the United States for ratification.

That is the story briefly, and there is no occasion just now for all this heat without light respecting the extension of these agreements the renewal of which can serve no good purpose, permanently at any rate, for they will not be and cannot be operative and will be subject to such revision as I have suggested when the terms of the final treaty are agreed upon between and among the nations which undertake to keep the peace in order that we may all be good neighbors.

FALLACIOUS ARGUMENTS

Of course, I am familiar with the contents of the testimony adduced by one Mr. Short, of Arkansas, who represented Mr. Ed O'Neal, of the American Farm Bureau Federation, before the House Ways and Means Committee. Now, I am too good a Republican to follow the New Deal rhapsodies in which my friend O'Neal indulges with respect to the beneficial effects of the treaties if, indeed, such beneficial effects can be believed to exist—which I doubt if figures of the Department of Agriculture are to be relied upon as against wishful thinking.

It was the quite general opinion of those of both parties who listened to Mr. Short's presentation that it was not effective and would fail to justify its presentation. His admissions were damaging rather than helpful to the cause which he undertook to espouse, or so it is commonly asserted by both friends and foes of the trade treaties.

Representatives of the dirt farmers of this country have advised me that the possibility of losing what protection has been afforded us is fraught with dire consequences. They insist that it is not necessary to reduce the tariff on butter below 14 cents in order for the Doughton bill to affect the price of butter. They insist that our whole dairy set-up would be prejudicially affected by the Canadian amendment to the trade agreements reducing the price of imported Cheddar cheese to 2 cents per pound, and that dairy farmers would suffer.

I have heard from a good many people outside the Agricultural Belt who insist that agreements are not reciprocal, that they do not protect American industry or American labor or American agriculture or the American standard of living. They support their contentions with practical, conclusive arguments, and facts and figures which cannot be ignored by a realist.

POSITION OF THE GRANGE

I am heartily in accord with the position taken by the National Grange and its presentation made before the Ways and Means Committee. I agree with them that if the Trade Agreements Act were to be renewed, which it should not be, its renewal should be limited to 1 year.

Back in 1934 the farmers were told that by virtue of the authority delegated to the President under this measure, it would be possible to find new markets or

restore old foreign markets for surplus farm products but that it would not result in any increase of imports of competitive farm products. It did not happen.

The figures furnished by the Department of Agriculture prove that the value of competitive farm imports considerably more than doubled from 1932 to 1940, while physical quantity increased from an index number of 60 in 1932 to an index number of 104 in 1940. It is generally agreed that reductions in tariffs on competitive farm products let in more imports and made it more difficult to build a sound farm program. Incidentally this reduced the ability of the farmer to buy the products of labor and industry.

As to exports, the data furnished by the Department of Agriculture discloses the fact that foreign concessions resulted in no increase in volume of farm products sold abroad. Back in 1910-14 exports of farm products accounted for an even 50 percent of total exports. By 1932 farm exports were down to 41.7 percent of total exports. It was to rebuild the export market that farmers were asked to support the trade-agreements bill.

While the dollar value of exports of farm products was about the same in 1938 and 1939 as during 1932 to 1935, they were held there only because unit prices were higher and through the paying of huge export subsidies, and not because of foreign concessions to us.

There is neither proof nor indication that exports were stimulated as a result of the trade agreements. Imports may have been substantially the same. We must be practical or starve to death. We have had too much "theoretical agriculture."

I am in most hearty accord with the Grange which wholly disapproves of the proposal that the President be empowered to slash to the extent of 50 percent rates that were in effect on January 1, 1945. This is a perfectly preposterous proposal and one that should defeat the measure. Just think it over. In the case of rates that have already been reduced 50 percent under the provisions of the act of 1934, this added power would enable the President, or the State Department, to bring about a 75-percent reduction of the rates contained in the Tariff Act of 1930.

DELEGATED ALTOGETHER TOO MUCH POWER

We have delegated altogether too much power. Why continue such un-American policies to sacrifice American farmers? I will not vote for any such program.

As I have indicated before, I say again I am still opposed to the delegation of our constitutional congressional prerogatives and responsibilities to a group of theorists, to the Executive, or to any other department of the Government. I am not in favor of a 1-year extension, although it is to be admitted for argument that perhaps in that time Congress might be able to work out a plan to cover real reciprocity in world trade. Even such a plan would be involved in the final treaty to which I have referred. It is not worth the experiment, now. We can cross that bridge when we come to it.

A TIGHT FENCE MAKES GOOD NEIGHBORS

I am not a high protectionist. I do think a good tight fence helps maintain the status of good neighbors. I am for reasonable protection for American industry and agriculture. I believe in protection. I am for the maintenance of American standards of living, American wages, American prices for American laborers, and a square deal for the American farmer. I feel very strongly that now more than ever the United States needs reasonable barriers in the nature of protective tariffs against the flood of goods from destitute and devastated areas, manufactured and produced at starvation wages supporting a standard of living we will not tolerate and with which we cannot compete.

I am inserting such portions of my speech of January 28, 1938, as I think might well be reiterated at this time. Should any of you be interested to read the speech in its entirety, it may be found in the permanent RECORD of the Seventy-fifth Congress, third session, volume 83, part 2, on page 1223:

TRADE TREATIES PROVOCATIVE OF, NOT PANACEAS FOR, WAR

Mr. PLUMLEY. Mr. Chairman, the high-minded purpose which actuated men like the late Newton D. Baker and Frank B. Kellogg to dare to think and to plan in terms that lay outside political platforms and programs, a new formula for international relationships and the eventual establishment of an irrevocable policy that involves the abolition of war as a method of settling international disputes entitles them to the commendation of everybody, and with their policy a program, idealistic as it is, none of us can quarrel.

They were dreamers of dreams. The failure of the attainment of which and of whose ideals in their day and generation, though a bitter disappointment, and though their hope did not end in fruition, nevertheless was worth striving for; and the ends which they sought to accomplish and the heights which they attempted to reach will be attained if, when, and only when, the world catches up with them and men like them—these idealists, these men of vision, these dreamers of dreams.

A REALISTIC AGE

On the other hand, we live in a very realistic age, and whether we like it or not we must be reasonable and of the earth earthy.

It is perfectly all right to be striving to reach that star of good neighborliness, but we must not be swept off both feet or off the ground by the fantasia of idealism and sentiment. We must keep at least one foot on the ground as we try to "hitch our wagon to a star."

EUROPE OR ASIA?

I do not need to refer to the fact that there is not a well-informed person in the United States who does not fear that war-torn Europe may eventually have to submit to triumphant Asia. There is not one of us who does not dread the day when the eventual struggle between the white and the yellow races will come, as come it will, and the result of which will spell either the triumph and the everlasting establishment or the end of our civilization.

That is a blunt and brutal way of stating a fact, which many of us know to be the truth, the while we smile and smile, and with our laissez faire attitude make lip service obeisance to those who lead us, or undertake to lead us in that realm of dreams and idealism which our own cold-blooded reason tells us can only end in a nightmare, with

such a startled awakening as can only be appreciated or conjectured by those who answered in France to a call to advance at the zero hour.

Peace? Yes; it is the desideratum of the ages, the aspiration of all right-thinking people. Peace. But a peace not bought, nor paid for by trade treaties, based on arguments of economists or of cloistered theorists.

THE ROAD TO WAR

As Dean Donham, of Harvard Graduate School of Business Administration, said in 1933:

"Our primary obligation is to put our own national house in order and by restoring our own balance to reestablish our great social groups. By so doing we shall make our best contribution to a sane and realistic internationalism. * * * A host of intelligent and idealistic men and women, in spite of the disillusionment of the last 15 years, still believe the only way to prevent another world war is the road of international co-operation, leading to gradual creation of a superstate. These lend their powerful support to current theories. I think this is the one sure road to war. * * *

"There are bad times ahead in the international markets, and we shall do Europe a disservice if we seek as powerful competitors to secure an increasing share in these markets. We shall not succeed, for Europe must win such a competitive race or be lost. No international trade plan that involves our active efforts to expand foreign trade can be sound for Europe nor can any such plan, even if sound for Europe, be a safe basis on which to rebuild our industry. We should look afresh at our relations to foreign trade."

EUROPE'S MADMEN

Europe today is a seething, boiling pot of war, a maelstrom of diplomatic intrigue and connivance, a center of secret treaties and negotiations, self-serving and self-saving, and "the devil take the hindmost." It is the home of the maddest men of all the ages. Why should we undertake to make contracts with them? Why should we dare to enter into alliances with these maniacs? Has not experience taught us that any contract we may enter into with them is not worth the paper on which it is written, if to break it seems to serve their selfish purpose?

TRADE FOLLOWS THE FLAG

It is a trite but true saying that "trade follows the flag." And that "trade's unfailing train usurps the land and dispossesses the swain" is a familiar quotation. Both furnish food for thought. There is, Mr. Chairman, no use in fooling ourselves. Whatever the theories and the idealism of the proponents of these trade treaties may be, it nevertheless is incontrovertibly true that the quest for national power and prestige is inseparably involved in, and tied up to, the material gain and profit which it is hoped may result from usurpation and conquest and occupation of territory. Were this not so there would be no quests.

You and I know that the loss of blood and lives and treasure incident to the attempts of colonial expansion and these quests of Italy, Japan, and Germany, and other countries is the price which these countries are willing to pay in anticipation of what they hope to get out of it. That is the cold-blooded, unsentimental truth.

Do not be misled. Hitler and Mussolini certainly have no inferiority complex. They are after territory and raw materials and the consequent revenue they hope and expect will be derived from such trade as follows the flag. Trade always has been, is, and always will be one of the economic factors and causes of war, an underlying and impelling motive for the quest for power and prestige, de-

spite all the theories of those idealists—those who come from the reveries of a cloistered speculation, with their idle and perilous diplomacy and pedantic dogmatism, and new maxims, and great ideas, born since the last change of the moon—to the contrary notwithstanding.

Now, my position with respect to reciprocity and the tariff is very well known to my own constituents. Back in November 1933, when I was first a candidate for nomination for Congress, I said:

"I am for a protective tariff. I believe to admit foreign goods indiscriminately would further depress the economic situation in these United States."

NOT AN ISOLATIONIST

Practically speaking, I have repeatedly said that I was not a high protectionist; that I stood for a tariff policy that would reasonably protect the Vermont farmer, American industry, and American labor. I am not an isolationist, but I am for America first.

Over and over again I have asserted that reciprocity was an old tariff principle, which was first advocated by a Republican President, when Benjamin Harrison said in 1890 that the reciprocity clause of the Tariff Act wisely and effectively points the way to secure a large reciprocal trade.

NOT RECIPROCAL

Again the trouble with these so-called reciprocal trade agreements which have been negotiated is that in a majority of the cases they are not reciprocal and, therefore, as a result permit well-established American industries to be injured by unfair competition.

NO REAL RECIPROCITY

I reiterate the statement that there is no real reciprocity in the program, and I shall continue to object and protest and to vote against—if I had a chance to vote—the negotiation of any of these agreements or the continuance of any law which permits the negotiation of agreements which put the products of any foreign country free from duty into direct competition with those which are raised and manufactured by the people of my State and country at such a price that my people cannot compete therewith and live. Such a policy, mistakenly called a good-neighbor policy, goes too far, in that it asks one to approve an agreement which deliberately and directly injures industry, destroys initiative, and robs the American people of their property and forces them involuntarily and without fault of their own onto the relief rolls and into the millions of unemployed.

Reciprocity, as the layman understands it, means that I will let you bring apples because I do not raise them, if you will let me take pumpkins into your country because you do not raise them.

Theoretically, "reciprocity" means a mutual advantage grows out of mutual concessions to each of the parties. You will supply what I cannot produce and have not, and I will supply you with those things you have not and cannot produce, and we will make the pact right because of mutual consideration for each other's needs.

Reciprocity, as the layman understands it, does not mean that I will let you bring in apples to compete with my home-grown apples, because you can raise apples cheaper than I can raise them.

Reciprocity does not mean that I will let you put my apple growers out of business because they cannot compete with your price on apples, your price being made possible because it costs you less to raise and pick and pack—that is to say, I pay my laborers more, and they live better than yours do.

It is not reciprocity, decidedly not, to destroy our industries, put our employees out of work, increase the number of unemployed, and the burden of taxes on our own just to

be a good fellow and a good neighbor. That is not reciprocity, but that is just what these trade treaties so far have done to us Americans who have been hit, and just what it will do to the constituents of some of my friends who favor these trade treaties, if and when the industries of their districts and their products are hit as ours have been. I believe in being a good fellow and a good neighbor, but why should my constituents have to be the whole burnt offering to make a Roman holiday?

It is brutally and frankly true that the policy of this administration which has been followed, while it is gloriously idealistic insofar as its negotiation of trade treaties is concerned, has served only to worry business—big and little—to block initiative and stop the expansion of industry, and has contributed to the unemployment situation. And with its resultant ruinous competition with other nations has been the breeder of hate and war, contrary to the expectation of its proponents, for the theories and ideals are as vain as they are dangerous. Vain, because it is axiomatic that no nation can sell more than it buys, unless, of course, it wishes to accumulate a needless surplus of gold, which accumulation would add nothing to the standard of living of the possessor; and dangerous because it is the genesis of armed conflict.

GREED, GOLD, AND GLORY

Every attempt which has ever been made for territorial acquisition and expansion has had its original principally, or in part at least, in the greedy grasping for trade that was to follow and the profits which were to ensue.

Greed for territory, for gold, for gain, and for glory is at the bottom of this war-torn world's troubles.

These nations involved in the European embroglio will have to fight in order to maintain their national unity and integrity. Self-interest always has been and always will be the deciding factor. Self-preservation is the first law of nature, and it is the same today as when Napoleon raked the monarchies of Europe and Caesar massacred 25,000 Germans in a day and left the melancholy memorandum, "Caesar's legions killed them all."

"Human nature of today," says Hudson Maxim, "will be the human nature of tomorrow, and the human nature of tomorrow will be in all essentials the same as it was in ancient Rome, Persia, Egypt, and even in the palmy days of sea-sunk Atlantis."

HUMAN NATURE

No plan has been promulgated which will change human nature or bring about the millennium by contract. No covenant which has ever been made or will ever be entered into between and among nations will prove a perfect panacea for, or perfect preventive of, war.

In trade agreements heretofore negotiated since the beginning of time and in trade agreements hereafter to be negotiated with their concomitant ramifications will always be involved man's irrepressible greed and the cause for most of the ills which the world has suffered and will have to endure.

CUT A MAN'S THROAT TO STOP A NOSEBLEED

As a panacea for and preventive of war trade treaties work out just as efficaciously as between nations as does the idealism and good intent as between individuals when it is deemed best to cut a man's throat in order to stop his nosebleed.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Massachusetts, the minority leader [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I wish to clarify my position in regard to this bill to extend the recip-

rocal trade agreements and to increase the power of the President further to reduce tariffs affecting our American industries. Some of those rates have already been drastically reduced.

I would like to make my position crystal clear.

I do not object to the extension of the present act for a year, or even two. I am unwilling, however, to authorize the President to delegate to some person in a governmental bureau the power to reduce existing tariffs by an additional 50 percent—which, in fact, could mean a total reduction of 75 percent from those prevailing in 1934.

The paramount objection to granting the power to make such large reductions is that inherent in it is a very grave danger of sapping the economic strength of this Nation. That is a power we should not give to a few men.

We have heard it said here repeatedly that this country is the arsenal of democracy. Beyond question the production miracle wrought by free American management, labor, and agriculture in producing weapons of war, and the food for our armies as well as for starving civilians in other nations has been the prime reason for the destruction of Germany and for the coming destruction of Japan. In modern war we find it is the power to produce weapons and food, and all the vast quantities of machines, instruments, and devices and articles used by armies which determines a Nation's ability to defend itself against aggression.

We have seen the many kinds of plants needed for the production of these materials of war. It is not only an arsenal which makes weapons. It may be a factory which in peacetime produces pots and pans. We have seen whole industries converted from the manufacture of peacetime articles to the production of machines of war. We know now that industrial capacity to wage war does not lie in a few factories especially designed for war but in the factories, farms, mills, shipyards, and all other establishments which can turn their hands and their machine tools to the forging of the matériel of war. We have seen automobile dealers—put out of business by lack of cars to sell—set up small machine shops on their premises, manufacture cartridges, turn out machine-gun parts and other necessities. It means that all American industry of every kind, big and little, comprises the arsenal of democracy—and that a sound, prosperous American industry is the major hope and insurance for the future of this world.

Let me say here that the small businesses of these United States have made a tremendous contribution to the manufacture of weapons and war supplies. By so doing they have proved their importance in war to be as great as their importance in peace. These small businesses will be the most seriously affected by haphazard or reckless reductions in the tariff. They have no means of dealing with central bureaus in Washington, no effective way of presenting their problems. Therefore all these small businesses, so vitally important to the Nation in war, so important to the Nation in providing jobs in peace, might easily

be made the victims of foreign competition and thus fatally weaken our national economy.

The proponents of this bill who would characterize as narrow nationalism any desire to maintain the soundness and vigor of American industry seem to overlook the necessity for keeping this Nation strong.

The bulwark of any practical peace plan, and the preservation of world harmony, largely depend upon a strong America, an America untainted by any schemes of conquest but kept amply capable of defending its principles, its rights, and its ideals anywhere on the globe. Only a sound, solvent, free America can command the respect and deserve the leadership of the world.

If those who would serve the world, recklessly weaken this Republic, the best hope for enduring peace and the future freedom and progress of man will come to naught.

Therefore, because a free, prosperous, sound economy, and a free society constitute the essence of America's strength, it is of vital importance not alone to our Nation but to the world that our strong economy be maintained.

To wreck the tariff protection of American wage earners, farmers, and industrial management would wreck our economy and our capacity to help the world or ourselves. Let us not recklessly consume the "seed corn" of our economy. I insist that we should proceed with the utmost care and caution in this matter until the pattern of the postwar world has evolved; until the strains and stresses which will remain from the war are more clearly defined; until we know to what extent we can expect the cooperation of other nations between themselves as well as with us.

It is idle to talk of a stable foreign trade, and hold out to the people of this country the prospects of world-wide commerce at a time when it is apparent that no country is in a position to pay for its imports. All that is left of foreign commerce is at present under the direct control of this Government through lend-lease. Of course, the stimulation of sound world commerce is a desirable goal. Everything this Congress can do to promote sound world commerce without weakening the foundations of our domestic economy should be done. I insist world conditions are so uncertain that Congress cannot possibly know at this time what conflicting economic and social forces will be at work in the world, and what measures may finally become apparent as being best for the welfare of the American people and of other peoples in the world. Neither the State Department itself nor any of the other bureaus and departments involved in trade agreements can possibly judge at this time what tariffs are in our best interests. The economic conditions of the world are admittedly in a state of flux—of violent and unpredictable change at this time, and will be for the next 2 or 3 years or longer.

Therefore, in the face of these extremely uncertain and unprecedented conditions, without any yardstick of

measurement, the Congress must not, through passage of this bill, abdicate its constitutional responsibility to the American people.

I shall not object to the extension of the present act. The concessions already made on the basis of that act are known. I cannot agree with any further increase in the power of the President to reduce still more the protective tariffs.

Let us frankly look this situation in the face and appraise it without emotional distortion.

Sixty-four percent of all our imports which are noncompetitive with our own domestic production are on the free list. They are frozen now on the free list.

The possible effects of drastic reductions in the tariff are dangerous; let us analyze what the results of such drastic reductions might mean. It will be possible, as it always has been, for the American market to be flooded with foreign goods, competing against American products manufactured by highly paid labor. It may be possible that the prices of these foreign products may be destructively competitive, not only because of cheap labor, but because they may be produced by subsidized industries. There is ample evidence that the efforts of some countries to rehabilitate themselves will lead them into the socialization of their industries. We may face cartels, subsidies, and the other forms of governmentally controlled manufacture.

It is maintained that to forestall this we should still further lower our tariff rates on foreign products. The reckless release of such products in our home markets, however, would disrupt and weaken American industries, and render permanent dislocations already caused by war. American labor would then face unemployment; American agriculture would suffer fatal loss of revenues, and the arsenal of democracy would lose its potency.

These questions, it is argued, can best be settled by the executive branch of Government sitting at the conference table with representatives of other nations. It is argued that bargaining power is essential in effecting agreements stimulating foreign trade. I maintain the Congress has already yielded up to the Executive many more powers than were ever contemplated by the founding fathers.

I do not feel that any further grants of power would be wise. Frankly, the people are now demanding that Congress recapture some powers already granted.

In the case of tariff questions, the Congress is as fully able to employ experts in the solution of technical questions of foreign trade as is the executive branch. It is also more alert to the needs of the people and more responsive to public opinion.

It was a common criticism in by-gone days that the settlement of such questions as tariff matters by the Congress was always subject to the activities of pressure groups. Any person with experience in the administrative agencies of Government will readily vouch for the statement that these bureaus are more subject to pressures than is the Congress. The difference mainly lies in the fact

that such pressure is applied openly in the case of Congress and is applied secretly in the case of the executive bureau. Few people realize that the influence of a variety of groups, and even of nations, can be brought to bear in many ways on the men who by the passage of this act would be empowered to reduce tariffs so drastically that they might practically obliterate entire American industries.

It certainly is not obstructive, then, to ask that the Congress discharge its constitutional responsibility to the people. It is not obstructive to ask that the critical problems involving the future of American industry and labor and agriculture be treated with the greatest caution. It is not obstructive to request that the industrial and, therefore, the military power of this great Nation be carefully preserved?

This body cannot evade its solemn responsibility under the Constitution to settle questions pertaining to our economic life. The proposal to place in other hands the execution of this obligation cannot be construed as a shifting of it. The responsibility remains in the Congress.

It is argued the reciprocal trade agreements have been in force for 11 years; that the proposal of permitting the State Department and other agencies involved to determine tariff rates has been tried and has worked. It is asserted that the exercise of this discretion in the past 11 years has not materially affected American industry adversely in any way.

Let us face the inescapable fact that the power to reduce tariffs by a total of 75 percent is approaching dangerously close to the power to eliminate the tariff entirely.

I am convinced that to grant this additional tariff-slashing authority in these critical and uncertain times would be a dangerous and reckless abdication of responsibility by the Congress. We should encourage investment, expansion, and confidence on the part of wage earners, of farmers, and of industrial management so as to create the opportunities for the jobs we must have when the war is over.

What about the claim that the negotiations thus far conducted under the present act have in no way seriously damaged American industry? Let me place in the record the fact that the woolen industry of this country was badly hurt by the treaty with England in 1938. Reducing the tariff by 50 percent on English woollens increased imports of these textiles by 350 percent in the year 1939. Had it not been for the outbreak of war, the import of English woollens would have increased even beyond that figure. As it was, however, the competition was sufficient to cause several mills to close.

When a woolen mill closes that automatically means the loss of jobs for American labor and the loss of revenue to sheep growers, not to mention all the other suppliers of that mill. So the losses spread in an ever-widening circle.

Reduction of the tariff on woollens by another 50 percent would very probably destroy the entire industry. Thus, the circle widens still further.

Cut the tariff on cotton textiles, on silverware and jewelry, on chemicals, and you can ruin all of those industries and destroy all of those jobs.

Shall we obliterate all these industries or would you sacrifice just one? If you would sacrifice just one, which one will it be and who will make the decision?

I hope my colleagues will mark my words. We cannot individually or collectively evade the task of carving out the destiny of this country in the world of the future. No one sitting here today is unaware of the vast forces—the great conflicting influences abroad in the world. No one who has even casually followed the progress of the World Conference at San Francisco can have failed to observe the difficulties, the obstacles, and the differences which have marked those discussions.

We are dealing today with trends and influences which affect whole peoples and vast continents. We are engaged in a war to the death with a determined and powerful enemy. We are facing a post-war world of unknown patterns and horizons.

Of only one fact are we sure: The fact of America; the fact that we, of all the peoples of the earth, have both the common philosophy and the strength to uphold the freedom and the dignity of man.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. O'Konski].

Mr. O'KONSKI. Mr. Chairman, Tito's threats to the peace of the world in Italy, Austria, and Yugoslavia is just a bitter example of future things to come when the chickens come home to roost. The Allies had a leader in Yugoslavia by the name of Mihailovich—a gallant and righteous leader. His freeing of 500 American Air Force men is just a sprinkle of the help he gave the Allies. But the United States of America and Britain allies double-crossed this great leader and even refused to tell the world how Mihailovich and his patriots saved 500 American airmen. For some reason it has been kept a secret.

These 500 United States of America airmen had their lips sealed by higher authorities in Britain and the United States of America. These 500 American airmen know the real story of Yugoslavia—Mihailovich and traitor Tito. These 500 American airmen know what is taking place in Yugoslavia. They know what traitor Tito is doing and who he is. That is why their lips were sealed and they were told not to talk.

Tito is nothing but a Communist stooge. When the world knows why he was given help by the Allies and why Mihailovich was double-crossed by the Allies they will not be surprised at recent developments around Trieste. Recently Tito threatened American troops by parading through the streets of Trieste. Ironically, Tito the traitor had more American tanks to stage a parade with than our own boys had. Of necessity, our own troops had to fall back due to lack of supplies. But Tito had all the supplies he needed—supplies from America.

The story of how the Allies double-crossed great and gallant Mihailovich

for a traitor and Communist stooge like Tito is as sad as it is disgusting. I want to tell that true story today so that the people of America will know how in Europe the chickens are coming home to roost. In other words, we asked for that trouble and we are now getting it. Here are the cold blunt facts concerning how Tito got that way and who made him what he is—a traitor and a trouble-maker and nothing but a Communist stooge—aided by American lend-lease.

GENERAL MIHAILOVICH'S APPEAL TO BE PLACED UNDER THE ALLIED COMMAND

Under Secretary of War Robert P. Patterson, speaking to the country over the radio last Sunday night, urged the immediate adoption of the labor draft bill, arguing that it was needed to back our fighters to the limit and to shorten the war.

I propose to demonstrate here that the War Department and the administration, in their latest attempt to railroad the Nation into compulsory labor service, have not come here with clean hands. I propose to prove that for more than 8 months the War Department and the administration have had at their disposal a reservoir of combatant manpower, situated close to the battle fronts, comprising hundreds of thousands of fighters eager to shorten the war and to back our boys to the limit, and that this forgotten army of a recognized and honorable ally has been waiting in vain for even a word of encouragement from our War Department and administration.

Ever since October 28, 1944, General Mihailovich, who first raised an army in the Balkans to resist and to fight the Nazi hordes and who is now in control of a large part of his native Serbia, has been sending frantic appeals to the Allied commanders and Governments offering to place himself under their supreme orders and asking for arms to enable him to fight the Germans. General Mihailovich has 80,000 warriors with him in the mountains, but is sorely in need of modern equipment and ammunition. It is conservatively estimated that he can within a short time mobilize an additional quarter of a million men, if only we could spare for him some of the lend-lease material we are shipping all over the world.

On November 8, 1944, General Mihailovich addressed a formal appeal to General Maitland-Wilson, then Allied commander in the Mediterranean and now with the Combined Chiefs of Staff in Washington, copies of which went to our Government and War Department. After giving details of the situation in Yugoslavia and after declaring that the Russians accept only the cooperation of the Communists, General Mihailovich stated:

We have decided, dear General, to forward you our following request: (1) To be myself, together with the entire forces of the Yugoslav Army in the country, placed under your command and that I may receive from you direct orders and directives for action in order to be included in the general offensive scheme of the Anglo-American Armies which shall operate in Yugoslavia. * * * (2) For such actions which you would order us to execute it would be necessary that you supply us with ammunition for which we are

in great need. Besides that, all our units are in great necessity of equipment, shoes, uniforms, and food. (3) It would be necessary that you send to my headquarters and to all my commanding officers in the field your military missions, in order to coordinate our actions according to your plans. (4) It is of the utmost importance and urgency that by your authority and orders the Communists be prevented from attacking our units and from murdering the innocent population. * * * I beg you to give me your reply most urgently.

GENERAL MIHAILOVICH.

INSTEAD OF HELPING THE CHETNIKS WE HELPED TITO, THE RAT AND KILLER OF HIS OWN PEOPLE

No answer was ever received by Mihailovich or his authorized representatives abroad to this appeal and offer of services. Since then repeated representations have been made by Yugoslav officials in Washington, and further desperate pleas from Mihailovich have been conveyed to our Government. All of these have gone unanswered. There, in the middle of the Balkans, within each reach of the Mediterranean, stands a forgotten army of veteran and loyal Allied soldiers who cry for an opportunity to shorten the war and to liberate their country from terrorists and invaders, and their cry remains a voice in the wilderness.

How loyal to the cause of the Allies and how true in their friendship for America are these soldiers of General Mihailovich has been revealed to the people of this country only the other day. On Wednesday, January 31, most of the leading newspapers of the Nation published an official United States Army Air Forces photograph, showing three American airmen forced down in Mihailovich territory, wearing blankets given them by his Chetniks who aided them in making good their escape. The three Americans were Lt. Carl H. Voss, of Philadelphia; Sgt. Harold Sykes, of Stelton, N. J.; and Sgt. Fred A. Dodge, of West-point, Pa.

Now it can be told that nearly 500 American airmen, who had been forced down earlier in the war on hazardous missions against the Rumanian oil fields of Ploesti which the Soviets seem to have appropriated, were rescued by Chetniks and enabled by them to be repatriated in recent months. Without exception these 500 Americans bear unanimous testimony, from their first-hand experience, to the unflagging loyalty of the Mihailovich forces to the Allied cause.

The people sacrificed and went without food so we could live—

Declared Sgt. Leon W. Carver, according to the Salt Lake City Deseret News, upon his return home after spending 17 months within the Mihailovich country.

When we hit the ground, which was in Serbia, we were picked up by the Chetniks—

Reported another airman, Staff Sgt. Douglas Poland, Jr., to the Seattle Daily Times. Sergeant Poland came down with his left leg riddled with bullet wounds.

The wounded were separated from the others—

His account continues—

and we were taken to a Chetnik hospital up in the hills where I stayed for 38 days. We

never saw the other members of the crew after we were separated. I heard later that my pilot, First Lt. Charles L. Severson, whose home is in Snohomish, is safe, and his wife expects him to return home.

Among the hundreds of eyewitnesses, all American heroes of the air, coming from different parts of our country, who have had direct contact with what I have called the forgotten army of General Mihailovich, perhaps Lt. John N. Scroggs, of Kansas City, has voiced their sentiments best.

Those of us who know the real circumstances in Serbia—

Writes Lieutenant Scroggs—

are enraged at the unfair attacks against the Chetniks and their leaders. If only someone could open the poor blind eyes of the spoiled American public, a wonderful group of people might receive their due recognition. Unfortunately, those of us who lived with these people are few and far between, but believe you me, never will we forget how the men and women of Serbia unquestioningly risked their very lives for us, fed us, clothed us, and gave us shelter when they themselves were ill-clad, cold, and hungry. * * * I vowed to myself that if I could ever possibly repay those people for all they had done for me I wouldn't hesitate to do so. I suffer with them in their present plight and in the injustice rendered to them by the American press as well as the American and British Governments.

There is no blinking at the fact that a state of civil war exists in Yugoslavia. That gallant land which was the first in southeastern Europe to challenge the monstrous power of Hitler's war machine is now torn in two camps. There is the Communist domain, ruled over by Tito, who has just refused the request of the British and American Governments to allow British and American correspondents to see for themselves what he and his people stand for.

Above all, we owe it to the American people to let them know what the 500 American airmen have found out, what has long been known but buried in certain high bureaus in Washington, namely, that in southern Europe there stands ready an army of over 300,000 men, eager to join the fight against the common enemy and to shorten the war, if only we would give them guns and ammunition and perhaps some food rations. And let us remember that this forgotten army is fighting not for communism, but for self-government and for freedom.

RADIO SIGNAL LEADS TO RESCUE OF 250 STRANDED ALLIED FLIERS

ROME, February 16.—A mystery radio message, picked up and recorded by RAF radio operators in Italy, led to the rescue recently of 250 Allied airmen, mostly American, who had bailed out over the Balkans.

One afternoon an operator attached to an RAF heavy bomber wing received a call sign which he could not identify. For 2 hours he struggled with signals, trying to determine the location of the caller.

The next day the mystery station called again and the sender used a commercial rather than a service procedure. RAF operators suspected that the mysterious calls came from Yugoslavia.

Gradually a procedure was worked out. The mystery station used ingenious phrases, there was no code, which were at first unintelligible. Translation of the messages indicated that a large number of Americans,

some of whom were sick, were stranded in Yugoslavia. They were awaiting rescue anxiously, for enemy troops were not far distant.

The Balkan air force dropped a parachutist at a spot indicated by the unknown wireless operator. Full arrangements were soon completed and the airmen congregated at a secret airfield. There they were all picked up and brought back to their bases.

LETTERS TO THE EDITOR—CREDIT WHERE DUE

In the Post of February 20 you published a story about a mystery radio message picked up by RAF radio operators in Italy, which led to the rescue of 250 Allied airmen, mostly Americans, who had bailed out over the Balkans.

Now that there seems to be no reason for keeping this matter secret, I should like to bring to light the full story of the action which led to the rescue of more than 600 American airmen plus scores of British and other Allied airmen from Yugoslavia.

In the course of the year 1944, when the Allied Air Force from Italy launched heavy bombardment operations over the Balkans and Central Europe, many of the Allied and especially American airmen, while returning to their bases, were forced to bail out from their damaged ships in the territory which was under the control of the army of General Mihailovich. General Mihailovich's men were given strict orders that whenever Allied airmen were forced down over their territory, those detachments which were close by must go at once to their rescue, and bring them to his headquarters for further evacuation. In several instances these rescues were effected only after severe fighting with the Bulgarian and German troops of occupation.

Almost daily report came from General Mihailovich giving the names of the rescued Allied aviators with their serial numbers and the number of the plane assigned to each of them, so that the American authorities were promptly and fully informed about many of their airmen who had been missing in action. I have in my possession many touching letters which I received from the families of these airmen, expressing their gratitude and telling of the great comfort that this information was to them.

By the middle of this summer the number of airmen gathered around Mihailovich's headquarters amounted to several hundred, and the problem for the general was how to return them safely back to their respective units in Italy. As it was practically impossible to reach the seacoast through the occupied country, General Mihailovich's men built an airfield in southwestern Serbia, near the village of Pr—, on which the American planes could land in order to evacuate their comrades. With no bulldozers and modern equipment at their disposal, Mihailovich's men built this airfield by the use of their bare hands and what primitive equipment they possessed.

On July 17 I was informed by General Mihailovich that the airfield was completed and that they were ready to receive the American transport planes. He stated that his army would take full protection of the landing and evacuation operations. The next day I conveyed this information to the proper authorities in Washington, who in turn made the further necessary arrangements with General Mihailovich. In one single day, on August 10, 17 American Liberators landed on Mihailovich's airfield and evacuated the first group of 254 airmen. Further evacuation continued, until all were brought safely home.

Even this action did not prevent a continuation of slanderous accusations against General Mihailovich, and I am not aware what recognition was given him for this contribution to the Allied cause. Probably the general did not expect any recognition, because he felt that he was merely carrying out his duties as an ally. Nevertheless, today, when the story of this rescue is disclosed, credit

should be given to those who deserve it and should not be presented as an anonymous action which occurred somewhere in the Balkans.

CONSTANTIN FOTTICH,
Former Ambassador of Yugoslavia,
WASHINGTON, February 20.

The betrayal of the decent Yugoslavs, who helped the Allies, will go down in history as a blot on civilization. To think that the United States of America and Britain double-crossed these gallant people for a traitor like Tito is almost unbelievable. Is it any wonder that decent people the world over are losing respect for the United States of America and Britain?

THE YUGOSLAV NATIONAL MOVEMENT UNDER THE
LEADERSHIP OF GENERAL MIHAILOVICH

The national movement of the Minister of War, General Mihailovich, has gathered around it the entire Serbian population, the greater part of the Slovenian population and, lately, Croats have begun to join it also. General Mihailovich has organized the Yugoslav Army as the fighting element of this movement, and as the political element for aiding the fighting organizations of the Yugoslav Army General Mihailovich has formed the following:

First. The Central National Committee composed of Serbs from all parts of the country and Slovenes.

Second. The Slovenian Union, a national committee in Slovenia, in which are gathered all parties except the Communist Party, with the aim of aiding the units of the Yugoslav Army in Slovenia.

Third. The Mohammedan Revolutionary Military Organization headed by the most prominent Mohammedans, with the aim of aiding the units of the Yugoslav Army in Bosnia.

Fourth. Through delegates in Split, he maintained contact with the party of Dr. Machek in Croatia.

Aside from these purely national political organizations whose main aim is to aid the Yugoslav Army in the struggle for the liberation of Serbs, Croats, and Slovenes, the War Minister, General Mihailovich, maintained contact with the Bulgarian, Albanian, Rumanian, and Greek guerrillas.

Accordingly, the national movement of the Minister of War, General Mihailovich, is Yugoslav and even Balkan in its scope with the one and only aim to fight against the Axis Powers, and to aid the Allies to the fullest extent and liberate Yugoslavia.

(A) THE YUGOSLAV ARMY

In the homeland the Yugoslav Army enjoyed the special devotion of the population. It was the common property of the entire nation. It had never betrayed the democratic ideals and common interests of that nation. Therefore, the army executed the people's will: it overthrew the tripartite pact and returned the power to true representatives of the people. This time, too, the army remained outside of politics even in such a predominantly political act. In the homeland the army never mixed in politics and therefore it enjoyed the undivided love of the people. That is why the people in the Serbian and Slovenian

regions have accepted the organization of the Yugoslav Army with the greatest devotion and deepest trust. Never before were the Yugoslav Army and the people so closely united.

This undivided confidence in the Army and General Mihailovich came into existence, aside from the great love for the Army at all times, because of the manner of operation in the occupied Homeland and because of the personalities who lead this national movement.

The tasks which General Mihailovich set for himself, together with the regular active officers of our Army were: To organize the entire Nation and prepare it for an uprising at the moment when it could be of the greatest benefit to the Allies and the people. It was seen that not even the completely armed Yugoslav Army in that short-lived war was able to oppose the Axis forces because of the lack of planes and tanks as well as anti-tank weapons. After the ruin of Yugoslavia, the waging of an open fight would have meant a complete physical annihilation of the Serbian population especially. General Mihailovich with his best young regular and reserve officers, as well as the entire nation, knew this very well. Therefore they set as their main task the organization of the people for a general uprising of the decisive hour, and for sabotage of communications with small units.

At the head of the Yugoslav Army came the best and most able sons of the nation and the most brave young general staff officers and others. These capable leaders, in a short time, completed the organization of entire Serbia and went over to the organization of Montenegro and eastern Bosnia, taking in later Voivodina, Western Bosnia, Dalmatia, and completely organizing even Slovenia.

In the summer of 1941, the Yugoslav Army in Bosnia and Herzegovina entered into the fight against the Croat Ustashi who had begun a mass killing of the Serbian population in those regions. This fight has been hard and bloody. The Ustashi have killed over 600,000 Serbians, men, women, and children. The units of General Mihailovich have succeeded in saving 400,000 Serbians who crossed into Serbia. The fight which was begun then against the bloodthirsty Ustashi is still being continued uninterruptedly.

This fight against the criminal Ustashi has made a great impression not only in Serbian regions but even as far as Dalmatia and Slovenia. The people left in mass for the forests and the units of the Yugoslav Army, to fight against the Ustashi, and for the protection of the Serbian population.

Up until June 22, 1941, the Communists in Yugoslavia worked against the Yugoslav Army and fraternized with the Axis Powers. In the war they were the fifth column and in the rear they, the same as the Croatian Ustashi, stuck the knife into the back of the Yugoslav Army, which was attacked from the front by the Axis Powers on April 6, 1941. Only the German attack on Russia broke the Communists' fraternization with the

Germans and they entered the fight against the Germans and collaborated with the Yugoslav Army under General Mihailovich, which had already a solid organization in Serbia.

The Communist partisans wanted immediately to lead the people into an open fight against the forces of occupation although the people were completely barehanded and the fight could not have benefited anybody. General Mihailovich, a soldier of high qualities and a great patriot, thought that the uprising was premature and that, without any gain in prospect, it would have brought disproportionately great sacrifices. He was not able to convince the Communist partisans that an open fight could have only one result, namely, the annihilation of the population. That was the main reason why the Communists attacked him in November 1941. General Mihailovich, for the purpose of self-defense and the salvation of the Serbian people from annihilation, was forced to accept the fight imposed upon him.

All the efforts of General Mihailovich, the Yugoslav Government in London and the British Government, to bring about cooperation between the partisans and the Yugoslav Army remained without success. The partisans, contrary to the vital interests of the people, entered into the fight against the Germans without any benefit to the Allies. Punitive German expeditions in Serbia, because of the premature uprisings, annihilated 78,000 Serbians from 16 to 50 years of age.

General Mihailovich, with the Yugoslav Army, remained on the side of the people who rose in mass against the Communist partisans led by foreigners and adventurers, who had nothing in common with the Serbian people.

Just as the Yugoslav Army fought against the Ustashi for the protection of the Serbian population, it was forced to take the side of the people in the fight the population itself started against the Communist partisans in order to save themselves from a complete physical annihilation. I shall bring out the details of the work of the Communist partisans in a separate section on partisans.

After the beginning of the fight against all those who endeavored to annihilate the Serbian people, the Yugoslav Army strengthened even more the people's confidence and the entire Serbian nation may be said to belong to the units of the Yugoslav Army.

GUERRILLA TACTICS OF THE YUGOSLAV ARMY

The Yugoslav Army did not have enough weapons to enter into large-scale fights against the forces of occupation. Abandoned by the Allies and left to itself, it organized and prepared for the decisive moment, doing only sabotage of communications and protecting the Serbian population from the Ustashi, the forces of occupation and the partisans.

Upon the request of the British Middle East Supreme Command, the Yugoslav Army sabotaged all communications and especially on the railroad line Belgrade-Nish-Salonika, which was used for the transport of supplies to the German troops in Africa who had come almost as

far as Alexandria. The consequence of this sabotage was a clean-up of eastern and western Serbia and the Novipazar Sandzhak by German punitive expeditions. Several thousand inhabitants along the railroad line and several hundred railroad men were executed, aside from the crimes which the punitive expeditions committed in the interior of Serbia. General Mihailovich went into action and the people did not mind the sacrifices when they could benefit the Allies.

In the telegram No. 1383 of March 3, 1943, General Mihailovich reported on the work of the Yugoslav Army, as follows:

The Yugoslav Army in the homeland is left to its own resources both in regard to aid in planes and to supply in arms. For this reason we use special tactics:

1. We are not able to attack at the same time both our internal and external enemies. We are forced to fit our fighting tactics to special circumstances in each individual region. Yugoslavia is occupied by the Italians, Germans, the Bulgarians, the Hungarians, and the Ustashi along with other Quisling units.

2. A simultaneous attack against all of them would be doomed to failure in advance. Aside from hard and bloody defensive battles we are forced to attack the enemies and beat them one by one. This is the basic principle of warfare.

3. As for the Italian, in August 1942 we crushed the Ustashi and the Italian-Mohammedan Militia in the county of Focha. In the beginning of January 1943 we dispersed and almost completely annihilated the Italian-Albanian Militia which committed crimes on our people in the county of Bjelo Polje. In the beginning of February we broke up and, to a large extent, annihilated the Ustashi and the Italo-Mohammedan Militia in the counties of Chajnice and Plevlje.

4. In Serbia, sabotage is being done on railways and only later will it be possible to estimate the contribution to the common Allied cause. Units of the Yugoslav Army in Serbia are carrying out general civil disobedience which demands numerous sacrifices and in open fighting we have been destroying smaller German groups, Ljotich's and Nedich's units.

5. In south Serbia, we have been preparing armed attacks on railway communications south of Skoplje.

6. In Bosnia, we are continuing the fight against every one of our external and internal foes. We have shaken seriously the Ustashi ranks in Bosnia.

7. In Vojvodina, we have continued the defense of the people whose suffering, under the Germans, the Hungarians, and the Ustashi and their terror, is indescribable.

The people are healthy and know what they want. We are guided by their common sense and their infallible judgment. The people are completely on our side in spite of propaganda from all sides.

As for the tactics which General Mihailovich has been applying in his struggle against the forces of occupation, it is quite different from the Communist tactics. In the telegram No. 1400 of March 20, 1943, General Mihailovich says:

Our tactics consists in the following: To hold the mountains and from them to carry out attacks against the forces of occupation and their servants or against important objectives grouping our units according to need.

As soon as the units carry out their tasks, they disband and withdraw to their bases.

When we held the liberated territory in western Serbia, neither Chetnik units nor my staff remained in the cities. We attempted to control the entire national territory, and not only certain regions. Because of this, in the fall of 1941 and on the eve of the German attack on Ravna Gora in Suvobor where our units were gathered, I sent them all to their counties with the task of carrying out attacks from the snow-covered mountains and completing organization in the counties.

In this manner the Germans, with five divisions, carried out their attack against nothing.

We are not going to open free zones until we are able to defend such zones and to protect the people from reprisals. But already we are in a position to command the entire state territory from the mountains.

ORGANIZATION OF THE YUGOSLAV ARMY

Thanks to the expert leadership, headed by the Minister of War, Army General Drazha Mihailovich, the Yugoslav Army represented an extraordinary military organization in Yugoslavia, in which were gathered the entire Serbian nation, the greater part of the Slovenian population, and a part of the Croats in Dalmatia.

Regarding the strength of the Yugoslav Army, General Mihailovich in his telegrams No. 1400 of March 20, 1943, says the following:

Our organization has been carried out territorially by counties. Every county gives at least one brigade of at least 1,000 men, while the counties with a larger population give even 2 to 3 brigades. Aside from territorial units, of about 338 counties, 180 counties are under complete military organization. Taking only the lowest number, this represents 180,000 fighters already organized in operative units.

In the remaining 158 counties we are working more on a secret conspiratory basis for several reasons. These counties are located in the provinces of Banat, Bachka, and Baranja, where there is a great pressure on the part of the Germans and the Hungarians and where the conditions of the terrain are not favorable; then in Slovenia and in Zagorje where there is Machek's organization with which I have already made contact; and finally, in Stajer County from where the Germans have evacuated the Slovenians, and in western Bosnia where, up till now, the Communists have been located.

MIHAILOVICH'S REFUSAL TO COLLABORATE WITH THE ENEMY

General Mihailovich has constantly refused cooperation with enemies. The National Central Committee in its telegram No. 1398 of March 1943 says:

As soldiers we are giving our word of honor: First, that we shall remain loyal to our Yugoslavia, the Yugoslav Government in London, to our allies and to General Mihailovich, as the only authorized commander in the country. Second, we shall organize for the fight against the enemy by collecting arms and ammunition and by preparing for liberation. Third, we shall fight against anyone who, in whatever manner, helps the enemy.

All enemy attempts to gain the collaboration of General Mihailovich were spurned by him. In his telegram No. 1382 of March 2, 1943, Mihailovich stated:

One of our commanders reported on February 26 the following: "The German commandant in Gornji Milanovac, First Lieutenant Krueger, wrote me a letter and asked for a meeting under the conditions set by

me regarding the place and security. The aim of the meeting was not stated. Please instruct me what to do."

I answered: "I do not approve of, nor do I accept any meeting with German commandants." I replied to him: "As long as you are shooting and arresting innocent Serbians and as long as you are in our homeland there can be no negotiations of any kind."

On March 1, I received from another source, through one of my trusted agents, the following:

"The chief of the German Gestapo in Yugoslavia asked whether you would be willing to receive a special emissary from Hitler for a conference. This conference would deal mainly with the proposition that you take full command in Yugoslavia and that the Germans and the Bulgarians evacuate it. The only thing asked is free railway communications to the south and to Bulgaria, which would be guarded by our troops."

Not even verifying the authenticity of this second offer, I sent over the radio the following answer: "Loyal to the common Allied cause of the United Nations, I refuse all negotiations."

Then in the telegram 1399 of March 10, 1943, General Mihailovich reported:

The attempts of the enemy to get in contact with me continue. This time the offer came both from the Germans and the Italians together, asking to get in touch with one of my collaborators at least. This attempt I also refused emphatically and I shall continue to do so in the future. The constant attempts of the enemy to establish contact with me, I am convinced, come from a desire to take advantage of the campaign which is being waged in the Allied countries against the national movement which is headed by the Central National Committee. I do not exclude the possibility of an intrigue on the part of the Germans and the Italians directed against the national movement and its integrity. Please be careful.

In connection with the campaign which was being waged in the Allied press against General Mihailovich to the effect that he collaborated with the Italians, upon the request of the Royal Yugoslav Government, General Mihailovich sent the telegram No. 1181 of December 22, 1942, which says:

I do not permit any collaboration with the Italians. We are exterminating the Ustashi wherever we find them. We shall destroy everything that is of the Ustashi mercilessly because of the 600,000 Serbians massacred by them. At present, the Ustashi are maintaining contact with the Communists. My collaborators, Bircanin and Jevdjevich, have never worked for the Italians and are always ready to attack them on my orders, but, for the present, my first aim is to annihilate the Ustashi and their creation, the Croatia of Pavelich.

Have confidence in us. We shall never do anything that could harm the Allied cause. Because of the large numbers of the enemy we strive to beat one by one. A fight against all of them at the same time would be useless and unsuccessful. In the course of the winter I shall reach Karlovac and Zagreb with my units. By annihilating Pavelich's Croatia I shall strike at the nerve center of our greatest enemies, the Germans.

Then, in the telegram No. 1381 of March 1943, General Mihailovich says:

It is absolutely untrue that Jevdjevich concluded an agreement with the Italians toward the end of September 1942. Therefore he could not have destroyed Croat villages. It is true that, with the greatest difficulty, he is keeping our people from revenge over the Ustashi elements in Herzegovina,

which elements supplied the most blood-thirsty members of the Black Legion and who are now being settled in the burned ruins of the Serbian homes in Bosanska Krajina.

Incidentally, I wish to mention the fact that since August 1942 up to the present day the English Major Hudson has been constantly with me. I was with him far from the Mostar region. The aim of these low lies is clear to me. The Soviet Union is constantly repeating its solemn decision not to meddle in the internal affairs of small nations, but secretly it is doing everything possible to weaken the national movement and to strengthen the bankrupt movement of foreign adventures which has been forever condemned by the people and through which it hopes to attain its aims and at the same time appear not to be interfering.

The truth is that only the Gestapo and the Communists have been holding meetings and their united action is raging against us. It is interesting that the Soviet Union should care so much about the Croats whose troops it faces on its own front and that the Italian Roman Catholics should aid the Orthodox Serbs against the Croat Roman Catholics. In our difficult struggle and superhuman self-defense it seems that our allies are on the side of the enemy while we have been left completely to ourselves. Yet we remain undaunted and loyal to our allies and our national cause, deeply convinced that we shall endure until the final victory, because the entire population is with us.

This telegram clearly shows that General Mihailovich not only did not collaborate with the Italians but refutes all accusations that his collaborators were destroying Croatian villages.

The facts which fully corroborate the statements of General Mihailovich and refute, in a convincing manner, all accusations of his collaboration with the Axis Powers are:

Families of General Mihailovich and the majority of his officers are held as hostages by the enemy;

Execution of Drazha's followers in Belgrade, especially that on Christmas Eve and on Catholic Christmas, when 1,400 men were shot;

The order and call of General Nedich to chase and annihilate by all means Drazha's followers; and the order of the commandant of Serbia, General Bader, to annihilate by all possible means the followers of General Mihailovich.

The Yugoslav Army under the command of General Mihailovich in occupied Yugoslavia was fully prepared to bring about the uprising of the entire Serbian people, the entire Slovenian people, and a part of the Croatian people at the moment of the landing of the Allies in the Balkans. But the Allies double-crossed Yugoslavia in favor of Communist "rat"—Tito.

In his telegram No. 1,500 of April 24, 1943, addressed to the Premier of the Royal Government, General Mihailovich says:

All of us, down to the last man, are impatiently awaiting the day when we shall be able to extend our most enthusiastic contribution to victory over our Fascist and Nazi enemies in the greatest and most sincere loyalty to our allies.

CONCLUSION CONCERNING THE NATIONAL MOVEMENT OF GENERAL MIHAILOVICH

First. The national movement of the Minister of War, General Mihailovich,

has gathered around it the entire Serbian and Slovenian people, and the nationally minded Croats have begun joining it. This movement was a Yugoslav movement, and, with regard to contacts maintained with the neighboring nations, it was a Balkan movement also.

General Mihailovich should rather be called the savior of the Yugoslav state idea among the Serbian people than a great Serbian.

Second. The center of the national movement was made up of the Serbian people, known throughout its entire history by its democratic sentiments and ideals as well as by its great patriotism and love for the homeland and freedom. The entire movement was democratic, with the aim of restoring Yugoslavia on the basis of broadest democracy headed by the Karageorgevich dynasty.

General Mihailovich is at the head of this movement, which is national, democratic, and dynastic.

Third. The Yugoslav Army in the homeland represents an organized force of over 200,000 fighters led by a most capable staff of young officers. This army alone was capable of bringing about an uprising of the entire population, of uniting the entire resistance, and of seriously aiding our allies when they landed in the Balkans. Only the Yugoslav Army under General Mihailovich was capable of attracting also a large part of nationally minded Croats who are now in the Pavelich's home-guard units.

These are the gallant soldiers of freedom who were double-crossed by the United States of America and Britain for a worthless rat—Tito—who was killing his own people to make Yugoslavia safe for communism.

GENERAL MIHAILOVICH'S PART IN ALLIED VICTORY IN AFRICA

By disrupting communications and supply lines in the Balkans at a time when the late Marshal Erwin Rommel and the Afrika Korps were marching on Alexandria, the Nile, and Suez, the soldiers of General Mihailovich and the Serbian people gave conclusive proof of their loyalty to the allied cause. They had already shown their colors on March 27, 1941, when they entered the war against Germany on the side of Great Britain which, at that time, stood alone.

Serbian efforts in the African campaign were recognized by Adolf Hitler when in his New Year's speech of 1943, he said the war in Africa was lost because communications with Africa were severed by sabotage in Italy and the Balkans.

As soon as Rommel launched his offensive on Tobruk, General Mihailovich, not waiting for orders from the English command in the Near East nor from the Royal Yugoslav Government, commanded Chetnik units to attack the communication lines because at that time German war material for Africa was being shipped on the Belgrade-Salonika railway. On all sides railroad lines were blown up, bridges were demolished, railway yards were destroyed, transportation convoys and German garrisons were attacked with the aim of creating as

much confusion as possible in the enemy rear and on their communication lines.

General Mihailovich knew what the loss of Africa would mean to Yugoslavia, too, and therefore, without consideration for the great and bloody sacrifices and the terrible reprisals sure to come on the civilian population, he attacked enemy positions. Because of this action, the enemy was forced to retain 40 divisions in Yugoslavia. Had they been available to Rommel before Alexandria, the Germans would have determined the African campaign to the disadvantage of the Allies.

EFFORTS RECOGNIZED

Recognizing the value of General Mihailovich's initiative and the great sufferings that the Serbian people had endured, Admiral Sir Henry Hardwood, commander of the Mediterranean Fleet; Gen. Claude Auchinleck, commander of British troops in the Near East, and Marshal Tedder, Commandant of the Air Forces in the Near East, sent the following telegram to General Mihailovich on August 16, 1942:

With admiration we are following your directed operations, which are of inestimable value to our Allied cause.

During the battle in Yugoslavia, General Mihailovich sent the following telegram on September 4, 1942, to the supreme commander, King Peter:

The Yugoslav Army, faithful to its glorious traditions, is fighting under the most difficult conditions for the liberty of its people under the command of your majesty. Our army will bravely and decisively persevere, together with the United Nations, in this bloody battle until final victory and the liberation of our homeland.

With such morale and such enthusiasm, the Chetnik units of the Yugoslav Army continued to fight in Yugoslavia, thereby aiding the Allies in Africa. The Germans brought in new divisions, they stirred the Bulgarians, Hungarians, and the Ustashi together with the Partisans—into battle against the Yugoslav Army and the Serbian people who completely comprehended the difficult situation of the Allies at Alexandria. In this difficult struggle—tattered, hungry, barefooted, and without sufficient arms and ammunition—the best officers were killed, the civilian population fell en masse under enemy machine guns, hundreds of villages were demolished, but the bloody and difficult struggle was prolonged with the same fierceness, for Rommel was near Alexandria.

On September 20, 1942, the Premier of the Royal Yugoslav Government issued the following order to General Mihailovich:

The British Government advised that General Alexander sent you instructions for the carrying out of attacks on communication lines in Yugoslavia. The enemy communication lines are extremely overburdened and with continuous attacks you could do our allies a new favor.

Because of the civilian disobedience in Serbia, southern Serbia, Vojvodina, Montenegro, Bosnia, Hercegovina, and southern Dalmatia, ordered by General Mihailovich to incite disorder among the occupational army and as much confusion as possible, the President of the

so-called Serbian Government, Milan Nedich, issued the following order in the Belgrade newspaper *Novo Vreme* of January 3, 1943:

ORDER NO. 2 OF THE PRESIDENT OF THE COUNCIL OF MINISTERS

Some kind of a command army in the homeland began on September 9, 1942, to give orders throughout Serbia to the mayors of towns to leave their posts and go to the mountains, and to all others to refuse to accept the abandoned posts recommending disobedience to our Serbians as well as to the occupational authorities.

The command of the Yugoslav Army in the homeland is nothing but a small band of outlaws and desperadoes who, like blood-thirsty Communists and often together with them, endeavor to defame completely the Serbian people by means of blunders and ordinary acts of sabotage unworthy of officers and honest men.

To this handful of wretched non-Serbs, servants of cursed London and Moscow, I say: Keep your hands to yourselves, lunatics, and I order all Government and local authorities in the country, to persecute and annihilate this band by all means, thus carrying out their duty to the Serbian people and the homeland.

PRESIDENT OF THE COUNCIL OF MINISTERS.

Following this German order signed by Milan Nedich, General Bader issued another order that all mayors and sheriffs of towns must remain at their posts. He proclaimed:

That for every sheriff killed a hundred Serbs will be executed and for every mayor, 10 Serbs; for every military objective destroyed a hundred Serbs will be executed.

Many mayors were brought into Belgrade and shot because they did not wish to remain further at their posts.

GERMAN ISSUES PROCLAMATION

As the order issued by Milan Nedich was not obeyed, the Commandant of Serbia, General Bader, announced the following order in the Belgrade newspaper, *Novo Vreme*, of January 19, 1943:

A small group of rebels under the leadership of the former Col. Drazha Mihailovich is fighting against the legal Serbian Government of the Prime Minister, General Nedich. These rebels consider themselves regulars of the Yugoslav Army and are inspired by a criminal thirst for glory. They are trying to continue a state of war between the German and Serbian nations, which ceased to exist on April 17, 1941, with the signing of the armistice. According to the articles of the International War Agreement recognized by the Hague Conference they are no longer considered regular soldiers, and thereby fall under the war laws.

The activities of these ambitious and blind fanatics, who in their criminal thoughtlessness will not take into consideration reality, constantly demand new and heavy sacrifices of the whole Serbian nation.

I call upon all the Serbs to cooperate in destroying this nest of troublemakers. Whoever fails to assist in the persecution of these rebels within the limits of his power and is in the position to do so, becomes thereby their accomplice and falls under the jurisdiction of the war law.

Serbs, preserve peace and order.

GENERAL BADER,
Commandant of Serbia.

BLOODY REPRISALS START

What the Serbian people endured during this period of Rommel's offensive against Alexandria is difficult to describe.

The entire year of 1942 will remain as the bloodiest year in Serbian history. The Germans stirred the Bulgarians, the Hungarians, the Albanians, the Ustashi, and the partisans to fight against the Serbian people. They all endeavored by severe reprisals against the innocent inhabitants, to stop General Mihailovich's action. The Serbian people bravely endured all the suffering and thereby made a sacrifice of great value to the Allies.

VICTORY IN AFRICA

The actions of the Chetnik units of the Yugoslav Army—carried on under orders of the British Supreme Command in the Near East, and of the Royal Yugoslav Government in London—as well as the enormous sacrifices which the Serbian people suffered, enabled the Allies to win the Battle of El Alamein. Not only Suez and the Nile but all of Africa was saved.

On November 11, 1942, pursuant to the victory over Rommel at El Alamein, General Mihailovich sent the following telegram to the British Supreme Command in the Near East:

To Admiral Hardwood, General Alexander, and Marshal Tedder. For the Yugoslav Army and myself I sincerely congratulate you on the victory of the Navy, Army, and Air Force under your commands in the Near East. The complete victory which you brought about by destroying the joint German and Italian forces means the beginning of one of the most glorious periods in history. The Yugoslav Army of King Peter II is enraptured with this victory and follows your every move with intense interest, awaiting in the further development, the moment for its full and imolated endeavor for final victory.

The Chief of the British Imperial General Staff, pursuant to Yugoslavia's Unity Day, December 1, 1942, sent the following greeting to the War Minister and the Chief of Staff of the Supreme Command of King Peter II to Army Gen. Dragoljub M. Mihailovich:

In the name of the British Imperial General Staff, I cannot let the twenty-fourth anniversary of the unification of the Serbs, Croats, and Slovenes into one kingdom, pass without expressing my felicitation for the wonderful undertaking of the Yugoslav Army. I am not thinking only of the forces which have joined the ranks of our Army in the Near East in the triumphant hour, but also of your undefeatable Chetniks under your command, who are fighting night and day under the most difficult war conditions. I am convinced, your excellency, that the day will soon come when all your forces will be able to be united in a free and victorious Yugoslavia; the day when the enemy, against whom we are jointly fighting, shoulder to shoulder, will be crushed forever.

SHOWS VALUE OF AID

This greeting is the best proof of how much the British people and the British military leaders valued the endeavors of the Chetnik units of the Yugoslav Army.

King Peter, in his speech of December 1 on the London radio, gave full recognition to General Mihailovich and his fighters. He said:

My War Minister, Gen. Drazha Mihailovich, your pride and mine, with his supreme command, represents, before the world today and before history tomorrow, the nucleus around which our entire people should assemble without regard to ideologies which otherwise might segregate them. It is to the interest of us

all, especially to you there who are bloody and wounded, that the possibility of further confusion be erased with the greatest possible speed and with as few hardships as possible.

Lastly, on January 25, General Mihailovich sent the following telegram:

To Great Britain's commanders in the Near East, Admiral Hardwood, General Alexander, and Marshal Tedder: Under the forceful attacks of the three branches of the armed forces of Great Britain, the last action of the so-called Italian Empire has disappeared. The Yugoslav Army in the homeland followed with admiration the course and speed of these operations. This gives it hope and a firm belief that the Allied forces in the Middle East and in northern Africa will not be held up long before Tunis and that it will soon continue its victorious march on Europe in connection with the great embracing Allied offensive. The Yugoslav Army in the homeland will once again show the entire world who the Yugoslavs are and how they know how to fight for liberty. To Great Britain's commanders in the Near East, pursuant to this great victory, from our mountains, the Yugoslav Army and I send greetings and sincerest congratulations for this great triumph.

Gen. Dwight D. Eisenhower, the supreme commander of the Allied forces in north Africa, gave recognition to the fighting of the Chetnik units of the Yugoslav Army in the following telegram:

The American Armed Forces in Europe and Africa greet their brothers in arms, the eminent and gallant military units under your resolute command. These brave men who joined your ranks in their birthplaces in order to expel the enemy from your homeland are fighting with complete devotion and sacrifice for the mutual cause of the United Nations. May this struggle bring them complete success.

EISENHOWER.

At the time when the Ustashi-Partisan campaign endeavored to present General Mihailovich and the Yugoslav Army as collaborators with the Axis he and his immortal fighters received recognition, not only from King Peter II but also from all the Allied commanders with whom General Mihailovich cooperated and whose orders he carried out.

DE GAULLE SENDS DECORATION

By way of recognition for these heroic struggles in Yugoslavia at the moment that French North Africa was being liberated, General Charles De Gaulle decorated General Mihailovich with the Croix de Guerre with red palm. On this occasion General De Gaulle issued the following proclamation of praise to all the forces of the Fighting French on land, on sea, and in the air:

The legendary hero, the symbol of the purest patriotism and the highest Yugoslav military virtues, this general never ceased fighting on the soil of his occupied homeland. With thanks to the aid which the Yugoslav patriots are giving him, he unceasingly fought against the occupational army, preparing in this way the final charge which will bring about the liberation of his homeland and the entire world, fighting shoulder to shoulder with those who never recognized that a great country could succumb to a brutal conqueror.

This proclamation of praise carries the decoration of the Croix de Guerre with palm leaf.

CHARLES DE GAULLE.

King Peter, in this period of heavy and bloody fighting of the Chetnik units of the Yugoslav Army, decorated more than 500 officers and soldiers with the Karageorge Star with Swords. Ninety-five percent of these men fell on the field of glory.

THE COMMUNIST PARTISAN MOVEMENT UNDER THE LEADERSHIP OF JOSIP BROZ-TITO

Compare the leadership of Mihailovich and his men with traitor Tito and his killing Communists. The movement of the Communist partisans in Yugoslavia under Tito represents a collection of not only Communists in Yugoslavia but also Communists from the Balkans and other regions of Europe. Until the attack of Germany against Russia in June 22, 1941, the Communists in Yugoslavia were the best friends with the forces of occupation and collaborated with them, because the Soviet Russia was friendly with Germany. Aside from the treachery of the Croatian Ustashi, in the course of the war, the Communists, with their activities, stabbed in the back the Yugoslav Army which had come to grips with the Axis Powers on April 6, 1941.

PARTISAN TACTICS ARE CATASTROPHIC FOR THE PEOPLE

Just how little the Communist partisans cared for the national interests of the Serbian people can be seen from the consequences of the premature uprising into which the Communists pushed the people. The national committee has clearly pointed out the consequences of the German punitive expedition in Serbia during which 78,000 Serbians were killed in 1941.

In their flight from the Bihac Republic the Communists forced the entire population to flee with them before the Germans and the Ustashi, in order to protect the Communists from the attack. Because of this Communist terror, masses of people are fleeing from Bihac toward Glamoc. As soon as the Germans approach, the Communists abandon these unprotected masses and leave them to the mercy of the Germans and the Ustashi, who massacre them mercilessly.

Those who succeeded in escaping, died of cold in the snow and ice. Between Drvar and Glamoc, there were over 500 frozen bodies of women and children. All this is more than horrible. That is the fight which the Communists waged, a fight which was directed by foreign propaganda with the aim of systematically annihilating the nation.

In the course of two and a half years the Communist partisans have killed a large number of General Mihailovich's officers and the best nationalists and men in the Serbian population. Their only aim has been to leave the Serbian nation leaderless by killing off the prominent men.

The Serbian people have bitterly experienced the partisan "democratic" methods. Up till now the partisans have shown their "democratic" methods only in the merciless fight for power, and the bloodthirsty killing of the Serbians and even the helpless and innocent old men and women in villages. Thousands of graves of the most prominent men, burned schools, desecrated

churches and monasteries and plundered and burned homes in Serbia, Montenegro, and now in Bosanska Krajina, Lika, and Kordun are the best proof of their conception of democracy.

It is significant that they applied all these "democratic" methods only in Serbian regions, in Serbia and Montenegro, as if the people in these regions did not have enough of the bloodthirstiness of the forces of occupation, and in Bosanska Krajina, in order to annihilate a few Serbians who escaped the Ustashi knives. In that regard Tito only complimented both the forces of occupation and Pavelich.

In Montenegro "the partisan army of liberation" killed hardly 200 men, non-commissioned officers, and officers. The Italians showed a much larger number in order to prove that their presence in the Balkans was needed and thus to avoid going to the eastern front. But the partisan army has made devastation among the people, on the other hand. It has killed cowardly over 2,000 men, mostly farmers, householders, and, in only three counties, about 40 women.

In western Bosnia, where there are some Croats and Mohammedans, only Serbians were killed. In Kljuc, only the Serbian part of the town was burned, and in Jajce were burned the buildings of the Institute of Hygiene, the Parish home, the Sokol home, and the Serbian bank, while not one Ustashi home, either Croat or Mohammedan, was even touched. In the Serbian counties, Bosanski Petrovac, Glamoc, Grahovo, and so forth, the homes were burned, the cattle destroyed and the partisans, in flight, drove the people with them. On the road between Drvar and Glamoc, 500 frozen women and children were left. The graves, strewn along their way, will be an eternal memento of the partisan rule in these regions.

These bloodthirsty killers of the Serbian people should not dare even to mention the word democracy, for they are the same people who at the beginning of the war, in Kragujevac, while the enemy was entering the city, shot into the backs of Yugoslav officers. They are those who, in the entire country, persuaded the soldiers to kill their officers and to throw away their arms. They are those who, during the siege of Kraljevo and Valjevo, gathered their units in order to take with their aid the power by force in the regions which Drazha's men had liberated, and they left Drazha's units to fight alone against the Germans. They are those who killed Drazha's officers and messengers while Drazha fought the forces of occupation. They are those who in Uzice, their first republic, caused by their criminal inability a horrible catastrophe in the treasury of the national bank, where they placed shelters from the German planes for the people, and the work shop for the dismounting of shrapnel which caused an explosion and over 600 men, women, and children, hidden from German air attacks were killed so that human bodies fell all over the town. On the first day after the catastrophe, over 370 coffins into which were placed pieces of the dead victims, were sadly and silently es-

corted by thousands of mothers, sisters, fathers, brothers, husbands, and wives dressed in black. No one dared to cry for that would have been an insult to the prestige of the regime of bloody Tito, who in this manner made the Serbian people unhappy wherever he passed. The Communists were those who having run away from Uzice with the treasury of the National Bank, formed another republic at Zabljak and during their short-lived terror rule they made out of Montenegro a black grave.

Tito—the rat-traitor, like the occupational forces of the Germans and the Italians undertook everything to divide the Serbian people and make them quarrel, building up on one side the Serbians, on the other the Montenegrins, on the third the Macedonians, on the fourth the Mohammedans, and so forth, all like separate nations. Were not the Communists those who, like the forces of occupation of the Germans and the Italians, specially searched for and selected Serbian nationalists and intellectuals and killed them off in order to leave the people without leadership. It is no wonder that today so many Communists in Serbia entered the service of the German Gestapo to denounce and kill Drazha's men and in Montenegro the Communists joined the Montenegrin Usurers, the most miserable Italian servants.

Should then these same rats carry out the national rebirth and introduce democracy? They have no right to speak about democracy; neither they nor anyone else in their name. They have no right to call anyone reactionary, and least of all, the national movement of Drazha Mihailovich, around which is gathered the entire Serbian nation, which has found through General Mihailovich, after 20 years of wandering and suffering, its road again to which its national genius has lead it. For the United States of America and Britain to accept a killer like Tito as an ally is shameful beyond words.

PARTISANS KILL ONLY SERBS

It is a strange coincidence that Tito, the rat, killed only Serbians and he burned only Serbian villages. General Mihailovich has sent on this a series of telegrams.

No. 739 of October 4, 1942:

Because of the killings which the Communists perpetrated secretly in the Province of Srem, 50 Serbians were executed. The Communists are intentionally committing murders near the Serbian villages in order that the innocent Serbian heads should pay for them. All this is done according to a plan to annihilate the Serbian nation. The Croatian authorities seize every opportunity to kill as many Serbians as possible. The Communists are even worse toward the Serbians.

No. 1109 of December 11, 1942:

An eyewitness reports that toward the end of October the Partisan radio station, Free Yugoslavia, in its transmission represented as one of their greatest successes the attack on Bosnian Grahovo, in which there was stationed one Italian battalion. But the truth is that the partisans attacked a Serbian village near Grahovo, set it afire, and killed 200 persons, among whom were women and children. They plundered whatever they could

reach in the entire environment, and because of their terror 3,000 persons remained homeless and without anything in these winter days. They inflicted no losses upon the Italian soldiers.

On the burned houses the Communists had written out: "There are the remains of Dugo Polje." Dugo Polje is the place where earlier the Chetniks attacked the Ustashi. Among the killed partisans a large number of Ustashi were found from Janka Puzta with tattooed insignia.

Telegram No. 1111 of December 11, 1942:

Crimes similar to those which they perpetrated near Grahovo the Communists perpetrated on the Serbians in the village of Prokike, county of Brinjski, and the village of Licka Jasenica, county of Plaski, as well as in the villages Gomirje, and S-paka Moravica, in the county of Moravicki, and in the village of Raduc, county of Gaspic. In the vicinity of Gracac, where only Serbians live, a large part of the population remained homeless and deprived of everything. In the village Velike Popine, county of Lapac, they plundered everything and set fire to 40 houses.

Telegram No. 1112 of December 11, 1942:

If any of the Serbians in the partisan ranks objects to the crimes, plunder, and burning, the Communists immediately shoot him. Toward the end of November, a partisan, Professor Sinobad, was shot because he protested against the burning of Serbian villages in the vicinity of Bosanko Grahovo. On November 23, in the village of Klevo, county of Vrljka, three Serb partisans were shot because they refused to plunder and burn Serbian villages. On November 18 the Communists took prisoner Chetnik Milorad Djuric and skinned him alive; during the torture the partisans danced around him. Near Grahovo the Communists did not shoot the old men but killed them with dull weapons and then massacred them in the Ustashi manner.

Telegram No. 1115 of December 11, 1942:

The Communists are burning churches and schools in all Serbian settlements where they come. All this is done according to the Ustashi plan to make impossible further cultural and educational progress of Serbians. The schools and the churches were burned in the Serbian villages: Pidumza, Luznica, Glavace, and Brlog in the county of Otocac; Dreznica and Jasenak in the county of Brinje; Plava Draga, Licka Jasenica in the county of Plaski; Gomirje County of Moravice; Papoca County of Gaspic, Topolja County of Knin, etc.

Telegram No. 1483 of April 1943:

The Communists are collaborating with the Ustashi from whom they receive arms. The desire of the Ustashi is that the Communists as their advance guard and the Germans clear the territory which the Ustashi are occupying after the Communists leave it. The Communists, therefore, fight only in Serbian regions and according to plan are systematically exterminating only the Serbians. This will be easily established after the war by the burned remains of our settlements.

In the Communist ranks, as the chief of staff of one of their units, is the father-in-law of Mile Budak. On the bodies of the Ustashi who fought in Communist ranks, the Ustashi stamp on the hand has been found. The Communists are even not fighting the Germans, and they abandon without fight their republic which they had set up, after which they attacked eastern Herzegovina.

Later General Mihailovich requested an Allied commission to witness the crimes committed by the partisans. With this object in mind, he sent the following telegrams to the Yugoslav Government in London:

No. 1597 of June 1, 1943:

The Communists and not I, are to blame for the civil war in our country. They are the attackers and I resist in justified self-defense. In Montenegro and Hercegovina they have killed, in the most atrocious manner, about 5,000 men and women nationalists. They have been killing and are still killing our best officers and patriots. I have sent more than sufficient proof regarding this matter and it is not necessary that I repeat. The people have already passed judgment on their actions, therefore it is not for me to pass judgment.

It is over a year ago that I requested that they be persuaded to cease their destructive actions but I received an answer that all attempts have failed. It is over a year ago that I requested that an investigation be made of the communistic atrocities but nothing was done in regard to this. All this is evidence of my endeavors to reconcile the mutual struggle. But even in this respect I received no support, rather to the contrary, via the radio propaganda even greater confusion was created and the civil war was intensified.

No. 1640 of June 11, 1943:

In the last 10 days 5,000 Serbs have been rounded up in eastern Srem. They were put into sealed railway cars and sent to Germany. Beside our units in Srem there are also some communistic units who are working together with the Ustashis on a systematic extermination of the Serbs. In these communistic units there are no Serbian leaders, only Croatian and Hungarian. Their activity consists of the following: During the night the Communists carry out smaller acts of sabotage on the railways and that only near Serbian villages; then the Ustashi units attack these villages and shoot the inhabitants and set fire to their property. The evident agreement between the Ustashis and the Communists for the extermination of the Serbs can best be seen from their mutual action in Srem.

No. 1759 of July 1, 1943:

Our commandant from western Bosnia reports that the Communists burned the Serbian villages of Savica and Glavica near Glamoch. First of all they plundered everything and also killed many Serbian peasants.

No. 1796 of July 7, 1943:

The Moslems are organizing groups under the mask of the Communists. They are not doing this because of communistic convictions but because they think that they can exterminate the small remaining number of Serbs in Bosnia and Hercegovina in this manner.

No. 1802 of July 8, 1943:

Thirty-six Moslem officers have gone over to the Communists. They are leading the organization of the Moslems. Their aim is to exterminate—under the mask of communism—the Serbian elements. This report from the commandant on Majeveica.

PARTISAN COLLABORATION WITH THE ENEMY

The Communist partisans in Serbia with the Germans and, in Bosnia, with the Ustashi maintain contacts and are fighting together with the forces of occupation against the national movement of General Mihailovich, which can be seen

from the following telegrams of General Mihailovich:

No. 999 of November 21, 1942:

All Communists are released from the camps with the aim of preparing the terrain for the creation of a European International in case of Germany's fall.

No. 1074 of December 11, 1942:

The Communists whom the former Yugoslav reserve Captain Bauman sent to Pozarevac in order to denounce our men receive 15,000 dinars monthly remuneration.

No. 1107 of December 11, 1942:

Recently the Ustashi have begun to collaborate greatly with the partisans with the aim of annihilating as many Serbians as possible and of finding refuge from the inescapable punishment which awaits them because of their horrible massacres on the Serbians. I have many concrete proofs.

No. 1124 of December 13, 1943:

The Communists and followers of Ljotic dress in civilian clothes and German uniforms, they take with them men, and carry away food and cattle. The Germans continue plundering and searching villages for our units.

No. 1285 of January 22, 1943:

The German, First Lieutenant Bauman, in Pozarevac has about 200 Communist agents, which were released from the prison. These Communists serve by denouncing our collaborators in cities and villages.

Telegram No. 1257 of January 14, 1943:

The Communist leader, Bulsan, in Dalmatia sent the former county chief in Sinj to the Commander of the Ustashi to negotiate regarding the common action against the Chetniks. Several Ustashi have already joined the Communists.

Telegram No. 1297 of February 2, 1943:

Communists in Belgrade have connection with the Gestapo through one Simic, who denounces our men in all possible ways.

Telegram No. 1199 of February 2, 1943:

Ljubomir Zarkovich, a Communist, reported on January 27 to the Germans in Cacak and led Bulgarians and Germans into the village of Krstac and Dragacevo. The Germans and the Bulgarians shot six men and burned alive Milivoje Stojic from Krstac.

Telegram No. 1300, of February 2, 1943:

On January 27 the Communists in the service of the Gestapo brought the Germans and the Bulgarians into the village of Jezevica, county of Cavak. The Chetniks retreated under fight. The Germans and the Bulgarians killed the farmers Andrija Recevic, Milan Recevic, and Branko Jasic. They burned the houses of Recevic and Milan Sretenovic.

Telegram No. 1368, of February 25, 1943:

Sixty percent of the men in Ljotic's ranks are Communists. In the county of Pozarevac, Ljotic's men invited young men to join their ranks, and if they did not wish that, to join the ranks of the partisans for fight against us.

Telegram No. 1431, of March 21, 1943:

From the most reliable and most certain source I have received the following report: "The Communists have entered into negotiations with the Germans. In the night of March 18 to 19 Dr. Milos Markovich, professor of technology in Zagreb, arrived in

Konjic as the delegate of the Communist staff and continued his trip to Sarajevo."

PARTISAN PROPAGANDA AGAINST THE WESTERN DEMOCRACIES

The Communist partisans work not only against the Yugoslav Army and the National Movement of General Mihailovich collaborating closely with the Axis Powers, but they openly come out among the people also against our allies, the Anglo-Saxons. On this matter General Mihailovich sent the following telegrams:

No. 1266 of January 17, 1943:

The Communist radio station Free Yugoslavia in its morning broadcast said the following: "If an Anglo-American Army should land in the Balkans with the aim of establishing a pro-National Yugoslav Government in London, the Yugoslav people would resist it with force." The intentions of the Communists are clear. Not in the least will the radio London propaganda mollify them who hate London from the bottom of their souls and consider it as the center of the greatest capitalism and as their greatest enemy. They have been spreading much propaganda in this sense. The British radio station will have an opportunity to convince itself even more of this sense. I repeat: The main aim of the Communists in Yugoslavia is the fight against the Serbian Nation which wants democracy.

No. 1359, of February 22, 1943:

A commander from Slovenia, Major Novak, sent the following telegram: "The Communists are spreading propaganda among our people in Trieste inviting them to resist an English landing, and together with the Italians, to hold the English until the Bolshevik paratroops should arrive. In Slovenia, in the littoral region and in Dalmatia the Communists are spreading propaganda against England and America."

No. 1379, of February 26, 1943:

According to reports coming lately from Serbia, the Communists have been spreading propaganda inviting the people to fight against the English and Americans if they land in the Balkans. The Communists are likewise working in Slovenia and Istria. However, the disposition of the people is quite the opposite.

POLITICAL PROGRAM OF THE COMMUNIST PARTISAN MOVEMENT

The political program of the Communist partisan movement is as follows: The creation of a series of Soviet republics and the sovietization of entire Yugoslavia. In this regard, General Mihailovich sent the following telegrams:

Telegram No. 1183 of December 23, 1942:

After Serbia, Montenegro, Bosnia, and Herzegovina and part of Lika around Bihac will seal the fate of the Communists.

The meeting in Mihac and the resolution brought there are not the first of this kind. All this took place once in the Ostrog Monastery about the beginning of this year and is forgotten just as the Republic in Uzice of the last year. No one alive among our people gives any importance to these decisions nor does he take them seriously at all. The people have become used to Communist republics. Significance is not given to these decisions, much more because Tito, whom no one knows who he is or what he is, placed himself at the head of this movement. The entire comedy in Bihac is only a propagandist trick.

This is the best proof of the aim of the Communists' struggle; it is not a fight

against the forces of occupation but a fight to take over power and establish a world Communist revolution.

No. 1446 of March 37, 1943:

At their so-called meeting in Bihac the Communists overthrew the king and the dynasty and proclaimed a republic, whose fatherland is not this holy land which so often has been soaked with the blood of its best sons. The homeland of the Communists is the entire world. When one makes the objection to Communists, that they will exterminate the entire Serbian people with their deeds and attitude in Yugoslavia, they answer that the Serbian people are in their way and that the partisans will settle the land with the Chinese, for their main object is to change the entire system.

No. 1460 of April 5, 1943:

The Communists in Yugoslavia are fighting against us only with the aim of sovietizing our country. They will not succeed in this but their activity has had a harmful effect upon the national organization because they control the entire fight against the forces of occupation. Because of this, the entire work is reduced to mutual fighting which will continue as long as the partisans exist, because we are fighting for a pure democracy.

The support which the Communists receive through propaganda from abroad only sharpens the conflict and aids only the forces of occupation. Had there been no Communists and their harmful work we would have been able to offer the greatest aid in the fight against the forces of occupation at the time of the Allied attack on Europe. In this way we shall have to fight at that time both against the Communist criminals and against the forces of occupation.

The partisans in our homeland fight exclusively for power and against the Yugoslav Army and our democratic aims. Should thousands of killed nationalists not be enough proof of the aims of the partisans? Are we not believed when we say that the partisans fight against the Yugoslav Army and not against the forces of occupation?

Can a convict like Josip Broz, who is listed with the Zagreb police under No. 10434, alias leader of the Communists under the name of Tito, be compared with the Yugoslav Army as a national fighter? In the future, when you build up Josip Broz as a nation fighter, please keep him away from us because we have no contacts with the band of convicts and criminals.

In all his pamphlets and speeches, Josip Broz, as well as the radio Free Yugoslavia from Moscow, attack the King and as they say, the traitorous government in London with the ugliest terms. Thereby, they create confusion among the people and give a greater swing to ideological conflicts in the country. In place of all this, you should invite the people to join the Yugoslav Army and to rally round the flag of King Peter II. The Communists represent the partisan army.

The Serbian people are unable to comprehend that in the same breath can be mentioned the Minister of War and the Chief of Staff of the Yugoslav Army, the only people's force today and tomorrow, and his movement around which are gathered all the Serbians and the Slovenians, and which the Croats have begun to join, with him and everything that represents the national movement on the same footing with the plunderer of churches and convict, Josip Broz, a locksmith's assistant from the county of Klanjec in Croatia with his handful of adventurers at the head of whom he placed himself, hiding intentionally under the false and mysterious name of Tito in order to bring mourning to the Serbian people in Serbia, Montenegro, Herzegovina, eastern Bosnia, Bosanska Krajina, and Lika. And in order to

increase their power, they have taken into their ranks the worst criminals and killers.

No. 1242 of January 10, 1943:

The Communists in Croatia represent us as the great Serbian movement and that we are in alliance with the Germans and the Italians, and also that I was seen in Dubrovnik and Split in company with Italian generals and many other lies. Please announce that those are low lies, because for me the Germans, the Ustashi, and the Italians are the greatest enemies.

Because of the terrible terror which the Communist partisans spread in carrying out forced mobilization among the people; because of the burning and destruction of state property, churches, national homes; because of the bestialities which they have committed on the Serbian people, killing the best nationalists; because of the creation of Soviet Republics in all regions where they came temporarily; because of the cooperation with the forces of the Axis and because of the fight against the Yugoslav Army, the people themselves rose against them and entered into open battle and chase.

Because the people realized the criminal work of the Communist partisans, they were forced to flee from Serbia to Montenegro, eastern Bosnia, and Herzegovina, to group themselves around Bihac, whence on January 20, 1943, they were again driven out by the Axis forces.

THE STRENGTH OF THE COMMUNIST PARTISANS

Regarding the strength of the Communist partisans, and the territory held by them, General Mihailovich sent the following:

Telegram No. 1183, of December 23, 1943, says:

The Communists are holding now only a certain region in the vicinity of Bihac, under the darkest terror. Our forces are in Lika, in the counties of Gracac and Otocac, on the Western Mountains south of Banja Luka and on the Dinaric Plateau, as well as in all other Serbian regions from which the entire population has been completely removed. The Communists are applying terrible terror in this region. The consequence of the Communist terror will be the final annihilation of the population in the entire territory where it has existed so far.

No. 1341, of February 9, 1943:

Completely frustrated among our people, the Communists have crowded into the small region of Kapela and Dinara, in the circumference of Bihac-Donji Lapac-Livno-Bosanski Petrovac-Krupa, where they are holding out only through the terror which they have been perpetrating by a maximum of 4,000 Communists. Everything else in their ranks is maintained by force. Northwest of this region there are dispersed but insignificant Communist groups.

No. 1400, of March 20, 1943:

In the Republic of Bihac the Communists have succeeded in mobilizing forcefully a certain number of men, and with the forces which they already had they succeeded in forming a total of 3 divisions. Every division has 3 to 4 brigades; every brigade has 3 to 4 battalions; every battalion has 3 to 4 troops; and every troop has 100 men. According to this, the Communist force amounts from ten to twelve thousand men. Of this number one-third, at the most, are Communists from all parts of Yugoslavia. That was the army of 200,000 fighters of which the Communists boasted abroad.

CONCLUSION CONCERNING THE COMMUNIST
PARTISAN MOVEMENT UNDER TITO

First. The Communist partisan movement in Yugoslavia is founded on an international and social basis with the aim of sovietizing Yugoslavia by introduction of soviet republics.

It is fundamentally antinational, anti-Serbian, and anti-Yugoslav. According to the methods of operation, it is anti-democratic and terroristic.

Second. The entire population in Yugoslavia is against the Communist Partisans because of their political international aims, their collaboration with the forces of occupation, their tactics which they apply, and the bestialities which they have committed among the Serbian people.

In strength, this movement is completely insignificant and it represents the element of disorder, anarchy, and terrorism.

Third. Led by foreigners, adventurers, and terrorists, the Communists partisan movement did not take into account the enormous sacrifices of our people. They destroyed only the Serbian people. They have perpetrated unheard-of bestialities among the Serbian people, killing prominent nationalists with the aim of leaving the people leaderless.

Fourth. Collaborators with the Germans and the Ustashi, the Partisan movement is not only anti-Yugoslav but also anti-Allied because it invited the people to resist the English and the Americans.

When the Allies double-crossed Mihailovich for a Communist traitor—Tito—they put a stamp of approval on his butchering more than a million gallant Serbs who could have killed a lot of Nazis if we had given them arms. It is incredible that America had a hand in this filthy deal. While the Serbs under Mihailovich were helping us, Tito was helping Hitler. Later when Hitler attacked Russia Tito was killing Serbs—our allies—not Nazis. Tito was the best friend Hitler had. Tito killed more Serbs than Hitler. How disgraceful for America to choose such shameful company. America invited Tito, the rat traitor and killer, to San Francisco. As an American, I blush with shame. America never until now chose to be in league with a killer of decent people equaled only by Hitler himself. So when we read of Tito's threats in Europe today, let us put the blame on America's leadership, who chose such a shameful company and double-crossed a gallant leader like Mihailovich.

CONCERNING THE SITUATION IN YUGOSLAVIA IN
THE AUTUMN OF 1944

The Yugoslav Army under the command of General Mihailovich was mobilized in Serbia, Bosnia, and Montenegro on September 1, 1944, with the purpose of supporting the operations of the Red army then approaching Yugoslavia through Rumania and Bulgaria.

At this time, General Mihailovich sent a mission to Turn Severin to establish contact with the Red army in order to coordinate the action of the Yugoslav Army with the operations of the Red army.

After the Russian refusal to enter negotiations, the mission was forced to leave.

All repeated efforts of General Mihailovich to establish contact with the Red army have failed.

According to the Tehran agreement, the Allies must support Tito's movement not only by propaganda, but by the necessary arms in order to facilitate its occupation of Yugoslavia, under condition that no ally should enter Yugoslavia by force.

Despite a year and a half of propaganda and arms furnished by the Allies; despite the terror and crimes committed by the partisans, and despite the entry of masses of Ustasish, Croats, Albanians, and Bulgars into Tito's movement, Tito has not succeeded in occupying a large part of Yugoslavia and has been forced to remain between the rivers Una and Vrbas and in small regions south of the Morava River in Montenegro. In the region of Una his army of 300,000 fighters was completely destroyed by three companies of German paratroopers on May 25, 1944. Tito, together with seven Englishmen and six Yugoslavs, had to flee to Bari, from where he was transported by the British to the island of Vis, which had been captured by British troops.

Tito, forced to remain on that island, his army nonexistent and consisting of only a few scattered groups of partisans, left Vis on a Russian plane in September to join the Red army.

The Russian troops then stopped for a month on the Yugoslav frontiers with the hope that Tito would be able to cross Serbian regions and succeed in making contact with the Red army. Tito's troops, composed of Ustashi-Croats who have massacred 600,000 Serbs, of Albanian partisans who have massacred 20,000 Serbs, of Italian partisans who have killed 30,000 Serbs in Montenegro, and Bulgarian partisans who have massacred 10,000 Serbs, attempted vicious attacks in the south, west, and north, but all were repulsed by the regular Yugoslav Army, which has maintained its positions in Serbia, Montenegro, Bosnia, and Hercegovina.

Then began the greatest tragedy that the Serbian people have suffered in all their history. The Regular Yugoslav Army, which had fought for 3½ years against the Germans, was disarmed by the Russian troops in the regions occupied by them. The officers and men of the Regular Army have been sent to concentration camps in Paracin and Mladenovac. Tito authorized the Red army to enter Yugoslavia because he was unable to cross the regions occupied by the Serbs.

Russian troops occupying east Serbia executed several dozens of active Serbian officers, who had fought for 3½ years under the command of General Mihailovich.

General Mihailovich then ordered the Yugoslav Army, under penalty of death, not to fight against the Russian Army and to withdraw to the west; he tried in every possible way to establish contact with the Red army, but his efforts were met with failure.

However, in the valley of west Morava, the Russians accepted the collaboration of the Yugoslav Army. And thus an army corps under the command of Colonel Keserovich captured, with the support of the Red army, Krusevac and Kragujevac, but during the night they were disarmed by the Russians, who imprisoned also the American Mission, which was part of that army corps.

General Mihailovich, seeing that the Serbian people were going from the Gestapo concentration camps to the concentration camps of the Red army, and that the Russians were refusing all collaboration with the Yugoslav Army, gave the order for demobilization to avoid fighting against an ally. However, he authorized those wishing to remain with him to withdraw to the west. Now, 70,000 officers and men of the Yugoslav Army, who combatted the Germans for almost 4 years, and 30,000 intellectuals are withdrawing with Mihailovich in the middle of winter across mountains toward the west. The second Albania of 1915 has started without hope of any help from the Allies.

The Bulgarian Minister of War, Colonel Velcev, has given orders to the First Bulgarian Army, occupying southern Serbia to join the partisans and to march toward the north of the Morava Valley "for the liberation of Serbia and the liaison with the Red army." Thus, all those who have massacred the Serbian people for 4 years—the Bulgarians, Albanians, Ustasish, Croats, and Italians, wearing the red star on their caps, have begun the fight for the liberation of Serbia by massacring some of the troops of the Yugoslav Army which have not succeeded to withdraw to the west.

Tito's partisans in their march toward Belgrade, through Serbia, evacuated by Mihailovich's troops, have killed all officers, intellectuals, and the elite in villages, hoping in that way to provoke despair and disorganization among the people. The Russian troops entered Belgrade accompanied by small groups of Tito's partisans whose commanders were transported by British planes from Montenegro.

In the meantime, Tito asked the Allies to withdraw all Anglo-American military missions from the above-mentioned territories in order to eliminate embarrassing witnesses. Due to the British hesitation, Tito succeeded in eliminating these missions.

To complete the tragedy, the supreme commander of the Yugoslav Army, King Peter II of Yugoslavia, gave orders to all Serbs, Croats, and Slovenes to enter the National Liberation Army of Tito. The King concluded an agreement with that army specifying that those who refused to place themselves under the command of Tito would be regarded as traitors of their country.

After the liberation of Belgrade, Tito's partisans have established lists of persons who had to be liquidated. During the night they seized officers and intellectuals and executed them. To facilitate their task, they ordered a curfew at 8 p. m. instead of 10 p. m., as it was under

German occupation. Part of the Yugoslav Army, which has been in the Russian concentration camp, was directed to Russia.

Purges are becoming more and more numerous, and more and more cruel.

Since the liberation of Belgrade not a single bit of news has leaked out of that city, and even Tito's partisan press does not mention the reception given to the troops of the Red army by the Serbian people. During that time, the King of Yugoslavia and the royal government have given orders for the liquidation of the Yugoslav Army: All officers and men have to enter Tito's Army of National Liberation, the only way to enter the country. Those refusing to do so must be imprisoned in British concentration camps. The British have unofficially notified: That all those who would not enter immediately Tito's Army of National Liberation would be delivered to Tito after the liberation of Yugoslavia to be tried by the people.

The Allied press has published reports that the Yugoslav problem has been solved by the creation of a Yugoslav Government composed of members of the present royal government and members designated by Tito.

General Mihailovich has asked to be placed under Allied command with the regular Yugoslav Army. His demand has not been accepted.

In short, the situation of the Serbian people is as follows:

One hundred and forty thousand Serbs, officers and men, are prisoners of war in Germany; 300,000 Serbs have been sent to forced labor in Germany; 70,000 fighters and 30,000 intellectuals under the command of General Mihailovich are withdrawing toward the west before the advance of the Red army. In cities and villages Russian troops and Tito's partisans have set up a rhythm of purges over officers and intellectuals, under the pretext of collaboration with the enemy. A large number of Serbs have been sent to concentration camps under the guard of the Red army. By a decree, Tito has automatically pensioned all officers and government officials; those who have less than 10 years of service were dismissed.

The Yugoslav Army outside the country is in a state of liquidation.

After the Serbian people had repudiated the Tripartite Pact on March 27, 1941, and brought Yugoslavia on the Allied side; after the Yugoslav Army of General Mihailovich had resisted for more than 4 years in occupied Yugoslavia, and a million Serbs gave their lives on the field of honor for liberty and democracy, today the Serbian people are exposed to the terror of the Red army and Tito's partisans.

The Yugoslav Army which, by the coup d'état of March 27, and by its resistance to the Germans, has gained the admiration of the entire world, finds itself deprived of its commander in chief, King Peter II, who betrayed it, deprived of a national government—because the present government is composed of Croats, Ustashis, and a few Serbian Communists and obscure politicians—is forced to leave the soil of their father-

land, or be sent to Allied concentration camps, or to remain in Yugoslavia and be annihilated by the Red army.

The Serbian people, after all these untold sacrifices, are without allies, without friends, without their government, without their commander in chief at the moment when final victory approaches, and instead of much-deserved liberty go from Gestapo concentration camps to those of the Red army and Tito's partisans.

It is urgently necessary, for humanitarian reasons, to save the Serbian people from massacres which are continually committed by Tito's partisans on liberated territory.

Second. Participation and sacrifices of the Serbian people in the war.

(a) The repudiation of the Tripartite Pact of March 17, 1941.

In March 1941 the situation in Europe was as follows:

Great Britain was facing Hitler's war machine alone and unarmed; an invasion of England itself was expected. Europe was overrun. Rumania, Hungary, and Bulgaria joined the Tripartite Pact in order to avoid war with Germany.

The Axis Powers were surrounding Yugoslavia from all sides except from the direction of Greece. In North Africa, the Italians were preparing an offensive toward the Suez Canal. The German Army was carrying out a secret concentration directed at Russia and Turkey, by bringing 30 divisions for action against the Suez Canal and the Caucasus, through Turkey.

Hitler demanded that Yugoslavia join the Tripartite Pact. The Croats and the Slovenes, together with Prince Paul, were unanimously for the pact. Rejection of the pact meant war and rapid ruin of the country at the expense of great sacrifices. The Serbian people were decidedly against the pact. For 40 years the Serbian people had fought against the Germans, always on the side of the western democracies; following that tradition the Serbs this time too joined the side of the western democracies at a price of a temporary loss of the state and enormous sacrifices of the people. The Serbs alone were certain of the final victory of the western democracies.

The British Minister of Colonies, Mr. Amery, sent his last appeal to the Serbs on the eve of the signing of the pact with Germany. He appealed to the Serbs alone in Yugoslavia for he knew their heroism, their love of freedom and democracy. All imaginable aid was promised together with a restoration of a democratic Yugoslavia.

The dictatorial regime of Prince Paul and Dr. Machek signed the pact on March 25, 1941, in Vienna. Barely 48 hours later the Serbian people overthrew the traitorous regime and repudiated the pact. The masses of the Serbian population, with an indescribable enthusiasm through Serbia, Montenegro, Bosnia, and Herzegovina, Southern Dalmatia, Srem, Banat, and Backa, shouted: "Rather war than pact, rather grave than slave." Unconditional free-

dom and life in a democracy have been the credo of the Serbian Nation for centuries.

Hitler was surprised and stupefied. Was it possible that a mere 8,000,000 Serbs should refuse to accept the "new order?" He ordered the concentration of 36 German divisions, of which 6 were armored, he withdrew German troops from the Turkish border, he ordered the Italians, the Hungarians, and the Bulgarians to drive concentrically toward Yugoslavia. There it was 120,000,000 Axis peoples against only 8,000,000 Serbs. That meant for the Serbs a state and national suicide, but it also meant the saving of the honor and dignity of the Serbian nation.

Hitler ordered that Belgrade, that hearth of conspirators, be leveled to the ground. On April 6, 1941, 2,000 German planes attacked Yugoslavia and destroyed Belgrade, killing 24,000 persons. On all Yugoslav borders Axis troops attacked. Yugoslavia awaited all this force with 10 Serbian divisions not mobilized, with 100 fighter planes and 200 obsolete bombers, 50 12-ton tanks, and without a single antitank weapon on the eastern border, where the main blow of the German war machine fell. The Croats threw away their arms; they killed and disarmed Serbian officers; they opened up the northern borders of Yugoslavia, and on April 10 proclaimed the independent Croatian state. Yugoslavia was crushed in 12 days through the superiority of enemy forces and through Croatian betrayal.

The results for the Allies were the following: A German attack on Turkey was revoked. The Suez Canal was saved. The attack against the Soviet Union was postponed for two full months. Yugoslavia tied down about 40 Axis divisions which perhaps would have decided the fate of both Moscow and the Suez Canal had they been thrown against them in time. The morale of the entire world improved together with the faith of all nations in the victory of the Allies.

Only Serbs, of whom about 340,000 of them were taken to German prisons, opposed Germany and brought Yugoslavia to the side of the Allies. The number of 340,000 war prisoners was reduced in 3½ years to 200,000, due to starvation, torture, and death in Germany.

THE FLIGHT OF GENERAL MIHAILOVICH IN THE OCCUPIED FATHERLAND

On May 4, 1941, Hitler proclaimed to the whole world that Yugoslavia no longer existed. However, already on May 10, General Mihailovich had gathered the remnants of the Yugoslav Army in the hills; the people were organized and they carried out guerrilla warfare and sabotage, hindering thus a rapid withdrawal of German troops from Yugoslavia and their departure to the Russian front. General Mihailovich had organized the Yugoslav Army.

In the course of the war the Communist Party, headed by Broz-Tito, a Croat, carried out sabotage and killed the officers "because this is a war of plutocracies." Until the attack on the Soviet Union on June 22, 1941, the Communists

never had come in conflict with German troops anywhere, and they even cooperated with the Germans and thereby hindered the organization of the people which at that time General Mihailovich had undertaken with the remnants of the Yugoslav Army.

On June 22, 1941, Mr. Tito changed his tactics overnight, and with false national slogans started a general uprising in Serbia, in the fall of 1941. The German front was far from Serbia, about 3,000 kilometers away. General Mihailovich at that time worked actively against the Germans. The Germans carried out terrible reprisals. For 1 German killed, 100 Serbs had to die; for the demolition of a small bridge 50 Serbian lives were taken. German punitive expeditions in the fall of the same year killed 78,000 Serbs and destroyed 250 villages and 7 cities in western Serbia. All the efforts of General Mihailovich to keep the people from waging large scale operations without arms in the vicinity of populated places had been unsuccessful. He insisted upon waging guerrilla warfare and sabotage in order to tie down the largest possible number of German divisions in Yugoslavia. On the territory of Serbia, international brigades sprang up and the entire Balkan and central European Communist apparatus landed in Serbia to exploit the Serbs for their ideas. At the same time, about 200,000 Serbs were killed by the Ustashi. Upon General Mihailovich's remark that the sacrifices of the Serbian nation were disproportionate in comparison with the results of the Allies, Tito stated: "If there are no Serbs, I shall bring Chinese; the main thing is that the idea wins out."

All of a sudden partisan units dropped their fight against the Germans and began attacking the Yugoslav Army under the command of General Mihailovich. Immediately afterward the first Soviet Socialist Republics—at Uzice, Raca, near Kraguyevac—sprang up. The people began to wake up. They saw that it was not a fight for liberation, but for the bolshevization of the country. The people rose against Tito's international brigades, which escaped into Montenegro whence they drove them to western Bosnia. In this latter region the Partisans remained as late as the spring of 1943 on the territory held by the Croatian Ustashi. So far, the partisans had killed off several tens of thousands of the best national element. I reported their atrocities to the War Department in my capacity as military attaché.

Until the spring of 1943, the Yugoslav Army under the command of General Mihailovich fought continuously against the Germans; it united and led all Serbian and Slovenian peoples and democratic elements of the Croatian people. By this fight, General Mihailovich tied down permanently about 30 Axis divisions in Yugoslavia. Over the London radio, the King, the Yugoslav Government and British propaganda fully and with great enthusiasm supported the activity of this army. All Allied commanders gave full recognition to General Mihailovich and publicly congratulated him on his great successes in the fight

against the Germans. In 1 year, General Mihailovich was promoted three ranks and decorated with the highest Yugoslav and Allied decorations for his resistance and aid to the Allies, especially during the African campaign. During the fighting at El Alamein, the Serbian people under General Mihailovich suffered 20,000 casualties. After the capitulation of Italy, Hitler announced: That he lost the war in Africa "because of sabotage in Italy and the Balkans."

During the 3 years of General Mihailovich's fight, the Germans shot 110,000 Serbs of whom 40,000 were from Belgrade alone. During the visit of King Peter to the United States, the United States Congress gave full recognition to the fighters of General Mihailovich, and the American press publicized extensively the heroic deeds of the Serbian people.

The result of this recognition on the part of the King, the Yugoslav Government, and the Allies was that the entire Serbian, Slovenian, and the democratic element of the Croatian people rallied around the Yugoslav Army under the command of General Mihailovich, whose Commander in Chief was King Peter II.

THE CONSEQUENCES OF THE BRITISH-SOVIET PACT AND THE TEHRAN AGREEMENT TO YUGOSLAVIA

After the British-Soviet pact and the meeting in Tehran, the entire British policy toward Yugoslavia had undergone a radical change.

First. They began to build up Tito and the partisans, who at that time were squeezed in a small area in western Bosnia. The greatest propaganda ever known in the history of wars had begun. They spoke about "Tito's 300,000 fighters, about the liberated territory, and so forth." Documentation of this absolutely inaccurate propaganda was submitted by me to the War Department in my capacity as military attaché.

Second. A British mission, headed by Major MacLean and Churchill's son, was sent to Tito. Major MacLean proposed the annihilation of the Yugoslav Army under the leadership of General Mihailovich as the only way to unite all forces in Yugoslavia in the fight against the Germans. Around this army were gathered, at that time, 85 percent of the Serbs, Slovenians, and 10 percent of the Croats. The British sent arms only to the Partisans.

Third. Terrific attacks were made against General Mihailovich and the Yugoslav Army through radio and press, and the people were asked to join the ranks of Tito's partisans. There were no attacks even against the chief of the Croatian State, pro-Nazi Pavelich, those Ustashi had killed over 600,000 Serbs. Mihailovich was attacked because he was the only one to succeed in gathering around him all national elements of the Serbs, Slovenes, and Croats, and because he represented the greatest handicap to the Bolshevization of Yugoslavia.

Fourth. Since General Mihailovich had already been a member of the revolutionary democratic government, on August 10, 1943, the entire regime of March 1941, the regime which waged war against Germany, was liquidated, and

all this only in order to throw General Mihailovich out of the government in which he was minister of war. The King carried out the coup d'etat, set up the transitional government of Dr. Rozhider Purich in order to form on July 8, 1944, a new anti-Serbian and anti-Yugoslav Government, headed by Dr. Subasich. The government of Dr. Subasich was supposed to impose upon Yugoslavia the dictatorship of Tito's Ustashi-Partisans, and that is why not one of the chief of the Serbian political parties joined the government.

Fifth. The anti-Serbian and anti-Yugoslav Government of Dr. Subasich made an agreement with Tito on June 16 of this year. Through this agreement the Croat Subasich recognized all the decisions of the political organs of the Croat Tito in Yugoslavia, and agreed to the introduction of Tito's administration after the liberation of the country.

Sixth. The Supreme Commander of the Yugoslav Army, King Peter II, on September 12 of this year, in his radio speech, denounced the Yugoslav Army under the command of General Mihailovich and ordered all men to enter the ranks of the "Army of National Liberation of Marshal Tito."

The King said at the end of his speech that all those who refused to go under the command of Marshal Tito would not escape the stamp of traitors of the Fatherland.

CONCLUSION

First. Through the action of the King and the government of Dr. Subasich, and by handing over Yugoslavia to the Ustashi-partisans of Marshal Tito, Yugoslavia has been liquidated in reality. Yet the Allies had given most solemn promises to free Yugoslavia and restore it as a democracy.

Second. The Serbian people so far liberated by the Allies have been subjected to the most horrible terror of the Ustashi-partisan units of Broz-Tito, and now they are being transferred from the concentration camps of the Gestapo to the concentration camps of the Allies. A purge of Serbs, on the patterns of the revolutionary-Communist methods, is now going on. Intellectuals are being exterminated along with officers and village householders, with the aim of depriving the people of their leaders. All civil-service employees are to pass through Tito's people's courts.

This terror will befall the Croats and the Slovenes as the Russian armies free the territory of Yugoslavia.

Third. The Yugoslav Army in the fatherland, now amounting to about 100,000 men; the army in German prisoner-of-war camps, now about 140,000 men; has to choose between joining the Tito's Ustashi-partisan Army where they will be tried and judged by people's courts and going to concentration camps of the Allies. Officers and soldiers now in Italy and Egypt have already been placed in Allied concentration camps, because they refused to join Tito's army. After almost 4 years of untold suffering, misery, and fighting against the Germans, the officers and soldiers have now to choose between

partisan people's courts and again concentration camps, this time those of the Allies. The Serbian people, who alone have given about 1,000,000 victims in dead, are now forced to live under the terror of Ustashi-partisans whose crimes are well known to the Allies.

Fourth. Just how terroristic, anti-Yugoslav, and antinational Tito's regime is, may be proved by the following:

(a) Not one of the chiefs of the Serbian political parties was willing to join the government of Dr. Subasich.

(b) About 100,000 Serbs have left their hearths and are at this time retreating westward before the liberating Russian forces.

(c) Officers and soldiers who have been almost 4 years out of the fatherland are going to Allied concentration camps rather than joining the ranks of Tito's army.

Just to what extent this regime is anti-Serbian is best shown by the following:

(a) The political division of Yugoslavia by Tito, according to which the Serbian people are to be divided into five small states would reduce to nothing the results of all the wars of the Serbian people during the last 140 years. Serbia is to be returned to the state of the Belgrade Pashaluk of 1804, when the struggle for liberation and union began.

(b) The Croatian Ustashi, the Croatian civilian and military emigration are joining the army of the Croat Tito. The Germans in 1941, after the fall of Yugoslavia, led to prisoner-of-war camps only Serbs, while they released Croats and others.

(c) Tito's army is made up today of Croat Ustashi, Italian, Albanian, and Bulgarian partisans, all those elements which for full 3½ years had been exterminating the Serbs with German support. They are the ones who today are bringing "liberation" and are continuing their old trade of extermination of Serbs.

(d) In Serbia, only women, children, and old men remain at home; everyone else is retreating westward.

Fifth. After almost 4 years of fighting and untold suffering of the Serbian and Slovenian peoples, during which years over 200,000 Slovenes have been killed or deported, and about 1,000,000 Serbs killed, at the moment of Allied victory for which our people have suffered these horrible sacrifices. Yugoslavia is being liquidated and the people are being placed under the blackest terror of Ustashi-partisan bands.

This is the truth about Yugoslavia and the fate of the Serbian people. This is how Communists prolonged the war in Europe. Tito and his crowd were not interested in smashing Hitler. They were only interested in killing Serbs so that he could deliver Yugoslavia to his pal Stalin. Tito accomplished this. What is shameful, America and Britain helped him do it. Wake up America! Many crimes are being committed with your name.

Today Tito the killer feels his oats. He is parading American lend-lease materials of war to back him up. It is

shameful to note that Tito has more American tanks than our own Army left in that area to watch him. America, the home of the brave and the land of the free, shamefully chooses such company. We shall soon pay in blood, sweat, and tears for that decision.

Mr. KNUTSON. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. REED], a member of the committee.

Mr. REED of New York. Mr. Chairman, in a speech delivered in the United States Senate, February 16, 1833, replying to an attack upon the protective administration of Andrew Jackson, Daniel Webster said:

I defy the man in any degree conversant with the history, in any degree acquainted with the annals of this country from 1787 to 1789, when the Constitution was adopted, to say that protection of American labor and industry was not a leading, I might almost say the leading motive, South as well as North, for the formation of a new government.

Webster knew that Andrew Jackson was a strong protectionist. He also knew that George Washington, Thomas Jefferson, James Madison, and James Monroe had each advocated protection. Webster knew also that President Thomas Jefferson in his message to Congress in 1802 had said:

To cultivate peace, maintain commerce and navigation, to foster our fisheries and protect manufacturers adapted to our circumstances, are the land marks by which to guide ourselves in all our relations.

History shows, too, that even before the Constitution was formulated Thomas Jefferson vigorously urged measures of protection directed against England. He announced in 1789 that he had been "thoroughly converted" to the policy of protection. It is also a recorded fact that Mr. Jefferson wrote to J. B. Say, a French economist and said this:

The prohibiting duties we lay on all articles of foreign manufacture which prudence requires us to establish at home, with the patriotic determination of every good citizen to use no foreign article which can be made within ourselves, without regard to difference in cost, secure us against a relapse into foreign dependency.

James Monroe in his message to Congress, December 2, 1817, proclaimed:

Our manufacturers will require the continued attention of Congress. . . . Their preservation, which depends on due encouragement, is connected with the high interest of the Nation.

The economic structure of this Republic rests upon the firm foundation of a protective tariff. We cannot depart from the principle of protection without weakening our economic stability. This is the verdict of our national experience.

A LETTER FROM ANDREW JACKSON TO L. H. COLEMAN

There was no man of our early history more keenly aware of the importance of the protective-tariff principle than Andrew Jackson. A letter written by Andrew Jackson to L. H. Coleman, under date of April 26, 1824, is a revealing and timely document:

WASHINGTON, April 26, 1824.

SIR: I had the honor this day to receive your letter of the 21st instant and with candor shall reply to it. My name has been brought before the Nation by the people themselves without any agency of mine; for I wish it not to be forgotten that I have never solicited office, nor when called upon by the constituted authorities have ever declined where I conceived my services would be beneficial to my country. But as my name has been brought before the Nation for the first office in the gift of the people, it is incumbent on me, when asked, frankly to declare my opinion upon any political or national question pending before and about which the country feels an interest.

You ask my opinion on the tariff. I answer, that I am in favor of a judicious examination and revision of it; and so far as the tariff before us embraces the design of fostering, protecting, and preserving within ourselves the means of national defense and independence, particularly in a state of war, I would advocate and support it. The experience of the late war ought to teach us a lesson; and one never to be forgotten. If our liberty and republican form of government, procured for us by our Revolutionary fathers, are worth the blood and treasure at which they were obtained, it surely is our duty to protect and defend them. Can there be an American patriot who saw the privations, dangers, and difficulties experienced for the want of a proper means of defense during the last war, who would be willing again to hazard the safety of our country if embroiled; or rest it for defense on the precarious means of national resources to be derived from commerce, in a state of war with a maritime power which might destroy that commerce to prevent our obtaining the means of defense, and thereby subdue us? I hope there is not; and if there is, I am sure he does not deserve to enjoy the blessing of freedom.

Heaven smiled upon and gave us liberty and independence. That same Providence has blessed us with the means of national independence and national defense. If we omit or refuse to use the gifts which He has extended to us, we deserve not the continuation of His blessings. He has filled our mountains and our plains with minerals—with lead, iron, and copper—and given us a climate and soil for the growing of hemp and wool. These being the grand materials of our national defense, they ought to have extended to them adequate and fair protection, that our own manufactories and laborers may be placed on a fair competition with those of Europe and that we may have within our own country a supply of those leading and important articles so essential to war. Beyond this, I look at the tariff with an eye to the proper distribution of labor and revenue, and with a view to discharge our national debt. I am one of those who do not believe that a national debt is a national blessing, but, rather, a curse to a republic, inasmuch as it is calculated to raise around the administration a moneyed aristocracy dangerous to the liberties of the country.

This tariff—I mean a judicious one—possesses more fanciful than real dangers. I will ask what is the real situation of the agriculturalist? Where has the American farmer a market for his surplus products? Except for cotton, he has neither a foreign nor a home market. Does not this clearly prove, when there is no market either at home or abroad, that there is too much labor employed in agriculture, and that the channels of labor should be multiplied? Common sense points out at once the remedy. Draw from agriculture the superabundant labor, employ it in mechanism and manufactures,

thereby creating a home market for your breadstuffs, and distributing labor to a most profitable account, and benefits to the country will result. Take from agriculture in the United States 600,000 men, women, and children and you at once give a home market for more breadstuffs than all Europe now furnishes us. In short, sir, we have been too long subject to the policy of the British merchants. It is time we should become a little more Americanized, and instead of feeding the paupers and laborers of Europe, feed our own, or else in a short time, by continuing our present policy, we shall all be paupers ourselves.

It is, therefore, my opinion that a careful tariff is much wanted to pay our national debt and afford us the means of that defense within ourselves on which the safety and liberty of the country depend; and, last, though not least, give a proper distribution to our labor, which must prove beneficial to the happiness, independence, and wealth of the community.

This is a short outline of my opinions, generally, on the subject of your inquiry; and believing them correct and calculated to further the prosperity and happiness of my country, I declare to you I would not barter them for any office or situation of a temporal character that could be given me.

I have presented you my opinions freely, because I am without concealment, and should, indeed, despise myself if I could believe myself capable of acquiring the confidence of any by means so ignoble.

I am, sir, very respectfully, your obedient servant.

I referred to this as a timely and revealing document. Why? The Congress had passed a low tariff act in 1816 and Andrew Jackson writing to L. H. Coleman knew the crushing and demoralizing effect the deluge of foreign imports had had upon the country. The low tariff act of 1816 evoked an indictment of its devastating effect by Senator Tom H. Benton of Missouri in these graphic words:

No price for property, no sales except those of the sheriff and the marshal; no employment for industry; no demand for labor; no sales for the products of the farmer. Distress was the universal cry of the people.

Henry Clay also had this to say of the years that followed the reduction of the tariff in 1816:

If one desires to find the 7 years of greatest adversity in this country since the adoption of the Constitution, let him examine the 7 years before 1824.

Then came the act of 1824 on the tariff duties. Andrew Jackson speaking of the benefits derived from the 1824 Tariff Act, used these words:

Our country presents on every side marks of prosperity unequalled perhaps in any other portion of the world.

Then, ignoring the teachings of experience, as our international minded State Department would have us do now, there was placed upon the statute books, March 2, 1833, a compromise. This bill, the famous compromise bill of Henry Clay, provided for a gradual reduction in duties, the purpose of which was to pacify South Carolina. The lowered duties brought the usual destructive consequences to industries and labor in the form of huge imports of foreign competitive products. Business was prostrate and despair

reigned on every hand. This distress continued until duties were again raised high enough to replace adversity with prosperity under protection.

Then impelled by a blighted national credit and paralyzed industries under low-tariff duties, Congress enacted the Tariff Act of 1842 carrying real protective duties. Again, as always, the reviving effect of adequate tariff protection to labor, industry and agriculture was like the restorative effect of blood plasma to a wounded and weakened soldier. National recovery was prompt and complete.

Hon. John M. Berrin, United States Senator from Georgia, speaking of the recovery under the Tariff Act of 1842, declared:

The credit of the Government was prostrate and has been redeemed. The Treasury was empty, it is now replenished. The commerce and navigation of the country have increased. Its agricultural condition has improved.

There can be no doubt whatever as to the revitalization of business under the tariff bill of 1842 with its really protective rates. This was admitted and proclaimed in 1846 by President Polk in his message to Congress, in which he declared:

Abundance has crowned the toil of the husbandman, and labor in all its branches is receiving an ample reward. * * * The progress of our country in her career of greatness, not only in the vast extension of our territorial limits and the rapid increase of our population, but in resources and wealth, and in the happy condition of our people, is without an example in the history of nations.

But again there arose the cry from the Tory element for low tariffs. The propaganda from foreign exporters aided and abetted by importers and seaboard merchants for the privilege of buying in the cheapest market made itself felt in Congress. The Walker bill of 1846, with lower tariff rates, was passed. This abject surrender to foreign interests was opposed by many Members of Congress because of the disastrous consequence of previous low tariff measures. It was so contrary to sound American principle, so foreign in its conception and purpose that Hon. William Haywood, Jr., a very able Senator of South Carolina, declared that it would deliberately assassinate the manufacturing industries of the country. He resigned his seat in Congress rather than betray his country by voting for the bill.

Three events intervened, however, to defer the day of the low-tariff doom, but not for long: the Mexican War, the discovery of gold in California, and the Crimean struggle which involved Great Britain, France, Germany, and Turkey. But when peace returned to the Old World every foreign ship flew the importer's flag and into our open ports came the foreign goods that brought idle factories, unemployment, sorrow, and destitution. It was the history of every low-tariff measure repeating itself. It was the inevitable price this Nation had to pay for permitting foreign propaganda and a Tory element to blot from the minds of the people what experience with low tariffs had so painfully taught.

Blind to the teachings of past experience, the Congress passed another low-tariff bill in 1857. What were the consequences which followed? Let President Buchanan, in his message to Congress the following year, answer:

With all the elements of national wealth in abundance our manufacturers were suspended, our useful public enterprises were arrested, and thousands of laborers were deprived of employment and reduced to want. Universal distress prevailed among the commercial manufacturing and mechanical classes.

Conditions under the low-tariff rates in the Walker bill grew steadily worse until President Buchanan said, regarding the widespread disaster which came in the wake of duties that were too low:

Indeed all hope seems to have deserted the minds of men.

I am reviewing in some detail the experiences of the United States under low-tariff measure, because each time the Congress has surrendered to the pressure of the internationalists the people have been the victims. Never in our entire history of the United States has there been such an invasion of our country by foreign propagandists arrogantly insisting upon a free-trade program for their benefit. Has the time again arrived when the Congress will blow the bugle call of retreat from the principles that have made our country great and strong? I trust that in the light of past experience with the ghastly consequences of low-tariff rates it will neither retreat nor compromise with its traditional position of national strength and security.

Do I hear the question asked: "Did not all this disaster from low tariffs occur long ago?"

Let me in answer proceed to bring the history of our country under low tariffs down through the years to the present. There was a period of 14 years before the War Between the States that Congress made no effort to protect enterprises of an industrial nature. The consequence was that labor and agriculture suffered.

Again came the revitalization of our whole economic structure through the enactment of the Morrill tariff bill with its protective rates. This bill restored the country to health, vigor, and prosperity. This transfusion of protection into the arteries of a debilitated and sick economy caused by low tariff rates brought almost uninterrupted prosperity to the Nation until the passage of the Wilson-Gorman low-tariff law. This was another victory for the Internationalists and a bitter defeat for those who sought to protect the Nation from the inevitable and devastating consequences of low-tariff rates.

Yes; it was the Wilson bill, placing all raw materials on the free list, that completely checked the progress that had been proceeding steadily since the War Between the States. The devastation to business that followed the passage of the Wilson bill was such as might well follow in the wake of an invading army.

Is there doubt in the mind of any Member of Congress as to the prosperous

condition of our country prior to the enactment of the Wilson low-tariff bill? President Harrison said, in December 1892, relative to conditions:

There never has been a time in our history when work was so abundant or wages so high, whether measured by the currency in which they are paid or by their own power to supply the necessities and comforts of life.

This was the usual prosperity of our people under adequate protection from the invasion of our market by the products of low-paid foreign labor. Then came the threat of a low-tariff program. What was the result? On August 8, 1893, when it became definitely known that a low tariff measure with all raw materials on the free list would soon be put in operation, President Cleveland had this to say:

With plenteous crops, with abundant promise of remunerative production and manufacture, with unusual invitation to safe investment, and with satisfactory assurance to business enterprise, suddenly financial distress and fear have sprung up on every side. * * * Values supposed to be fixed are fast becoming conjectural and loss and failure have invaded every branch of business.

It will be recalled that in the election in 1888 the British Minister, Sir Lionel Sackville-West, advised an American citizen of British origin to vote for Cleveland, because a lower tariff would be more favorable to British interest. This advice was given in writing, and when this ill-considered letter was published, the United States promptly requested the imprudent and meddling diplomat be recalled.

The army of foreign propagandists now operating throughout this Nation in an effort to force down our tariff rates to a free trade basis is an economic invasion, which, if successful, will be devastating in its consequences. The distress caused by low tariff rates so vividly described by President Cleveland was relieved by the enactment of the Dingley tariff bill under the administration of William McKinley. I may say at this point that the recovery under the Dingley Tariff Act was the fulfillment of a prophecy made by Hon. Jonathan P. Dolliver during the debate on the Wilson low-tariff measure. He said:

I, for one, am not discouraged even if Congress should enact this into law, because I know that the people of the United States, having learned their lesson in the midst of broken fortunes and impoverished industries, will come back speedily to historic standards of American common sense.

True to the prophecy, the McKinley tariff bill was passed, which again restored the American market to American labor, industry and agriculture.

The trade agreement policy as laid down in H. R. 3240 is a device and a highly dangerous one by which it is sought to open wide our markets to the competitive products of cheap foreign labor. It is to grant further power to a group of international-minded officials to meet in secret conclave and independently of the will of a sovereign people under constitutional procedure to sacri-

fice the very foundation of our economic structure and stability to foreign interests. The American people who suffer injury or threatened ruin from lowered rates of duty are deprived of access to the courts, or access to the unknown persons who lower the tariff rates.

H. R. 3240 grants power of life and death over large segments of our economy, such as certain industries, certain branches of agriculture and above all the power to transfer domestic pay rolls to foreign lands. Under the trade-agreement policy under which rates granted to one country are generalized to all countries, the tariff rates have finally reached the point that brought disaster to our country following World War No. 1.

The adoption of the Underwood low-tariff bill of 1913 was a rebellion against logic and reason. It was a revolt against common sense. The reaction to this bill was sudden and tragic. By the middle of 1914 the inevitable consequences of a low-tariff policy swept across the country like a prairie fire. Four million men were idle and walking the streets unable to find employment. Business was prostrate. Want and suffering stalked the land. War came as an embargo and prevented the entry of foreign goods.

This World War No. 2 is acting as a partial embargo which is temporarily preventing the flooding of our market with low-cost competitive goods from abroad. The devastating consequences of low-tariff rates came after World War No. 1, and now the stage is set to repeat the debacle following the last war. It may be appropriate to paraphrase the prophecy of Benjamin Disraeli, when those who were guiding the destiny of the English Empire refused to listen to the voice of reason or to the teachings of experience, "It may be in vain now, in the midnight of their intoxication, to tell them that there will be an awakening of bitterness. It may be idle now in the springtide of their economic frenzy, to warn them there will be an ebbtide of trouble. But the dark and inevitable hour will arrive; then—when their spirit is softened by misfortune—they will recur to those principles which made this nation great."

Yes, they will, if the internationalists who are granted the power, further reduce tariff rates by 50 percent from the rates existing January 1, 1945.

I recall conditions that prevailed after World War I. Veterans and idle war workers numbering millions were walking the streets. Foreign products had closed our mills, factories, and industries. Foreign shipments of the agricultural products glutted the farmers' home market. A prostrate and discouraged people asked for protection from the deluge of foreign goods that were engulfing them. Then came the Fordney-McCumber tariff bill. It was passed in September 1922. Business revived. It revived quickly. Five million idle men returned to their jobs to produce goods for their protected market. They had pay rolls to spend, and this revitalized every community and brought cheer to every home.

In May 1923, following the passage of the Fordney-McCumber tariff bill in 1922, a commission of southern gentlemen and commissioners of agriculture journeyed to Washington to thank President Harding and to tell him they were doing well since a duty had been placed on vegetable oils; they asked that the schedules as they then existed be not disturbed.

I maintain that the internationalists who have at last become entrenched in our Government and clothed with power of life and death over our economy have used every weapon of propaganda at the taxpayers' expense to deceive and mislead the citizens of this Nation.

The public were told in 1934, again in 1937, and again in 1940 that each of the trade agreements should keep us out of war. Did these trade agreements do so? No; of course not. Now this new bargaining power requested is to keep us out of the next war. It was a program, so these international-minded men said, would increase our exports. The attempt to make good on these assurances cost the Nation a ghastly price in lives, blood, and heartaches. It contributed to the worst defeat our Navy ever suffered. In an effort to build up exports, the aggressors proved to be good customers of scrap iron, copper, tin, gasoline, steel scrap, airplane engines, and other essential war materials. There could have been no Pearl Harbor without the shipment of war materials to Japan in an effort to build up our exports in an attempt to justify the trade-agreement export policy.

The result of such deception in an effort to mislead the public, presents an unwholesome spectacle. Think of creating a situation which required the Congress to suspend tariff duties on the scrap iron and materials to replace the huge amount sent to Japan. We did this so we could bring into this country the material to enable us to produce the ships and weapons for our own defense and for the prosecution of the war.

The trade agreements did not keep us out of war; they will never keep us out of war, but we do know now that in an effort to build up a fake export record, the internationalists did catapult this country into war. What about the trade barriers the internationalists promised to remove if only Congress would grant them bargaining power to the extent of reducing by 50 percent the then existing tariff rates?

Eleven years now, the crew of tariff saboteurs have granted concessions to the extent of 1,226 tariff reductions to 26 foreign nations. Yet, with all these concessions made to foreign competitors to the ultimate and inevitable detriment to our domestic trade, very few of the innumerable trade barriers have been removed.

Not only have we made concessions throughout these 11 years and have received no relief from the many barriers thrown up against our trade, but other nations have deliberately nullified many of the concessions we have made in order to increase their own revenues. In many

cases, for example, after we have reduced our duties, other countries have then imposed export taxes on commodities shipped to the United States. In effect this nullifies the reduction we have made and merely transfers revenue, that we could have obtained, to the treasury of the foreign country. In other words, it would have been better not to have made the duty reductions in the first place because we have thereby been deprived of the revenue and the trade flows in spite of the agreement and the export taxes imposed.

It would seem that any group of officials interested in the welfare of the United States, clothed with bargaining powers, would have insisted long ago that the coffee consumers of our Nation be relieved of the burden of seven-tenths of a cent a pound or an aggregate burden of \$8,000,000 annually to pay for the coffee thrown into the ocean by the Brazilians in an effort to maintain the price of coffee.

There is a long list of trade barriers in operation against the interest of the people of the United States.

The one nation that ought to be forthcoming in its dealing with the people of the United States is England, yet under her system of imperial preferences, established at Ottawa, which runs contrary to our most-favored-nation clause under which the United States gives to all nations any tariff concessions it grants to a particular nation, and this regardless of whether or not the nations thus benefited give us anything in return. It was declared at Ottawa that the grant of imperial preference must override all considerations of the most-favored-nation treatment and that any such treaties that stand in the way of it should be denounced forthwith. This trade barrier—imperial preference—brings a population of nearly 400,000,000 persons within her exclusive trade orbit. Here is discrimination with a vengeance, yet our internationalists continue to make concessions to England and to other countries which are grossly discriminating against us.

We have heard in season and out of season that trade agreements were to be used to eliminate trade barriers. What a deliberate piece of deception to come from men supposed to be interested in the welfare of the United States!

May I interpolate at this point, if you have read the very exhaustive and well-prepared report of the Special Committee on Postwar Economic Policy and Planning, the chairman of which is the gentleman from Mississippi [Mr. COLMER] you will find one of the great recommendations they make is for an international conference to remove trade barriers. Yet, after they have been operating for 11 years and giving all kinds of concessions to other countries, there is an admission by an able committee that the trade barriers still exist.

Let me repeat that after 11 years of trade-agreement manipulation by the State Department officials, I call attention to 29 trade barriers which have been used against us and are now being used

against us to defeat our concessions to other nations.

List of methods of discriminating against American trade that have been employed in recent years:

Quotas, unofficial quotas, cartel arrangements, exchange clearing, exchange control, export credits and insurance, tie-ups with banks, currency depreciation, import licenses, exchange agreements, sterling bloc, bilateral agreements, barter agreements, depreciation of currency, reduced interest rates, transportation differentials, shipping regulations, sanitary regulations, multitudes of customs regulations, subsidies, restriction on investment, internal taxation, unofficial restrictions, political favoritism, stamp taxes, milling regulations, state control of trade, boycotts, patent requirements.

We have heard much from our internationalist trade-agreement advocates about possible postwar imports. I have examined the general summary of the Tariff Commission which came to my desk May 22, 1945.

It is a summary of the report of the United States Tariff Commission under Senate Resolution 341 which shows what might be the greatest amount of imports expected in the postwar long term under the most favorable condition imagined. Under the resolution the Commission has assumed that the United States per capita income might be 75 percent above 1939 and that tariffs might be reduced the full 50 percent as provided in H. R. 3240 and what does the Commission show the imports might possibly be under those most favorable assumed circumstances? We find that the total foreign value of imports that might be expected is \$4,407,000,000. Now Mr. William Clayton of the State Department and Secretary Henry Wallace of the Commerce Department have been telling us that under those conditions we would have at least ten to twelve billion dollars worth of imports which we have all said was perfectly silly and which the Tariff Commission figures prove that such a figure is at least double what may be expected under the most favorable circumstances imaginable.

Furthermore, when you add up the foreign value of imports and the value of domestic production under the various assumed conditions we find that in every case this total value is greatest both with the assumed United States per capita income as in 1939 when the duties are increased by 50 percent and also assuming the per capita income as 75 percent above 1939 when the duties are increased by 50 percent. Eliminating the duplication in value as the Tariff Commission does by estimating that the net value of production is about 75 percent of the gross value shown in the summary table, the figures in each case are as follows:

If duties should remain the same as on July 1, 1939, the sum of the value of domestic production plus imports—consumption—is \$39,648,000,000; the sum of those two values if the duties are reduced by 50 percent is \$39,470,000,000;

and the sum of the two if the duties are increased by 50 percent is \$39,727,000,000. In other words, the value of domestic production plus the foreign value of all imports would be \$257,000,000 more if the duties were increased by 50 percent than if the duties were decreased by 50 percent. And if the duties were left as they were on July 1, 1939, or prior to the war, the total value of domestic production plus the foreign value of imports would be \$178,000,000 more than if the duties were reduced 50 percent.

In other words, the passage of this bill H. R. 3240 if the duties were decreased by 50 percent as permitted under it, would mean that the value of domestic production would be reduced by \$649,000,000 and this loss in trade would not be compensated for by an increase in imports nor in any other way, which is to say that there would be just that much loss of domestic employment without being compensated under the proposals of this bill. The same situation is true even if you use the estimated landed value of imports, which the Tariff Commission did not use in calculating the percentage imports are of consumption. In each case the greatest value is found if the duties are increased 50 percent; next to that the values are greatest if the duties remain as in 1939; and the lowest value of all under both income situations, is when duties are reduced by 50 percent.

This is true and the conclusion is unavoidable since in nearly every case the Tariff Commission shows that very little if any increase in exports may be expected after the war. The information on exports is very incomplete and inadequate but where it is shown for individual items, little if any increase in exports is expected even under the most favorable conditions.

The talk of ten to twelve billion dollars of imports annually is a wild and reckless adventure in the field of imagination, and if such a volume of imports were to enter this country in any one year it would assassinate the jobs of our laborers and our farmers from coast to coast.

I hope that American labor will take note that the Supreme Court of the United States handed down a decision in the case of *Gemeco, Inc.*, and others against *Walling*, February 26, 1945, sustaining the authority of the Administration of the Wage and Hour Division of the United States Department of Labor under the Fair Labor Standard Act to prohibit homework as a necessary means of making effective a minimum wage order for the embroideries industry.

Mr. Justice Rutledge delivered the opinion of the court. He observed that "One of the act's primary objectives was 'a universal minimum wage of 40 cents an hour in each industry engaged in commerce or in the production of goods for commerce' and to reach this level as rapidly as was 'economically feasible without substantially curtailing employment'."

What about this admirable humanitarian decision to prevent the exploitation of labor? Does labor approve of it?

Of course labor does and should approve of it. But what about the importation of foreign goods made in private homes by sweated, under-fed parents and under-nourished little children working 12 to 14 hours a day for a mere pittance compared with the 40 cents an hour, and time and a half for overtime, guaranteed to our laboring people.

Will lower tariff rates—say a further 50-percent reduction in the rates as they existed January 1, 1945, strengthen or weaken the 40-hour week and time and a half for overtime, open to attack only by sweated, underpaid labor from abroad, aided and abetted by our low-tariff internationalists?

During the past 75 years there have been literally dozens of steps taken by individual States or the National Government for the promotion of protection and security of the great mass of individuals privately employed. This has taken the form of anti-child-labor legislation, elimination of sweat shops, prescribing of sanitary and other health conditions, both in places of employment and residential areas, and a long line of programs having to do with illness, accidents, old age, unemployment, and an ever expanding social service.

Costs of maintaining this entire program must be recognized as a part of the tax structure and a part of the cost of production of goods and services and, in turn, a charge upon the consuming or using public. In competition with the products of foreign areas this item must at all times be kept in mind.

There are areas in the world, so investigation shows, where as many as a billion people reside where the average age at time of death is probably no more than 25 years. In contrast the normal average span of life in the United States has now been increased to something like double that figure.

Surely it must be recognized that a very large part of this accomplishment is due to the sanitary and health programs developed in the United States. These are vitally affected by sanitary and health conditions in other parts of the world, for disease does not recognize boundary lines. China may be the nation of longest historic greatness and yet individuals without the slightest consideration for the general welfare or the health of the people of the United States may gather millions of dozens of eggs in China and after selling for local consumption all of those which are edible, they may process the cloudies, musties, dries, rots, and other spoiled eggs in such a manner as to make it possible to ship them into the markets of the United States for human consumption through innocent purchasers operating the highest priced delicatessen establishments. Protective legislation against such imports is in the interest of not only the United States but in the interest of world welfare.

And, again, considering the long stretch of years far back into the last century, the two great Governments of Argentina and the United States have been mutually helpful to each other and

considerate of each other's welfare. Surely this friendship should continue and neither government would want to do, or cause to be done, anything clearly injurious to the welfare of the people of the other. Yet, there is a great scourge in the Argentine Republic known as the foot and mouth disease of cattle and other domesticated animals. While it is true that the livestock of Argentina have, over the period of 75 years, become more or less immune to this disease so that it does not attack in a virulent manner, nonetheless when it is introduced into the United States under entirely different climatic conditions and with livestock never exposed to the disease it is most virulent. Whether regulations are prescribed under sanitary or tariff statutes or whether one supplements the other is immaterial. The great task confronting both countries is to spend every ounce of human effort on the problem of developing immunity to this disease and/or methods of treatment of animals when infected. When that happy day comes, then there can be a much more free interchange of products. In the meantime, it just does not make sense for the Government of the United States, in order to influence Argentina to yield to American foreign policy programs, to propose modification of sanitary laws or tariff laws intended to protect our country from this dangerous animal disease. Yet it is a fact that pending at the moment before the Senate of the United States is a proposed agreement which has for its purpose to encourage deceit and evasion of presently existing legislation on this subject.

Parity programs to establish equitable price relationships for the products of agriculture must not be omitted from this discussion. During the last 25 years—since 1919—it has been widely recognized that there is a close interdependence between prices and income of those engaged in agricultural activities on the one hand and the National income and general welfare of all people in the country on the other. Various experimental programs have been proposed and devised for the purpose of bringing about this parity or equitable relationship. The Federal Bond Act of 1929, although not adequate to meet the problems of the world-wide depression of 1930-33, was a move in that direction. Without delving into the details of the various experiments and pointing out reasons for failure, it will be sufficient here to note that prices of farm products cannot be brought up to an equitable relationship without exposing the American market to lower-priced products from all over the world. No program therefore can hope to be effective unless suitable provision is made for supervision, regulation, and control of imports of competitive or substitute products which would be effective in breaking down domestic prices and destroying all efforts to establish sound national economic policies.

I wish to call attention to the fact that the reciprocal trade agreements during the past decade have become nothing more

nor less than a poorly concealed device for the revision of tariff acts and customs duties provided by legislation within the United States. It is significant that during the last 5-year prewar peacetime period of prosperity in the United States—1925-29—national revenue from customs duties averaged almost \$600,000,000 per annum—\$580,748,055. In contrast, during the recent 5-year period under reciprocal trade agreements preceding World War II—1935-39—national revenue from customs duties averaged considerably less than \$400,000,000 annually—\$378,909,157. Thus the decrease in national revenue exceeded \$200,000,000 annually or the equivalent of \$2,000,000,000 in a 10-year period. This is a considerable sacrifice in national revenue incident to an experimental change in national economic policy which has failed in every other one of its goals. When the year 1939 is compared with 1929 the decrease in revenue is from \$600,000,000 to \$300,000,000, a decrease of 50 percent.

It will be said by some that the decrease in revenue just referred to must have been due to a substantial falling off in the quantity of imports, contrasting the prosperous 5-year period—1925-29—with the recent 5-year period—1935-39. This is just not true. The physical quantity of imports in 1937 was exactly the same as the physical quantity of imports during the most prosperous year of all—1929—and the average physical quantity of imports during the two 5-year periods did not vary more than 5 percent.

Is there any citizen of the United States so naive as not to realize that it was the fostering hand of our tariff system that built up our national defense? Our mass production of armaments came from those industries and mines and farms which prospered and developed under tariff protection. What would have been the outcome of World War I and World War II had it not been for the stalwart advocates of protection who in their wisdom realized, and in their vision saw the mighty, self-reliant Nation that adequate tariff protection would bring forth?

The United States could not have become the arsenal of democracy without the tariff protection given throughout the years to our essential war industries. Shall we let the internationalists sabotage the system that has made the Nation great and strong?

Mr. MILLS. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PATMAN].

A. & P., LARGEST FOOD CORPORATION IN UNITED STATES, GETS ONE-THIRD OF ITS NET PROFITS VIOLATING ROBINSON-PATMAN ACT THROUGH PRICE DISCRIMINATIONS AND SHORT-WEIGHTING, OVERCHARGING, BOOSTING PRICES AT CHECK-OUT COUNTERS, ETC.

Mr. PATMAN. Mr. Chairman, may I direct the attention of Members of the Congress to the charges made by the Department of Justice in the trial that is now going on in Danville, Ill., in the United States District Court before Judge

Walter C. Lindley, in the case of the United States against the New York Great Atlantic & Pacific Tea Co., Inc., involving 11 subsidiaries and 17 officers of these companies. This involves a sordid story of monopoly to destroy competition through the employment of unscrupulous methods, much of it at the expense of housewives though professing to be public benefactors.

In this presentation I shall treat only one phase—that of the source of illicit profits which shows this gigantic integrated corporation operating as manufacturers, wholesalers, and retailers. This one angle, however, proves the need of legislation along the lines of H. R. 135 which I have introduced in the House to prevent manufacturers of consumer goods from offering for sale and selling the same at retail in certain cases, and for other purposes, if monopoly in food is to be avoided.

CONSUMERS TO EAT ON A. & P. TERMS

This giant among chain-store corporations with sales totaling \$1,379,000,000 in 1941, controls 13.5 percent of the total retail grocery business of this country through something like 6,400 supermarkets strategically located. This leaves the balance for 345,631 independent grocers and 36,950 other chain-grocery stores. This company is charged by the Department of Justice with operating its stores with practically no profit but realizes its profits through allowances, stock gains—short-weighting, overcharging, and boosting of prices at check-out counters, and so forth—through allowances forced from manufacturers and other sources of revenue foreign to operating such stores.

In his statement to the Court, Horace L. Flurry, special assistant to the Attorney General and chief of Government counsel, emphasized the point that "even integrated competitors whose operations have not yet reached the same level as those of A. & P. cannot compete." Also under the A. & P. policy of operations, it is charged, "no competition can survive in any retail area in which A. & P. decided to occupy either a part or the entire area." Moreover, the Government's attorney charged in his presentation to the Court that "if such practices are continued consumers of food in the United States will eat on terms imposed by the A. & P."

LARGEST FOOD ORGANIZATION IN COUNTRY

The A. & P. group constitutes the largest organization in the food industry. Its manufacturing units manufacture a substantial part of the packed and processed foods sold in the United States, including several hundred items. These are distributed and sold through A. & P. stores. It also buys manufactured products from others, and as such is the largest single buyer of such food products in the United States. Its produce-buying unit is the largest in the United States. This unit dominates cooperative associations of produce growers and shippers in handling for their members substantial portions of the annual fresh fruit and vegetable crops of the United States.

A. & P. is the largest baker, the largest salmon canner, the largest milk canner, and the largest buyer of green coffee, as well as the largest coffee roaster in the United States. Its meat, egg, butter, and cheese buying departments are the largest buyers of those products in the United States. It is the largest retail grocery concern in the United States operating stores in 38 States and in the District of Columbia, with sales totaling \$1,379,000,000 in 1941, or 13.5 percent of the national total.

OPERATES STORES WITHOUT PROFIT

This large food corporation operates its business on an over-all basis; that is, as a retail organization, but it obtains its profits from other than retail operations. It has 13 sources of profit from which A. & P. received \$25,025,000 net in 1941 after all other charges, including taxes. Yet only \$4,199,347.82 were derived from store operations, which just about covered store-operating costs, or as the Government pointed out, to be exact, one-third of 1 percent profit. No going retail business can exist on that margin indefinitely unless there are other sources of revenue.

\$21,825,652 PROFITS COME FROM OTHER SOURCES

In other words, \$21,825,652 profit had to come from other than retail-store avenues to attain a profit of 0.22998 percent per dollar of retail sales, whereas the actual profit derived from stores was only \$4,199,347.82. If it were not for juggling profits from other sources of operations and applying them to the retail stores the A. & P. could not exist. Through this integration process, however, the business as a whole becomes highly profitable though the stores themselves would be a losing venture. Low-priced store operations without profit are used to destroy independent competitors, including chains, to force rebates or allowances from manufacturers to gain control of food production and distribution.

ALLOWANCES TOTAL \$6,400,000, OR 24.59 PERCENT OF PROFIT

The Department of Justice in presenting its statement to the Federal District Court, submitted a table of these various sources of profits together with the percentages they represented to the profits as a whole, as follows:

| Source | Amount | Percent of total |
|---|----------------|------------------|
| Headquarters allowances (preferences secured from suppliers)..... | \$4,984,000.00 | 19.15 |
| Quaker Maid..... | 3,474,131.82 | 13.35 |
| American Coffee Corp..... | 3,274,347.57 | 12.58 |
| Atlantic Commission Co..... | 1,862,351.18 | 7.16 |
| White House Milk Co..... | 1,609,365.05 | 6.18 |
| Nakat Packing Corp..... | 1,275,515.37 | 4.91 |
| Bakery..... | 943,000.00 | 3.62 |
| Miscellaneous..... | 837,269.02 | 3.22 |
| Stores Publishing Co..... | 65,561.23 | .25 |
| Great American Tea Co..... | 131,110.94 | .50 |
| Stock gains..... | 1,953,000.00 | 7.50 |
| Local allowances..... | 1,416,000.00 | 5.44 |
| Remaining profit for stores..... | 4,199,347.82 | 16.14 |
| Total net profit..... | 26,025,000.00 | 100.00 |

These figures show that \$4,984,000 were allowances exacted at the main office from manufacturers declared by the

Government attorney to be violations of the Robinson-Patman Act, and another \$1,416,606,000 from seven division offices in 1941, or a total of \$6,400,000. The Robinson-Patman Act became a law June 10, 1936. These allowances represented 24.59 percent of the total net profits of 1941.

SHORT-WEIGHTS, OVERCHARGING \$1,953,000, OR 7.5 PERCENT PROFIT

In addition to this, Judge Lindley was informed, \$1,953,000 or 7.5 percent of the profits came from stock gains which Mr. Flurry explained are secured by such practices in the retail stores as short-weighting, short-changing, boosting of prices at the check-out counters, and so forth. This money came out of the pockets of housewives who were cheated out of that much money in 1 year, and totaled almost \$2,000,000. Combining the allowances wrung from manufacturers, who had to charge other buyers that much more, with stock gains, they amounted to a total of \$8,353,000 in the 1 year, or 32.19 percent of all profits.

Viewed from another angle these illicit profits represented an average of \$1,305 per store based on the 6,400 units A. & P. operates in 3,436 cities in 38 States.

The total net profit per store in 1941 was \$4,066.

The profit outside of store operations was \$3,410.

The profit from store operations was \$656.

WHERE STORE PROFITS CAME FROM

Of these profits per store, there was received, in 1941, from allowances in violation of the Robinson-Patman Act, \$1,000; stock gains, short-weighting, overcharging, and so forth, \$305; from other sources, \$2,761; total, \$4,066.

\$21,714,000 SHORT-WEIGHTS, ETC., IN 7 YEARS

Almost a third of the \$26,025,000 net profits realized in 1941, therefore, came from violation of the Robinson-Patman Act, or illegitimately from consumers through stock gains. Yet this largest food corporation in the United States professes to be a public benefactor through allegedly selling at low prices. In his statement to the court at Danville, Ill., the Government attorney further pointed out that "A. & P. secured a total stock gain of \$21,714,000 for its entire retail system during the period 1935 to 1941, inclusive." This is at the rate of \$3,393 per unit a year in the 7 years. In 1935, the Government charges, "the total stock gains were \$4,723,000."

EMBARRASSED BY PROSECUTIONS

Continuing its charges against this chain corporation, the Department of Justice maintains that—

During the period of 1930 to 1935 the A. & P. group was embarrassed by prosecutions of its employees for short-weights and measures. Headquarters agreed that such stock gains could be achieved only through conduct which was unjustified. Hence headquarters decided that no store could consistently have stock gains in excess of 2 percent. This was reduced later to 1 percent. Thereafter many stores continued to enjoy stock gains of 2 to 3 percent. Such gains continued to be treated by headquarters as a part of operating store profit.

STOCK GAINS 46 PERCENT OF STORE PROFITS

After supermarkets were developed headquarters agreed that no legitimate stock gains could be had from such operations. Such gains were made, however, and headquarters accepted them. In 1940 A. & P. received retail stock gains of \$2,168,000. In 1941 stock gains totaled \$1,953,000, or 46 percent of the retail store operating profit.

In 1940, it is charged by the Department of Justice—

such stock gains were 56 percent of retail store operating profits and in 1939 were 100.15 percent of retail store operating profits.

MANAGERS SHOWING STOCK GAIN LOSSES FIRED, THOSE WITH GAINS RETAINED

Until about 1930, the Department's statement relates, stock gains as high as 3 percent of sale in A. & P. stores—

were accepted without condemnation of store managers. These gains represented profits after absorbing losses resulting from shrinkage, spoilage, stealing, and wastage. Hence, the actual stock gain was sufficient to take care of these items of loss and still show a net gain of 3 percent. Some stores experienced net retail stock losses. Reasonable stock losses result from many causes inherent in the operation of A. & P. stores, as in all retail grocery stores. Store managers were not told the stock results in the stores, but managers sustaining successive stock losses were fired. Those experiencing consistent stock gains were retained. In many years these stock gains have constituted a substantial part of the retail store operating profit.

HOW STOCK GAINS ARE OBTAINED

The statement to the court further asserted that stock gains are achieved in the following manner:

Grocery items are billed to the retail stores by the warehouse at the retail price. No allowance is made for shrinkage, spoilage, or wastage, etc. Any sums secured on the sale of these items over and above the price billed by the warehouse are stock gains. They are secured by such practices in the retail stores as short-weighting, short-changing, boosting of prices at check-out counters, etc.

Such gains—

It is stated—

became an integral part of the rate on which the final earnings of the total A. & P. system operations are based. Stock gains become a part of the integrated rate which is manipulated as among different areas to produce lower gross-profit rates in favored stores.

A SHOCKING OPERATION

Here we have a shocking statement of how this chain corporation operated through millions of dollars of ill-gotten gains at the expense of store customers, forced tribute from manufacturers through price discriminations in violation of the Robinson-Patman law, used tactics through integrated corporation profits which competition cannot meet, regardless of efficiency, and of creating a monopoly that will ultimately give it control of production and distribution and make consumers subservient to its demands.

A monopoly of this type must be crushed in the interest of public welfare and common decency in business dealing. The free-enterprise system is being destroyed by the A. & P.

Mr. MILLS. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, the attitude of the minority party in the House, particularly the attitude of the spearhead of the opposition, the Republican members of the House Ways and Means Committee, strikes me as serious and suicidal in its blindness and determined resistance in the face of a tide of unimpeachable and impartial facts which not only sustain the trade agreements policy, which has been followed for the past 11 years, but on the strength of that record compels the Congress to broaden and to extend the present act for the benefit of all of the people of the United States.

Even more than that, Mr. Chairman, the benefits thus far derived and the resulting good will bodes well for the future of world trade and of world peace. The principle of reciprocal tariff concessions has been the desire and the objective of many Presidents, Republican and Democratic, from McKinley to and including our late and beloved President Roosevelt, and his successor, President Truman. I shall allude more specifically to this phase further along in my discourse. It is not humorous, it is really pathetic that the minority Members have undertaken to stampe out themselves into oblivion.

They have been wailing, yes, more than that, they have been howling about the deficiencies of the Trade Agreements Act and the sins of omission and commission on the part of our Government agencies, which have been charged with the responsibility of bargaining with other nations toward the end that, primarily, America should have a reasonable advantage, but along with that, that the deal should be of mutual benefit. The minority Members are determined to point out and to prove that the entire world is out of step, that America's greatest industrial leaders do not know what it is all about. The National Chamber of Commerce and its spokesmen, it is contended, are in error. All of the favorable statistics in support of the Trade Agreements Act, which were a compelling force for the insertion of a plank covering the subject in the Republican platform of the last campaign, and the attitude of Tom Dewey, the Republican standard bearer, are being ignored as though nonexistent.

Mr. Chairman, the Trade Agreements Act as proposed under the Doughton bill has the endorsement of influential newspapers and magazines, merchants, millers, manufacturers, consumers' leagues, women's organizations, labor unions, chambers of commerce, importers, exporters, steamship lines, and other groups and associations too great to enumerate.

Facts and figures seemingly are meaningless to the minority. The expressions of leaders in industry are given no consideration, and everybody seems to be out of step except the minority which issued this pathetic report.

In my State, and in fact throughout the entire Nation, in the great industrial centers, there seems to be an attitude of united support for the trade agreements,

and this attitude is not predicated upon any love for the New Deal or for the Democratic Party. I should say that quite the contrary is true. These people, however, are practical. They know what effect the Smoot-Hawley Tariff Act produced on their business, and some of them who were for a high tariff to the extent of excluding all outside competition, having learned through bitter experience, are today among the foremost supporters of the trade agreements. Moreover, they know that there is a better chance to get a fair deal under the set-up which has been created under the Trade Agreements Act than there was during the old logrolling days under vicious political maneuverings when the matter was handled in a slipshod, unscientific manner by star-chamber proceedings in the Committee on Ways and Means. On that point there is no argument. That question is not even debatable.

STAR-CHAMBER TARIFFS

The legislative history of the Hawley-Smoot Tariff Act established a new high in star-chamber proceedings.

After devoting 7 weeks for public hearings, the 15 Republican members of the Ways and Means Committee unceremoniously ejected the 10 Democratic committee members from participation in executive sessions. Following the expulsion of the Democratic members, the 15 Republican members devoted 2 months and 10 days of labor, with the help of experts of the Tariff Commission, and according to some rumors, they also had the assistance of a Mr. Grundy and others, who contributed their services to improve theirs and the public welfare. Their combined labors brought forth a bill of 434 pages consisting of 183 sections. The first 2 sections alone contained 727 paragraphs. There were 10,681 lines in this bill. Not satisfied with the results of their star-chamber methods in committee, the "four horsemen"—Longworth, Snell, Tilson, Hawley—then in control of the House, brought the bill up under a special gag rule for consideration by the other 420 Members on Friday, May 24, 1930, May 25, May 27, and May 28, devoting in all 19 hours and 6 minutes, consideration to the bill, during which time the 420 Members were permitted to consider only 82 of the 10,681 lines and only 4 of the 434 pages to the bill.

With such a record of star-chamber methods resorted to by our Republican friends in the past, it is hard to reconcile their present position with respect to the manner in which the State Department conducts their negotiations of trade agreements.

It might be stated here that the distinguished chairman of our committee, the gentleman from North Carolina [Mr. DOUGHTON] was one of those who was not permitted to sit in executive sessions with his Republican colleagues when the Hawley-Smoot tariff bill was being considered. If you want to go back to that method of license and predatory exploitation of the interests of the people

of the United States you may try to justify that with the voters, but you will never succeed.

Under the trade agreements heretofore four departments of the Government, presided over by a Cabinet member, plus one independent agency created by the Congress and acting on behalf of the Congress of the United States, passed upon and negotiated every phase of an agreement with a foreign nation. These are the State Department, the Agriculture Department, the Commerce Department, the Treasury Department, and the Tariff Commission. Under the bill now before you there has been added a further safeguard in that the Army and Navy shall henceforth be consulted under the law. Heretofore they were consulted but there was no legal basis for such consultation. This proves that those charged with the responsibility did not overlook our national safety, which was placed even ahead of the welfare of industry and commerce. Elastic provisions giving the executive branches of the Government authority to increase or decrease tariffs were inserted in tariff laws heretofore enacted by the Congress.

It will be recalled that the late President Calvin Coolidge, after a so-called cost-of-production investigation, ordered a slash of 50 percent in the duty on bobwhite quail. That case was supposed to have proven the worth of the elastic clause in the Tariff Act of 1922. That is the kind of elasticity that some Republicans still believe in.

Our industries have suffered tremendously as a result of the plundering robber tariffs enacted under the Republican administration, which not only excluded needed articles produced in other countries but exposed our own people to unconscionable price rises in domestically produced commodities which needed no additional protection. In other words, the tariff was an instrumentality for gouging the people at home for the benefit of a few who demanded a pay-off for their contributions in the previous campaign. No one can deny that these Republican tariff schedules in many instances were written and approved by the officers of certain corporations which were to be benefited by their adoption. It was charged and never refuted that the tariff schedule on aluminum was written in Andrew Mellon's office in Pittsburgh. The tariff on plate glass and other items was calculated and recommended by interested parties. It is amusing to note, too, that local industries, for sentimental or other unknown reasons, have frequently been singled out for unwarranted tariff protection. I have two in mind. One was the filbert industry of the Northwest. This specie of nuts, as an industry, I daresay, does not employ any appreciable number of workers and we have to import a certain amount of these from Turkey in order to supply our demand, tariff or no tariff. Tulip bulbs which come from Holland, for some reason or other, like the filberts, have been put on the high-tariff list. The result was that we lost our automobile

export business in Turkey and almost all of our export wheat flour business in Holland.

The Netherlands was an important market for United States wheat and flour, but by 1933 it had become negligible. The decline from \$16,000,000 in 1930 to \$400,000 in 1933 was partially due to a decline in world prices, but if the Netherlands had bought from the United States in 1933 the same percentage of our total exports of wheat and flour as in 1930, the figure would have been about \$8,000,000 instead of \$400,000. In the years preceding the Smoot-Hawley tariffs, United States exports of flour to Holland averaged approximately 1,200,000 barrels a year. Because of adverse tariff action on Dutch bulbs, flour to that country dropped to 81,000 barrels in 1934. After the trade agreement was negotiated these imports gradually increased until in 1938 they totaled 476,000 barrels. To the processors of wheat, and to the farmer, there is no question as to the value of reciprocal trade agreements in promoting American foreign trade.

We assumed an uncompromising attitude toward France and Italy with regard to hand-made lace, which I believe did not even come in competition with machine-made lace which we produce in America, but the ruling clique among the high-tariff barons seeking exclusion had to have their way. As a result we lost the export automobile business in both of those countries.

I remember only too well that the Canadian Government protested the proposed schedules of the Smoot-Hawley Tariff Act and their protests were, as I recall, delivered to our Government through the British Ambassador at Washington. These were ignored and the warning unheeded. An order in council was entered within 24 or 48 hours after this unfriendly American action. This was the means of retaliation by the Canadian Government and it was of such tremendous force that our American industrialists will never forget its effect. As a result of the Canadian action, it was virtually impossible to ship not only automobiles but hundreds of other items produced in the United States, and record and figures will show that in order to produce certain well-known American items for Canada, it became necessary to finance and build American branch manufacturing plants north of the Canadian-American line. Figures will show that an average of two plants per week were built in Canada for an indefinite period. I have not had the time to refer to the record but I recall distinctly that the number of industry branches built went on for several years. Quoting from memory, I believe we lost \$750,000,000 worth of Canadian business per year, to gain \$500,000,000 worth, with a net loss of \$250,000,000.

This bungling tariff policy is precisely what this administration seeks to correct by putting it on a scientific basis by producing a freer two-way trade and it must be understood even by the most obtuse that business between two countries, like the business between two enterprises op-

erating across the street from one another, cannot continue unless the one buys from the other. You cannot send a shipload of goods to a foreign country and expect that steamer to return in ballast. You will not only lose the business but you will lose the steamship line for the reason that no government could afford to subsidize a merchant marine on the basis of a one-way pay load.

The result of political tampering with tariffs and granting unwarranted concessions to the producer of filberts, tulip bulbs, and many other relatively unimportant items invariably brought about disastrous retaliation against some of our most substantial and important industries. The net result was that we lost employment in industry among men and women who would, in the natural course of events, eat more American filberts and buy more American tulip bulbs if they were employed, but having lost that opportunity, they could not purchase these little luxuries. Thus we lose in two ways; among the intended beneficiaries of the tariff, and among those who lost their jobs as a result of it.

It is an interesting thing to note that not only the producers of automobiles and manufactured products endorse the Trade Agreements Act and its extension, but similar and strong endorsement has been given by the flour milling industry of the United States. There has not been any stronger expression on this point than that which appears in the record of hearings, and why should not they insist upon an enlightened program of trade negotiations instead of the old method of blundering and plundering tariff rates which almost wiped out the export flour business. Following the Smoot-Hawley Tariff Act, our exports of flour fell from 14,395,000 barrels a year to a low of 3,963,000 barrels. These people know exactly when they were hurt and precisely what caused the injury. They know, too, what brought about recovery. The last figures quoted for 1938 indicated that under the Trade Agreements our export flour business slowly but surely was being restored until we sold 5,227,000 barrels. These figures are significant in that they represent mills which are doing 98 percent of the export volume now being milled by the flour trade.

Is it any wonder that some of the shrewdest and smartest spokesmen for the farm interests favor the trade agreements? They remember that our exportable wheat became a drug on the market and at one time reached the volume of 269,000,000 bushels. This remnant of high protectionists on our committee beating their heads against an immovable wall of support for the trade agreements, continues to wail, to rant against, and misrepresent the Trade Agreements Act.

They are of the same strain, entertain the same dogmatic and dangerous philosophy as that which prompted a spokesman of the high-tariff element in the United States to come forward and advocate the imposition of a tariff upon bananas. This spokesman admitted that

he knew that bananas were not grown in the United States but he insisted that we ought to levy an exclusive tariff against Nicaraguan and Central American bananas in order to force our people to eat apples. Seemingly, he was a producer of apples or had some selfish connection with packing or marketing this valuable farm product. That brings to my mind a little humorous but factual occurrence in one of the Eastern States. I believe it was in one of the States of the New England area. One of our enterprising American citizens sought to prove that he could produce pineapples in a hothouse and he was, of course, successful. When he calculated his costs, he found that the pineapples were produced at the rate of \$13 each. He told friends and neighbors that if he could now induce the Congress of the United States to levy a high enough tariff on pineapples that a new and a flourishing industry could be established—the difference between the cost of production at home and abroad was all that was needed. There is no limit to the extremes which the high-tariff proponents will undertake to reach and they always try to make it appear that the benefit is intended for the American workmen or the American farmer. Nothing could be further from the truth.

Take the question of sugar. An everlasting and ever-increasing howl comes from those who feign to speak for the sugar industry, and they try to make it appear that all tariff benefits are intended for the workingman in the sugar mill and engaged in the production and farming of sugar beets and sugarcane. The fact of the matter is that employment in the sugar mills is limited to 60 or 90, possibly 120 days a year. At best employment is seasonal, temporary, and of benefit quite properly to the farm element residing near the refinery. Let us take the sugar-beet pickers. What I know of the sugar-beet farming and gathering of this root is that it has been for the large part in the hands of imported cheap Mexican labor which was exploited to the point of near peonage. Conditions were so bad that in certain western areas socially minded citizens, churchmen, and trade unionists banded together to force a correction in the employment of these people which had been unhealthy and demoralizing. Beet producers and sugar-mill owners, anxious to correct the situation, admitted that tariffs could not be of much help, if any.

Throughout the hearings the minority failed to make out a case. Such witnesses as appeared against the extension of the trade agreements were, for the most part, trying to reinforce the minority with arguments which were based upon unfounded fears. Repeatedly they admitted that thus far they have not been hurt, but they insisted that they could not be sure about the future. I think the record of the State Department and of the cooperating Government agencies and departments, built up during the period of the existing law, proves that they are reliable and can be trusted to protect the

best interests of the people of the United States. Any industry, whether in the field of manufacture or agriculture, can and does get an opportunity to present its case, and every factor is carefully considered before a decision is made and an agreement entered into.

People of the United States have a better opportunity to invoke the use of the established machinery which is now in effect than they ever had under the old logrolling system. You will remember that when the Smoot-Hawley tariff bill was written the minority members were not even consulted. Only two schedules were read as I recall my friend, Mr. COOPER from Tennessee, saying one time. The only member of the Committee on Ways and Means at that time, who is still a member, is our distinguished chairman. He was not even permitted to sit in on the discussions in executive session. That is the kind of tariff consideration Congress gave the people, or I should say, that the Republican Congress gave the people. Talk about steam rollers, it was a Gargantuan steam roller which the Republicans employed and which brazenly and mercilessly crushed all opposition.

If the Congress grants the additional authority, it will only be used where all authority under existing law has been expended, to our advantage.

The proof that the authority is used judiciously, conservatively and advantageously can be found in the fact that in ever so many items, rates were reduced to the extent of only a fraction of the original 50 percent authorized.

Consult the record of the State Department; it is available and shows in detail many such products.

It is intended that the additional authority shall be used only where additional advantages might accrue to the people of the United States and reciprocally to the other contracting parties. In my estimation, it is puerile and senseless to propose the seven amendments which the Republicans have agreed to support.

President Taft had the tactics of the opposition to this measure figured out a good many years ago when, in submitting the Canadian reciprocity agreement to the Senate, he warned:

It is not for me to question the good faith of those who propose to introduce and adopt amendments, but it is appropriate to say that the use of amendments is a very common method of defeating legislation when the responsibility for its defeat is one that the movers of such amendments do not desire openly to assume.

Defeat by amendment and reservation, it may be recalled, was the game played against the League of Nations following World War No. 1. The American people, I am sure, will be on the look-out for those tactics in the various parts of this Administration's farsighted postwar legislation, including this.

The proposed amendments are as follows:

First. That Congress by majority vote should have the right to veto any trade treaties which may be negotiated under the act, such right to be exercised within 90 legislative days of their submission.

Second. The act should provide that no reductions in duty on foreign imports should be made which would weaken the competitive position of American products in the American market.

Third. That proclaimed reductions of rates shall not apply with respect to any country found to be discriminating against the exports of the United States.

Fourth. That concessions made by the United States shall not be extended to third countries except in return for concessions which the President finds to be reciprocally equal and equivalent.

Fifth. That the importation of certain products, materials, and items certified to be essential to the national defense by the Joint Chiefs of Staff of the Army and Navy shall be limited by a quota in order to preserve and maintain those industries in the United States which are essential to our national defense.

Sixth. That any citizen, if he deems himself aggrieved by virtue of the negotiation or operation of any trade treaty, shall have the right to appeal to the courts of the United States for a determination of his claim or a review of the action of the Government in negotiating such treaties.

Seventh. That no reduction in duty under the Tariff Act of 1930 shall be made on imports competing directly with articles produced by handicraft industries in the United States.

These amendments are intended to frustrate by nullification the will of the people for the benefit of that element which would exploit industry at the expense of the workers, of small business, and of the farmer.

The first suggestion, that, Congress should have the right to veto any trade agreement which may be negotiated under the act, within 90 legislative days of its submission means we should spend 90 legislative days out of the year in the same sort of argument which the Ways and Means Committee has just witnessed. One might pause to inquire how long is a legislative day? A legislative day may and has run into weeks, or possibly months. After a few agreements had been subjected to the inevitable death or delay foreign countries would reluctantly waste time of their officials in negotiation of an agreement whose ultimate outcome was so uncertain. Such an amendment could not be seriously offered except to destroy the program.

The second suggested amendment in the minority report, that no reductions in duties should be made which would weaken the competitive position of American products in the American market, is either meaningless or else it is, as I suspect, a cover for the old, discredited cost-of-production idea. All I care to say on that is that if we are going to start taking the profits out of foreign trade, why should we stop there? Why not stop all trade, both domestic and foreign, by allowing no one to underbid the highest bidder in any form of exchange? That would completely end all competition, all progress, and all trade everywhere. What has become of the business cry: "Competition is the life of trade"?

Third. The opponents would like to have reductions of duties not apply to any country found to be even nominally discriminating against the exports of the United States. That may sound all right, but it just does not happen to be the best way of stopping discriminations which should be the objective of such an amendment. The President already has the power, under the existing act, to proceed in that manner if he thinks it is for the best interest of the country. Under the present act and agreements, I am told that almost daily matters relating to some aspect of apparent discrimination calls for attention of the State Department. Since the whole objective of the program is to work, as fast as possible, toward precisely that goal, I think we had better leave it to the Executive Department to decide when the withholding of reduced rates will, and when it will not, improve trade relations.

The opposition has apparently overlooked the fact that two can play at the game of reprisals and retaliation, as was the case following the Hawley-Smoot days. If other countries started to blacklist the United States, on the basis of the wartime controls and restrictions which we have at the present moment, and which may seem to be discriminations, we might well find ourselves in an embarrassing position.

Fourth. This amendment suggests that we return to a policy which a Republican administration under President Harding voluntarily abandoned because it was unsuited to our interests—the conditional most-favored-nation policy. That conditional principle was definitely abandoned under the flexible provisions of the Tariff Acts of 1922 and 1930, although some countries called it the "least-favored-nation principle," because the duty increases, as well as the minor decreases, were applied to the imports of all countries alike not just to the principal suppliers. The most-favored principle is too important a principle in our whole structure of commercial agreements and treaties to abandon in such an off-hand manner.

Fifth. In this amendment the minority recommends that the importation of certain defense items be passed upon by the Joint Chiefs of Staff of the Army and Navy. Definite limits by quotas would be provided to materials deemed essential to our national defense. In committee the Republicans proposed a quota of 40 percent of our total consumption as the limit which might be supplied by imports. Everybody agrees that we should not be caught short of needed defense materials in case another war comes, and it will surely come if we do not do a better job in making peace than we did before; and the act before us is just one of the measures which may help to prevent World War III.

But whether or not we want to go so far as to maintain domestic production to supply 60 percent of our needs is quite a different question. I do not see how we can produce 60 percent of our tin here at home at any price, since we have practically no domestic tin ore; I do not see how we can produce 60 percent of our manganese, essential to steel production, when we never have pro-

duced as much as half our consumption. Our supplies are now so low and so much more expensive to mine than imports that even the high war prices have not brought domestic production up to as much as 15 percent of our total consumption. The same could be said of chrome, tungsten, and certain other metals.

We cannot now form final opinion on the subject of rubber—we do not know when we shall be able to get natural rubber again nor what either natural or domestic synthetic rubber will eventually cost. I do know this; we cannot decide this momentous question by gazing into the future and guessing. This is also an important conversion problem and we are not here and now deciding all the tremendous conversion problems. Since the factors of cost, relative quality and supply are unknown, and promise to continue so for a few years, any decisions regarding protection to the synthetic-rubber industry should be postponed until all the pertinent facts can be determined. When and if assistance should in the future and in the light of the existing situation appear necessary or desirable in our national interest, the method of granting it can then be determined.

The clarifying committee amendment formally adding the Army and Navy to the governmental bodies to be consulted by the President before an agreement is entered into is safeguard enough for our national security.

Sixth. This is another old favorite. Any citizen, deeming himself aggrieved by virtue of the operation of a trade agreement is given the right to go to court about it according to this proposed amendment. As Mr. Taft pointed out in his testimony before the committee this provision—section 516 (b)—of the Tariff Act of 1930—was originally inserted in the Tariff Act of 1922 as a protectionist measure—that is tariff protection by administration. The practice has existed only for a short time, and then as an extraordinary privilege. The courts have held time and again that private parties have no vested right in any tariff rate. No one's rights have been abrogated by the repeal of section 516 (b). The Bill of Rights in our Constitution does not guarantee every man freedom to obtain sky-high tariff protection. It would be more nearly correct to give a consumer the right for protection against tariff robbery.

Seventh. This amendment is innocent looking; it proposes to prevent reductions on imports competing directly with articles produced by handicraft industries in the United States.

You may not understand why the minority considers handicrafts a subject important enough in the economy of the United States to constitute one of its proposed amendments. According to the criterion set forth, industry with direct and indirect labor costs constituting 50 percent or more of total costs of production, and producing by recognized handicraft methods, can qualify as a handicraft industry. This is a tricky definition. Suppose a craftsman is producing handmade silver jewelry, some of which is perhaps set with a few semiprecious stones; if you think he would qual-

ify even if he does all of his work by hand, the materials may make up more than 50 percent of his total cost of production unless he is making something pretty fancy. It is fairly obvious that what the minority is seeking is to cover by this label "handicraft" protection of a few industries producing things we never think of as "handicrafts."

I now yield to my friend from Minnesota if he seeks to ask a question.

The CHAIRMAN. The gentleman is not present.

Mr. DINGELL. The other day—and I am sorry he left the Chamber—he rambled around a great deal here on the floor and gave expression to his uncontrolled feelings, uttered some very uncomplimentary remarks whenever anyone asked him to yield. I want the Record to show just what some of the newspapers in Minnesota think about his views and proposals.

I read from the St. Paul Pioneer Press of March 19, 1945:

If this tariff proposal is defeated, there is little hope, indeed, for freeing postwar international trade from the obstructions that dried it up after the last war and from the restraints that helped provoke war-making economic crises after 1930.

I next wish to quote from the St. Cloud (Minn.) Times of April 19, 1945. I believe this is from the gentleman's own district:

Our own Sixth District Representative * * * declares, "It would mean lowering of the American living standard, would close factories, and probably put all farmers but grain growers out of business." Bosh!

Next I wish to quote from the Minneapolis Tribune of March 1945, as follows:

Congress is confronted with making a decision on the fundamental domestic problems involved in realistic economic cooperation on a world level. * * * Bretton Woods and Dumbarton Oaks now represent an attempt on the part of the nations of the world, led by our own Government, to reverse this policy of economic isolationism. * * * Unless Bretton Woods is accompanied by sound domestic policies encouraging freer trade and fuller employment of available manpower in the postwar period, ratification of a high-sounding international agreement means nothing.

Mr. Chairman, I now yield to the gentleman from Minnesota [Mr. KNUTSON], if he cares to ask me a question.

Mr. KNUTSON. In the first place, the editorial that the gentleman quoted from a St. Cloud, Minn., paper was written by a former Democratic postmaster there.

Mr. DINGELL. It does not make any difference who it is written by. It makes sense and it repudiates the gentleman's stand in his own district.

Mr. KNUTSON. I will take my chances on the editorial support of the papers of the State of Minnesota.

Mr. DINGELL. I will take mine on the sensibleness of the statement in the St. Cloud paper.

Mr. KNUTSON. Of course, the gentleman is never wrong.

Mr. DINGELL. Is the gentleman going to ask me a question now?

Mr. KNUTSON. I guess I will not.

Mr. DINGELL. I did not think the gentleman had a question in the first place.

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

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Chairman, there is a singular fact in connection with the whole question now under consideration, and it is that almost 90 percent of the items imported from foreign countries are items in competition with products of the soil, while the leading exports from the United States to every one of these countries is, first, automobiles; second, iron and steel-mill products; and, third, electrical machinery.

If it is established, Mr. Chairman, and it is established, that we cannot possibly use enough products from other countries which we do not, or cannot produce in this country, to maintain a proper economic balance of trade with those countries, and if this law is ever to be operative, then we will have to buy from those other countries products which are produced in this country in quantities sufficient to supply our needs.

In that even, if we are to nurture the manufacturing industry at the expense of agriculture, the manufacturer then must give up a part of his domestic market here at home in exchange for uncertain foreign markets abroad.

If we are going to nurture agriculture at the expense of the manufacturing industry, the agriculturist then must give up a part of his market here at home for a likewise uncertain market abroad.

Let us see if this is true. Beginning before the year of 1900 to as late as 1932, and I assume from then on, not only was American capital being expatriated and put into foreign manufacturing to serve foreign markets, but American industry was establishing foreign branch factories. It was because the American industrialist found that he could produce for his foreign market at a cheaper cost by using cheap foreign labor and cheap foreign materials in the countries in which they exist, by avoiding the long haul with its consequent costs of carriage, and by avoiding frozen capital invested in transit, and insurance charges in transit, could thereby meet foreign competition on its own ground. This is exactly the reason behind the phenomenal flight of American manufactures to foreign countries. It was not because of the American tariff walls, although it is true that foreign tariff walls set up further obstacles; but if there was not a vestige of tariff existing either here or elsewhere, if the whole world were today on a basis of free trade, the American industrialist, if he would serve his foreign markets at a price which could compete with producers in those foreign markets, would, because of that cheap labor market, be compelled to maintain foreign branch factories. That fact is so apparent that, I think, no intelligent person would for a moment assume to contradict it.

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

Mr. WOODRUFF of Michigan. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I think the gentleman should state at this point that several who testified before the committee stated that they were being urged by foreign countries to move their factories to Latin America, for instance.

Mr. WOODRUFF of Michigan. I may say to the gentleman from Minnesota that I am well aware of that fact. What I am dealing with at the moment is what has been done in past years by American manufacturers to get what they con-

sidered was their fair share of the foreign market by moving into those foreign markets and pursuing their business there.

Mr. Chairman, I now present for the Record a tabulation of branch manufacturing plants established in foreign countries by American manufacturers prior to 1933. Since that time no itemized report of subsequent establishments are available, but there must be many of them.

Present investment and employment in foreign producing units by years in which established, all countries

[The investment and employment figures are for 1932]

| Year | Manufacturing | | | | Raw materials and special classes | | | |
|--------------------|-------------------------|---------|---------------|---------------|-----------------------------------|---------|---------------|---------------|
| | United States companies | Labor | Foreign units | Investment | United States companies | Labor | Foreign units | Investment |
| 1860..... | 1 | 12 | 1 | \$75,905 | | | | |
| 1862..... | 1 | 600 | 1 | 1,158,899 | | | | |
| 1879..... | 1 | 14 | 1 | 58,273 | | | | |
| 1880..... | 2 | 600 | 7 | 65,370,510 | | | | |
| 1881..... | 2 | 6,000 | 2 | 2,578,409 | | | | |
| 1882..... | 1 | 7,809 | 1 | 6,948,888 | | | | |
| 1883..... | 1 | 6,000 | 3 | 328,000 | | | | |
| 1884..... | 1 | 103 | 1 | 562,285 | | | | |
| 1885..... | 1 | | 3 | | | | | |
| 1887..... | 1 | 143 | 1 | 387,285 | | | | |
| 1888..... | 2 | | 2 | 13,468,000 | | | | |
| 1889..... | 2 | 174 | 2 | 1,287,000 | | | | |
| 1890..... | 1 | | 1 | 26,000,000 | | | | |
| 1891..... | 2 | 813 | 2 | 859,713 | | | | |
| 1892..... | 5 | 3,906 | 7 | 18,094,428 | | | | |
| 1893..... | 1 | 536 | 1 | 613,875 | | | | |
| 1895..... | 1 | 100 | 1 | 127,629 | 1 | 34 | 1 | |
| 1896..... | 4 | 797 | 9 | 5,390,118 | | | | |
| 1897..... | 2 | 903 | 2 | 2,045,532 | | | | |
| 1898..... | 1 | 2,000 | 1 | 6,298,980 | | | | |
| 1899..... | 3 | 2,348 | 3 | 13,041,378 | 2 | 1,036 | 3 | \$4,413,000 |
| 1900..... | 6 | 653 | 14 | 4,778,000 | 2 | 100 | 2 | 7,026,994 |
| 1901..... | 4 | 449 | 6 | 8,905,010 | 4 | 7,784 | 11 | 18,502,825 |
| 1902..... | 3 | 2,782 | 3 | 4,612,914 | 6 | 6,219 | 18 | 44,338,000 |
| 1903..... | 8 | 1,820 | 8 | 6,163,606 | | | | |
| 1904..... | 9 | 6,090 | 13 | 66,893,786 | 3 | 8,318 | 3 | 59,499,033 |
| 1905..... | 16 | 13,085 | 29 | 16,864,429 | 3 | 2,572 | 8 | 8,010,500 |
| 1906..... | 10 | 2,172 | 33 | 8,446,377 | 5 | 5,783 | 5 | 31,173,394 |
| 1907..... | 14 | 600 | 15 | 5,129,546 | 3 | | 5 | 37,280,690 |
| 1908..... | 15 | 6,164 | 21 | 21,798,557 | 1 | 238 | 1 | 272,348 |
| 1909..... | 10 | 2,317 | 18 | 3,290,282 | 3 | 3,736 | 3 | 20,304,743 |
| 1910..... | 21 | 11,118 | 46 | 33,482,926 | 1 | | 1 | 4,099,000 |
| 1911..... | 16 | 17,001 | 19 | 51,662,057 | 3 | 19,208 | 4 | 13,387,678 |
| 1912..... | 22 | 2,140 | 29 | 16,924,018 | 2 | 5,001 | 3 | 39,285,223 |
| 1913..... | 14 | 5,066 | 15 | 14,285,725 | 2 | 615 | 2 | 3,800,600 |
| 1914..... | 10 | 3,252 | 20 | 27,347,130 | 3 | 2,873 | 2 | 24,195,124 |
| 1915..... | 11 | 3,624 | 13 | 6,360,366 | 4 | 6,404 | 6 | 45,380,766 |
| 1916..... | 23 | 3,702 | 25 | 21,721,750 | 3 | 5,659 | 4 | 86,017,686 |
| 1917..... | 20 | 8,311 | 22 | 7,676,820 | 5 | 2,600 | 6 | 16,407,107 |
| 1918..... | 14 | 2,623 | 34 | 23,982,055 | 1 | 9,414 | 4 | 12,065,000 |
| 1919..... | 27 | 8,742 | 34 | 42,577,557 | 11 | 10,769 | 13 | 46,892,183 |
| 1920..... | 43 | 9,487 | 52 | 54,189,586 | 8 | 9,511 | 14 | 42,468,392 |
| 1921..... | 29 | 4,646 | 37 | 14,366,211 | 8 | 3,090 | 13 | 30,151,159 |
| 1922..... | 22 | 3,761 | 22 | 24,701,095 | 5 | 9,341 | 7 | 5,000,000 |
| 1923..... | 25 | 4,784 | 34 | 14,675,255 | 7 | 9,398 | 8 | 171,225,528 |
| 1924..... | 28 | 6,417 | 39 | 22,653,758 | 9 | 1,877 | 13 | 12,854,866 |
| 1925..... | 33 | 11,504 | 49 | 20,236,145 | 11 | 15,920 | 16 | 112,599,954 |
| 1926..... | 35 | 16,559 | 49 | 26,921,127 | 6 | 19,791 | 8 | 3,940,588 |
| 1927..... | 43 | 11,438 | 54 | 44,129,498 | 9 | 3,279 | 11 | 15,854,867 |
| 1928..... | 45 | 6,956 | 64 | 35,761,070 | 6 | 6,886 | 13 | 86,873,493 |
| 1929..... | 70 | 16,553 | 69 | 78,094,191 | 10 | 1,854 | 11 | 3,697,658 |
| 1930..... | 64 | 15,185 | 81 | 55,559,953 | 6 | 1,098 | 12 | 37,404,000 |
| 1931..... | 49 | 3,762 | 55 | 29,717,504 | 5 | 629 | 5 | 2,192,390 |
| 1932..... | 43 | 2,369 | 53 | 11,502,399 | 1 | | 2 | |
| No date given..... | 185 | 18,605 | 363 | 34,237,314 | 23 | 2,111 | 61 | 91,108,094 |
| Total..... | | 267,345 | 1,520 | 1,033,259,808 | | 183,118 | 299 | 1,144,433,436 |

This table is taken from Senate Document 120, which is a report from the Department of Commerce in response to Senate Resolution 139, Seventy-second Congress, on American branch factories abroad, together with an analysis of returns from United States producers with investments of \$50,000 or more in foreign plants in 1932. This shows that a total of approximately \$2,177,693,244 was at that time invested by American industry in foreign branch plants. The number of such approximated 1,800. Please keep in mind, ladies and gentlemen, that this list is wholly incomplete, because, in the first place, it embraces only plants in

which more than \$50,000 per plant was invested, and, secondly, it does not include any plant established and maintained by American capital which operates no American plant; and, third, it does not include many plants upon which American firms refused to report. And, further, it does not include those American investments and activities in foreign countries which do not provide competition for American production.

This is the whole and complete answer to the charge that American tariff walls are responsible for the flight of American capital and American plants into foreign countries. This is absolute proof that

American producers cannot produce in America and ship abroad as cheaply as producers can produce and serve their markets at home in foreign countries. This will be doubly true now that our costs of labor and production have increased far beyond anything we have known, and especially that we now are supplying our foreign competitors with the most up-to-date mass-production machinery with which they can more successfully manufacture and invade our markets with competitive goods.

It must be equally true that we cannot hope to compete in these foreign markets with American-made goods unless we reduce the cost of production to a point where we not only can compete with lower foreign wages, cheaper foreign materials, but also be able to absorb other costs incident to such transactions.

It must be patent to every thinking person that this act cannot be effective except at the expense of the American workman and the American farmer and the American standard of living.

Now, Mr. Chairman, there is one salient fact not heretofore mentioned, which I wish to call to your attention. The facts I have just quoted from this Senate document show that the manufacturing industry can and does, when deemed necessary, jump across the oceans and establish branch factories in the markets abroad which it wishes to serve. But—mark well this fact—the American farmer cannot do likewise.

His base of operations is irrevocably and irremovably fixed in the soil of this country. He cannot at will move a portion of his factory—the farm—to Canada, or to Argentina, to Brazil or to England, to Germany or to Poland, or to any other country. He is destined by the very nature of his calling to remain fixed, and yet we are here seriously considering further sacrificing his interests, taking advantage of his helplessness, crucifying him under some theory that we are going to benefit America by so doing.

It has been argued time and time again that the reason for our decrease in imports has been the high tariff barriers, and yet my study of the reports covering exports and imports for the unusual years 1922 to 1932, inclusive—the years when the Fordney-McCumber and the Hawley-Smoot Tariff Acts were the law of the land—show this significant fact, that of all the fluctuating imports into this country during these years, the years when the purchasing power of our people was declining with theretofore unknown rapidity, 67 percent of all imports remained on the free list. That portion of the import totals shrank exactly in ratio with the portion which covered dutiable items. That means just one thing, namely, that it was not the tariffs, but the loss of American purchasing power that caused the reduction in imports.

Mr. Chairman, I will insert that table at this point in my remarks:

Imports for consumption

| Year | Value | | | Percent free |
|-------|-----------------|-----------------|-----------------|--------------|
| | Total | Free | Dutiable | |
| 1922 | \$3,073,773,000 | \$1,888,240,000 | \$1,185,533,000 | 61 |
| 1923 | 3,731,769,000 | 2,165,148,000 | 1,566,621,000 | 58 |
| 1924 | 3,575,111,000 | 2,118,168,000 | 1,456,943,000 | 59 |
| 1925 | 4,176,218,000 | 2,708,828,000 | 1,467,391,000 | 65 |
| 1926 | 4,408,076,000 | 2,908,107,000 | 1,499,969,000 | 66 |
| 1927 | 4,163,090,000 | 2,680,059,000 | 1,483,031,000 | 64 |
| 1928 | 4,077,937,000 | 2,678,633,000 | 1,399,304,000 | 66 |
| 1929 | 4,338,572,000 | 2,880,128,000 | 1,458,444,000 | 66 |
| 1930 | 3,114,077,000 | 2,081,123,000 | 1,032,954,000 | 67 |
| 1931 | 2,088,455,000 | 1,391,693,000 | 696,762,000 | 67 |
| 1932 | 1,325,093,000 | 885,536,000 | 439,557,000 | 67 |
| Total | 38,072,171,000 | 24,385,663,000 | 13,686,508,000 | |

What items, Mr. Chairman, will continue to be affected if this bill is enacted? It cannot affect the items on the free list. The President cannot increase or reduce the tariff on those; neither can he take those items from the free list, although he has the power to freeze such items. Therefore, he can reduce the tariff only on those items which must be in competition with American products, otherwise they would not have had a tariff imposed on them in the first place.

It will be recalled that the Smoot-Hawley bill of 1930 included what was known as the flexible provision, under which reduction of 50 percent in existing tariff rates could be brought about. If, after investigation by the Tariff Commission, it appeared that a reduction or an increase on any item was necessary or desirable, a recommendation to that effect was made to the President, who could, if he desired, put the same into effect by Executive order. This flexible provision

worked, and worked equitably. Many reductions, and some increases, were brought about.

The original Trade Agreements Act permitted the President to reduce tariffs by not more than 50 percent. It is proposed in the measure now before us to authorize the President to reduce tariffs existing as of the date it becomes the law, by another 50 percent. Thus we find ourselves in a position where, if this resolution becomes the law, it will be possible to reduce tariffs on competitive products a total of 87½ percent.

We know, of course, that wages in this country for many, many years have been much higher than in other countries. We know also that in recent years wages here have increased very rapidly. Further, we know that rising costs of labor means rising costs of production, 80 percent of which is labor. So far as I am informed, no other country has in recent years experienced a marked increase of

labor costs. Today there is a larger discrepancy between wages here and abroad than ever before in our history. Consequently we find ourselves now in a far more disadvantageous position in meeting the competition of imports from foreign countries, where wages are but a small fraction of wages here. There has been no time in our history when a further lowering of our tariffs would carry such a degree of potential disaster as now. By all means section II should be stricken from the resolution.

Mr. Chairman, Secretary of State Hull declared before the Ways and Means Committee as long ago as 1937 that one of the prime purposes of the act was to "soften the mind of the world toward peace." Let me take the time to give you the details of that declaration.

Whenever a resolution, similar to the one now under consideration, has at different times in the past been before the Ways and Means Committee, the Secretary of State and certain other representatives of his Department appeared and asked the committee to approve the resolution extending the act. The most significant fact apparent in the hearings at those times was the utter indifference of both the Secretary and his assistants to our rapidly diminishing trade balances. These gentlemen endeavored to convince the committee that great benefits had been reaped by the people of this country through the operations of the act.

A very natural curiosity prompted some of the minority members to ask these witnesses for a bill of particulars as to what those benefits might be.

After much insistence, Secretary Hull finally stated that the policy had resulted in "softening the mind of the world toward peace"; and I will say, in addition, that he gave no other accomplishment as a result of the operation of the act. Turning back every economic question asked him, the Secretary invariably replied that the question was "not relevant to the larger purposes involved," which, he repeated, was to "soften the mind of the world toward peace."

The principal theme of argument then, as now, was that through lowering our tariff barriers, and thus, in effect, throwing our markets open to foreign producers and allowing them to undersell our products in this country in devastating competition for our own producers, we could bring about a "softening of the mind of the world toward peace," and establish a reign of brotherly love throughout the world; also, that we could develop in the nations of the Old World a spirit of unselfishness—not to say generosity—which, in their dealings with each other and with us, has been a motive utterly unknown in years gone by.

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

Mr. WOODRUFF of Michigan. Yes, indeed.

Mr. KNUTSON. The gentleman is making a very interesting and informative speech. As a member of the Committee on Ways and Means who attended the 4 weeks of hearings we had on this

bill, the gentleman will recall that members of the committee on the Republican side repeatedly asked proponents of this legislation what items they would lower, what items they would favor bringing in free, and none of them gave a satisfactory answer.

Mr. WOODRUFF of Michigan. That is entirely correct. Nothing they said during the hearings, which I heard, could possibly justify them in asking authority to reduce the tariff on any products of this country another 50 percent.

Mr. KNUTSON. The gentleman will further recall that several of the State Department witnesses intimated several times it was not proposed to use this additional bargaining power; and they could not tell us why they were asking for it.

Mr. WOODRUFF of Michigan. They either could not tell or would not tell. I have an idea it is the latter.

Mr. KNUTSON. Let us be charitable and believe it to be the former.

Mr. WOODRUFF of Michigan. Mr. Chairman, for 11 years this law has been on the statute books. The Secretary of State has, during this time, negotiated 28 trade agreements with foreign countries. In each agreement we granted certain reduction of tariffs on competitive imports, and they, in return, granted certain concessions to us. In every instance the United States has immediately extended to every other nation in the world, except Germany—and Australia for a short time—every reduction of tariffs, and every benefit we granted to the nation with which we entered into an agreement. But, as you know, we asked from these nonagreement nations nothing except that they should not discriminate against our commerce.

It was upon this theory that the Congress passed the act originally. In 1937 it was extended for another period of 3 years. In 1940 it was extended for 2 years. These extensions were made with the understanding that the Executive would follow the law both in letter and spirit, and that when we extended benefits to nonagreement nations we should immediately receive from them every privilege and benefit which either had granted to any other nation.

This, Mr. Chairman, was the intent and the definite understanding of the committee and the Congress. That this is to be expected is indicated by the provision in the law giving to the President the power to withhold from any nation the benefits when such nations fail to grant us most-favored-nation treatment.

Inasmuch as the resolution now before us provides another 3-year extension of the act, and grants authority to further reduce the tariffs by another 50 percent, it is vitally important that we examine the facts disclosed during the recent hearings on the resolution to learn for ourselves whether the administration of the law has been what Congress was led to believe it would be; what progress, if any, has been made toward reaching the declared objectives, these basic assumptions, upon which every argument in favor of the act and its extension must be based.

It is important that we determine for ourselves how foreign nations have reacted to this attempt to eradicate misunderstandings and wars between nations, and to eliminate discriminations and barriers in international trade.

The utter futility of this idealistic undertaking is abundantly proved by our experiences during and following the years 1917, 1918, and 1919 when we then attempted to achieve the objectives which the Secretary of State in 1940 again declared inspired his endeavor to bring peace to the peoples of the world by this process.

We tried it then by contributing the lives and the health of nearly half a million American boys. We are trying it again in the present war. Our casualties in this one are already more than 1,000,000, the dead reaching almost the total number of all casualties in the previous war. We tried it then, and we try it now, by bringing agony and suffering to the hearts of millions of relatives of these American boys. We tried it then by spending and lending more than \$40,000,000,000 in our total war effort; we try it now by spending and giving more than \$385,000,000,000 of the American taxpayers' money—the amount appropriated by Congress for war purposes since July 1940—in our attempt to “soften the mind of the world toward peace.”

The figures and facts concerning our efforts reduce to a tragic absurdity the present contention that trade agreements will accomplish that which we have failed to accomplish by our monumental sacrifices.

Another thing, Mr. Chairman, which we Americans should never forget is this: When the First World War ended, and the victors and the vanquished gathered around the conference table at Versailles, there was no dove of peace hovering over that assembly. There was no soft and gentle attitude toward the brotherhood of man in that mirrored palace. There was none of sympathy, none of unselfishness, not a thought or desire to build for future peace among those representing the nations of the Old World. In all that solemn and historic conclave the only voice raised in behalf of the future peace of the world, the only one who came there with hands clean, and heart free of greed and hatred, was the United States of America. Every other nation among the victors was there literally sweating with a fever of greed, of selfishness, of a desire to outdo the others in clutching the spoils of victory.

Now, Mr. Chairman, let us have no illusions. Had the Central Powers, instead of the Allies, won that great conflict, the conditions—and the results—at Versailles would have been exactly the same. The victors would have been utterly without mercy, regardless of what group they might be.

Into that conclave strode the President of the United States. He laid upon the altar of future peace all of our killed and wounded; all those of broken bodies; all those of shattered minds; all the widows and the orphans; all the dependent fathers and mothers; all the sum of that incalculable human agony; and all those

billions of American money, which we are still paying and must continue to pay for generations to come. All of these, I say—the whole of this dreadful sacrifice—he laid upon the table at Versailles, and he asked for—what? Money reparations? No. Additional territory? No. Not \$1 of money, not 1 foot of additional territory did he seek in return for America's supreme sacrifice. He asked only that the nations of the world live at peace with us, and with one another.

Mr. Chairman, there are perhaps few of us in this Congress who, in greater or less degree have not contributed to the sacrifices we made either in service or through ties of blood.

Not only did we lend money while the conflict was raging, but after the peace of Versailles was signed these other nations came to us and with pleading, outstretched hands asked for and received more and still more of our billions of money. Eighteen of these nations, Mr. Chairman, borrowed money from us during the conflict and after the conflict was ended. They borrowed this money, not only while their house was burning, not only after it was in ashes, but they came to us and borrowed the money to rebuild. And then what happened? Almost from the day they got the last dollar, every one of these nations, with one magnificent exception, began to plan and plot and whine that they ought not have to repay their honest debt to us. With a strange—an amazingly strange—similarity to individuals, those debtor nations, with one exception, began to justify to themselves the nonpayment of their debts by beginning to abuse and to hate their creditor. We were Uncle Shylock. It had not been their war, but our war. They were preventing the enemy from crossing the sea to destroy us. They were preserving our democracy. These were some of the rationalizations they adopted to justify in their own minds their repudiation of their honest debts to us. Do you find this reminiscent of the attitude of our present allies who are demanding more and more from us through lend-lease? Yes, even after the war shall end.

Those earlier debts are unpaid to this hour. Those debts stand repudiated to this day.

Now, Mr. Chairman, in view of all this, it is, of course, to challenge the common sense of the Nation by a grotesque absurdity to say that these trade agreements, being achieved and conducted as they are, have had, or will have, the slightest effect in “softening the mind of the world toward peace.”

The amazing effrontery is that some of the spokesmen of the administration still continue to claim that these trade agreements will aid in bringing about permanent peace. In other words, having failed to prevent the malady, its proponents now bring forth the utterly illogical argument that their remedy will cure the disease it has so signally failed to prevent.

Before I leave this point of world peace, let me remind my colleagues that the conditions under which European nations live, their very geographical jux-

taposition, have given them the habit of armed conflicts. That habit of war has persisted among those peoples since before the dawn of recorded history. It is not trade agreements, but intelligence, enlightenment, unselfishness, and the spirit of the Redeemer—that, and nothing else—that will ever bring universal peace among the nations of the world, if it should be achieved.

Now, Mr. Chairman, I come to the question of discrimination against our foreign commerce. It will interest the Members of the House to know there is not a nation in the world that is not discriminating against our commerce.

It does not require a State Department protocol expert or an administration economist to tell us that if neighbors living side by side, and endeavoring to establish community good will, were busy discriminating against each other, and injuring each other in their everyday associations, there would not be a vestige of community good will possible.

I have pointed out that the major reason for the failure of the New Deal trade agreements program lies within the New Deal itself. It negotiates treaties in an atmosphere of sweetness, wishful thinking, and foolish disregard of the needs of our own people. It assumes that foreign nations are looking to our interest before protecting their own interest. It, in fact, holds out the hand of brotherly love, at the same time permitting foreign nations to discriminate against our trade while holding in our hands unused the power with which to end this discrimination. By the act itself the President is authorized to withhold from all nations discriminating against our commerce every benefit or concession granted to other nations in these agreements. In only one has he done this. I contend that is no way to secure respect for us, for our commerce, or to increase our trade.

Trade is competitive, and I know of no merchant on any of the main streets in this country who attempts to increase his volume of trade by encouraging his competitors to gain and keep an unfair advantage.

Now, Mr. Chairman, let me remind you that the bilateral agreements set forth in the table which I mentioned earlier and which I now introduce are only those which have been entered into between countries of the world since January 1, 1935. These do not include such agreements as have been entered into since 1940, because information concerning them is not available. They do not include bilateral agreements in existence prior to January 1, 1935.

COMMERCIAL AGREEMENTS SIGNED SINCE JANUARY 1, 1935

The tabulation attached is based on a preliminary examination of the commercial treaties and agreements signed since January 1, 1935, of all the countries of the world with all other countries. The tabulation is accurate with regard to Latin-American countries, because for some months the Tariff Commission has been making an intensive examination of the texts of these agreements in connection with its Latin-American study. For the other countries the list is made up from readily available sources. A careful check of the latter by

the Tariff Commission both for purposes of tabulation and substantive material is now in progress.

This tabulation covers bilateral agreements; multilateral agreements are not included. In listing commercial agreements the following types of instruments are regularly included: Those which contain provisions affecting tariff rates, trade restrictions, customs regulations, and all types of clearing, compensation, payments, and exchange agreements. These instruments vary considerably both in their length and their formality. Those dealing with such matters as double taxation, trade-marks, navigation, commercial travelers, plant inspection, traffic agreements, and agreements for the payment of noncommercial debts have not been included.

Basic agreements include all agreements which do not supplement, modify, or renew other agreements. Subsidiary agreements cover all those which modify or supplement the basic agreements here listed and also any agreements that renew the basic agreements or agreements signed prior to January 1, 1935.

Commercial agreements signed since Jan. 1, 1935

| Country | Basic agreements | Subsidiary agreements | Total |
|--|------------------|-----------------------|-------|
| Afghanistan..... | 2 | | 2 |
| Albania..... | 3 | 2 | 5 |
| Argentina..... | 28 | 12 | 40 |
| Australia..... | 9 | 1 | 10 |
| Austria..... | 21 | 14 | 35 |
| Belgium..... | 55 | 35 | 90 |
| Bolivia..... | 9 | | 9 |
| Brazil..... | 29 | 34 | 63 |
| Bulgaria..... | 28 | 3 | 31 |
| Burma..... | 1 | | 1 |
| Canada..... | 19 | 9 | 28 |
| Chile..... | 11 | 56 | 67 |
| China..... | 2 | 2 | 4 |
| Colombia..... | 10 | 11 | 21 |
| Costa Rica..... | 8 | | 8 |
| Cuba..... | 6 | 4 | 10 |
| Czechoslovakia..... | 24 | 36 | 60 |
| Danzig..... | 4 | | 4 |
| Denmark..... | 26 | 14 | 40 |
| Dominican Republic..... | 1 | 2 | 3 |
| Ecuador..... | 9 | 13 | 22 |
| Egypt..... | 5 | 9 | 14 |
| Estonia..... | 25 | 26 | 51 |
| Ethiopia..... | 2 | | 2 |
| Finland..... | 24 | 34 | 58 |
| France..... | 127 | 82 | 209 |
| Syria and Lebanon..... | 3 | | 3 |
| Germany..... | 132 | 145 | 277 |
| Slovakia..... | 4 | | 4 |
| Greece..... | 48 | 27 | 75 |
| Guatemala..... | 7 | 3 | 10 |
| Haiti..... | 10 | 5 | 15 |
| Honduras..... | 1 | | 1 |
| Hungary..... | 25 | 25 | 50 |
| Iceland..... | 4 | 2 | 6 |
| India..... | 4 | 3 | 7 |
| Iran..... | 6 | | 6 |
| Iraq..... | 7 | | 7 |
| Ireland..... | 10 | 9 | 19 |
| Italy..... | 132 | 91 | 223 |
| Japan..... | 17 | 3 | 20 |
| Manchukuo..... | 3 | 2 | 5 |
| Latvia..... | 25 | 16 | 41 |
| Liberia..... | 4 | | 4 |
| Lithuania..... | 27 | 9 | 36 |
| Luxemburg..... | 4 | 1 | 5 |
| Mexico..... | 3 | 3 | 6 |
| Monaco..... | 1 | 1 | 2 |
| Muscat..... | 1 | | 1 |
| Netherlands..... | 19 | 27 | 46 |
| New Zealand..... | 3 | 2 | 5 |
| Nicaragua..... | 2 | 2 | 4 |
| Norway..... | 41 | 12 | 53 |
| Panama..... | 1 | | 1 |
| Paraguay..... | 5 | | 5 |
| Peru..... | 5 | 5 | 10 |
| Poland..... | 57 | 50 | 107 |
| Portugal..... | 19 | 3 | 22 |
| Mozambique..... | 1 | | 1 |
| Rumania..... | 62 | 57 | 119 |
| Salvador..... | 7 | 8 | 15 |
| Siam..... | 15 | 2 | 17 |
| Spain..... | 38 | 7 | 45 |
| Sweden..... | 52 | 16 | 68 |
| Switzerland..... | 44 | 36 | 80 |
| Turkey..... | 73 | 51 | 124 |
| Union of South Africa..... | 22 | 16 | 38 |
| Union of Soviet Socialist Republics..... | 35 | 13 | 48 |

Commercial agreements signed since Jan. 1, 1935—Con.

| Country | Basic agreements | Subsidiary agreements | Total |
|--|------------------|-----------------------|-------|
| United Kingdom..... | 67 | 57 | 124 |
| Bechuanaland..... | 2 | | 2 |
| Newfoundland..... | 1 | | 1 |
| Northern Rhodesia..... | | 1 | 1 |
| Palestine..... | 2 | | 2 |
| Southern Rhodesia..... | 3 | 2 | 5 |
| United States..... | 36 | 14 | 50 |
| Uruguay..... | 25 | 1 | 26 |
| Venezuela..... | 11 | 17 | 28 |
| Yemen..... | 2 | 1 | 3 |
| Yugoslavia..... | 32 | 20 | 52 |
| 79 countries (including 9 colonies or dependencies)..... | 858 | 573 | 1,426 |

NOTE.—Because each bilateral agreement involves 2 countries and in order to avoid counting any such agreement twice, the above totals are one-half the figures that would be obtained by adding the individual country figures. Thus, in terms of the world, the 79 countries as listed have, as the result of negotiations since the beginning of 1935, undertaken commercial commitments with respect to tariffs and trade representing 2,852 engagements by individual countries, equivalent to 1,426 bilateral agreements.

We all know there is no such thing as a one-way good-neighbor policy. Any individual or any nation foolish enough to attempt to carry on such a policy—who attempts to exercise trust and generosity toward another who does not intend to do so—will eventually and inevitably find himself minus his possessions or his markets, as the case may be. To argue otherwise is to defy all logic known to human philosophy.

Unless there is an about face in the administration of the act, unless the new President exercises the authority given him to protect American producers by compelling reciprocal treatment from other nations, or unless this act is allowed to lapse and these trade agreements are discontinued, then the regaining of these markets will not be postponed—the markets will be perpetually lost to us.

Now, Mr. Chairman, it is difficult for me to understand how any man can reconcile in his mind the futile sacrifices we have made during and since the First World War, and especially during the later years under this act, and including our sacrifices growing out of the present war, with the welfare of this country. It is difficult for me to understand how any fair-minded person could even ask that we continue to lay upon the altar of peace and good will, more and more of our own people's welfare and security as proposed in section II of the resolution in the face of the plain and overwhelming evidence that we are not "softening the mind of the world," and the attitude of other nations toward peace, or even a good-neighbor policy with this Nation.

We might just as well now face the fact that world commercial policy among the other nations is every nation for itself and "the devil take the hindmost."

If we, through the monumental sacrifices we have made for the benefit of other nations during the past quarter of a century, have not impressed them with our complete unselfishness, certainly

they will not be impressed by the surrender of our home markets to the products of their poorly paid labor.

It serves no good purpose for us to blind ourselves with platitudes and sentimental phrases. The Golden Rule, whether between nations or individuals, must work two ways. A good-neighbor policy; to be a good-neighbor policy, whether between nations or individuals, must work both ways. A reciprocity policy, to be a reciprocity policy, involves the inescapable correlative act of reciprocity on both sides, not merely on one side.

In view of the irrefutable facts disclosed all during the hearings, Mr. Chairman, I do not see how this body can do other than to defeat this resolution to extend this pseudo Reciprocal Trade Agreements Act for another 3 years with the power to grant further and devastating tariff reductions by another 50 percent.

In closing, permit me to remind all of you that we have appropriated more than \$385,000,000 for the war effort since July 1, 1940. Let me remind you also that our national debt, before we cease spending for the war and the things growing out of the war, will exceed the sum of three hundred billions. I doubt if the combined debts of all other nations approach this staggering amount. To service and to pay this debt will require a high level of economy with high wages and accompanying high costs of production. These cannot be maintained if we tear down our tariff walls to the unlimited and devastating competition of low-paid labor all over the world.

Let me remind you again, also, that those low-paid laborers will be equipped with the most efficient automatic machines and methods. To those who argue that the efficiency of the American worker is such as to offset all advantages accruing to the foreign producer through low wages, low cost of materials, and so forth, I would say that the automatic machine operates as efficiently in Britain, in France, or in any other country in the world, as it does in Detroit, in Pittsburgh, or any other industrial center in this country. Further, I would remind them that learning to run such machines is a matter of a few weeks only. There is not a Member of this House who does not know women, young girls, many of them who, all during our war-production program, have been doing highly technical and most efficient work in our war plants. Such work was foreign to nearly all these splendid patriotic women. Most of them had had no previous experience to fit them to do this work. Yet had it not been for their splendid contribution, we would still be fighting in Germany. Certainly if our women who, during our national life, have not been trained for such work, could make the contribution they made in our war-production program, we cannot doubt the ability of the workers of other countries to properly and quickly master the technique of modern industrial production. Let those who persist in wishful thinking and permit such thinking to control their judgment ponder these facts before they vote to open

wide the gates to imports from all over the world.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, it gives me great pleasure to support H. R. 3240 to continue the Trade Agreements Act of 1934 for a further 3-year period. There is greater need of this legislation now than ever before in the history of the world. Science has made the whole world neighbors, has annihilated distance and time. I am sure I would not have to argue with any Member of Congress that it would be foolish to have trade barriers between different towns and communities in any county in America. Equally, it would be foolish to have trade barriers between the counties of our States. It would also be ridiculous to have trade barriers between the States of our Nation, and if we want to preserve world peace, promote prosperity and the well-being of all the people in the world, we must remove international barriers and do all in our power to promote international commerce and international trade and communications with all of the people of all the world.

So it gives me great pleasure to support this bill, believing as I do that it will promote peace, prosperity, and understanding among all peoples and all nations.

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

Mr. ROE of Maryland. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The record shows that there were twice as many imports and exports back in the twenties as there had been under the operations of the act. When the gentleman speaks about raising barriers between States there would not be any object in it because the living standards are the same in all the States. The reason we ask for a tariff is to equalize the living conditions in India and China and other competing countries, where they are very low. Consequently the production costs are low accordingly as against our high standards of living and high wages.

Mr. ROE of Maryland. Is the gentleman asking a question or making a speech? As I see it, the thing that caused the depression after the First World War was the Smoot-Hawley Tariff Act. What that did was to prevent the rest of the world from selling us anything. We sold them our merchandise and loaned them the money to pay for it. The Hoover depression was caused by the fact that they had our merchandise, they had our money, and we had their IO U's.

Mr. KNUTSON. Does the gentleman know that the depression in England broke out in 1926 and did not strike this country until 1930?

Mr. ROE of Maryland. I have heard that statement. I was not in England in 1926; I do not know about that. I do know what happened in America in 1928, 1929, 1930, and 1931, when we had the great engineer, Hoover, in the White House. I repeat the prediction I have

made a great many times, that until the Republican Party ditches Hoover the American people will always ditch the Republican Party.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I am thoroughly in favor of H. R. 3240, which is presently before us for consideration. It is a most progressive piece of legislation and highly essential if the United States is to assume the leadership in world affairs. In and of itself it will not prevent war, but in my opinion, it will be one of the strongest forces for the removal of the causes of war. We have learned from the bitter experience of the past the futility of political isolationism. I think that we have also learned, or at least a majority of us, that there can be no such thing as economic isolationism. The interests of all countries are entwined with one another. We have commodities which we produce and manufacture which other countries need. Those same other countries have commodities which they produce and manufacture which we need. It has long been the policy of the United States to treat all nations equally in trade, as far as we are able to do so, and it has also been our experience that where we have raised trade barriers against other countries they in turn have retaliated against us.

We have learned also that those industries in our own country which have benefited by protective tariffs have, for the most part, paid the lowest wages. We know that we must have markets for our surplus products, especially our agricultural products, or we must resort to the regimentation of agriculture and industry. To my mind regimentation is the antithesis to the free enterprise system. I have heard people say that reciprocal trade agreements will cause unemployment in this country by reason of the fact that we shall import products which have been produced through low wages paid in foreign lands. I can see no ground for this statement. I think that the attitude of the United States should be one not only of a producer, but also of a consumer. We cannot hope to sell to foreign nations unless we buy from foreign nations. That is a fundamental principle of foreign trade and it has been recognized not only by the Democratic Party but by the agricultural, industrial, and economic minds of the country. I cannot understand the opposition of the Members of the Republican Party in the House to this bill. In the report of the committee it is set forth that both parties were in agreement upon the extension of the present Reciprocal Trade Agreements Act for the period of 1 year. This, in my opinion, is clear and convincing testimony that the act, in principle, is sound. It ill behooves the minority, if they are in accord with the extension of the act at all, to favor an extension for only 1 year and to oppose the extension for 3 years, which is necessary to make the act really effective. The principle is either right or wrong. If right, we should extend it for a workable period of

3 years; if wrong, it should not be extended at all.

Let us look at the national platform of the Republican Party and ascertain whether or not the present opposition of the Republicans to this bill is justified. The Republican platform of 1936 states:

We will repeal the present reciprocal trade agreement law. It is futile and dangerous. Its effect on agriculture and industry has been destructive. Its continuation would work to the detriment of the wage earner and the farmer.

In 1936, therefore, the Republicans were against reciprocal trade agreements—they called them "futile, destructive, and dangerous," today they are willing to extend the Reciprocal Trade Agreements Act for 1 year. If their condemning plank in the 1936 platform had been justified by subsequent events they would not have issued their news release of May 15 last wherein they said:

The Republican members of the Ways and Means Committee have no objection to extending the present trade-agreement law for another year providing section 2 is eliminated.

In 1940 the Republican attitude toward reciprocal trade agreements changed. They accepted reciprocal trade agreements in principle but objected to the manner in which they were effected. The Republican platform of 1940 reads as follows:

We condemn the manner in which the so-called reciprocal trade agreements of the New Deal have been put into effect without adequate hearings, with undue haste, without proper consideration of our domestic producers, and without congressional approval. These defects we shall correct.

The fact of the matter is that the uncontradicted and overwhelming testimony before our committee has shown that no reciprocal trade agreement was entered into without the fullest and most complete hearing. Every opportunity is given to business and industry to appear before the Committee for Reciprocity Information. This committee is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury. Before any attempt is made to negotiate a trade agreement, notice of intention is published in the Federal Register, other governmental publications, and in the press. The notice names not only the country with which negotiations are to be opened, but also publishes a list of products on which concessions will be considered. No concession is considered on any product which is not included in this list. Thirty days are allowed to elapse before a public hearing is called and oral and written statements may be offered to the committee and full opportunity is presented to everyone concerned to state his views. This is the American way; this is the scientific way; this is the way which nullifies the old-time log-rolling methods of legislating a tariff, when Representatives from one section of the country would vote for a high tariff on a particular product in order to secure in return support for tariffs on products in which their districts were particularly interested. Instead of the old log-rolling,

horse-trading, vote-swapping method of legislating tariffs which characterized the Republican Hawley-Smoot Tariff Act, the Democratic administration, through the Reciprocal Trade Agreements Act, has developed a scientific approach to the whole tariff question. Strangely enough, this is in accord with the professed Republican policy as set forth in the Republican platform of 1940, which reads as follows:

The measure of the protection shall be determined by scientific methods with due regard to the interest of the consumer.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield at that point?

Mr. LYNCH. I will be glad to yield to the gentleman for a question.

Mr. KNUTSON. The gentleman's desire for a better understanding among the nations of the world is very laudable and understandable. Since 1935—

Mr. LYNCH. I said I would yield for a question. Does the gentleman have a question to ask me?

Mr. KNUTSON. Would the gentleman be in favor of building our ships abroad and thereby saving about \$10,000,000,000 in 10 years?

Mr. LYNCH. I think that is about the most foolish question that could be asked, because we know there are no facilities for building our ships abroad. We know that in our own country we have shipyards and that we are employing thousands and thousands of our men. There is no such thing as shipbuilding under a reciprocal trade agreement, but, of course, I did not expect the gentleman would know that. Now, I am certain he does not know what is in the bill at all, or what the bill purposes to do.

The Republican minority are so anxious to oppose the administration that they do not even recognize that this procedure is in accordance with their own platform. The Reciprocal Trade Agreements Act is an integral part of the whole security plan and it is about time that the Republicans recognized that they cannot go forth into the highways and byways proclaiming their ardent zeal for world peace and at the same time oppose the destruction of trade barriers.

Let us see now what was the position of the Republican Party on reciprocal trade agreements in 1944. The Republican platform of 1944 stated, in part, and I quote:

The Republican Party, always remembering that its primary obligation, which must be fulfilled, is to our own workers, our own farmers and our own industry, pledges that it will join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade.

You will note that the Republican attitude is somewhat changed. They were, in 1944, ready and willing to join with others in leadership in every cooperative effort to remove unnecessary and destructive barriers to international trade. There is no doubt that there are even today destructive barriers to international trade, and the Democratic administration is endeavoring to remove those destructive barriers through this bill which is now before us and if the Republicans meant what they said in their platform of 1944 they will join in that leadership

which would do away with these destructive barriers.

I am not alone in calling upon the Republican Members of Congress to join in this leadership. I venture to say that the greater portion of the press of the country has editorially espoused this bill. The New York Journal of Commerce, which is decidedly Republican in its leanings, stated on March 19, 1945:

The unsettled economic conditions that will prevail after the war will doubtless cause many countries to set up new trade barriers. But as the situation becomes more settled many of these obstacles to international commerce may prove temporary, particularly if this country will exert active leadership in promoting freer trade. Adoption of the Doughton Act would provide such leadership.

The New York Herald Tribune, one of the staunchest Republican publications of the country, on March 28, 1945, said:

No one who favors the general objectives of the Bretton Woods Conference can logically challenge the desirability of a continuance of the Hull reciprocal-trade program. More than any other single measure enacted by the present administration this is genuinely symbolic of economic cooperation in world affairs. * * * The Hull trade-agreements measure should by all means be extended.

In a recent editorial commenting upon the action of the Ways and Means Committee in approving this bill to continue and to broaden the reciprocal trade agreements the New York World-Telegram in an editorial said:

We hope the bill, as reported, will be passed by resounding votes in both branches of Congress. For if the American people want peace in the world, and prosperity, high employment, and a rising living standard here at home, they must cooperate with the people of other nations in promoting the exchange of goods and services.

And again:

We're glad the 14 wiser Democrats stood firmly. And we think the Republicans who tried to turn the clock back toward economic isolation did a disservice to their party.

These are a few of the editorials commenting favorably upon this bill, but there are legions.

When my colleague from Tennessee was discussing this subject the ranking member of the minority interrogated him somewhat on the most-favored-nation clause. I believe the best answer to the gentleman from Minnesota is contained in an editorial of the Baltimore Evening Sun of yesterday, May 23. It is entitled "Not a Give-Away," and reads as follows:

NOT A GIVE-AWAY

Not only do the Republican leaders of the House want to reject the bill to make possible a continuance of the Hull trade-agreements program but they also want to do away with the most-favored-nation policy initiated in the early twenties by Mr. Charles Evans Hughes, a Republican Secretary of State. At least, that is indicated by the speech which Representative Knutson, the ranking Republican on the Ways and Means Committee, made yesterday in opening the attack on the trade-agreements bill.

Mr. Knutson criticized the trade agreements already negotiated, because they have all included most-favored-nation provisions. Under such provisions, the tariff concessions we make to any one country are generalized to all. That is to say, if we reduce the tariff

rate on champagne in an agreement with France, we reduce it for all other countries with which we have most-favored-nations agreements. France bargains for the reduction, but other countries get the benefit of it. Mr. KNUXTON insisted that such a policy is bad.

To Republican tariff spokesmen, it looks like a give-away, but actually it isn't any such thing. The fact is that, while reduction in the tariff on champagne in the French agreement did result in a reduction to other countries, the French are the only people who send us champagne. The reduction is generalized, but its principal effect, indeed almost its only effect, is in our trade with France. Similarly with the reduction on watch movements in the agreement with Switzerland.

Other countries having most-favored-nation treaties with us got the benefit of that reduction too, but since Switzerland is almost the only foreign country that exports watch movements, Switzerland is the only country to derive any large benefits.

This does not just happen. Those who negotiate trade agreements plan things that way. They know that any concessions they make to one country are generalized; hence they are careful to make concessions only on products supplied principally by the country with which they are negotiating. If there are several countries which export the article, the concession is not made.

There is another point to be noted. When a country having a most-favored-nation treaty with us makes a tariff concession to some third country, we get the benefit of that. Suppose, for example, that France makes a concession on imports of cotton textiles to the British. Under the most-favored-nation policy, that French reduction has to be extended to us as well as the British. Thus we get the benefit of whatever reductions may be made to other countries which operate within the most-favored-nation framework.

It was these considerations which led Mr. Hughes, when Secretary of State, to adopt the most-favored-nation policy. It is a good thing, and it actually originated in their own party, but Mr. KNUXTON and his Republican colleagues on the Ways and Means Committee are too prejudiced to know it.

The press, industry, agriculture, labor, civic organizations, and independent groups are in favor of this bill. As a matter of fact the Republican minority are compelled to go back over the centuries to find an excuse for their opposition. That excuse is set forth in a press release by the Republican members of the Ways and Means Committee some days ago, which reads, in part, as follows:

The time has come to be realistic, to be forthright, to be American. We say with the Apostle Paul in his epistle to Timothy: "But if any provide not for his own, and especially for those of his own house, he hath denied the faith, and is worse than an infidel."

At this point I might repeat the old proverb, "The devil doth quote Scripture to his will."

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

Mr. LYNCH. I yield to the gentleman from Oregon.

Mr. MOTT. What the gentleman said about the concession to France on champagne or the concession to Switzerland on Swiss watches may possibly be true, but I want to ask the gentleman what he thinks of an example like the following, and I will take a profitable article in my own State: That is a nut called the filbert. A few years ago we made a trade agreement with Turkey,

which produces a very small portion of the filberts produced in the world. Other nations produce filberts and as soon as this war is over and they are in position to import those nuts into this country, that Turkish agreement will accrue to the benefit of Italy, southern France, and Spain, which, taken all together, produce 75 percent of all the filberts grown in the world and in each of those countries the cost of production of this product is less than one-half what it is in the United States. What does the gentleman say about that?

Mr. LYNCH. In the first place, that has already been answered by the gentleman from Michigan [Mr. DINGELL].

Mr. MOTT. I certainly did not hear him answer it.

Mr. DINGELL. The answer to that question is that in the first place what little amount of filberts came to the United States came from Turkey. I may say to the gentleman, as I said in my remarks, for the benefit of the filbert producers, an industry which does not amount to very much in our economy, that when we raised the tariff on filberts we lost a great volume of automobile exports to Turkey and when we lost automobile exports the reduction in jobs at Detroit reduced the consumption of filberts, so we lose two ways.

Mr. MOTT. We did not lose the automobile business in the first place.

Mr. DINGELL. You lost the automobile business all over Europe as the result of the Smoot-Hawley tariff.

Mr. MOTT. If we lost any sales of automobiles it certainly would not be on account of filberts.

Mr. DINGELL. We lost the automobile business in Turkey for an insignificant amount of filberts.

Mr. MOTT. The gentleman is completely mistaken. We gave the filbert concession to Turkey. What I am saying is that because we gave it to Turkey we let in all the filberts in the world.

Mr. LYNCH. Mr. Chairman, I do not yield any further.

Mr. MOTT. We lowered the duty on filberts. These gentlemen should get a little better informed about these tariff rates.

Mr. LYNCH. Mr. Chairman, I refuse to yield further. May I answer the gentleman by saying that as far as I can see and understand the position of those who are opposed to this bill, it is a bill which they fear without any reason for that fear.

There is not a business that can be shown to have been substantially harmed by the trade agreements bill, as the gentleman from Michigan has pointed out; as a result of the high tariff on these filbert nuts we were not shipping our automobiles to Turkey.

Mr. MOTT. Mr. Chairman, will the gentleman yield further?

Mr. LYNCH. I cannot yield now.

Mr. MOTT. The gentleman admitted that he made a mistake.

Mr. LYNCH. The gentleman has asked me a question and I am trying to answer it. If the gentleman wishes me to answer it, I shall proceed.

Mr. MOTT. I will be glad to have the gentleman answer.

Mr. LYNCH. The gentleman is talking about a matter of fear. No business

has been ruined or damaged materially by these trade agreements. Furthermore, when you speak about these products coming from other countries, such as Italy and others, may I say that we have no trade agreements with Italy.

Mr. MOTT. They come in without it.

Mr. LYNCH. We have no trade agreement with Italy.

Mr. MOTT. We do not need it.

Mr. LYNCH. May I say that we have had no trade agreement with any country that has gone to war with us; not one trade agreement.

Mr. MOTT. Of course, the war is going to be over in a short time—

Mr. LYNCH. And when the war is over, under the law, we will have a quota system which can be invoked. We have an escape clause so that if any great damage is done to any particular business the State Department has the authority to make different arrangements. The gentleman need not fear that there will be any dumping of foreign products in our domestic markets.

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

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

Mr. DINGELL. I want to clarify this matter. Evidently our minds have not yet met. The gentleman from Oregon was speaking of the time in 1939 when the tariff on filberts was lowered.

Mr. MOTT. That is right.

Mr. DINGELL. I was speaking of the time when we lost the automobile business in 1930, when the tariff on filberts was increased.

Mr. MOTT. The tariff on filberts was never increased.

Mr. DINGELL. It was put on or increased in 1930.

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

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

Mr. COOPER. It shows very clearly that the gentleman from Oregon does not know what he is talking about.

Mr. MOTT. All right; tell me.

Mr. COOPER. The tariff on filbert nuts was doubled under the Smoot-Hawley Act. Why? Mr. Hawley, from Oregon, the gentleman's predecessor, was chairman of the Committee on Ways and Means. The tariff was increased, and immediately thereafter Turkey, one of our good customers for automobiles, retaliated. They erected a tariff wall on filberts and cut off the export of our automobiles to Turkey. They traded a little handful of nuts for automobile imports in the country of Turkey.

Mr. LYNCH. I think that is all we will have on nuts this afternoon.

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

Mr. LYNCH. I yield to the gentleman from California for a question.

Mr. JOHNSON of California. Is it not a fact that when you make a trade agreement with a country—and I am talking about another kind of a nut, almonds—the effect is that it depresses the market for that particular year even though the agreement is not made because, as was the case in 1942 when they proposed to make a treaty with Iran, they were afraid of the Spanish almonds coming in and wrecking the American market, and the

almond growers lost thousands and thousands of dollars that year by the mere activity of the State Department proposing such a treaty.

Mr. LYNCH. May I say that what the gentleman has just stated might be true.

But if it is true, then we might just as well do away with all kinds of protective tariffs or ever talk about writing a tariff, because apparently at the mere mention of even a possible discussion of tariff rates the market will go down before the people know whether there is even a contemplated change of tariff rates. Surely it cannot be reasonably maintained that the Government should never hint at a change of rates, lest the mere mention of such a change would depress the market. We would never get anywhere under such a theory.

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

Mr. LYNCH. I yield for a question.

Mr. GIFFORD. Yes, but prefacing the question, the gentleman has claimed today with great joy that the Democrats are wiser than the Republicans, and I hesitated to ask, but according to that the gentleman might wish to instruct us. In view of the fact that after concessions have been made many barriers have been erected by these other nations, even after they get the concessions, do you really need that 50 percent bait so they will break down the barriers they have made after the concessions have been made? What is going to be the end of it? How much do we have to give away? The gentleman recalls the testimony before the committee that these foreign nations have set up many types of barriers even after we have made concessions.

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

Mr. COOPER. Mr. Chairman, I yield five additional minutes to the gentleman from New York.

Mr. GIFFORD. I hope I have asked the question intelligently. I have been told today that I lack wisdom. I am seeking it.

Mr. LYNCH. Of course the gentleman knows there was no particular reference to him in my statements, although probably all Republicans come under the same generalization.

Mr. GIFFORD. I want to hang with them. I do not want to hang separately.

Mr. LYNCH. In reply to the gentleman's question, may I say that I think he knows as well as I do the reason that was given before our committee for this increase of the 50 percent. Some reductions have already been exercised to the full 50 percent. Other reductions have not been utilized to that extent. It seems to me if we are to negotiate a trade we must have something to trade. It may be good trading to reduce the rates further on some commodities already reduced 50 percent and it may be unwise to reduce rates further on commodities that have only been reduced 10 or 20 percent thus far.

Mr. GIFFORD. That was not my question.

Mr. LYNCH. Then I misunderstood the gentleman's question.

Mr. GIFFORD. Do you need 50 percent more to bait them to break down barriers recently erected?

Mr. LYNCH. I have only 5 minutes more and I cannot yield further.

Mr. GIFFORD. I did not think the gentleman would answer my question.

Mr. LYNCH. I thought I did and plainly.

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

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

Mr. WOODRUFF of Michigan. Will the gentleman explain to the House why it was that it was impossible for any of us to get from any representative of the State Department or any other official of the Government the name of a single item upon which they wanted to reduce the tariff another 50 percent?

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

Mr. LYNCH. I yield.

Mr. COOPER. I commend to the gentleman for his very profitable and helpful reading the statement of Mr. Charles P. Taft, a distinguished member of his own party, who thoroughly and completely answered that question. It is in the hearings.

Mr. LYNCH. I think I shall let the testimony of Mr. Taft stand as my answer, for time does not permit me to elaborate.

In all the testimony before our committee there was little or no evidence of any harm caused to American industry by the reciprocal trade agreements. The whole theme of those who testified against the extension of the act was that of fear. They were fearful that their business would be injured, but they could not point to any substantiation for that fear. Certainly up to the present time they have not sustained injury traceable to the reciprocal trade agreements act. They were not able to establish, nor did labor contend, that by reason of the Reciprocal Trade Agreements Act unemployment throughout the country had been caused. On the contrary, the leaders of labor, with a progressive view, that might well be emulated, realized that only by developing foreign markets for our surplus products will we be able to achieve the goal of full employment. In placing before our committee the view of labor, Mr. James B. Carey, secretary-treasurer of the Congress of Industrial Organizations, appeared on behalf of 6,000,000 workers in that organization. His testimony is illuminating. He said:

There are those who contend that the American standard of living would be lowered by admitting foreign imports into this country, that American workers would be thrown out of jobs and that we could not compete with the low-priced foreign goods produced under the low-wage conditions. Here are the facts: The principal industries affected by imports are textiles, wood, paper, and pulp industries, fishing, mining, and glass manufacture. Only a relatively small proportion of American workers is in these industries, and of these only a limited number are directly affected by imports.

And again:

The maximum number of workers employed in industries whose goods compete with similar goods produced abroad is little more than 2,000,000. American workers thus are affected to a very limited degree by tariffs, whereas all

workers as consumers are injured by high tariffs.

Mr. Emil Rieve, the general president of the Textile Workers' Union of America, speaking on behalf of 450,000 members of that union, stated:

We of the Textile Workers' Union of America are not prepared to shoulder the responsibility of telling the world that we are not going to aid them; that we will isolate ourselves; and that the plans for economic cooperation between the nations of the world cannot be undertaken. We must extend and strengthen the act and announce our willingness to be part of the family of nations. We must formulate a realistic international trade program for our own guidance. The Reciprocal Trade Agreements Act permits such a conscious formulation of policy.

The president of the International Union of Mine, Mill, and Smelter Workers, Mr. Reid Robinson, testified as follows:

We have heard for centuries the argument that tariffs prevent the products of low-paid foreign workers from taking away the jobs of our high-paid American workers. This argument is based on the fallacious notion that high tariffs bring high wages and low tariffs create low wages and low standards of living.

And again:

Low wages are the result of a lack of sufficient jobs for all workers who are seeking employment; and to argue that a lowering of tariffs will create unemployment just does not jibe with our own experience. As I have indicated earlier, lower tariffs will encourage an expansion of foreign trade which will in turn permit a high level of operations for our domestic industries so that no workers who want a job need go unemployed. What we are after is full employment.

In conclusion let me say, I do not believe that trade barriers are the only causes of war, but I do believe that they lay the seeds of war. They cause discrimination in trade; they arouse ill will and jealousies amongst nations that lead into war and I am firmly convinced that if these destructive trade barriers were removed one of the fundamental causes of modern war would be removed. Therefore, I am heartily in favor of the passage of this bill.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 20 minutes to the gentleman from Wisconsin [Mr. WASIELEWSKI].

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

Mr. WASIELEWSKI. I yield.

Mr. BENNETT of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks following those of the gentleman from Wisconsin [Mr. WASIELEWSKI].

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

There was no objection.

Mr. WASIELEWSKI. Mr. Chairman, the Reciprocal Trade Agreements Act having been considered so many times by the Congress, the arguments pro and con are well known to us all. During the first 5 years of its operation, even its most bitter opponents must concede that it promoted economic recovery, as well as better understanding with the nations with whom we had trade agreements. During the past 6 years, however, we have passed through abnormal times, and it

has therefore been difficult to appraise the full effect of the most recent trade agreements we have made, particularly with our best customers, the United Kingdom and Canada. Besides, the war has created practically a total embargo on imports, and many of the industries that expressed most alarm about the effects the act might have upon them in the future are those who suspended their normal production and engaged wholly in filling wartime needs.

It is significant that none of the witnesses who appeared before the committee in opposition to the bill claimed to have been materially hurt by the reciprocal trade-agreements program. Many of them felt they could get by with the present tariff rates in the postwar era. All of them, however, were fearful that in the future they might suffer from indiscriminatory wholesale cutting of the tariff. As is generally true, it is safe to predicate the future upon what has happened in the past. The facts clearly bear out that in the past great care, discrimination, and discretion were exercised by the administrators of the Reciprocal Trade Agreements Act in effecting their authority since 1934. In 1937, when the act came up for its first renewal after it had been in effect for 3 years, the 50-percent cut had actually been applied to only 12½ percent by value of our dutiable imports. Another 15 percent by value of dutiable imports had by that time been cut by less than 50 percent. By 1940, after 6 years, the 50-percent cut had been applied to only 24 percent of the dutiable imports, while a cut of less than 50 percent had been made in a total of 18 percent; and now, in 1945, 11 years after the act was first passed, we find that cuts of 50 percent have been made in a total of 42 percent of our dutiable imports and cuts of less than 50 percent in 20 percent of the dutiable imports, leaving a balance of 38 percent of our imports without any reduction to date. Certainly this evidence should demonstrate conclusively that we can have complete confidence that the authority conferred by this extending act will be exercised with similar caution and wisdom.

Let us briefly review the steps that must be taken before a trade agreement can be entered into. On page 5 of the majority report is a detailed account of the manner in which the Reciprocal Trade Agreements Act is administered. Briefly, the act did not create a special new bureau to advise the President, but instead directed him to utilize the specified existing departments and agencies for advice and information in the administration of the act. This agency is called the Committee on Reciprocity Information and is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and Treasury, and when the act currently under consideration is adopted, the War and Navy Departments will likewise be included.

When it is determined to attempt to negotiate a trade agreement with any country, and before negotiations start, notice of intention to negotiate is published in the Federal Register, other Government publications, and in the

press. The notice names the country, and along with it is published a list of products on which concessions in the American rates will be considered. No concession is considered of any product which is not in this list. Upon the announcement by the Secretary of State that a trade agreement is to be negotiated with a particular country, the Committee on Reciprocity Information sets a date, usually more than 30 days after the Secretary's announcement, for a public hearing before the committee and a date for the filing of briefs, usually a week or more before the date of the hearing. Both oral and written statements may be offered before the committee, and there are no restrictions on the character of the considerations that may be heard. Full opportunity is given to everyone concerned to present whatever facts or views he wishes. In addition to the holding of such regular hearings prior to the commencement of negotiations the committee stands ready at all times to hear interested parties on a formal or informal basis whenever they desire to present additional facts or arguments bearing on possible concessions. The committee has been informed that many such informal meetings with interested private groups have been held after the formal meetings were concluded. The information so presented to the Committee for Reciprocity Information is thoroughly organized and briefed for convenient use of the trade agreements organization by the specialists on the staff of the Tariff Commission. Exact copies of formal briefs submitted and full transcripts of the hearings are available to and are carefully studied by each agency concerned.

As each of the agencies specified by the act is represented at every level of the preparatory work, all of the resources of each are utilized. The care with which this work is done is illustrated by the digests which the Tariff Commission has made public following the completion of each agreement. The Department of State acts as the coordinating agency through which the findings and recommendations of the Trade Agreements Committee are presented to the Secretary of State and the President for consideration and approval. The international negotiations involved are carried out by the Department of State, assisted by the interested agencies of the interdepartmental organization. All negotiations are confined to and based on the approved findings and recommendations of the Trade Agreements Committee. Your committee was advised that the interdepartmental organization does not shut itself off from contacts with private interests even after a trade agreement has been signed and has entered into force. The Committee for Reciprocity Information stands ready at all times to receive the views of interested persons or organizations concerning any aspects of the operation of agreements. Informal conferences or hearings are arranged whenever anyone has a complaint to make. Such complaints have been remarkably few, attesting to the care with which the agreements have been formulated. In several cases, adjustments have been made either through supplementary

agreements or pursuant to escape-clauses in the agreements. Under this procedure, any necessary future adjustments can be made. Mr. Taft, as well as Mr. Clayton, has assured the Ways and Means Committee that it is the intention of the trade-agreements organization to recommend to the President the inclusion of broad, safeguarding provisions along the lines of article 11 of the Mexican agreement in all future trade agreements. The witnesses favoring the continuation of the act as well as some of those in opposition testified that they were granted a full opportunity to present their cases.

Though to date trade agreements have been concluded with 28 countries, over 65 percent of our normal trade is carried on with trade-agreement countries. The agreement countries have made concessions on 73 percent of their agricultural imports from us and on 48 percent of their nonagricultural imports from us. Concessions were obtained on thousands of individual products which enter into the export trade of the United States. For example, over 1,400 rates of duty were involved on the United Kingdom side of the agreement with that country while over 1,000 Canadian statistical classifications, 400 Cuban tariff items, 200 Mexican rates of duty, and 200 Colombian rates of duty were covered in the respective trade agreements with those countries. Every State in the Union produced some of the products on which concessions were obtained.

It was interesting to note that many persons opposing the Trade Agreements Act take the position that we are mere babes in the woods in the matter of international dealings and that all foreign countries are bad wolves ready to gobble us up. Nowhere else have I witnessed such an utter defeatist and helpless attitude. Nowhere have I witnessed such lack of self-confidence, such a feeling of inferiority. Apparently, they did not know that since our early history, the Yankee trader has always managed to strike a good bargain in any market. With such a veteran and experienced trader like the Assistant Secretary of State, Mr. Clayton, in charge of this program, there should be no fear in anyone's heart that someone might take advantage of us.

Trade agreements should play an important part in the postwar era to eliminate economic warfare and prevent tariff wars. As pointed out by the Colmer committee:

The principal advantage of the trade-agreements program is its flexibility; tariff reductions can be made both at home and abroad under the authority of a single general act. This means that tariff adjustments and individual commodities can be made quickly to meet rapidly changing economic conditions. Since the governments of almost all countries with which we deal have the authority to make tariff changes by agreement, the act simply gives our negotiators a bargaining power equivalent to that of other countries.

The testimony of witnesses appearing before the committee leads to the conclusion that under the Reciprocal Trade Agreements Act, considerable progress has been achieved in a reduction of the

barriers without serious harm to anyone and with beneficial results to the whole of our national economy and our foreign relations, but it should be emphasized in this connection that the trade-agreement program was launched in 1934 when the tariff rates, in the United States and in general everywhere, had been raised to the highest level in history. It is not surprising, therefore, that the peacetime barriers to trade are still formidable. It is therefore necessary to have section 2 of House Resolution 3240 in the future legislation. Simple renewal of the act without the added authority will fall short of equipping the United States in the establishment of trade relations designed to expand world trade on a mutually advantageous basis. The President needs additional bargaining power to perform this task. Our failure to increase the authority under this act will be interpreted by the rest of the world as a notice that the United States is unwilling to cooperate with the other countries in carrying out the principles of trade expansion it has so frequently proclaimed.

Whether or not we shall have a lasting peace after VJ-day will depend in a large measure on our ability to cooperate and obtain the cooperation of other nations of the world, not only in the field of politics, but likewise in economics. The Reciprocal Trade Agreements Act is probably one of the most important elements in our postwar world economic cooperation and collaboration program. If we fail to follow through, we have no choice but to fall back into the economic isolationism and nationalism of the twenties. It is clear that if after the war the nations are again persuaded by the urging of minority interests, or are deceived by the false doctrines of economic nationalism into following shortsighted economic policies, dividing them economically and politically as after the last war, the economies of all nations will suffer and the political unity essential to world security will be in danger.

From bitter past experience we know that these policies and acts destroy what they were meant to create. These policies are not only futile as a means of promoting the economic welfare but actually destroy the economic welfare and the political structure of the community of nations. Nations cannot long maintain close harmony in the political field, which is so essential for the prompt and concerted action in the face of military aggression, if they are at each other's throats in the economic field. It has never been contended by the supporters of the Reciprocal Trade Agreements Act that it was a panacea for world peace, but no one can deny that it can play an important role to that end.

During the course of the present war, more people than ever have been gainfully employed in our shops and war plants. We have made considerable technical progress in our production methods. Our national income has reached a new high level. Our national debt has risen to a new apex. Our big problem in the postwar era will be to maintain the high employment we are now enjoying and likewise to maintain

a high national income in order that we may be able to liquidate the national debt as quickly as possible. With the transfer of our new developments and technical advances to civilian production, we shall produce materially more than we can hope to consume, and it is therefore important that we find new markets for our surplus. Though it is plain that the Reciprocal Trade Agreements Act of itself will not guarantee full employment, maintenance of our national income, or disposition of our surpluses, no one can deny that it can play an important role to that end. We know that we cannot maintain full employment on a productive and self-sustaining basis without greatly expanding our exports and imports beyond their pre-war levels. Since we are today the largest creditor nation in the world, we cannot expect that many nations will be in a position to pay cash for our exports. We will of necessity have to accept imports in exchange for our exports.

It is interesting to note the parallel that exists between our present situation and the one at the end of the last war. Secretary Hull, then a Member of Congress, urged that we embrace a liberal commercial policy, but his plea, as well as that of others, was rejected—with the disastrous results known to us all. Instead, we made large loans to a few countries amounting to some nine or eleven billion dollars, thereby stimulating large export trade throughout the twenties and impeding imports by replacing the moderate Underwood tariff of 1913 with the Fordney-McCumber tariff of 1922 and later with the still more restrictive tariff of Hawley-Smoot in 1930. As a result, we suffered the most disastrous economic depression in our history when the false structure crashed.

Mr. Chairman, I am not a believer in free trade. I appreciate, however, that our tariffs have not been designed for revenue, but for protection, or exclusion, if you so please. I believe in a protective tariff for those industries that need it, either because of their infancy or some other extenuating circumstances. Certain industries which are critical to our national defense also may require protection. However, I am opposed to tariffs which are set up purely for the purpose of excluding competition. As a believer in free enterprise, I am opposed to any measure that might lock out healthy competition.

Foreign trade, after all, like any international intercourse, must be reciprocal to be healthy and lasting. If we hope to sell abroad, we must buy abroad. Foreign trade cannot be a one-way street. It is definitely a policy of give and take.

We have the opportunity of a lifetime to be the leaders in the world of tomorrow—a world of lasting peace, collaboration, and prosperity. On the other hand, we may fall into our old ways of nationalism and economic isolationism and reap chaos and war and a bankruptcy of our civilization. Mr. Chairman, the choice rests with us.

Mr. BENNETT of Missouri. Mr. Chairman, I want to take a few minutes to discuss a subject even more important to the future security of this country than

the tariff bill we have been debating all week.

Every day that victory is nearer brings us closer to the great decisions which involve the expanded future and security of the United States. When the treacherous enemy has been finally crushed we shall survey the world and get our bearings. But we should be considering now what our place is to be in the great concourse of nations who, we hope, will join in promoting the peace of mankind. And though we are on the eve of deciding to form a partnership with all the peace-loving nations, we still cannot shrink from facing the stark realities of our country's defenses and its natural and inevitable expansion. We have the sacred duty to make the new era safe for the United States, safe to reach its own destiny.

Our past has been marked by bold and decisive steps to find our way to greatness. Even in our earliest days and when we had little military power we used what power we had to defend the heritage of the Nation. Thomas Jefferson was bold enough to send our small but gallant fleet to destroy the Barbary pirates in the Mediterranean. To protect our frontier to the south and west he sought to buy Florida, but bought the vast Louisiana territory instead. To defend our eastern shores against aggressors President Monroe formulated the doctrine which bears his name and thus kept every foreign invader from this hemisphere from almost the very beginning of our Republic. We took Texas, California, and the Northwest, and then, and not until then, did we think our frontiers safe.

Today we are facing just as great a decision as that faced by President Monroe or any of his daring successors. Today, we are planning the future so that our land in all its extent, with its far-flung commerce, its ships on the seas, and its craft in the air, will be protected and safeguarded from any attack or interference in its peaceful pursuits. We have pushed the enemy back from the lands and the seas he had overrun. Now we shall decide whether he shall ever be in a position to overrun them again.

Many of the strategic spots on continents and in islands, big and small, are in our hands. It would be foolhardy, indeed, to allow them ever to fall into other hands again. We have it in our power, with that victory which is being so gallantly delivered into our hands by our soldiers, sailors, marines, and their commanders, to dictate what we regard as our necessary outposts all over the world—for the defense of the United States. We have got to examine our position from the view that this country shall be unassailable for all the years to come. We have got to hold those strategic points from which we can repel any threatening invader, before he can even start on his predatory expedition against us. We must build an impenetrable wall of fortresses on the decisive stretches of soil and the islands which guard the approaches to our land, so that this Nation will remain safe behind what we hope to make an impassable barrier. It shall be our first line of defense.

EXPERIENCE

We have learned in this war the great role which bases have played in the ebb and flow of victory. We have seen how Great Britain had protected herself with bases all over the world. The bases where the British flag has flown have served in other wars as well as this one to stay the onward march of the invader.

Throughout this war the priceless value of bases has been eloquently portrayed by events. The British, woefully unprepared on the land and almost destitute in the air, were able to retire to base after base. The successive retreats of British arms in East Africa, in Libya, from the eastern Mediterranean, and then in that predatory drive of the Japanese toward Hongkong, Burma, Singapore, and even the islands of the Coral Sea, tell a vivid story of despair turned to hope by having places to go. On the sea and in the air they were able to trade space for time just as the Russians did on land when the Germans drove them from the borders of Poland clear to the banks of the Volga and the mountains of the Caucasus.

Had not the British possessed these bases, had they not had these stepping stones to other positions, the Germans would have reached the gates of India; the Japanese would have overrun the Continent of Australia. Victory then for Allied arms would have reposed in a precarious balance.

And we see it with enduring vividness in our own house. We were forced to a combat spirit near desperation after the attack on Pearl Harbor. But, were it not for the retreat of General MacArthur from Manila to Bataan and then to Corregidor, the Japanese may well have landed in California and Alaska.

We should long ago have possessed all the bases we needed in the Pacific. Think that in 1900, 2 years after we had fought the Spanish-American War, that Germany bought all the Caroline Islands and all the Marianas from Spain for a mere \$4,000,000. Last year, 44 years after that event, we went to the assault to possess these islands at a terrific cost in blood. For 27 islands we have taken from the Japanese, starting with Guadalcanal and including the fighting on Okinawa up to May 9, we have suffered 163,081 casualties. In addition, we have expended treasure amounting to seven or eight billion dollars—2,000 times as much as what Germany paid Spain, an enemy we had defeated.

After having fought the last World War, we renounced for a second time all claim to these and other strategic German possessions in that vast ocean so vital for our defense. We allowed the British and the Japanese to divide up the whole of the spoils. Shall we repeat such an error a third time? Friends of today may be enemies tomorrow. President Wilson went so far as to proclaim a policy of erroneous American resignation when he said, in his war message:

We have no selfish ends to serve. We desire no conquest, no dominion. We seek no indemnities for ourselves. We are but one of the champions of the rights of mankind.

The beauty of the words and the loftiness of the thought may be commendable. But in that spirit of renunciation, we have had to fight for the possession of those former Spanish and German islands which fell into the hands of the Japanese. Just think of what it would have saved us in the flower of our manhood had we held the Marianas, the Carolines, and the Marshalls when this war started. We have had instead to fight on bloody beaches, sacrificing the lives of hundreds of thousands of young Americans and giving up billions of our treasure. We would have been safe in the Pacific had we stepped forward in 1919 and claimed our rights, as I insist we must do now.

REQUIREMENTS OF THE AIR AGE

The coming air age has made it incumbent upon us to secure bases for the traffic of the air just as England secured them for the sea. Her power on the sea was built because she had set out to possess the keys to the commerce of the world. Our power in the air now requires that we also go out and seek those bits of land, reefs, atolls, and even volcanic wastes where our air defenses and our air commerce of the future will have their ports and their stations for haven and repair.

Just as we are facing a new era in deciding our future defenses, we are facing a new era in the method by which defense is maintained. We have passed from land-borne and sea-borne armies to those air-borne. The progress in every branch of air warfare will be so stupendous in the not distant future that we will have to adjust all our military thinking on the basis of the overwhelming striking power of the armed airplane.

It has been considered that the blitz was a new technique in warfare when it aimed at the destruction of the enemy's communications and factories and used the treasured element of surprise. This is only one of the elementary principles in the air war of today. In the future the principle of the blitz and of surprise will still be used, but the weapons will be far stronger and far more deadly in their annihilating destruction.

Powerful rocket bombs launched under their own power or dropped from self-propelled airplanes will be so perfect that they will strike their targets with deadly accuracy. I have seen damage done by the present buzz bomb and rocket, and shudder to contemplate its progeny. Chemical science, too, has already evolved new and terrifying gases by which whole populations could be rendered helpless when the aggressor decides to strike.

We are to see much bigger and more powerful planes. Light metals will enhance their lifting power. The science of electronics will increase their efficiency as a devastating force. In the naval sense, they would be called dreadnoughts. Dreadnoughts they could also be called in the aerial sense, for their destructive power will be greater than anything yet contemplated in the field of armed conflict. What had been projected by the German blitz of 1939 in its march through Poland, Holland, and the Bal-

kans, will seem like an Ozarks opossum hunt in comparison with the material destruction and the human massacre by the air armadas of the future.

We will witness an era in the air which will revolutionize even the great and speedy planes of today. With the new jet-propulsion motor a plane will travel 1,000 miles an hour. At the beginning of this war a plane was doing well to travel 400 miles an hour. Technical experts declare that a man will be able to leave New York at noon and arrive in Los Angeles at the same time. The 3 hours difference on the clock between these two cities will give him the margin necessary to traverse the 3,000 miles which separate them.

AIR COMMERCE

And with the coming of great military power by means of the airplane, there will also be great commercial power. We will build planes as transport planes to carry not only passengers but vast tonnage in freight. Cargoes will go through the air just as they are going over the seas and on the railroads today. It is quite within the reaches of early accomplishment—and not many years after the war—that the United States will be able to muster a commercial airplane fleet of some 500,000 planes.

If we are to engage in the commerce of the world and our planes are to enjoy the freedom of the air, we must see to it with clear decision and firm will that we have ports for refueling and for forced landings all over the world. Since the airplane will be the most favored means of transportation in the future, we must be prepared for all that that involves—namely, the possession, and especially in our own right, of bases wherever our commerce extends. The progress in that age as compared to this could be likened to the revolutionary change from the horse-and-buggy era to that of the automobile.

And while it was necessary for us to keep great naval fleets to protect the sea commerce of the United States, so then it will be necessary for us to maintain great fighting armadas of the air to protect our air fleets and commerce.

In that recent study of the peace that is to come, and contained in the book, *The Gentlemen Talk of Peace*, by William B. Ziff, the noted air strategist, the opportunities which will surround us are given deep and careful thought. Ziff pays particular attention to the forward march of commercial air power, but insists, nevertheless, that this progress must be accompanied by an equal advance in our military air power as well.

In the flight paths of the commercial planes ultimately would follow powerful fighter squadrons—

Says Ziff:

There has never been a great mercantile fleet in history which was not finally backed up by a powerful war fleet. The two have always coexisted since the days of the earliest trading powers.

Now, along with the air age will come notable changes in the distance from one center to another. The fact that the airplane can use the Arctic Circle will reduce the distance from widely separated cities. The frozen North has been a tra-

ditional obstacle to navigation. Ships must go around it for they cannot cross it. But by air, the North Cape in Norway is the same distance from Oregon as it is from Washington, D. C., because the airplane can jump the North Pole, flying above the weather.

In an air route and using the great circle, Montreal, which is a thousand miles up the St. Lawrence River from the ocean, is nearer to Liverpool than New York by 300 miles. We can also judge the difference that flights over the Arctic Circle would mean, when we realize that a distance of 4,000 miles is saved between Washington and Chungking, China. That is to say, to fly west from Washington along a given latitude would require 11,718 miles of flight, whereas by hopping over the Pole, it is but 7,500 miles. London is 7,000 miles from Tokyo over the Arctic Circle but 17,000 miles by way of the Suez Canal and the Indian Ocean. New York is 11,190 miles from Tokyo by surface but only 6,735 by air.

These distances are staring at us all over the world in their astonishing change through the geography of the air. A city which was once several thousand miles away from another can be brought to half that distance from it by the air route of the Arctic Circle. This creates a new relation between all the continents and seas, and in a like way influences the commerce and even the defenses of nations.

What is more, since the airplane does not depend for its harbors and havens upon a calm and peaceful inlet along the sea coast, inland cities are brought along the air highways of commerce simply by creating a place where planes can land and take off. Chicago will suffer nothing by being inland in the air age. Stalingrad will rise to great commercial potentiality. The far reaches of the Asiatic interior will be able to carry on their commerce in the air age unhampered by the fact that they are so far from the sea or have no outlet at all.

FULL OWNERSHIP

From this inevitable plunge forward into the air age, we can see very easily why it is necessary for us to build and possess airports of call for our commerce of the future, whether they are in the islands of the Pacific or the vast stretches of the African or Asiatic deserts. In this new air age, an island in the Pacific would serve us far more than a great stretch of territory attached to a continent because it would be the only place to land on a long and melancholy stretch of ocean.

We should own and control outright those places where our planes can land, seek refuge in bad weather or repair a weakened part when necessary. We need an unbroken string of these bases protecting the approaches to the United States from the north, south, east, and west.

Hence, it is of supreme importance that those islands which have fallen into our hands, especially by our conquests in the Pacific, shall remain in our hands. We have taken over Iceland and Greenland, parts of Newfoundland, and other outposts in the North Atlantic. I have visited the great air bases we have built

in those places for our trans-Atlantic traffic and protection. It is unthinkable that they should now be abandoned. We have built the most modern military installations on many islands in the Caribbean and even on the mainland of South America. These we should not allow to pass out of our control. We have spent scores of billions of dollars in their construction. They shall serve us as the great guardian of our continental abode if we are to remain protected from outside attack, as well as help us on our commercial expansion of the future.

Our Army and our Navy have constructed airports with vast storing and repair equipment and the most modern landing and launching facilities in every part of the world. These airports run into the scores. Besides the West Indies, Greenland, Iceland, and the Pacific there are extensive American installations in Morocco, in Libya, in Egypt, in Iran, in Iraq, in West Africa, in East Africa, in India and Burma and China and all over southeast Asia and Australia. Our installations in the Bermudas cost us some \$42,000,000; those in Iceland ran up to \$50,000,000, while those of the Persian command reached \$60,000,000. And why should we not become the possessor of these decisive bits of soil which have cost us so much and are so vital to our security?

Our armed forces drove into the various islands of the Pacific held by the Japanese and there, with incomparable skill and courage, they seized the strategic territories which were to lead to the present favorable position we occupy in the war against Japan.

PAID FOR WITH LIVES

We are to remember on pain of mortal shame that at Kwajalein, in the Marshall group, nearly 2,000 marines either suffered wounds or death to win that powerful outpost. For Tarawa, 3,000 marines spilled their blood to wrest it from the enemy. On Palau, in the Peleliu, nearly 7,000 American Yanks fell and suffered in the assault. At Saipan, the casualties went up to 15,000, and at Iwo Jima the toll reached the enormous total of 19,497. Our conquest of the Marianas cost us 25,427 casualties.

We all know that it had to be, to drive the invader back, but now we want to make it possible that the invader shall never be able to catch us again. We need all these outposts. We need them as a prime necessity in the new air age. We need them in the military defense of the United States.

Not alone in the Pacific, but also in the Atlantic, we should demand the possession of bases which we have created with our skill, our ingenuity, and our riches. It may be true that we have not sacrificed in blood as heavily in the Atlantic as we have in the Pacific, but we have constructed colossal enterprises there to protect this hemisphere.

And when I talk of protection I mean protection of our very homes and our very lives. European powers control a number of the strategic islands of the Caribbean and yet what they hold there has no relation to the defense of their own homeland. It does with us. They

are squatting in the Caribbean and the islands of the Atlantic as interlopers. We are willing to put the civil possessions of the islands into the hands of the inhabitants, but we should insist on our right to use the islands as suitable bases for our naval and air protection. I would be willing to insist that these properties be turned over to us as reverse lend-lease or as payment of the sums owing to us from our allies in the last war.

Our capacity to develop these islands would be in contrast with that of the European powers which now hold them. We would seek to develop them for the good of their inhabitants whereas European powers seek to exploit them as markets for their textiles, their kitchen utensils, and other industrial products. We would not be going to the Caribbean, the West Indies, or the Arctic to deprive the people there of any of their rights or of any of their riches. We would go as benefactors as well as protectors.

The strategic frontiers of this hemisphere—

Says Ziff, who is regarded by our air staff as an advocate of sound principles in air warfare—

are the Cape Verde Islands, the Azores, Iceland, and Greenland in the east and a line running from Seward Peninsula (in Alaska) and Attu Island (in the Aleutians) * * * to Luzon Island (in the Philippines) and including * * * all the islands as far south as the Australian mainland thence east to the shores of the Americas.

In other words, in this new era into which we are about to enter—an era when our power is being felt as the most supreme in all the world—we need a cordon of impregnable bases for our continental defense in this new and fast-traveling air age with its as yet undreamed of possibilities. A string of places where planes can seek refuge from storm or land for repairs or for refueling must be transferred to us to protect our heritage in greatness and in material resources. As far as the Atlantic is concerned, we should possess what we have built up—in the Caribbean, in the West Indies, on the coasts of South America, in Newfoundland, in Iceland, and in Greenland. We should negotiate with Portugal for the purchase of the Cape Verde Islands, just as we negotiated for the purchase of the Virgin Islands from Denmark in 1917. With these outposts under our flag we would establish a protective fence about the Western Hemisphere. As long as we remained in possession of these bases no enemy could ever make his way across the ocean to attack our coasts or to set foot upon our soil.

PACIFIC OCEAN DEFENSE

In the Pacific, our outer wall starts on the Seward Peninsula in Alaska and passes down through the Aleutians to Luzon in the Philippines. All land and sea within that frontier we should regard as inviolable. With the unconditional surrender of Japan—the Bonins, the Marianas, the Carolines, and the Marshalls should pass directly and without any reservations whatever into our untrammelled possession. And for the sacrifices we have made in the Gilberts,

the Bismarck Archipelago, and the Solomons, we should demand Tarawa, Bougainville, and Guadalcanal. It is only when these are in our hands can we rest assured that our honored dead on those blood-soaked shores will be truly honored and truly revered. In their name and through their sacrifices we would become the undisputed masters of the Pacific.

If the future and destiny of the United States is to be assured to succeeding generations and for the centuries to come, this we must achieve. The responsibility we share for the eternal greatness of this republic demands that we shall prepare for its defense to the end of time. This we all owe.

I quote the words of Admiral Ernest J. King:

These atolls, these island harbors, will have been paid for by the sacrifice of American blood. They will have been scooped out of sand and rock, coral and volcanic ash, by a generation of Americans giving their sacrifice, ingenuity, and money.

Failure to maintain these bases essential to our defense raises the fundamental questions, How long can the United States afford to continue a cycle of fighting and building and winning and giving away, only to fight and build and win and give away again?

And we shall not be content with any trusteeship or mandate given us by some other powers. It would not be serving our own purpose and the purposes of peace to be subject to the whims of any international organization which may at some future time say that these bases did not belong to us. We want title to all the islands we have captured in the Pacific and to a great many of those in the Atlantic. We want title without any strings being tied to it, so that we can build up our defenses in a manner worthy of our industrial and military power.

I can see this Nation protected with a circle of forts about it so far from our continental abode that we will be able to stop a threatening aggressor before he gets started across the seas. We want to stop him dead in his tracks that he may never approach the sacred soil of this American Continent. It is for us to so order the defenses of the United States that this Nation will be impenetrable from attack for all time and ready for its mission of commercial expansion in the future.

OUR RESPONSIBILITY

This is where destiny has led us. We face the momentous decision of whether we desire to be strong and great or whether we wish to live only in the accomplishments of our past. If we are to endure carrying the burden of a glorious civilization, we must accept the challenge of a strenuous national life.

The country has been consigned to our hands by the daring and toil of those before us. The victories of our arms earned by the courage of our youth on the land, on the sea, and in the air demand that we take on the duty of our greatness. This is our moment for unreserved decision, uncompromising action, and a firm and determined will. It is now in our power to bequeath to succeeding generations an America destined to live for all eternity by its achievements and its faith.

We are today the masters of our Atlantic approaches and of all the Pacific. We must continue to be the masters and thus to hand down to our children an America great and secure until the end of time. Let us, therefore, keep permanent and unclouded title to island bases we have bought with our blood, sweat, tears, and dollars.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. MURRAY].

FAIR QUESTIONS THAT DESERVE FAIR ANSWERS

Mr. MURRAY of Wisconsin. Mr. Chairman, in regard to our foreign agricultural commerce I would like to ask three fair questions.

First. Is there a Member of Congress that would vote to place one man in complete control of the agricultural prices in the United States?

I can and do approach this from a non-partisan standpoint. The Price Control Act was approached from a nonpartisan standpoint. What was the procedure followed when this act was passed? Effort was made to place safeguards in the act for the purpose of protecting each group. The producer was guaranteed a 90-percent parity floor price and a 110-percent parity ceiling price in accordance with this and other provisions of the Steagall amendment. The consumer was to be protected by the establishment of ceiling prices—dated or fixed ceiling prices. The processor and the food distributor were given certain protection by the insertion of many clauses. All groups were provided some kind of tribunal from which they could obtain redress for their difficulties. The meat inquiry by the Congress, and the many other changes that have resulted from the appeals to the OPA and WFA and to the Congress itself, is conclusive evidence that difficulties arise that cannot be foreseen.

I doubt if any Member would vote, "Yes, he would give this authority to any one man."

Second. Since the Congress then would not even in wartime delegate this power to any one man to have control of the domestic agricultural prices, by what stretch of the imagination can anyone expect the Congress to delegate its power to any one man in peacetime to have complete control over our foreign agricultural program, when everyone knows that the domestic farm program and the foreign agricultural program are so very closely interwoven that whoever controls the foreign agricultural program also controls the domestic agricultural program. What redress has any group of people under this act?

If as a part of the domestic as well as the foreign agricultural program this administration has followed a plan of establishing export subsidies to capture world markets, a plan whereby they put an export embargo in operation on tobacco seed, a plan that places a near embargo on imports such as on wheat, cotton, and milk; a plan whereby the world wheat market has already been divided under section 22 of the Agricultural Adjustment Act; together with the plan of subsidies to domestic producers,

processors, and consumers, how can we approach this problem only on the basis of reciprocal trade treaties? Some of these devices may be more objectionable to other countries. Embargoes surely can be more objectionable than high duties.

We have been drifting away from government by law and adopting a plan of government by men. While under the act this power is delegated to the President, it appears that the State Department has taken over and that these problems enter into the field of diplomacy rather than in the field of economics.

We hear much about how Mr. William Clayton is going to have a large part in these foreign agricultural business plans. I do not know Mr. Clayton, but I do know that if one would not vote to give him or any other one man the power and authority to have complete control of agricultural prices in the United States even during wartime, there is no valid reason that can be advanced as to why one should be expected to delegate the power to him or any other one man to have absolute control over both the domestic and the foreign agricultural commerce of our Nation during peacetime.

The United States has already lost its foreign agricultural market. While about 50 percent of our total exports were agricultural products for many years, these agricultural exports have gradually dwindled until, according to the testimony of Mr. Fred Brenckman, of the National Grange, before the Ways and Means Committee, the agricultural exports were only 8.8 percent of the total exports by 1940. He used the United States Department of Agriculture figures. Reports of the Commerce Department I received show a little larger volume of agricultural exports. Anyway, to obtain these exports in 1940 many products had the benefit of an export subsidy. The products provided a subsidized export according to the United States Tariff Commission on May 21, 1945, were wheat, cotton, flour, pears, and walnuts.

This domestic and foreign agricultural commerce of our Nation has been so confused by the trade treaties; the export embargo, the near embargo on imports; the subsidized exports; the quota of world markets established under section 22 of the AAA; the "gentlemen's agreement" quota, that when we include the domestic agricultural program it appears that the best plan would be to extend these various devices for 1 more year as they are and take a little time in adjusting our foreign agricultural program as well as our domestic agricultural program and see that they are properly coordinated.

Third. Do you believe in fulfilling the commitments embodied in the Steagall amendment?

We must remember that the domestic agricultural program is being operated on over a billion dollars annual appropriation. We must remember that, if the 90 percent parity floor price is maintained in accordance with the Steagall amendment for 2 years after the war, this is the time to be thinking and doing something about it. The world

price plus the proposed duty that could be put in effect under H. R. 3140 would be less than the 90 percent guaranteed floor price on every agricultural product of importance. Is the Steagall amendment to be cast aside as a broken promise?

It has been said that the duties may not be lowered. I think they can say

that with assurance to some groups of producers, as many of them have not been lowered during the present operation of the treaties.

If the State Department does not intend to lower duties, why do they ask for the power? We surely should not pass the legislation just to deceive other coun-

tries into believing the United States intends to lower the duties if they do not intend to lower them.

The following official table indicates the crops wherein the world price plus the proposed duty would not equal the 90 percent parity guaranteed floor for leading agricultural products:

Agricultural prices: Actual and parity for January 1945 for selected commodities and indicated parities under pending bills compared with foreign prices and United States import duties

| Commodity | Unit | Parity prices | | | Actual prices | | | Import duty rate | |
|----------------------|---------------|-----------------|----------------------|---------------------|---------------|---------------------|----------------------|----------------------|-------------------------|
| | | Present formula | Pace bill, H. R. 754 | Thomas bill, S. 507 | United States | | Foreign ¹ | Present ³ | H. R. 2652 ⁴ |
| | | | | | Farm | Market ² | | | |
| *Wheat | Bushel | \$1.52 | \$1.90 | \$1.84 | \$1.46 | \$1.63 | \$1.02 | \$0.42 | \$0.21 |
| *Corn | Bushel | 1.10 | 1.44 | 1.24 | 1.07 | 1.15 | .63 | .25 | .12½ |
| *Oats | Bushel | .69 | .90 | .66 | .72 | .73 | .30 | .08 | .04 |
| *Barley | Bushel | 1.06 | 1.39 | .96 | 1.02 | 1.11 | .40 | .15 | .07½ |
| *Rye | Bushel | 1.24 | 1.62 | 1.32 | 1.09 | 1.23 | .60 | .12 | .06 |
| *Flaxseed | Bushel | 2.91 | 3.80 | 3.25 | 2.91 | 3.12 | 1.57 | .32½ | .16½ |
| Rice (rough) | Bushel | 1.40 | 1.83 | 1.75 | 1.75 | | 1.60 | .50 | .28 |
| Soybeans | Bushel | *1.65 | *2.16 | 3.03 | 2.06 | 2.19 | | 1.20 | .60 |
| Beans | Hundredweight | 5.80 | 7.58 | 8.02 | 6.23 | 6.85 | 4.25 | 3.00 | 1.50 |
| *Cotton | Pound | .21 | .28 | .30 | .20 | .22 | .14 | *.03½ | .01½ |
| Cottonseed | Ton | 38.80 | 50.70 | 50.30 | 52.80 | | | 6.67 | 3.33½ |
| Peanuts | Pound | .08 | .11 | .08 | .08 | .14 | .04 | .04½ | .02½ |
| *Hay | Ton | 20.40 | 26.70 | 18.80 | 17.10 | 45.00 | 16.36 | 2.50 | 1.25 |
| *Potatoes | Bushel | 1.25 | 1.56 | 1.56 | 1.58 | 1.80 | 1.25 | *.37½ | .18½ |
| Sweetpotatoes | Bushel | 1.51 | 1.98 | 1.86 | 1.90 | 2.50 | | *.50½ | .25½ |
| *Apples | Bushel | 1.65 | 2.16 | 2.03 | 2.46 | 3.32 | 2.25 | .15 | .07½ |
| *Oranges, on tree | Box | *2.03 | 3.18 | 3.18 | 1.90 | 4.74 | | .70 | .35 |
| *Grapefruit, on tree | Box | *.91 | 1.74 | 1.74 | 1.35 | 3.75 | 3.20 | .48 | .24 |
| *Hogs | Hundredweight | 12.50 | 16.40 | 13.60 | 13.80 | 14.66 | | 1.00 | .50 |
| *Beef cattle | Hundredweight | 9.32 | 12.20 | 9.98 | 11.70 | 14.71 | 11.00 | *1.50 | .75 |
| *Veal calves | Hundredweight | 11.60 | 15.20 | 12.30 | 13.20 | 15.00 | 13.00 | 1.50 | .75 |
| *Lambs | Hundredweight | 10.10 | 13.20 | 15.50 | 13.00 | 15.18 | 12.60 | 1.50 | .75 |
| Butterfat | Pound | 11.47 | 11.57 | 11.59 | .51 | .42 | .35 | .14 | .07 |
| *Milk, wholesale | Hundredweight | 11.29 | 11.34 | 11.32 | 3.35 | 3.70 | 2.25 | *.38 | .19 |
| *Chickens (live) | Pound | .20 | .26 | .22 | .24 | .28 | .21 | .04 | .02 |
| *Eggs | Dozen | 11.48 | 11.48 | 11.46 | .41 | .44 | .35 | .05 | .02½ |
| *Wool | Pound | .32 | .41 | .47 | .40 | .47 | .19 | 13.13 | .06½ |
| Tobacco: | | | | | | | | | |
| Flue-cured | Pound | .33 | .45 | .33 | .45 | | .30 | .30 | .15 |
| Burley | Pound | .32 | .44 | .31 | .45 | | .23 | .30 | .15 |
| Fire-cured | Pound | .15 | .19 | .19 | .24 | | .16 | .30 | .15 |

*Commodities on an import price basis, i. e., United States price exceeds foreign price plus duty.

¹ Prices in country of origin—mostly Canada, Argentina, or Brazil.

² Representative commercial markets.

³ Specific rates adjusted to unit shown when not expressed in the same unit, unless otherwise indicated.

NOTE.—Cuba has preferential rate of 20 percent. This is not shown except for grapefruit.

⁴ Possible rate is 50 percent of current rate.

⁵ Quantitative import quotas are in effect for part or all of the import classification.

⁶ Comparable price.

⁷ Basic rate is 7 cents. The reduced trade agreement rate applies to cotton 1½-inch staple and longer from Egypt and Peru.

⁸ White or Irish potatoes entered during the period Mar. 1 to Nov. 30—full duty 75 cents.

⁹ Ad valorem rate.

¹⁰ Per head.

¹¹ Adjusted for seasonal variation.

¹² In the grease, 16 cents scoured.

EXPLANATORY NOTE

This table combines 3 sets of data: (1) The farm parity price position for selected agricultural products as computed under the present formula and as indicated under H. R. 754 and S. 507; (2) actual prices as reported on farms and in specified markets in the United States compared with market prices (converted to United States money) in foreign countries of surplus and (3) the United States import duty rate currently in force and the possible rate under H. R. 2652.

It will be noted that practically all of the prices, either current or under the proposed parity legislation, exceed the prices of similar products in foreign countries by more than the amount of the prevailing import duty. Commodities on such an indicated import price basis are marked with an asterisk.

The reasons that one should oppose the duty juggling as practiced by the present administration under the guise of reciprocal trade are: First, it smacks too much of dictatorship; second, it gives one man control of the hourly income of every group of producers in the United States that does not protect itself by a domestic formula favorable to itself; third, it does not provide the producer proper safeguards that he is entitled to have in a country of democratic processes.

Fourth. Other devices have been put in operation that may have been helpful though the trade treaties are being given the credit for any price advance and the treaties are never blamed for price declines.

Fifth. Because we should not be delegating the rights of the people to any one man, whoever he may be.

Sixth. Agricultural exports have been reduced to nil.

The following table indicates the agricultural imports and exports:

| | Total agricultural exports | Total agricultural imports | Noncompetitive agricultural imports | Competitive agricultural imports |
|-------|----------------------------|----------------------------|-------------------------------------|----------------------------------|
| 1936 | \$709,000,000 | \$1,242,000,000 | \$547,000,000 | \$695,000,000 |
| 1937 | 797,000,000 | 1,579,000,000 | 711,000,000 | 868,000,000 |
| 1938 | 828,000,000 | 956,000,000 | 479,000,000 | 477,000,000 |
| 1939 | 655,000,000 | 1,118,000,000 | 592,000,000 | 526,000,000 |
| 1940 | 517,000,000 | 1,285,000,000 | 742,000,000 | 543,000,000 |
| Total | 3,506,000,000 | 6,180,000,000 | 3,071,000,000 | 3,109,000,000 |

Is there anything in this picture to justify the conclusion that these treaties with the duty juggling incident to them have been beneficial to agriculture? I am still looking for a man that can show where American agriculture has been benefited by the duty juggling as practiced by the present administration.

It is evident from this table that, so far as agricultural products are concerned, the United States had gradually lost its agricultural exports, although the agricultural imports have been rather well maintained. When the total United States exports are examined in relation

to the agricultural exports, and when the total United States imports are examined in relation to the agricultural imports, it should be evident to any fair-minded person that we are fostering agricultural imports to maintain nonagricultural exports.

This table shows that our agricultural exports from 1936 to 1940 are about the same as the imports of competitive agricultural products. We then export about the same as we import of competitive agricultural products. This, in other words, shows that the American people consumed about \$3,000,000,000 worth of

noncompetitive agricultural products, and that our agricultural exports are in fact only our agricultural imports. This is one more indication that agricultural imports may be maintained so that non-agricultural exports can be obtained. The American farmer is entitled to first consideration of the American market for his products.

The following official table from the BAE shows the net income per farm in 1939:

Net income per farm, 1939

| | |
|---------------------|-------|
| Alabama..... | \$459 |
| Arizona..... | 1,080 |
| Arkansas..... | 597 |
| California..... | 1,399 |
| Colorado..... | 825 |
| Connecticut..... | 1,109 |
| Delaware..... | 761 |
| Florida..... | 978 |
| Georgia..... | 589 |
| Idaho..... | 922 |
| Illinois..... | 1,050 |
| Indiana..... | 719 |
| Iowa..... | 1,305 |
| Kansas..... | 621 |
| Kentucky..... | 471 |
| Louisiana..... | 617 |
| Maine..... | 638 |
| Maryland..... | 669 |
| Massachusetts..... | 800 |
| Michigan..... | 661 |
| Minnesota..... | 906 |
| Mississippi..... | 482 |
| Missouri..... | 610 |
| Montana..... | 786 |
| Nebraska..... | 688 |
| Nevada..... | 1,318 |
| New Hampshire..... | 565 |
| New Jersey..... | 1,492 |
| New Mexico..... | 763 |
| New York..... | 855 |
| North Carolina..... | 701 |
| North Dakota..... | 668 |
| Ohio..... | 796 |
| Oklahoma..... | 643 |
| Oregon..... | 741 |
| Pennsylvania..... | 720 |
| Rhode Island..... | 1,104 |
| South Carolina..... | 606 |
| South Dakota..... | 684 |
| Tennessee..... | 431 |
| Texas..... | 779 |
| Utah..... | 912 |
| Vermont..... | 787 |
| Virginia..... | 485 |
| Washington..... | 813 |
| West Virginia..... | 436 |
| Wisconsin..... | 741 |
| Wyoming..... | 1,580 |

United States average..... 718

Do you realize that in some States one-half of this income came from Government payments?

When one considers this table he must keep in mind that though in some States only \$50-\$60 of the income came from Government payments, yet in some of these States one-half this net farm income was obtained through Government payment checks under the domestic agricultural program.

Nineteen hundred and thirty-nine was the seventh year of this administration, and there is nothing in the table to show that even with the billions poured into the domestic agricultural program, any permanent benefit is apparent.

There is nothing in this table to indicate that the American farmer needs to be desirous of finding any new devices in order to give away his domestic market for his own products. What do you think? Do you think \$718 is a sufficient annual farm income? Broken down to an hourly wage, Dr. Wiley Goodsell's study shows that in Wisconsin in 1939 the gross hourly income per hour on a typical Wisconsin dairy farm was 14 cents per hour, and the net hourly income was only 4 cents per hour.

Let us keep this always in mind. There are more competitive agricultural imports in pounds, bushels, and tons than are our whole agricultural exports. In other words, with the greatest agricultural country in the world, we do not even furnish our own food in peacetime. Additional steps down this pathway should not be encouraged.

THE TOBACCO OX WILL NOT BE GORED EVEN
UNDER H. R. 2652

Mr. Chairman, while talking about tariffs with one of the leading Members of the majority when I first became a Member of this distinguished body, he stated that "The tariff question is a local issue." I have become more convinced of the import of this statement every day

since. There is also the old axiom, "That it depends on whose ox is being gored." My observations and study have convinced me that regardless of the present treaties or proposed trade treaties certain farm products will not be subjected to a duty-reduction program even under H. R. 2652.

Let us take a look at the tobacco situation. This crop had one of the highest duty rates in the Tariff Act of 1930. It was surely able to obtain a duty much higher in proportion to the price at the market place or the parity price than any farm commodity I find listed. I have often wondered how these tobacco interests could obtain such a high duty rate on their product in the act of 1930.

I insert at this point two official tables as follows:

First. Comparison of average seasonal prices paid to farmers in 1939 by class and type of tobacco, with rates of duty. Source: United States Tariff Commission.

Second. Parity prices for 1939 of the several classes and types of tobacco grown in the United States. Source: Bureau of Agricultural Economics, United States Department of Agriculture.

Tobacco: Comparison of average seasonal prices paid to farmers in 1939, by class and type, with rates of duty, as specified¹

| Classes and types | Average seasonal price paid to farmers, 1939 | Rates of duty | | | | | |
|--|--|-----------------------------|-----------------|-----------------------------|-----------------|-----------------------------|-----------------|
| | | Act of 1930 | | Applicable in 1939 | | May 1945 | |
| | | Product, other than of Cuba | Product of Cuba | Product, other than of Cuba | Product of Cuba | Product, other than of Cuba | Product of Cuba |
| | | Cents per pound | Cents per pound | Cents per pound | Cents per pound | Cents per pound | Cents per pound |
| Light—classes 1 and 3A (cigarette types)..... | 15.6 | 35 | 28 | 35 | 28 | 30 | 24 |
| Fine cured, types 11-14..... | 14.9 | | | | | | |
| Burley, type 31..... | 17.3 | | | | | | |
| Maryland, type 32..... | 21.1 | | | | | | |
| Dark—classes 2 and 3..... | 9.5 | 35 | 28 | 35 | 28 | 35 | 28 |
| Fire cured, types 21-24..... | 10.6 | | | | | | |
| Dark air cured, types 35-37..... | 7.3 | | | | | | |
| Cigar filler—class 4..... | 12.8 | 35 | 28 | 35 | 28 | 35 | 14 |
| Pennsylvania Seed leaf, type 41..... | 12.9 | | | | | | |
| Miami (Ohio) Valley, types 42-44..... | 8.4 | | | | | | |
| Georgia and Florida, sun-grown, type 45..... | 15.5 | | | | | | |
| Puerto Rico, type 46..... | 18.0 | | | | | | |
| Cigar binder—class 5..... | 16.6 | 35 | 28 | 35 | 28 | 35 | 14 |
| Connecticut Broadleaf, type 51..... | 22.0 | | | | | | |
| Connecticut Havana Seed, type 52..... | 24.0 | | | | | | |
| New York and Pennsylvania, Havana Seed, type 53..... | 10.9 | | | | | | |
| Southern Wisconsin, type 54..... | 10.8 | | | | | | |
| Northern Wisconsin, type 55..... | 13.8 | | | | | | |
| Georgia and Florida, sun-grown, type 56..... | 11.9 | | | | | | |
| Cigar wrapper—class 6..... | 67.7 | 227½ | 182 | 150 | 120 | 150 | 91 |
| Connecticut Valley, shade-grown, type 61..... | 66.0 | | | | | | |
| Georgia and Florida, shade-grown, type 62..... | 73.0 | | | | | | |

¹ Rates apply to only unstemmed leaf.

² Reduced to 30 cents per pound by trade agreement with Turkey, effective May 5, 1939, for product other than Cuba; to 24 cents per pound for product of Cuba.

³ Rates established by trade agreement with Turkey, effective May 5, 1939.

⁴ Rate reduced to 17½ cents per pound, effective Dec. 23, 1939, by trade agreement with Cuba. Rates subject to tariff quota of 22,000,000 pounds, unstemmed equivalent.

⁵ Rate reduced to 14 cents per pound, effective Jan. 5, 1942, by trade agreement with Cuba. Rates subject to quota of 22,000,000 pounds, unstemmed equivalent.

⁶ Rates established by trade agreement with Netherlands, 1936.

⁷ Rates established by trade agreement with Cuba, 1942.

Source: Price data from agricultural statistics, U. S. Department of Agriculture.

NOTE.—The rate of duty on imports of stemmed cigar filler tobacco, practically all from Cuba, was reduced from 40 cents per pound in the act of 1930 to 20 cents per pound in trade agreements with Cuba. Similarly scrap tobacco was reduced from 28 cents per pound to 14 cents per pound. Product of Philippine Islands entered free of duty.

The table below gives the parity prices for 1939 of the several classes and types of tobacco grown in the United States:

| Types: | Parity prices ¹ | Cents per pound |
|---|----------------------------|--------------------|
| Flue-cured, types 11-14..... | | 22.3 |
| Fire-cured, types 21-24..... | | 10.4 |
| Burley, type 31..... | | 21.8 |
| Maryland, type 32..... | | 17.5 |
| Dark air-cured, types 35-36..... | | 8.3 |
| Sun-cured, type 37..... | | 11.1 |
| Cigar filler: | | |
| Pennsylvania seedleaf, type 41..... | | 10.8 |
| Miami Valley, types 42-44..... | | 10.7 |
| Georgia and Florida sun-cured, type 45..... | | 13.8 |
| Puerto Rican, type 46..... | | 20.8 |
| Cigar binder: | | |
| Connecticut broadleaf, type 51..... | | 21.1 |
| Havana seed, type 52..... | | 20.0 |
| New York and Pennsylvania Havana seed, type 53..... | | 16.4 |
| Southern Wisconsin, type 54..... | | 9.4 |
| Northern Wisconsin, type 55..... | | 12.2 |
| Cigar wrapper: | | |
| Connecticut Valley, type 61..... | | 74.1 |
| Georgia and Florida, type 62..... | | 45.8 |
| ¹ 12-month average for crop-year for each class or type. | | |

There is a quota of 22,000,000 pounds on tobacco from Cuba. After this amount is imported Cuba must pay the additional duties. The domestic production of tobacco is from 1,200,000,000 to 1,800,000,000 pounds.

What do these tables indicate?

First. That the duty on most every type of tobacco is much higher even than the 1939 seasonal price or the parity price of the product.

Second. That the only duty that has been lowered—except Cuba, with a quota—is the duty on light classes 1 and 3a where the duty was reduced from 35 cents to 30 cents per pound, and on class 6 where the duty was reduced from \$2.27½ to \$1.50 per pound.

Third. That the duties on tobacco are twice the selling price received by farmers, and twice the parity price of the product in a large percentage of the types of tobacco in most instances.

Fourth. That the Tariff Act of 1930 must be very satisfactory to the tobacco people because they have been able and willing to maintain the rate of duty in all but a few classes of the product.

Fifth. That all the crocodile tears shed by proponents of the present trade treaties on the proposed H. R. 2652 comes in poor grace from anyone from a tobacco district that is enjoying the benefits of the Tariff Act of 1930, so completely and so willingly. The duty on tobacco surely affords the American market to the American tobacco farmer, but it is so sinful and so war provoking to ask that the dairy farmers be given somewhere near equal consideration with other countries for the American market for the American dairy farmer.

Sixth. That while the Wisconsin tobacco farmer was provided a duty protection which was two to three times what his tobacco brought him at the market place and a protective duty and a duty that was over three times the parity price, this same Wisconsin farmer if he produced milk for cheese had to see the duty on his cheese lowered to a small percentage of parity and a small

percentage of the cost of producing the cheese. That is one advantage of being able to raise a crop that comes under the chosen few.

Seventh. That a fair question would be to ask "If it is desirable to lower duties to attain a good-neighbor policy and to have friendly relations, why would it be desirable lowering the duty on tobacco the same as some of the other farm products? Just who was Secretary of State and the master mind behind these trade treaties? It was Mr. Cordell Hull from the tobacco State of Tennessee. Why has not Henry A. Wallace given this crop some consideration and promoted some duty lowering on a crop that really had a high tariff?

Since the duty on tobacco has not up to this very time been reduced enough to jeopardize the American market for the American tobacco grower, what is there in the picture to make one believe that any duty reduction on this product would be put into effect even if H. R. 2652 is passed, wherein duties can be cut another 50 or by 75 percent.

So long as peanuts have a 7-cent-per-pound duty which is more duty in cents than the crop brought in cents in the last 25 years, and since cotton has been catered to by putting an import quota of 95,000 bales or less than one-tenth of 1 percent of the annual production, and since that this very time cotton exports are being subsidized at \$20 per bale from money provided and authorized under the Surplus Disposal Act, there is not much evidence to show that tobacco will suffer from any lowering of the duties.

Think of the deceit. Think of the deception. Think of all the women's clubs that have been led or misled rather to believe that the New Deal was sincere with them, and honest with them when they were being told the wonders of the New Deal reciprocal trade treaties.

I have stated, and no one has yet disproved the statement, that not a single farm product in America has yet been benefited by the New Deal brand of trade treaties. The tobacco growers have not been harmed by them for the reason that they have had the duty on their product maintained at a point where they are assured the American market.

No, my colleagues, the tobacco ox has not been gored, and it is not liable to be gored, so long as the New Dealers make their glittering generalities and issue their half truths and propaganda about the trade treaties, but at the same time insist on maintaining a duty on the products of their districts that are two or three times the parity price or the market price.

People of foreign countries are already catching on the export subsidy device, and the American people are also finding out that the propaganda and the facts do not coincide in regard to the New Deal brand of reciprocal trade treaties.

The people of America want to bring the Government back to the people. They do not want to delegate any more power and most of them think too much has already been delegated. They do not want anything arrived at by any

reciprocity committee, secret in nature, hush-hush in their operation, who were never elected to anything by anyone.

The export subsidies, the embargoes, the near embargoes, the governmental quotas, the gentleman's quota agreement are all a part of the present foreign and domestic agricultural policy as well as the trade treaties, and I for one am not voting any additional power to anyone to continue their unscientific, unfair duty-juggling procedures.

I ask each Member to answer two questions: First, would you vote to give one man the power to dictate the price of every agricultural product in our domestic economy? I presume your answer is "No," unless you have sipped too frequently from the New Deal fountain of philosophy. At least, the Congress tried to put enough safeguards to protect both consumer and producer when the OPA legislation was passed. The Congress tried to write innumerable safeguards around and in the Price Control Act to protect the producer, the consumer, and the businessmen. If one believes in one-man government, why were these protective clauses added to this act creating the OPA?

The second question then is why should any person in America ask their representative in Congress to delegate the power to one man to have complete control and dictate our foreign agricultural policy when everyone knows that the foreign agricultural policy and the domestic agricultural policy are so interwoven that whoever controls the foreign agricultural policy controls the domestic agricultural policy and prices as well?

Formerly agricultural exports were about half our total exports. By 1940 the agricultural exports had dwindled to 8.8 percent of our total exports, according to Mr. Fred Brenchman, of the National Grange, when he testified before the Ways and Means Committee. This 8.8 percent agricultural export was obtained only by spending millions upon millions on export subsidies and the agricultural exports would have been practically nil if they had not been subsidized.

The conclusions are that many people and many groups condemn the Tariff Act of 1930 but keep its provisions to give the American farmer the American market for the products of their State and their district. The other conclusion is that the export embargo, the export quotas, the import embargo, the import quotas, the gentleman's agreement quota have so confused the foreign agricultural program that before any additional powers are granted we had better find out just exactly what type of an agricultural economic mess we are in both domestically and from a foreign agricultural commerce standpoint.

The people that pay taxes, and that includes most of them, may not care to see public funds used to pay someone for not growing or growing some crop, then see public funds paid out because the crop did not bring enough in the market place, and then see public funds to be paying still additional funds used for export subsidies for the same crop.

The tobacco ox will not be gored.

Tobacco: Acreage, production, value, and foreign trade, United States, 1929-40

| Year | Acreage harvested | Production ¹ | Season average price per pound received by farmers | Farm value | Foreign trade, year beginning July ² | | |
|------|-------------------|-------------------------|--|----------------------|---|---------------------|--------------------------|
| | | | | | Domestic exports | Imports | Net exports ³ |
| | <i>Acres</i> | <i>1,000 pounds</i> | <i>Cents</i> | <i>1,000 dollars</i> | <i>1,000 pounds</i> | <i>1,000 pounds</i> | <i>1,000 pounds</i> |
| 1929 | 1,980,000 | 1,532,676 | 18.3 | 280,966 | 600,181 | 63,181 | 541,312 |
| 1930 | 2,124,200 | 1,648,037 | 12.8 | 210,852 | 591,035 | 75,425 | 517,388 |
| 1931 | 1,988,100 | 1,565,088 | 8.2 | 128,582 | 432,361 | 73,375 | 359,374 |
| 1932 | 1,404,600 | 1,018,011 | 10.5 | 107,356 | 399,967 | 59,545 | 341,455 |
| 1933 | 1,739,400 | 1,371,965 | 13.0 | 178,418 | 472,630 | 455,784 | 416,846 |
| 1934 | 1,273,100 | 1,084,589 | 21.3 | 225,084 | 374,658 | 58,270 | 316,388 |
| 1935 | 1,439,100 | 1,302,041 | 18.4 | 238,966 | 432,068 | 67,895 | 364,773 |
| 1936 | 1,440,900 | 1,162,838 | 23.6 | 273,944 | 416,884 | 69,309 | 347,575 |
| 1937 | 1,752,800 | 1,569,023 | 20.4 | 320,111 | 459,564 | 68,021 | 391,543 |
| 1938 | 1,600,700 | 1,385,573 | 19.6 | 270,492 | 473,757 | 76,085 | 397,672 |
| 1939 | 1,909,900 | 1,880,793 | 15.4 | 288,918 | 342,153 | 80,731 | 261,422 |
| 1940 | 1,411,300 | 1,462,080 | 16.0 | 234,457 | 179,626 | 77,843 | 101,783 |

¹ Production, exports, and imports are not comparable; i. e., production figures are on a farm-sales-weight basis, whereas exports and imports are on a declared-weight basis.

² Compiled from Monthly Summary of Foreign Commerce of the United States, January and June issues, and official records of the Bureau of Foreign and Domestic Commerce.

³ Total exports (domestic plus foreign) minus imports. Beginning 1933 domestic exports minus imports for consumption.

⁴ Beginning 1933, imports for consumption.

Bureau of Agricultural Economics. Revised December 1942.

There is nothing in this table to show that the trade treaties have increased tobacco exports. This table should indicate that a product with the guaranteed American market to itself, plus domestic subsidies, can be provided a price in the market place that is relatively a high price when compared to the prices of previous years. However, it is surely fair to ask, What would the farmer have received for his tobacco per pound from 1934 to 1940 if he had not had the American market, if he had not had loans plans, if he had not had the domestic payments? If the duty on tobacco had been reduced on class 6 from \$1.50 to 205 of parity or less as it was on some livestock products or from \$1.50 per pound down to 15 cents per pound, what do you think the price of tobacco would have been? A comparable duty would be 90 cents per pound on butter, and 45 cents per pound on cheese instead of 4 cents per pound.

THE TOBACCO-SEED-EXPORT EMBARGO

In addition to the above, I wish to call your attention to the fact that during the 8 years of this Administration there was passed the tobacco-seed-embargo bill.

It was as follows:

[Public, No. 543, 76th Cong., ch. 222, 3d sess.]
S. 3530

An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes

Be it enacted, etc., That it shall be unlawful to export any tobacco seed and/or live tobacco plants from the United States or any Territory subject to the jurisdiction thereof, to any foreign country, port, or place, unless such exportation and/or transportation is in pursuance of a written permit granted by the Secretary of Agriculture. Such permit shall be granted by the Secretary only upon application therefor, and after proof satisfactory to him that such seed or plants are to be used for experimental purposes only.

Sec. 2. Any persons violating any of the provisions of this act shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 1 year, or both such fine and imprisonment.

Listen to the explanation in a letter from the office of the present Secretary of Agriculture regarding this embargo:

JANUARY 22, 1945.

Hon. REID F. MURRAY,

House of Representatives.

DEAR MR. MURRAY: This is in reply to your letter of January 2, inquiring about the act of Congress prohibiting the exportation of tobacco seed and live plants. This law was enacted to protect the foreign market for American tobacco growers. It was felt that the large quantities of tobacco seed being exported annually to China and other countries which normally imported large quantities of tobacco from our flue-cured districts were contributing to the decrease in these tobacco exports.

The act forbids the exportation of tobacco seed except for experimental purposes, and the officials of the Department concerned with plant breeding stated that one-half ounce of seed is more than ample for planting a regulation-size experimental plot. This, therefore, was adopted as the maximum quantity of seed that could be exported for any one variety. However, under an approved application, a permit may be issued to cover several varieties. Permits are issued only for seed to be used in the course of sci-

entific experiments as conducted by governmental agencies. During the past 4 years the total quantity of seed authorized to be exported has been slightly under 11 pounds. A copy of the regulations governing the administration of this act is enclosed.

Congressman KERR, of North Carolina, was instrumental in securing the enactment of this law, and you may wish to discuss it further with him.

Sincerely yours,

CHARLES F. BRANNAN,
Assistant Secretary.

Does this indicate an interest in a good-neighbor policy?

To sum up the tobacco situation then we find a crop where for all practical purposes the high duty of the act of 1930 is preserved; we find a falling off of tobacco exports and in fact more tobacco was shipped through lease-lend than by normal exports in 1943; we find the domestic loan and other programs of evident benefit to this group; and to finish it up we find an embargo put on tobacco seed for the purpose of preventing growers in China and other countries from raising the crop to compete with United States tobacco producers.

We here witness a crop assured the America market for the American tobacco grower not only by maintaining a high duty but also by putting an embargo on the seed to prevent other countries from raising it. Did someone say something about a good-neighbor policy and is this the method to obtain one?

DOMESTIC AND FOREIGN AGRICULTURAL COMMERCE

Mr. Chairman, some people may say and some people may think that the trade treaties have been beneficial to the apple producer. The commercial apple crop of the Nation is less than 1 percent of the national farm income. However, it is an important crop in some sections of our country. I insert at this point an official table from the United States Tariff Commission:

Apples, green or ripe: United States production, imports, computed duty, exports, and net exports, 1920-40

| Year | Total production | | Imports | | Computed duty ¹ | Exports | | Net exports |
|------|----------------------|----------------------|----------------------|----------------------|----------------------------|----------------------|----------------------|----------------------|
| | Quantity | Value | Quantity | Value | | Quantity | Value | |
| | <i>1,000 bushels</i> | <i>1,000 dollars</i> | <i>1,000 bushels</i> | <i>1,000 dollars</i> | <i>1,000 dollars</i> | <i>1,000 bushels</i> | <i>1,000 dollars</i> | <i>1,000 bushels</i> |
| 1920 | 206,688 | 256,175 | 382 | 397 | 38 | 5,303 | 14,089 | 5,011 |
| 1921 | 95,638 | 154,895 | ² 1,198 | 2,328 | 358 | 5,809 | 13,982 | 4,611 |
| 1922 | 189,425 | 186,674 | ³ 187 | 339 | 49 | 4,945 | 9,996 | 4,758 |
| 1923 | 180,915 | 196,777 | 75 | 130 | 19 | 8,876 | 16,212 | 8,801 |
| 1924 | 160,457 | 195,723 | 161 | 321 | 40 | 10,261 | 24,287 | 10,100 |
| 1925 | 152,424 | 189,198 | 85 | 177 | 21 | 10,043 | 21,063 | 9,958 |
| 1926 | 229,656 | 193,912 | 37 | 67 | 9 | 16,170 | 30,474 | 16,133 |
| 1927 | 115,708 | 169,011 | 177 | 351 | 44 | 15,534 | 30,188 | 15,357 |
| 1928 | 177,813 | 192,479 | 115 | 211 | 29 | 16,635 | 26,663 | 16,520 |
| 1929 | 135,102 | 187,598 | 268 | 481 | 67 | 16,856 | 33,138 | 16,588 |
| 1930 | 156,623 | 161,789 | 137 | 264 | 34 | 15,850 | 28,664 | 15,713 |
| 1931 | 205,404 | 129,736 | 44 | 73 | 11 | 17,785 | 29,160 | 17,741 |
| 1932 | 146,809 | 86,690 | 55 | 101 | 14 | 16,919 | 22,417 | 16,864 |
| 1933 | 148,640 | 114,642 | 7 | 7 | 2 | 11,029 | 13,097 | 11,022 |
| 1934 | 128,203 | 112,229 | 16 | 17 | 4 | 10,070 | 14,001 | 10,054 |
| 1935 | 174,407 | 121,339 | 24 | 21 | 6 | 11,736 | 17,277 | 11,712 |
| 1936 | 116,827 | 121,410 | 19 | 33 | 3 | 8,897 | 13,093 | 8,878 |
| 1937 | 201,459 | 123,818 | 23 | 39 | 3 | 7,901 | 11,565 | 7,878 |
| 1938 | 125,440 | 100,808 | 26 | 44 | 4 | 11,793 | 14,701 | 11,767 |
| 1939 | ⁴ 167,096 | 108,612 | 46 | 72 | 7 | 8,379 | 10,592 | 8,333 |
| 1940 | 133,727 | 108,319 | 603 | 715 | 90 | 1,325 | 2,054 | 722 |

¹ Under the Tariff Act of 1913 apples were dutiable at 10 cents per bushel. This rate was increased to 30 cents per bushel under the Emergency Tariff Act of 1921. The Tariff Act of 1922 reduced the rate to 25 cents per bushel, which rate was continued in the Tariff Act of 1930. Pursuant to the trade agreement with Canada, effective Jan. 1, 1936, the rate of duty was reduced to 15 cents per bushel, which rate was continued pursuant to the second trade agreement with Canada, effective Jan. 1, 1939.

² 1,191,000 bushels dutiable at 30 cents per bushel.

³ 145,000 bushels dutiable at 25 cents per bushel.

⁴ Total production figures since 1938 are not published by the U. S. Department of Agriculture. Statistics of production for 1939 and 1940 were obtained by increasing the commercial production by one-fifth for those years which approximate the quantity not reported by official statistics.

Source: Crop Reporting Board, U. S. Department of Agriculture; official statistics, U. S. Department of Commerce, U. S. Tariff Commission, May 1945.

Just exactly what does this table indicate? First, that from fifteen to seventeen million bushels were the United States net exports each year from 1926 to 1933. Second, that the average net export from 1936 to 1941 and not including 1941, has been only 9,000,000 bushels per year. Third, that even in 1932 16,919,000 bushels were exported with a value of \$22,417,000. This is a higher bushel export and a higher dollar export than any year since. Fourth, that there is nothing in this table to indicate that the trade treaties have been of benefit to the apple growers of America.

Report No. 143 of the United States Tariff Commission shows the concessions and lowering of duties by other countries, but evidently they were not lowered enough to stimulate the import of American apples.

Table 278 of the 1942 agricultural statistics shows that the average price per bushel for apples received by farmers is as follows:

| | Per bushel |
|--|------------|
| 1930 | \$1.02 |
| 1931 | .66 |
| 1932 | .60 |
| 1933 | .78 |
| 1934 | .89 |
| 1935 | .72 |
| 1936 (with only a 117,000,000-bushel crop) | 1.05 |
| 1937 | .67 |
| 1938 | .82 |

From information received from the Bureau of Agricultural Economics the price for apples for 1939 and 1940 were as follows:

| | Per bushel |
|------|------------|
| 1939 | \$0.64 |
| 1940 | .80 |

This should be sufficient evidence that the trade treaties had not been of any apparent benefit to the apple business. The imports, largely from Canada, that rose to over 600,000 bushels in 1940 no doubt was due to the fact that ships were needed more for transporting materials and food directly connected with the war.

Mr. Lynn R. Edminster, Acting Chairman, United States Tariff Commission, in a letter to me dated May 19, stated in part:

Concerning apples, green or ripe, the table shows the United States production, imports, computed duty, exports, and net exports from 1920 to 1940. The so-called gentlemen's agreement to which you referred was initiated in October 1940, when two representatives of the United States Department of Agriculture were sent to Ottawa. Out of their discussions with Canadian officials came an understanding that Canadian exports of apples to the United States would not exceed a maximum of around 650,000 boxes during the 1940-41 season. Although similar agreements were made during each of the following 3 years, short crops and war demands kept imports from reaching the quota. This arrangement has been respected by Canadian shipping within limits satisfactory to the United States.

From other sources I am advised that the Canadian growers plan to discontinue the gentlemen's agreement when it terminates.

The reciprocal trade treaties of this administration cannot be properly and fairly considered unless we take the other trade devices that have sprung up dur-

ing the past 12 years. There is not much sense and less fairness to criticize the high rates of the Tariff Act of 1930, and then turn around and use domestic subsidies, export subsidies, export embargoes, import embargoes, export quotas, import quotas, gentlemen's agreement quotas. In fact some of these devices have been used to make additional agricultural commerce more difficult than the rates of duties prevailing under the Tariff Act of 1930. The American people are beginning to see through these procedures. At least two foreign countries protested at the Mexico Conference the export subsidy device.

Let us examine just some of the procedures or programs in connection with apples that may have helped the apple grower. These have nothing to do with the reciprocal trade treaties. One can be found in the United States Department of Agriculture official table on page A2221 of the Appendix of the Record. This table shows that as much as \$6,500,000 were expended in a year for free distribution of apples in the domestic-food program. This table also shows that the funds were secured by the distributing agency from the 30 percent of import duties as provided in section 32 of the AAA. In other words, duties have been reduced on livestock and livestock products which invites imports, and then the section 32 funds are obtained and used to distribute apples and other food products that are and have been on an export basis.

Second are the lend-lease shipments, which have been as much as 3,000,000 bushels in a year.

Many people feel that extravagant statements have been made about the effects of the Tariff Act of 1930. The duty on apples under the act of 1913 was 10 cents per bushel, raised to 30 cents per bushel under the act of 1921, reduced to 25 cents per bushel under the act of 1922, and continued at 25 cents per bushel in the act of 1930; in the Trade Agreement Act with Canada in 1936, it was reduced by 40 percent, or to 15 cents per bushel, and this rate was continued in the second trade agreement with Canada.

There are so many factors affecting the prices of farm products that one must be careful in trying to prove a point that does not exist. World economic conditions, such as in 1932 and the prewar years, the size of the domestic crop and the domestic economic situation are a few of them. Many people feel that if the FAO lives up to its possibilities that it can be helpful to the food producers of all countries.

When a foreign producer ships to the United States market and breaks the market he is doing harm, not only to the United States producer but indirectly to himself as well. A shipper may buy a product as cheap as he can in any country and put the product on the market of some other country to his advantage. He may profit by the transaction, but the producers of the country he buys the product in may receive a very unsatisfactory price. The producers of this product in the country to which the product is shipped may see their domestic price lowered and they may be injured

in the process. The producers of both countries may be harmed, and the only ones benefited are the few that are engaged in the transfer of the product from one country to another. Just because we import so many pounds or bushels or dollars' worth of a product is no definite indication that the producers of that country have really been benefited. The world market on some crops such as wheat has already been put under an export quota. This is done under section 32 of the Agricultural Adjustment Act. If our exports are to be controlled by a quota and any agency has the power to tell the American producer how much he can have of the world market for his product, why, in fairness, is not the American producer entitled to a procedure that gives him some consideration as to the amount of imports of farm products? Otherwise who controls the domestic program?

These are economic questions. The many trade devices of the present administration, if continued, will make this situation more rather than less complicated. The Colmer report, if followed, would put all producers on an equal basis. Whether or not it is a desirable basis is a different question. It would be a more fair and honest approach than it is to have the foreign agricultural commerce of our Nation controlled by subsidies, embargoes, near quotas, and so-called reciprocal trade that is not reciprocal. All the producers would have to compete with the world under the Colmer plan, while under H. R. 2652 certain groups can keep the American market wholly to themselves, and give the American market away for other groups of producers. The strong have the advantage over the weak under H. R. 2652. Take two examples: There are 145,000 rye growers and 1,400,000 wheat growers in the United States.

When rye was 32 cents per bushel and 38 percent of parity the duty was reduced to 12 cents per bushel. It could be reduced to 6 cents per bushel under H. R. 2652. Wheat not only had the 42-cent duty provided in the act of 1930 preserved, but has been able to obtain an import quota that limits the imports to 800,000 bushels or one-tenth of 1 percent of the national production. In addition year after year export subsidies of 25 cents to 33 cents per bushel are paid to get rid of the alleged surplus.

The second example is that milk is produced on 2,500,000 farms. A quota of 3,000,000 gallons on milk imports annually is in operation. This is a rather definite barrier or embargo when one considers that the United States milk production is one hundred and fifteen to one hundred and nineteen billion pounds a year. Now let us take farmers producing milk for cheese. There are only a few thousand of them—over half of them in Wisconsin—that saw the duty on their product reduced by 42 percent.

Then we have the milk marketing agreements to protect certain markets for certain producers and thus refuse other United States milk producers a chance even at the domestic milk market.

In other words such groups are willing and able to put in operation a program that says a 42 percent duty reduction is

fine for you, but we will keep our own market to ourselves.

Even the Colmer report would not affect this type of domestic plan which operates on the basis of "cream for the few, but skim milk for the many."

THE CASE OF LARD

Mr. Chairman, the statement that lard and pork products have been benefited by the trade treaties has been made. What are the facts?

The information about these agricultural products is a matter of public record in the Agricultural Department, Tariff Commission, Commerce Department, and other agencies.

The United States production and exports of lard from 1920 to 1940 are shown on the following official table of the Tariff Commission:

Lard: United States production and exports, 1920-40
[In thousands of pounds]

| Year | Production | Exports including neutral lard |
|------|------------|--------------------------------|
| 1920 | 1,958,000 | 635,488 |
| 1921 | 2,108,000 | 892,893 |
| 1922 | 2,302,000 | 787,447 |
| 1923 | 2,718,000 | 1,059,511 |
| 1924 | 2,660,000 | 971,460 |
| 1925 | 2,153,000 | 707,683 |
| 1926 | 2,206,000 | 717,077 |
| 1927 | 2,263,000 | 701,700 |
| 1928 | 2,458,000 | 783,472 |
| 1929 | 2,461,000 | 847,867 |
| 1930 | 2,227,000 | 656,017 |
| 1931 | 2,307,000 | 578,296 |
| 1932 | 2,380,000 | 552,153 |
| 1933 | 2,475,000 | 584,239 |
| 1934 | 2,091,000 | 434,891 |
| 1935 | 1,276,000 | 97,360 |
| 1936 | 1,679,000 | 112,169 |
| 1937 | 1,431,000 | 136,778 |
| 1938 | 1,728,000 | 204,603 |
| 1939 | 2,037,000 | 277,272 |
| 1940 | 2,343,000 | 201,314 |

Source: Livestock, Meats, and Wool, Market Statistics, War Food Administration, U. S. Department of Agriculture; trade data compiled from official statistics of the Department of Commerce.

What does this table indicate?

First. It shows that our national lard production has been from 2,000,000,000 to two and one-half billion most of the years from 1930 to 1940 except in 1935, 1936, 1937, and 1938 when the country experienced a drought and when the present administration already had destroyed many hogs.

Second. The exports of lard were from 600,000,000 pounds to a billion pounds from 1924 to 1931, from five hundred and fifty-two to five hundred and seventy-eight from 1931 to 1933, and from 95,000,000 to 277,000,000 pounds from 1935 to 1940.

Third. The table shows that we have gradually lost our lard exports. By no stretch of imagination can any fair-minded person read in this table any supporting evidence to show that the trade treaties have increased lard exports. Do you agree? Exports to some countries may have been increased but the total amount of exports is the fair basis to approach this subject.

You will also note that in 1932—a year so frequently mentioned by the New Dealers—exports were twice as much as during the trade treaty years.

A SECOND APPROACH

Table 7, page 10 of the United States Tariff Commission Report 143, gives a

comparison of United States production, imports and exports on pork and lard.

TABLE 7.—Pork and lard: Summary of United States production, imports, and exports, 5-year averages, 1920-34, and in specified years, 1935-40

| Item | 1920-24 | 1925-29 | 1930-34 | 1935 | 1937 | 1938 | 1939 | 1940 ¹ |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Quantity in 1,000 pounds | | | | | | | | |
| Pork (excluding lard): | | | | | | | | |
| Production ² | 8,424,000 | 8,480,000 | 8,735,000 | 5,968,000 | 6,986,000 | 7,721,000 | 8,627,000 | 9,920,000 |
| Imports ³ | 2,509 | 12,780 | 3,699 | 40,155 | 74,683 | 52,233 | 40,938 | 5,694 |
| Exports ² | 793,710 | 369,906 | 169,217 | 88,680 | 63,488 | 95,633 | 129,543 | 93,834 |
| Value in 1,000 dollars | | | | | | | | |
| Production ⁴ | 584 | 3,280 | 1,023 | 2,100 | 17,803 | 13,374 | 10,671 | 1,201 |
| Imports | 141,192 | 70,911 | 24,482 | 16,780 | 13,205 | 17,353 | 20,184 | 11,771 |
| Exports | | | | | | | | |
| Quantity in 1,000 pounds | | | | | | | | |
| Lard: | | | | | | | | |
| Production ⁴ | 2,329,000 | 2,285,000 | 2,270,000 | 1,270,000 | 1,417,000 | 1,713,000 | 1,998,000 | 2,297,000 |
| Imports | 7 | 3 | 3 | 16 | 247 | 2 | 1 | |
| Exports | 860,360 | 751,560 | 561,119 | 97,360 | 136,778 | 204,603 | 277,272 | 201,314 |
| Value in 1,000 dollars | | | | | | | | |
| Production ⁴ | | | | | | | | |
| Imports | 1.3 | 0.5 | 0.6 | 1.6 | 14.4 | 0.2 | 0.1 | |
| Exports | 124,461 | 107,645 | 44,021 | 12,006 | 16,103 | 18,295 | 20,222 | 12,724 |

¹ Preliminary for imports and exports.

² Estimated total production of pork includes slaughter of small imported live swine.

³ Does not include live swine.

⁴ No data available for value of production.

⁵ Estimated total production of lard, includes lard from imported swine.

Source: See tables 19, 29-31, and 96 in appendix A. Statistics of imports and exports from official statistics of the Department of Commerce; production data from Market Statistics, 1940, p. 100, U. S. Department of Agriculture.

What does this table indicate?

First. That in 1937 the United States imported more pork than it exported for the first time in the history of the United States.

Second. There was an increase in pork exports in 1939 but that the exports dropped in volume in 1940.

Third. That although the 1939 exports increased in amount the imports also increased, as well, in 1937, 1938, and 1939 to many times the former imports.

Fourth. That in 1939 \$9,500,000 worth more of pork was exported than was imported. This is really a weak export situation when it is compared to the \$140,000,000 worth of pork exported from 1920 to 1924, or compared with the \$67,000,000 worth of net exports, 1925 to 1929, or even when compared to the \$23,000,000 worth of net exports from 1930 to 1934.

THE PRICE ANGLE

The following official table indicates the wholesale lard prices:

Lard: Average wholesale price in Chicago, 1921-40

| Year | Per 100 pounds |
|------|----------------|
| 1921 | \$13.21 |
| 1922 | 13.07 |
| 1923 | 13.90 |
| 1924 | 14.65 |
| 1925 | 17.90 |
| 1926 | 16.91 |
| 1927 | 13.66 |
| 1928 | 13.30 |

Lard: Average wholesale price in Chicago, 1921-40—Continued

| Year | Per 100 pounds |
|------|----------------|
| 1929 | \$12.97 |
| 1930 | 12.02 |
| 1931 | 9.02 |
| 1932 | 6.25 |
| 1933 | 6.42 |
| 1934 | 8.84 |
| 1935 | 15.07 |
| 1936 | 12.21 |
| 1937 | 12.67 |
| 1938 | 9.20 |
| 1939 | 7.46 |
| 1940 | 6.39 |

Source: Livestock, Meats, and Wool, Market Statistics, War Food Administration, U. S. Department of Agriculture.

What does this table indicate?

First. That lard averaged 13 cents per pound from 1920 to 1933 and averaged 9.7 cents from 1933 to 1940.

Second. It shows that although the prices in 1935, 1936, and 1937 were relatively high due to the drought and the man-made shortage, the price by 1940 had descended \$6.39 per hundredweight and was comparable to the 1932 price of \$6.25 per hundredweight. Can you see anything in this table that would justify one to conclude that the trade treaties had been beneficial to the lard industry?

Third. That there are many factors involved in prices of farm products because in 1940 after 8 years of this administration and after millions were spent on a hog program the price was only \$6.39 per hundredweight.

Let us analyze this one:

Lard: Domestic exports of lard, including neutral lard, to countries from which tariff concessions on lard were obtained by the United States

[In thousands of pounds]

| Country | Date of trade agreement | 1929 | 1931 | 1937 | 1939 | 1940 |
|----------------------|-------------------------|---------|---------|---------|---------|---------|
| Cuba | Sept. 3, 1934 | 80,541 | 45,063 | 41,363 | 55,431 | 64,401 |
| Belgium | May 1, 1935 | 20,679 | 8,273 | 625 | 8,037 | 4,157 |
| Haiti | June 3, 1935 | 3,113 | 1,665 | 512 | 912 | 1,004 |
| Switzerland | Feb. 15, 1936 | 343 | 353 | 184 | 652 | 985 |
| Colombia | May 20, 1936 | 22,521 | 9,758 | 32 | 15,379 | 9,591 |
| Guatemala | June 15, 1936 | 3,271 | 1,904 | 294 | 687 | 324 |
| France | do. | 10,959 | 2,007 | | 29 | 680 |
| Finland | Nov. 2, 1936 | 7,200 | 2,938 | 271 | 732 | 17,602 |
| Ecuador | Oct. 23, 1938 | 4,388 | 4,198 | 288 | 2,516 | 2,195 |
| Canada | Jan. 1, 1939 | 17,815 | 8,588 | 2,193 | 3,172 | 595 |
| United Kingdom | do. | 245,242 | 252,116 | 75,302 | 150,221 | 51,365 |
| Total, United States | | 847,868 | 578,296 | 136,778 | 277,272 | 201,314 |

Source: Compiled from official statistics of the Department of Commerce.

This table indicates that the treaties did not increase our lard exports to countries from which tariff concessions on lard were obtained by the United States.

Can you visualize how any lard exports were increased in amounts as a result of the trade treaties with this group of nations?

DUTIES UNDER DIFFERENT TARIFF ACTS

On page 11 of the Tariff Commission Report No. 143, table 8, you will find the duties on hogs and hog products:

TABLE 8.—Hogs and hog products: Duties provided in Tariff Acts of 1909, 1913, 1921, 1922, 1930, and in the trade agreement with Canada, with ad valorem equivalents of these duties

| Product | Act of 1909 | | Act of 1913 | | Emergency Act of 1921 | | Act of 1922 | | Act of 1930 | | Trade agreement with Canada, effective Jan. 1, 1939 | |
|----------------------------|---|----------------------------|-----------------|----------------------------|-----------------------|----------------------------|-----------------|----------------------------|-----------------|----------------------------|---|----------------------------|
| | Rate prescribed | Ad valorem equivalent rate | Rate prescribed | Ad valorem equivalent rate | Rate prescribed | Ad valorem equivalent rate | Rate prescribed | Ad valorem equivalent rate | Rate prescribed | Ad valorem equivalent rate | Rate prescribed | Ad valorem equivalent rate |
| Live hogs | \$1.50 per head | Percent 12 | Free | Free | Free | Percent 1/2 | 5 | 2 | Percent 24 | 1 | Percent 16.3 | |
| Pork: | | | | | | | | | | | | |
| Fresh, chilled, or frozen | 1 1/2 cents per pound | 8.7 | Free | 2 cents per pound | 10.6 | 3/4 | 7.8 | 2 1/2 | 18 | 1 1/4 | 6.4 | |
| Prepared or preserved: | | | | | | | | | | | | |
| Bacon, hams, and shoulders | 4 cents per pound on bacon and hams; 25 percent ad valorem on shoulders | 17 | Free | 25 percent ad valorem | 25 | 2 | 5.6 | 3 1/4 | 12.3 | 2 | 5.7 | |
| Other | 25 percent ad valorem | 25 | Free | do. | 25 | 2 | 5.1 | 3 1/4 | 10.6 | 2 | 5.9 | |
| Lard | 1 1/2 cents per pound | 12 | Free | Free | Free | 1 | 5.7 | 3 | 14.6 | | | |

¹ Does not include frozen.

² Does not include cooked, boned, packed in air-tight container, or made into sausage of any kind.

Source: Ad valorem equivalents compiled from official statistics of the U. S. Department of Commerce.

You can find on pages 184-187 of Report No. 143, the concessions the United States was supposed to obtain from other countries in their reduction of duties on imports of pork and pork products. One fact is evident. They might have lowered their import duties on pork, but it did not appear to be enough to stimulate United States exports of pork products, whatever the concessions might have been. The concessions did not result in increased exports on our part.

We must remember that the foreign agricultural policy of this administration is not only a question of duties, but we must keep in mind the domestic subsidies, the export subsidies, the export embargo, the import near embargoes, the "gentlemen's agreements" quotas, and the administration quotas on imports as well as on exports. These are the devices that are used to deceive the people. Let us remember who was Secretary of Agriculture when these devices were put into effect.

Let us examine a couple of these deceiving devices. Take tobacco seed for example. In 1940, after 8 years of the more abundant life, an embargo was put on tobacco seed. The Secretary of Agriculture's office states that this legislation was passed to keep China and other

countries from obtaining seed to compete with United States tobacco. Just imagine this procedure after telling the ladies of the land about a good-neighbor policy? Who was Secretary of Agriculture when this type of legislation was passed?

Then take wheat. The 42-cent duty of the Tariff Act of 1930 has never been changed. Think of all the boasting one has heard about the high duties in the Tariff Act of 1930. But what did this administration do about it? In 1940 this administration put on a near embargo, allowing only 800,000 bushels of wheat to be imported, or one-tenth of 1 percent of our national production.

When one thinks of the many export subsidies, the import and export embargoes and the way quotas are arranged, one fact is evident and that is that the propaganda in regard to these New Deal trade treaties are dovetailed with deceit and are dripping with deception.

If it is a desirable public policy to further industrialize the United States and import more agricultural products, why should not this administration or any other administration say so openly and not try to make the rural people of America believe something that is not so. The rural people can so conduct their opera-

tions and would not be misled by people who claim to be doing something for them when in fact they are doing something against and to them.

I maintain that no man regardless of his position in agriculture or out can offer evidence to prove that these trade treaties are beneficial to a single agricultural product. I hope someone will name just one and prove the statement by facts.

The following information from pages 10-12 of the United States Tariff Commission Report No. 143 should be of interest to every pork producer:

All tariff acts passed since 1790 except those of 1857 and 1913 have provided for duties on imports of hogs or hog products. The rates prescribed under the last four acts and the recent trade agreement with Canada, together with the ad valorem equivalents of the duties levied under each, are shown in table 8.

Imports have been substantial only at times when the domestic supply was short or when domestic prices were high. Although unusually large in volume in recent years, owing chiefly to conditions resulting from the droughts of 1934 and 1936, imports have never been equivalent to more than 1 percent of United States production.

There have always been some imports of pork, for there is a limited but continuing demand for certain foreign pork specialties, and when domestic prices have risen such

products have entered in increased volume and in more varied forms. In addition, there have been minor imports of live hogs and of chilled and frozen pork along the Canadian border, and smaller imports of live hogs along the Mexican border. The increase in imports during the period 1936-39, however, must be considered altogether abnormal. In common with other producing nations, this country in 1932 and 1933 raised an excess of hogs and had a surplus of pork. But in 1934 there occurred a severe drought after hog supplies had already been somewhat reduced by a Government-control program. The result was an acute shortage of hogs and of pork products and materially higher prices. Exports shrank to negligible proportions and imports increased. In 1936 there was another drought. As a consequence of this series of events several countries, particularly Poland, were able during the 5-year period 1935-39 to increase substantially their shipments to this market.

Following the imposition by the United Kingdom in 1932 of a quota on cured pork, Poland tried to develop new outlets for pork rather than make drastic reductions in production. Great emphasis was placed on developing a trade in canned pork, especially hams and shoulders. Thus in 1935, when the prices of hogs in the United States were 100 percent higher than they had been the preceding year, Poland was in a peculiarly advantageous position to export her newly developed products to United States consumers. It was for the most part of excellent quality and with clever salesmanship was readily accepted in this country. Its popularity was such that even in 1939, after domestic production had practically regained its former level and domestic prices of pork had appreciably declined, Polish hams and shoulders were being imported at about their same volume and continued so until German occupation of Poland. Also during the post-drought period there were moderate increases in imports of "other pickled or salted pork," principally sausage from Poland, Canada, and Italy.

The duty on hogs has been cut from 2 cents to 1 cent per pound and now under H. R. 2652 the administration wants the power to cut it to one-half cent per pound. I oppose H. R. 2652 and do not favor delegating any more power to anyone to juggle duty rates as they see fit. These men that arrange the duty schedules were never elected by anyone to anything. The American people who do the work and pay the taxes are entitled to consideration. H. R. 2652 does not give them fair or proper consideration.

Everyone in Wisconsin is familiar with what these treaties did to the cheese industry. When the first treaty was made effective January 11, 1936, the price of cheese immediately fell 2 cents per pound, or the amount of the duty reduction. This year 14 times as much cheese was imported. In 1938 the duty was reduced another 1 cent per pound and the price immediately dropped the exact amount the duty was reduced. Over three times as much cheese was imported the following year. The price of cheese was over 20 cents per pound and was only 13 cents the first 10 years this administration had control of the purse strings of the Nation.

In 1939, after 7 years of the more abundant life, Wisconsin milk for cheese brought \$1.14 per hundredweight, or less than half the price received by States that had a local tariff set up for their

milk. Why were agricultural prices in 1939 similar to those of 1932? Why was the price of pork 6 cents per pound in 1939 and 6 cents in 1932? This economic question should be approached from a standpoint of the greatest good for the greatest number.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, the American petroleum industry was born 85 years ago at the north edge of the district which I represent. It has gone along, giving a better account of itself year after year. Probably it has been too good in its performance, for there is a disposition to take it for granted and assume that it never needs anything by way of encouragement.

There is, in fact, a disposition among some of the top-flight policy makers to take away the opportunities which made it possible for this industry to succeed. This bill is a proposal to put into the care of a few men the power to throw the oil industry of the United States into an international grab bag.

A committee of the Senate is now holding hearings on oil and gas. Senator O'MAHONEY, the chairman of that committee, made a statement on May 21. In it are these words:

Petroleum is power and wealth. It is industry. It is politics. There is nothing that men and nations will not do to gain control of it. They have been known to bribe kings and potentates, to foment revolutions, to overthrow governments.

When I read those words I was struck with the forcefulness of their application to the subject we are debating here. The proposal to confer additional power on a handful of men to make whatever kind of agreements they choose is one to confer power to make us dependent on foreign nations for our petroleum.

Is national security to depend on our ability to keep some potentate, sheik, or satrap successfully bribed? Will we risk national defense on victory in some far-away revolution—some uprising inspired by a power that is preparing to make war on us? If we stake our welfare on the existence of a government in a country which has great oil resources and that government falls, what then is our security? Do we not all remember that American interests in Russia disappeared forever? That the same thing happened in Mexico?

The only security on which we can count is that which comes from an assured supply at home. Here the discovery of oil and its development and use does not rest upon bribery, revolutions, cajolery, or war. The oil man makes a deal with the owner of land and drills a well. If he is unlucky, he takes his loss, and if he succeeds, both he and the public gain.

Some years ago certain of the more powerful oil companies in this country turned their attention abroad. They led in the development of many foreign fields, using profits made here to pay for the ventures. They have consistently brought part of their oil into the markets

of the United States and nobody objected to imports of a reasonable amount.

But now we are faced with the possibility of imports so great that the domestic oil producer and the refiner in this country who has no foreign supply can be driven from business. These producers and refiners cannot compete. Their costs are too much greater to enable them to fight a flood of foreign oil. It will be a flood if it gets started. With the potential producing capacity that is in sight, it could easily amount to 25 percent of our national requirements. The prices that would be established here under such a flood would end the independent industry in the United States and many of the large companies as well, for just a few have foreign production.

Who would determine the policy? The State Department would, of course, just as it has under the Trade Agreements Act for the past 11 years. It made an agreement with Venezuela in 1939 and cut the protection to the oil industry of the United States in half. This bill would let it make another 50-percent cut—to an eighth of a cent a gallon on crude oil and fuel oil. That would be almost the same as no tariff at all.

In other words, as I understand it, in 1932 there was a tariff of one-half cent per gallon on crude oil and fuel oil, or approximately 21 cents per barrel.

The Venezuelan trade agreement in 1939 cut the tariff 50 percent to make a quarter of a cent or a tariff of 10½ cents per barrel.

Now, I might state that a further reduction of 50 percent would bring the original one-half cent per gallon down to one-eighth of original tariff or about 5½ cents per barrel, which would bring a tremendous flood of cheap oil into the Nation and practically put the small producers and refiners and marketers out of business, affecting thousands of employees and the economic life of whole sections of the stripper-oil-field areas.

Into whose hands would we place this authority to dispose of the domestic oil industry? Well, there is a young man named Rockefeller, who is Assistant Secretary of State. His economic background is Standard Oil. It is the largest of the American groups producing abroad. Its interests are in Venezuela, Colombia, Peru, Argentina, Canada—in this hemisphere. The several companies bearing the Standard name operate in the Middle East, in Europe, in the East Indies. Standard has many places to get oil. Standard of New Jersey today produces more oil outside the United States than it does at home.

Mr. Rockefeller, of course, does not dominate oil policy in the State Department.

Then there is a most estimable gentleman named Charles Rayner, who is the State Department's oil consultant. He is popular and everyone who knows him like him. He is an oil man. He represented Standard for many years in foreign service. He was an independent producer for a few years, but his economic training was in big business.

There seems to be no spokesman for small business, oil or anything else, in that Department. I have not located

one. The genial Secretary of State is a big businessman. Assistant Secretary of State Clayton is another. International businessmen speak a common language. They belong to the same club. They possess a power which cannot be countered by little business. The little oil man cannot get his costs down to those which the big fellows pay in Venezuela. He has to pay too much for his labor and taxes and all the other things which make up our standard of living.

I do not think these big international operators would consciously do anything to imperil the national security. I merely say that they are out to do business on a big scale and if the little fellow is run over, why that is just an unfortunate casualty.

There must be a check-rein kept on big business and if it is in charge of foreign policy today, then it is the duty and the responsibility of Congress to temper its activities to the needs of the American people.

We have several million American boys coming back to civilian life, beginning now. They are looking for opportunities here. The oil industry here can use thousands of them—there were thousands who left the industry and put on uniforms. They want to work here, not in Venezuela or Arabia.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, while the legislation under debate at this time deals with figures and combinations of figures and complicated statistics, there are some historical facts that might be discussed with propriety and profit; and there are some well recognized philosophies of government that could be considered with interest.

Protective tariff is as old as the Government itself. Historically, the agricultural South was predominantly in favor of free trade because their principal commodity was cotton and cotton needed no protection. Up to a few years ago the South produced 65 percent of the cotton in the world and exported about 50 percent of the amount produced.

The North early in the development of the country engaged in industry and manufacturing. Soon after the establishment of the first Congress, plans and legislation were perfected that would protect local industry against importations from foreign countries. In practically every national campaign from the foundation of the Republic down to 1944 some phase of the tariff was up for discussion. By reason of the protective tariff, the United States has grown to be the greatest manufacturing Nation in the world.

The southern cotton growers naturally espoused free trade because they could not see why they should pay more for articles manufactured in the North when they could procure the same commodities cheaper from foreign countries.

Historically the Republican Party advocated protection and the Democratic Party took the free trade side of it. The Republican Party has been more persistent in its advocacy than the Democratic Party because, as time went along, the Democrats abandoned their

free-trade position and adopted what they called a program of tariff for revenue only. The Democrats were forced to this position because, for instance, Texas wanted a tariff on cattle and Louisiana wanted a tariff on sugar, and so forth, with a result that protection became somewhat of a local issue. This situation has gradually developed until now every section wants protection for its specific industry. Even the South is now demanding and is getting protection on long-staple cotton. Practically every State in the Union gets protection for its basic industries. Agriculture is protected, industry is protected, and labor is protected.

The protective-tariff policy of the Republican Party proved its worth and value because it is yet one of the great policies of the Nation. As the Nation grew and as business became more complex, the administration of the policy of protection became a serious problem. More than 40 years ago the Republican Party advocated encouraging commerce with foreign countries by accepting free of duty those commodities which our country could not produce. Later the Republican Party advocated reciprocity between our country and other nations. The Republican Party also advocated what is known as the flexible tariff plan. During this gradual evolution in the administration of the tariff laws, the Republican Party always maintained that the levying of tariffs was a matter for the Congress as provided in the Constitution. When the flexible-tariff provision was brought forth, this right of Congress was recognized. The Republican Party has always maintained that Congress should not be required to give up its control over the levy of tariffs and that Congress itself should be jealous of this constitutional privilege and responsibility.

Never until the New Deal came into power has the right of Congress to levy and collect duties been in any way infringed upon. Early in the New Deal administration it became evident that one of the principal purposes and objects of the New Deal was to strengthen the Executive by usurpation of the powers of the legislative and judicial branches of the Government. The attempted packing of the Supreme Court and the notorious attempt to reorganize the Government so that all agencies would be subservient to the Executive, both of which failed, and many other attempts which were successful are proof of my assertion as to the principal purpose of the New Deal.

The New Deal was running true to form when the reciprocal trade-agreements program was advanced for consideration in Congress. That legislation was passed when the New Deal Party was in the majority in the House and in the Senate. It was passed only after a hard battle because there were many in Congress who realized then what the program was. They realize it much more now. Cordell Hull had only been Secretary of State a year when in 1934 the first Reciprocal Trade Agreements Act was passed. When he was a Member of Congress he was always considered as one of the leading free traders of the country. It was only natural that he would welcome an opportunity to put his

free-trade policies into effect. His party had advanced far ahead of him, for his party could probably then have been considered as a tariff-for-revenue party because since the Houston convention, which nominated Al Smith, it had been considered a party that believed in tariff for revenue and tariff for sectional purposes.

It is interesting to note the different arguments used by New Dealers when this reciprocal trade agreements legislation has been up for consideration. In 1934 Cordell Hull appeared before the Ways and Means Committee and in a colloquy between himself and Mr. McCORMACK, our present majority leader, he stated in effect that the first Reciprocal Trade Agreements Act was a temporary piece of legislation. The following is the colloquy as it appears in the hearings:

Mr. McCORMACK. I understand the President deems this as absolutely necessary as a part of the recovery program.

Mr. HULL. Absolutely; otherwise I do not think there would have been the slightest disposition to propose such a measure.

Mr. McCORMACK. I think we ought to have that in the record.

Mr. HULL. Yes; I think so.

It was not temporary; for when the act came on for renewal in 1937, Mr. Hull said:

From the foregoing statement it is manifest that, while genuine progress has been made, the emergency in the field of international relations with which we were confronted 3 years is not over.

The joint resolution now before this committee, extending the President's authority under the Trade Agreements Act for a further period of 3 years, provides an opportunity for this vital accomplishment. It ensures that our country will continue to have adequate means of action in favor of peace at a time when the world hesitates perilously at the crossroads of peace and war.

Mr. Hull on his appearance before the committee in 1940 laid special stress on the message which the President just recently sent to Congress, in which he had the following to say with reference to the reciprocal trade agreements, and their pretended potency to insure peace:

But what is more important, the Trade Agreements Act should be extended as an indispensable part of the foundation of any stable and durable peace.

The old conditions of world trade made for no enduring peace; and when the time comes the United States must use its influence to open up the trade channels of the world in order that no nation need feel compelled in later days to seek by force of arms what it can well gain by peaceful conference. For this purpose we need the Trade Agreements Act even more than when it was passed.

Mr. Hull himself in his 1940 statement still pretended to stress the importance of the trade treaties as a preventive of war. The following colloquy took place between him and our distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK]:

Mr. McCORMACK. I think I understand your state of mind, but for the record, is it your opinion that if Congress does not extend the present law it is a message to the world that the United States is on the road to isolation?

Secretary HULL. Well, I don't know of anything that we could do—there would be enough isolationists on the ground to drag the other parts of the world in that direction,

and if we went in for that sort of policy, our interest in any peace conference would be of no concern.

Could it be possible that Mr. Hull was relying upon these trade agreements to prevent war on Pearl Harbor morning when he was placidly listening to the prattle of the Japanese Ambassador who was assuring Mr. Hull of the peaceful attitude of the Japanese Government when he knew at that very moment our Navy was being destroyed at Pearl Harbor? No, I would prefer to think that Mr. Hull was too smart for that and that all his protestations with reference to the potency of the trade agreements to prevent war were simply arguments to induce the Congress to give him and his Department the power to give his free-trade theories a chance to be demonstrated.

Mr. Clayton, who is now to take over and be the chief administrator of the reciprocal trade agreements, although he has never had any experience in making trade agreements, comes forward with another beautiful theory as to why these trade agreements should be continued. Apparently, he has found out that the old excuses of war and emergency have been outmoded. Let me quote his recent statement before the Ways and Means Committee because it is much more eloquent than mine can be:

Today, with the end of the great holocaust finally within sight, this same instrument is transformed into a powerful device for shaping a better world. This, I believe, is the new meaning of the trade-agreements program as it comes before the Congress for its fourth renewal.

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

Mr. JENKINS. Yes; I shall be glad to yield.

Mr. KNUTSON. If Congress should extend this law for another 3 years, they will probably be up here 3 years from now to say that another renewal would be necessary to our salvation.

Mr. JENKINS. Most assuredly.

Mr. Chairman, I maintain that there is grave doubt as to the constitutionality of this bill. Section 8 of article I of the Constitution provides that Congress shall have the power to lay and collect taxes, duties, and imports—to regulate commerce with foreign nations.

From this language it must appear clearly that the full and complete power to collect duties and to regulate commerce has been reposed exclusively in the Congress of the United States.

How then does the President and the State Department derive power to operate under the Reciprocal Trade Agreements Act? They derive it from the fact that Congress may delegate to the Executive the power and duty to administratively collect these duties when Congress has laid them. The Supreme Court upheld the Flexible Tariff Act passed in 1922 because in that law Congress held to itself the power to levy duties and to regulate commerce. It only gave the President the power to raise or lower duties within certain specified limitations. The Congress laid down a yardstick by which the President was bound. The President had no discretion except to act when the Tariff

Commission, after proper investigations, found certain facts.

In this bill the President has been given full power by reason of the fact that the Secretary of State is a part of the President in that he is selected and appointed by the President. The Tariff Commission is an independent agency of the Government and is a creature of Congress, and an agent of Congress and not an arm of the President.

At present the trade agreements are entered into as a diplomatic matter and not as a business or economic matter. If you could have seen the swarm of State Department attachés that infested the Ways and Means Committee room during the hearings on this bill you would have thought that the State Department must have some very peculiar interest in the passage of this bill.

So I repeat that the Reciprocal Trade Agreements Act does not come to the specifications that the Supreme Court laid down when it upheld the flexible tariff provisions. At present the President has effectively taken over all tariff matters. Many people think, and I am about to agree with them, that if we extend this act for 3 years with the 50-percent increased authority to cut rates that the tariff question will never be heard of again as a public issue. It will be another case of where the Executive has swallowed another of the legislative functions of Congress. Just to test my sincerity in this statement, I should like to ask any Member of this House what more is left for Congress to do when you have given the President the right to reduce tariffs on any commodities 75 percent straight. I repeat that when you do this and make this law permanent, you have closed the book on all tariff considerations as far as Congress is concerned.

Another reason that I have for thinking that this bill is unconstitutional is that the New Deal itself must believe that it is unconstitutional for they have studiously worded this law so as to prevent any chance for an aggrieved party to test its constitutionality in a court of competent jurisdiction. That has been done in typical New Deal fashion. Much of the modern New Deal legislation is worded to give the Executive full authority and to take away from all persons any right to appeal to the courts. I think this system is tyrannical and these tyrants will be sure to reap the whirlwind when the people fully appreciate the situation.

Many witnesses before the committee testified to their failure to secure redress in the courts. Their only relief is that they must come to Congress. I for one have heard their cry and I am ready to give them relief.

The circumstances under which these restrictions to permit an aggrieved person from securing redress in the courts smack of tyranny also. The provision was placed in the law by an amendment offered from the floor of the Senate. There was no such provision in the bill when it passed this House. This body was never given a chance to consider it. The Ways and Means Committee was never given a chance to consider it. The

Senate Finance Committee was never given a chance to consider it. It was offered by Senator Harrison, the chairman of the Finance Committee of the Senate. Why he had not presented it to the Senate Committee has never been explained unless the explanation can be drawn from his language and his demeanor when he presented the amendment. This is what he said when it was called to his attention that the effect would be to divest American producers of their right to litigate matters arising out of these trade treaties—"that is what we intend to do since we want no interference or delay from domestic interests."

If you go back in history, you will find that the Republican Party has stood consistently by its principles and policies. The Democratic Party by stress of the progress of the country had to yield because nobody could long support free-trade doctrine. Mr. Hull stayed with it longer than anybody else. Of all of those who came before the Ways and Means Committee to testify not one admitted he was a free-trader. Forty years ago many would have admitted that they were free-traders. They have given that up. But this reciprocal trade-agreement program is not free-trade doctrine; it is not Democratic doctrine. It is New Deal doctrine.

Now, what is the most predominating characteristic of the New Deal? Without saying anything derogatory of it, what is the most predominant characteristic. It is the disposition to arrogate to the Chief Executive all possible power. What was the first act of the first New Deal Chief Executive? It was his attempt to pack the Supreme Court. I could point out many other legislative attempts, some of which were successful and some failed.

This matter before us now is a serious matter. When we lay down the Constitution of the United States and walk over it, when we take away from the Congress of the United States a prerogative and responsibility that has been given to it by the Constitution, I say to you we must be careful. That is exactly what is happening in this case.

Let me show you what I mean. All during the growth of the protective tariff program under the Republican administration, Congress at no time ever gave up its power to legislate concerning or its power to control tariffs. Let me ask you who makes these trade agreements now? Who negotiates them? Who writes them? What man in the Office of Secretary of State does it. I want to let you Republicans in on a committee situation that is singular to say the least. Here it is—nobody testifying before our committee has ever yet seen or can tell you who the men are who write these agreements. Who are they? I ask any Member here present, who are they? Name them. Do you know, Mr. KNUTSON? Do you know, Mr. REED? Do you know, Mr. CARLSON? My colleagues do not you think this a matter that might have serious consequences. Here we are, the great Congress of the United States that has surrendered its right to levy tariffs and transferred the right to somebody, we know not whom. I challenge anyone

here on either side of the aisle to name the men who make the studies and who prepare and who write these trade agreements.

I get no response.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

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

Mr. REED of New York. I agree with the gentleman that nobody knows.

Mr. DOUGHTON of North Carolina. Chairman will the gentleman yield?

Mr. JENKINS. Just a minute. I have yielded to the gentleman from New York.

Mr. DOUGHTON of North Carolina. The gentleman from New York probably can give you an answer that will suit you better than mine.

Mr. JENKINS. Now just be courteous a moment and I will get around to the gentleman from North Carolina. I have yielded to the gentleman from New York [Mr. REED]. When Mr. REED is through I shall be glad to yield to the gentleman.

Mr. REED of New York. The testimony shows that not once do they ever call upon the Tariff Commission as such to advise them as to the wisdom of lowering or raising the tariff, not once.

Mr. JENKINS. And the law specifically provides that they must do that.

Mr. REED of New York. Exactly.

Mr. JENKINS. And also the law specifically provides that the Secretary of Agriculture shall be a party to these agreements, and the Secretary of Commerce likewise; but never so far as any testimony before our committee shows have either the Secretary of Commerce or the Secretary of Agriculture been called in.

My colleagues, I think it is a serious situation when the State Department, that great Department to which we have looked with pride, will lower itself to lobby for the passage or extension of legislation.

Now, I gladly yield to the gentleman from Minnesota [Mr. KNUTSON] who has been patiently waiting to ask me a question.

Mr. KNUTSON. The gentleman was speaking about the little select group that negotiates these treaties. I attended 4 weeks of hearings. Although we asked several witnesses who constituted this inner group I have yet to learn who they are. I have no more idea who they are than who constitutes the inner circle of the Ku Klux Klan.

Mr. DOUGHTON of North Carolina. The gentleman does know that in the last analysis the President of the United States has the responsibility; and it is up to him to keep men in charge of this work who will do it right, because if there is a mistake the responsibility will fall on him. He knows that the President has to O. K. every line and word of it.

Mr. JENKINS. I will be glad to answer the gentleman.

Mr. DOUGHTON of North Carolina. Is that not so?

Mr. JENKINS. No, sir; it is not so.

Mr. DOUGHTON of North Carolina. I say it is so. I say he is the man who under the law does do it.

Mr. JENKINS. The gentleman knows that the President could not possibly hear witnesses and make investigations necessary to the making of all of these trade agreements. What is the use to quibble about that. Somebody writes these contracts. Somebody sits in long conferences. I want to know who they are. Nobody answers me. The law does not require the President to do these numerous details. The law provides that the President must consult with the Tariff Commission, and the President must find some of these facts.

Mr. Chairman, I would call to the attention of the House the fact that there is a very essential difference between the flexible tariff policy of the Republicans and the New Deal policy of reciprocal trade agreements. Under the Republican plan for reciprocal trade the Congress laid down a yardstick by which the President and the Tariff Commission were bound to abide. Congress gave to no one any right to exercise official discretion. Congress kept the power in its own hands. Congress was the final arbiter, the Congress had the final decision; and Congress never did turn the power over to the President. If we were to do what my good friend, the gentleman from North Carolina [Mr. DOUGHTON], the chairman, says, turn it over to the President, we would be violating our oaths and surrendering rights and responsibilities that the Constitution gives us.

That is our power, our privilege, and it is our responsibility. You probably wonder whether a court passed on the constitutionality of this law. No court has ever passed on it because in framing the act they were so artful with their manipulation of words that they provided that the complainant could not get into court.

Now my good friend from Arkansas has been standing. I will be glad to yield to him.

Mr. MILLS. On the point raised by the chairman of the committee my good friend from Ohio recognized that the original act passed in 1934, and the law as it now exists, imposes the responsibility for the program under consideration upon the President of the United States.

Mr. DOUGHTON of North Carolina. Which the gentleman says is not so. That is what the law says.

Mr. MILLS. I wish to call the gentleman's attention to the act, which I have before me.

Mr. DOUGHTON of North Carolina. Let us clear that up now because the gentleman said that I said it was not so. Let us see what the language of the act says.

Mr. JENKINS. But, Mr. Chairman, let us not be too petulant.

Mr. DOUGHTON of North Carolina. As long as the gentleman said that what I said was not so the gentleman should be fair enough to yield long enough to let us show what the law is.

Mr. JENKINS. I have been fair. I did not yield to two Members at the same time. Did I yield to the gentleman?

Mr. DOUGHTON of North Carolina. You yielded to me.

Mr. JENKINS. All right. The Record shows I did not, but if the gentleman thinks I did, it is all right with me. It is a small matter.

Mr. DOUGHTON of North Carolina. I say that in the last analysis the final responsibility for what is done will be on the President of the United States. He is negotiating these agreements. The gentleman said that what I stated was not so, and I am giving him what the law states. Be fair about that and say whether what I said was so or not.

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

Mr. JENKINS. What I have heretofore said answers the gentleman from North Carolina. What I want to know from him is, Does he know who prepares and writes these trade agreements? And now I yield to the gentleman from Minnesota.

Mr. KNUTSON. There is a little misunderstanding. I think both gentlemen were right.

Mr. JENKINS. I do not care to discuss the matter further unless someone can tell me who are the men who sit in and hear the evidence and make the investigations for framing and writing these agreements.

Mr. DOUGHTON of North Carolina. No. I said that the final responsibility is on the President of the United States, and that is the law we are going to extend.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. JENKINS. Yes I shall be glad to yield to the gentleman from Arkansas.

Mr. MILLS. On the question raised by the gentleman from Ohio as to the people who are involved in the negotiations, as my good friend knows, Mr. Will Clayton informed the committee that the responsibility insofar as the State Department is concerned rests on his shoulders.

Mr. JENKINS. Yes, that is what he said but he also said that he had never had anything to do with writing any of these trade agreements.

Mr. MILLS. Mr. Taft came before the committee and said he had been appointed by Mr. Clayton to assist him in that responsibility and that he also had a hand in the making of trade agreements under this act.

Mr. JENKINS. Is the gentleman through?

Mr. MILLS. Yes.

Mr. JENKINS. I will answer the gentleman by saying that Mr. Clayton said he never participated in writing a contract in his life. He is the man who is going to head the department that will have to do with making future trade treaties, and modify those already made.

Mr. MILLS. He has been there 4 months.

Mr. JENKINS. He said he had not participated in a single contract and I think Mr. Charles Taft said that he had not participated in the making of any of these trade contracts. Who is it that has had anything to do with the contracts? Both of those gentlemen admitted they did not have any experience in them. Why does not the gentleman

tell me if he knows or else admit that he does not know?

Mr. MILLS. The gentleman is endeavoring to obtain information as to who is going to have authority in the program under this bill.

Mr. JENKINS. I want you to tell me who down in that Department makes and writes these contracts.

Mr. MILLS. I assume the law is correct and that the law is being followed. If so, the President of the United States assumes that responsibility.

Mr. JENKINS. Does the gentleman say the President writes them?

Mr. MILLS. I did not say. He assumes that responsibility.

Mr. JENKINS. Then tell me who does write them?

Mr. MILLS. Those whom the President selects.

Mr. JENKINS. It is evident that the gentleman does not know. That illustrates my point. I feel sorry for you.

Mr. MILLS. Does the gentleman want me to be more specific?

Mr. JENKINS. I want the gentleman to answer that question if he can. If he cannot answer then he should say so.

Mr. MILLS. The gentleman well knows that the Committee on Reciprocity Information and the interdepartmental committees are made up of representatives of the departments mentioned in the law that are responsible to the President of the United States.

Mr. JENKINS. Is that the gentleman's answer?

Mr. MILLS. Certainly. That is what the law says.

Mr. JENKINS. Now, let me talk a minute.

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

Mr. JENKINS. I yield to the gentleman.

Mr. WASIELEWSKI. Mr. Ryder, in his testimony before the committee, stated he had been a member of the Committee on Reciprocity since the law went into effect.

Mr. JENKINS. But he is not in the State Department.

Mr. WASIELEWSKI. No. He is a member of that committee.

Mr. JENKINS. He is a member of the Tariff Commission and no doubt was appointed by Mr. Roosevelt. The question is not answered yet. Now, my colleagues, I will bring this fiasco to a close by answering it myself. The State Department being steeped in diplomacy and secrecy keeps the names of these persons secret. They claim that they must do this, otherwise they might be subjected to pressure. In other words they are afraid that their men will be so weak as not to be able to do justice if there is any danger of pressure. What a shameful confession. That surely proves that Congress made a terrible mistake to turn over such an important matter to a department of the Government. Do our judges run and hide when they have a tough case to decide? Does a jurymen sworn to do his duty ask to go and secrete himself when he must decide an important case? Taking refuge in secrecy is not consistent with the courage that should mark the performance of any man who has a duty to perform.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

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

Mr. REED of New York. They have become so imbued with bureaucratic government and control they forget that the Congress is responsible in the final analysis for every bit of legislation.

Mr. JENKINS. The gentleman is right. I think I have made my point.

The proponents of this bill maintain that no injury has resulted to any person or industry by reason of these trade agreements. I am wondering if they would agree to terminate them if such a showing were to be made.

Mr. MILLS. Mr. Chairman, will the gentleman yield further?

Mr. JENKINS. I yield to the gentleman from Arkansas.

Mr. MILLS. I think the gentleman from Ohio must say in all fairness that witnesses who came before our committee did not show specific injury; only a fear of the future.

Mr. JENKINS. Oh, yes, they did; plenty of them. I shall cite instances. In 1940 they did also.

Mr. Hull in his testimony before the Ways and Means Committee in 1940 when the bill was up for the third extension of this program said:

Before I finish, I should like to say this: If there were any suspicion in my mind that the trade-agreements program hurts rather than benefits our people, I would be the first to abandon it. I have searched diligently and painstakingly the mass of evidence on all phases of this vital question, and I am firmly convinced that it proves overwhelmingly the beneficial nature of the trade-agreements program and points unmistakably to the dangers inherent in an abandonment or weakening of that program.

My colleagues, I am afraid that was not a sincere statement. The record of the hearings in 1940 were replete with the testimony of many persons which indicated more than a mere suspicion. I propose to show you that there is much more than a suspicion in the testimony adduced at the present hearing on this bill now under consideration.

You probably heard the distinguished gentleman from Virginia [Mr. ROBERTSON] when he spoke on Monday and rather slightly referred to those who were claiming to have been injured as being just a few small employers. Mr. Chairman, the proponents of this system mean to sacrifice many small businesses on the block of free trade. They tell the pottery and glass workers and the textile workers that if their industries cannot compete with the cheap labor of Europe, Asia, and Africa that they had better get jobs in some other industries. They apparently do not know just how powerful the little business industries of our nation are and how many men they employ.

Government statistics show that there are 214,000 manufacturing companies employing labor in the United States, 200,000 of these manufacturing companies employ less than 100 men.

Mr. Chairman, the small businessman is the life of America. He it is that buys the automobiles and telephones and refrigerators; he it is that buys the finished products made from the products

of the big steel and iron mills of the nation; he it is that buys the products of the farm and factory. All the big industries were once small and they are big today because of the protection given them through the tariff when they were small.

Who are the business concerns that favor these agreements? They are the automobile manufacturers and the manufacturers of business machines and farm implements and others who are able to produce under mass production systems. I hope they will wake up before they find the commodities designed after their own products coming in as imports as a result of cheap labor in other countries.

Who are opposed to this legislation and who have been aggrieved by reason of it? Let me read you the story of only a few of them. They have more than a mere suspicion of what has already happened to them and what is yet to come.

AGRICULTURE

Mr. Charles W. Holman, secretary, National Cooperative Milk Producers Federation, says:

PROPOSED CHANGES IN THE TRADE AGREEMENTS ACT

1. We are opposed to continuation of the act, but if it is the intention of Congress to extend it, it should not be extended beyond June 12, 1946. Changing world conditions within another year will require reappraisal of the trade-agreement program.

2. Application of the concessions written into trade agreements should be limited to the nation which is signatory to an agreement. Concessions made by us should be commensurate only with concessions made to us by the other nation. Concessions should be made only to nations which are the principal producers of the commodities covered in any agreement.

3. Trade agreements should be ratified by the Senate of the United States.

4. The right of court review should be restored.

5. The act should be amended to change the public-hearing procedure from a farcical pretension to an important, integral part of the negotiations. The right of witnesses to discuss the subject matter of their briefs should be made statutory. Those actually negotiating trade agreements should be present and conduct the public hearings.

6. A congressional rule to determine modification of import duties and the making of commodity concessions should be inserted into the legislation. We suggest the reincorporation of section 336 of the Tariff Act of 1930 as a sound method of testing the need of tariff changes on any given commodity.

7. The act should prohibit lowering of any duties when landed costs of an imported article, plus the duties, are less than the American wholesale selling price of the article.

Mr. Fred Brenckman, Washington representative of the National Grange, says:

We wholly disapprove of the proposal that the President be empowered to slash to the extent of 50 percent rates that were in effect on January 1, 1945. As we see it, this is a perfectly preposterous proposal. In the case of rates that have already been reduced 50 percent under the provisions of the act of 1934, this added power would enable the President, or the State Department, to bring about a 75 percent reduction of the rates contained in the Tariff Act of 1930. We sincerely trust that Congress will not agree to such a proposition.

Mr. Mollin, executive secretary, National Livestock Association, says:

We have been opposed to the reciprocal trade agreement program from the beginning, because we do not believe that it provides adequate safeguards for the protection of those industries in this country which cannot compete on an even basis with foreign countries where costs of production are far below those existing in this country.

We do not believe that Congress should delegate the authority to set the tariffs to any bureau or any other branch of the Government. We think that there is no way in which the individual industries, scattered throughout the country, with different conditions in so many different places, can be adequately protected except by the diligent efforts of the Congressmen from the districts which they represent.

We are opposed to further tariff cuts. We do not believe that there has been any demonstrated need for further cuts in the tariff. As a matter of fact, we do not feel that, so far as our industry is concerned, and so far as most industries are concerned, that we have ever had a real true test of the reciprocal trade program.

WATCHES

Mr. Walter W. Cenerazzo, national president of the American Watch Workers' Union, says:

I now wish to present to you a petition which we call the ghost-town petition. Thousands of American citizens are petitioning for protection of our industry because it is essential to national defense and because it can create 60,000 new jobs in America. House bill No. 2652 can make ghost towns out of any industrial community in this country where labor costs represent more than half the factory costs. Included in this petition are the fathers, mothers, sisters, and daughters of those now serving in the armed forces overseas and other interested Americans.

The CHAIRMAN. What is that?

Mr. CENERAZZO. A petition, containing 35,000 names.

I wish to present separately and as an indication of the intelligence and interest which those in our armed forces have in what is going on here, a sheet of this ghost-town petition signed by some of those serving on the U. S. S. *Hermitage*, appealing to this committee to protect their job opportunities while they sacrifice their lives if necessary to preserve democracy.

"We, the undersigned citizens of the United States, hereby protest the enactment of House bill No. 2652, now before the Ways and Means Committee, which would extend to June 12, 1948, the authority of the President to enter into foreign trade agreements and to authorize him to reduce the import duties in effect on January 1, 1945, by 50 percent.

"As citizens vitally interested in the future of the American jeweled-watch industry, we urge our elected Representatives in Congress to defeat this bill, or make provisions in this bill to give adequate protection to the American jeweled-watch industry against further inroads in the American market by unfair foreign competition.

"We believe the American jeweled-watch industry is essential to national defense and to the welfare of our country. We urge the elected representatives of the people to protect the jobs of the American watch workers."

This is what Mr. H. Wickliffe Rose, one of the greatest experts of rayon in the country, and one of the most capable men who testified before the Ways and Means Committee, had to say:

I know that that threat is actually operating as a deterrent. I know of instances where mills have been deterred. For in-

stance, the Crompton-Shenandoah Co. owned a site at Hendersonville, N. C. They went to see Mr. Clayton about the prospects of building a plant on that site under this policy after the war. Mr. Clayton told them that they could not count on protection on the type of goods that they make. That has the effect of making a company pause before building in Hendersonville, N. C., and of looking around the world to see where they can get a supply of the lowest-cost labor and still get good, skilled production, and manufacture the goods in that country. It might be Brazil, it might be China, as both of them are inviting the United States to bring capital and machinery in. If it does go to one of those countries, not only Hendersonville loses the pay roll, but the production of that mill abroad can come in under this low tariff program that we are discussing here and replace other pay rolls in this country. We lose one pay roll, and then the imported goods compete with the goods from our other pay rolls.

GLASS

Mr. Harry H. Cook of the Flint Glass Workers' Union of Toledo, Ohio, says:

We ask this committee and the Congress to reject the legislation now before you, which, if enacted, will permit officials of the State Department to negotiate such reductions in tariff rates as will, we believe, deprive our workers of their opportunities of employment, will nullify the benefits which the Congress has voted to American workers in the enactment of the Fair Labor Standards Act, the restrictive immigration laws, and will jeopardize the continuance of the merchant marine.

Mr. C. W. Carlson, on behalf of American Glassware Association and National Association of Manufacturers of Pressed and Blown Glassware, says:

Mr. JENKINS. Well, then, I take it on your page 8, there is plenty of conclusive proof as to what these reciprocal trade agreements have done to your business.

Now, if application of the additional 25 percent or additional 50 percent which amounts to a total of 25, if that should be exercised, what would become of your industry?

Mr. CARLSON. We would definitely go out of business, and the real proof is in the Government survey which shows that the industry made about 5 percent in 1937; and in 1938, when the Czech treaty came in, it lost 3.58 percent; and in 1939, when the Czechs were cut out again, the industry was able to go back and make a little money, about 1.74 percent; and, of course, when the imports were cut off still further, they made more money.

Mr. C. J. Uhrmann, vice president, plant manager, Imperial Glass Corp., Bellaire, Ohio, says:

Mr. JENKINS. Were you familiar with the conditions in the glass industry of the United States when the Czechoslovakian trade agreement was drawn?

Mr. UHRMANN. Yes.

Mr. JENKINS. And were you in position then to know what effect that had, if any, on your industry?

Mr. UHRMANN. I was; yes.

Mr. JENKINS. What effect did it have on your industry?

Mr. UHRMANN. We have almost completely lost a third of our normal production on actually hand-blown glassware. I would like to explain that we make a complete line of table glassware, which means that in addition to hand-blown glassware, we also make hand-pressed glassware, and the combined product, or the combined production is glass tableware. To make it fully clear, I would like to explain further, that in the tableware line, for instance, a salad plate alone is not

sufficient for a complete line. You have to have the blown items together with it, such as tumblers, goblets, jugs, decanters, and items which are naturally blown.

The pressed items are plates, sugars and creams, and bowls and candlesticks and things of that sort.

POTTERY

Mr. Joseph M. Wells, representing United States Potters Association, says:

With the administration's demand for 60,000,000 American peacetime jobs, the request for an additional 50 percent tariff reduction is simply fantastic. I want to go on record with the prophecy that history will prove the reciprocal-trading treaties, as set up, negotiated, and administered by the present State Department were the greatest economic mistakes of our generation.

Mr. James M. Duffy, national president, National Brotherhood of Operative Potters, East Liverpool, Ohio, says:

Mr. Chairman and members of the committee, on behalf of the National Brotherhood of Operative Potters, affiliated with the American Federation of Labor, of which I have the honor of being its national president, I wish to state that we are opposed to the further extension of the trade treaty program, and especially to the authority requested that present tariff rates may be reduced another 50 percent.

MANGANESE

Mr. J. Carson Adkerson, president, American Manganese Producers Association, says:

One of the greatest set-backs to the domestic industry was the cut in the duty. The manganese ore tariff was cut 50 percent by the trade agreement with Brazil, a minor supplier. This was done in 1935 without notice or any consideration whatsoever to manganese producers and without regard to national defense.

As a result, United States has paid a severe penalty. After the cut in the tariff a number of manganese operations in this country were abandoned and the mines allowed to collapse. Our total known reserves of low-grade manganese ore in 25 States exceeds 200,000,000 tons and further work discloses additional reserves. It simply takes time for development of underground ore bodies.

Assistant Secretary of State W. L. Clayton, testifying before this committee, recently stated:

"Of course, the things that we lacked principally were the metals and minerals which, of course, we did not have. They were not stored in the earth here, and we had to go elsewhere to get them. Principally, that is the thing."

Secretary of the Interior Harold Ickes, before the Small Business Committee of the Senate, in 1943, stated:

"We still have here, 15 months after Pearl Harbor, an anomalous situation, in which, on the one hand, there is a serious need for raw materials to feed our war plants, and, on the other hand, there are large numbers of small entrepreneurs—owners and operators of small mining and milling properties—begging for an opportunity to produce for war."

"We are, furthermore, under a moral obligation to sustain small enterprise if we wish to rebuild and retain the America that we have known, with its concepts of individual freedom and opportunity."

Mr. E. L. Torbert, vice president, Onondaga Pottery Co., Syracuse, N. Y., says:

In the light of conditions heretofore stated, we oppose any further grant of powers to

reduce the now-existing tariff rates, and suggest that the agreement be extended for a period not to exceed 1 year. We make this suggestion because we believe this time of abnormal conditions is not the time to alter fundamental policy.

We further propose that any new treaties negotiated under this act be made subject to congressional approval.

Regardless of whether the act is continued, we do specifically propose that the original rates of the Tariff Act of 1930 be restored on china and earthenware as covered in paragraphs 211, 212 of the Tariff Act of 1930. Perhaps this could best be accomplished by providing that there shall be no reduction in duty under the 1930 rates on imports competing directly with articles produced by handicraft industries in the United States.

WOOL

Mr. J. B. Wilson, on behalf of the National Wool Growers' Association, says:

Mr. JENKINS. Despite the fact we raise this in Ohio, some of the finest wool raised in the world, the wool raisers in Ohio are dissatisfied with the present tariff, are they not?

Mr. WILSON. Every wool grower in the country, so far as I know, is, Congressman Jenkins.

Mr. J. M. Jones, secretary, National Wool Growers' Association, says:

Our people of the West urge that the Congress of the United States assume again its responsibilities by not passing this bill to extend the authority of the President under section 350 of the Tariff Act of 1930.

Mr. Arthur Besse, president of the National Association of Wool Manufacturers, says:

Mr. BESSE. The wool-textile industry is opposed to H. R. 2652 and opposed to the extension of the reciprocal trade-agreements amendment in any form.

Mr. Chairman, this legislation through which Congress has abdicated its constitutional powers should be repealed. Especially should Congress assert itself and prevent further encroachment on the rights of the people by giving to the Executive the uncontrolled power to further reduce the protection of many industries by 50 percent. It must be remembered that this legislation goes a long way further than the present legislation. No one who votes for this legislation can honestly go back to his constituents and say that he is opposed to the further surrender of constitutional powers by the Congress. This is a grand opportunity for Congress to regain one of the powers which it gave up under the spell of the magic words—this is an emergency and this will insure peace.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, in the minority report of the House Ways and Means Committee on H. R. 3240, a bill for the extension and strengthening of the reciprocal trade-agreements program, the authors pay lip service to every principle embodied in the Trade Agreements Act of 1934, and implemented through the trade-agreements program; then they turn and by extraordinary and chameleon-like evasions and twists, they seek to discredit and to destroy, by crippling amendments, the only instrument yet devised by the United States

Government to put into effect the principles which they pretend to espouse.

Not only is the report full of misrepresentations and faulty reasoning, but it is shot through with spiteful, trifling, but irritating mosquito-like jabs at the program itself, at the manner in which it is carried on, and at American citizens who have exercised their rights as American citizens to support the program.

In this document the authors declare themselves in favor of expanding our foreign trade as a means of increasing employment and raising living standards in this country. But they are violently opposed to any reduction of the excessive barriers which are preventing this expansion. They believe in reciprocity and in fair dealings among nations, but they urge discrimination among our foreign customers. They recognize that the United States and the world are facing a terrific economic emergency, but they are opposed to doing anything to meet it. They quote the Apostle Paul in favor of providing for those of our own house first, but they are unwilling for those of our own house to have adequate and remunerative markets for the fruits of their labors.

They cringe in fear lest some foreign country, all but prostrated by war, shall outstrip and outdo American enterprise and ingenuity and resources and take away our foreign—even our domestic—markets; they tremble, along with the protagonists of a few highly protected industries who have not ceased to tremble since 1934, lest American markets sometime, somehow, be flooded with the products of foreign slave labor. They look back yearningly to the lush 1920's when American taxpayers and investors were giving away, to foreign consumers, the products of American farms and factories and when our tariff policy was making it impossible for foreign consumers to pay for those products. They look back to the false and artificial prosperity that was building up in those days and that was paid for at so high a price in the early 1930's, and would like to go back and take the country back with them.

The minority report strikes the pitch and sets the tone of the arguments which are heard and will be heard here on the floor against the passage of the bill. Only for that reason is it worthy of close examination.

One of the first misrepresentations encountered is in that section of the report entitled "The Underlying Theory of the Bill." It is the statement that the proponents of the bill regard it as a "badge of American generosity." It is not such a badge and none of its friends has ever so described it. These friends, and its enemies too, know very well that by its very terms the law requires its administrators to get as much through trade agreements as they give, and that they have done so. Neither Americans nor foreign countries regard the program as a relief or a charity program, but as a straight business proposition whereby neither side gives anything except in order to get something.

Americans and foreigners alike do regard the program, however, as a symbol and an instrument of American willing-

ness to face realities and the necessity for cooperation with other countries for the benefit of all—emphatically including the United States of America.

The authors of the minority report indignantly disclaim their title to the label of "economic isolationists," and insist that they fully realize the necessity of expanding foreign trade. Yet they stand foursquare against the only practical means yet worked out to achieve that purpose, and they have no alternative suggestion as to how it can be done. They want jobs in this country and the maintenance of domestic wage and price levels, but they are terribly afraid that if we take measures to enable the products of American industry and agriculture to find foreign markets "our shores will become the dumping grounds for the surplus products of the world."

They charge that the proponents of the trade-agreements legislation are demanding subsidies from the Federal Treasury for export industries. This is a far cry from the truth and would delude no one familiar with the course of the trade agreements program during past years. The fact is that most of the export industries of the United States get on without subsidies and that it is the so-called domestic industries which are nourished and fostered behind tariff walls that are really the recipients of subsidies, subsidies extracted from American consumers.

Again, the opponents of the program worry about the regimentation of American industry and agriculture which they allege would result from a lowering of excessive tariff barriers. They are entirely indifferent to the infinitely more severe regimentation and control which are inevitable if large and important segments of American industry and agriculture are deprived of their foreign markets and must have their production held down to the volume that the domestic market alone can absorb.

Notwithstanding the desire they assert for the expansion of American foreign trade, the authors of this minority report are convinced that such expansion means economic warfare. They say in so many words that if we propose to export \$10,000,000,000 worth of American products in postwar years we might as well "drop all talk of economic peace." They visualize the United States embarked upon a ruthless drive to wrest away from Great Britain that country's export markets and thereby so irritating the British that, in retaliation, Great Britain will "place an embargo upon the products of American workmen." The minority Members would keep the products of American workmen at home so that the British will not be impatient and make us keep those products at home. Complicated reasoning, to say the least.

The fact that Britain herself might again, as in the past, be our best foreign customer, if she has an opportunity to pay with exports needed, and wanted, by other countries, including the United States, completely escapes the attention of the authors of this report. They profess to believe that, by giving concessions in return for concessions obtained, the United States will be "the first to disarm

herself on the economic front" and will "make her domestic market vulnerable to invasion by low-cost foreign goods produced by labor at a fraction of the American wage scale."

Over and over again the "fear" note creeps into the report. Its authors quote from three spokesmen for three highly protected industries who aver that they have been frightened out of making any postwar plans merely by the introduction of legislation for renewal of the trade-agreements program. All three of these industries have been progressively prosperous during the 11 years that the program has been in operation.

The minority members of the committee are devoted to principles. They regard it as "a travesty upon the principles of free, representative government that the American Congress surrendered" its right to fix tariffs in 1934. But on the same page of the report they propose an amendment which would enable the Executive to go on exercising this function if the Congress did not, by majority vote "in 90 legislative days" repudiate the Executive's action. They admit that since—they say—most of the power to adjust tariffs under the original act has been exhausted, it does not make so much difference about the principle of the thing now. There they disclose their real purpose, which is to hamstring the program and make it unworkable by any possible device, not to defend a constitutional principle which the Supreme Court has held again and again is not in jeopardy because of Executive agreements such as the reciprocal trade agreements.

The insidious attack goes on and on. The authors of the report deplore the idea that the United States should face up to and do something about the most serious economic crisis the world has ever confronted. They are all for maintaining the status quo ante. After all the faults they have found with the program they come to the astonishing conclusion that, everything considered, it might not be a bad idea to continue it until something better turns up from somewhere. But as for improving it and adapting it to present-day conditions, "there is no need to act now, as in a panic."

There is no need now, they say, in the face of the conditions confronting this country and the world, to strengthen the only workable implement of international cooperation available for attacking world economic problems. They are against having the United States—most powerful economically of all nations—take any measure on its own initiative. Let things ride, say the authors of this report, and maybe "the economic council of the new United Nations organization will be able to furnish a guide to all nations in the matter of removing restrictions on foreign trade and otherwise arrive at a sound basis for a permanent postwar solution to the problem of foreign commerce."

It is not to be easily believed that they honestly want to wait and take a blueprint and a program drawn up by the economic council of the United Nations. Their real hope is that if, as, and when the economic council of the United Na-

tions does propose such a plan, they will be able to block its adoption as they would like to block continuation of the reciprocal trade-agreements program.

In the section entitled "The Minority Position" the authors affirm their faith in the principle of reciprocity, but are horrified at the thought of its being contaminated by "world politics." Turning their backs on the 11-year record of the administration of the trade-agreements program, they convince themselves, if no one else, that the economic welfare of American workers and farmers is to be traded off for unspecified diplomatic advantages and secret political prizes. This is all of a piece with the reiterated and untruthful implication that the diplomats in the State Department are the only persons who have anything to say about the management of the program.

They do not mention the partisan, log-rolling, political maneuvering which has made congressional tariff making in the past a sour economic joke with disastrous consequences. They say nothing about the long record of congressional failure and refusal to ratify and put into effect reciprocal tariff agreements negotiated by the Executive under previous tariff acts.

It would, of course, be difficult for Republicans with the strong sense of party loyalty displayed by the minority members of the Ways and Means Committee to repudiate the principle of reciprocity for which great Republicans are justly entitled to so much credit, and which is the basic principle of the trade agreements program. They—like the proponents of the bill—quote President McKinley on the subject, but they carefully lift from their context certain sentences from his last public address.

I am going to read from the same passage of that address some of the sentences which they omitted:

A system which provides a mutual exchange of commodities is manifestly essential to the continued and healthful growth of our export trade. Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established. What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet and we shall sell wherever we can and buy wherever the buying will enlarge our sales and production, and thereby make a greater demand for home labor.

The expansion of our trade and commerce is the pressing problem. Commercial wars are unprofitable. A policy of good will and friendly trade relations will prevent reprisals.

The minority's reasons for omitting these pertinent sentences are abundantly clear without being spelled out here.

But we come immediately to a most astounding departure from party loyalty in the minority ranks. They, in their own words, "reject absolutely the notion that reciprocity can exist at all in company with the unconditional most-favored-nation rule." The minority members of the committee are well aware that the unconditional most-favored-nation principle owes as much of its origin to foresighted Republicans as does the reciprocity principle which they extol. They faced a difficult dilemma in their search for something about the program

to attack. So they threw overboard the principle of nondiscrimination and equality in commercial relations, which was enunciated more than 20 years ago by a Republican Vice Chairman of the United States Tariff Commission, William S. Culbertson; approved by a Republican President, Warren G. Harding; and put into effect by a Republican Secretary of State, Charles Evans Hughes. This is the principle which the minority members of the committee now label a "notion" that they "absolutely reject."

Throughout the recent hearings and in the hearings in 1943 the minority members of the committee spoke at length and with fervor about imaginary injuries to which American interests have been exposed through adherence to the most-favored-nation principle. Again and again they have been faced with the fact that innumerable discriminations against United States commerce have been removed or averted through the application of this principle or through reciprocal trade agreements. The facts made no impression on them and this particular red-herring trail lopes and doubles back and forth across the whole course of the hearings.

Under the heading "How the program has operated" the minority members dismiss very curtly the testimony of witnesses who appeared at the hearing in support of extension of the program. The record of the hearings shows that in their questioning and lecturing of such witnesses at times their behavior was considerably short of courteous.

While, according to the minority report, "the great preponderance of the testimony was in opposition to the continuance of the program," there was admittedly some exceptions who are described as "witnesses representing the large export industries and diversified industries connected directly or indirectly with export trade, free-trade academicians, and women's clubs."

These exceptions, of course, were the representatives of the United States Chamber of Commerce, the National Foreign Trade Council, the National Council of American Importers, an affiliate of the American Federation of Labor, the Congress of Industrial Organizations, the American Farm Bureau Federation, the Farmers' Union, 1,300 of the country's leading economists, the General Federation of Women's Clubs, the National League of Women Voters, the American Association of University Women, and many other trade associations, labor organizations, and other groups as well as individuals. The exceptions, in other words, were a complete cross section of American business, industrial, labor, agricultural, and civil life. The views of the millions of American citizens who spoke through these representatives made no impression on the minority members of the committee. A deaf ear and a rough tongue were all they had for Americans whose opinions differed from their own on a matter in which the welfare of every American worker and farmer is concerned.

The minority, noting with apprehension that the law contains no yardstick with which to measure the validity of the claims of protected industries that

they have been injured by the reciprocal trade-agreements program, provide in their report such a yardstick, of a unique design, indeed.

Their formula is that when for any given commodity the ratio of imports to total domestic consumption begins to rise, the increase is clearly indicative of injury to the domestic industry. The members of the minority would apply this formula without regard to whether the industry in question was flourishing, prospering, and expanding, or not; without regard to whether the domestic market is expanding and able to absorb, at good prices, more than the domestic industry could provide. They would apply the formula to commodities of which domestic production has never been adequate to meet domestic requirements—such commodities as wool, flaxseed, hides, beef, manganese, and many others. There could not be a less accurate index to the extent of competitive effect or a more complete disregard of the interests of American consumers.

The report expresses the concern of the minority members about the future of the synthetic-rubber industry in the United States—a most proper concern for every American. But the report is devoted largely to baseless and unfounded assertions that proponents of the trade-agreements program dismiss the whole subject with the argument that synthetic rubber will never replace natural rubber. This contradicts the existence of expert and informed testimony, reported in the hearings, of one Assistant Secretary of State, and the considered opinion of another, that if national defense considerations require the maintenance of synthetic-rubber facilities after the war at public expense, it would be cheaper and more honest to subsidize these facilities directly, so that taxpayers may know what they are paying for, rather than forcing consumers to pay exorbitant prices, by means of a tariff, for every pound of either synthetic or natural rubber they use.

In the section devoted to synthetic rubber the report reaches a new high of inconsistency. In one paragraph it forebodes that the foreign rubber monopoly will undersell the synthetic product after the war, no matter how low the price of the synthetic. In the next paragraph it cites technicians who anticipate that after the war the price of synthetic rubber will be as low as 15 cents a pound. Either way, the rosy outlook for millions of tire-hungry Americans will be turned into a mirage if the minority has its way and there is imposed a drastic tariff which will run up the prices of all kinds of rubber.

The heading "Trade-agreements program has failed to achieve its objectives" is justified by the minority members of the committee by the fact that some recovery from the depths of the 1932 depression had already been made in 1934 and 1935 when the trade-agreements program was getting under way. During the hearings the minority members were profuse in their charges about extravagant promises which they alleged had been made about what the program would accomplish in the way of ending the depression, preventing war, and gen-

erally performing miracles. Such promises, of course, never had been made and the minority, when invited to cite chapter and verse, could not do so. No one ever claimed that the trade agreements alone would, could, or did account for the whole recovery from the depression low when a multitude of factors, both here and abroad, were designed to and did contribute to the same end. Some very potent medicines other than the trade-agreements program were administered to the desperately sick United States economy after—not before—1932. To say that the program of vigorous but cautious reduction and removal of obstructions to our foreign trade and the expansion of our foreign markets did not contribute to our recovery is, on the face of it, ridiculous.

What was true of recovery in foreign trade in the early 1930's is, of course, equally true about the changes that took place in that trade as World War II drew nearer and nearer. Had the principles of the trade-agreements program been adopted earlier and had the mechanism been made more nearly adequate to its task, as is now proposed, the whole economic history of the interwar years might well have been different. If the views of the minority of the Ways and Means Committee, as expressed in this report, prevail after this war, that history will repeat itself.

The minority report, with all its exaggerations, misrepresentations, evasions, and inconsistencies, arrives at last, however, at some surprisingly sound conclusions, none of which is based upon the substance of the report. It stresses the necessity of a sound domestic economy. The trade-agreements program, by helping to provide adequate and remunerative markets, both foreign and domestic, for the products of efficient United States enterprise, can and will help to create that sound economy. The report deplores the "exportation of unemployment" as a factor in causing nations to raise their tariffs and to impose quotas and other trade barriers. The trade-agreements program, by helping to clear away those barriers, will help to stop the exportation of unemployment. Adequate foreign markets mean increased domestic economic activity. Lowering our own barriers against needed and desirable imports helps to make those markets possible.

The minority report expresses concern about unforeseeable, chaotic, economic conditions in the postwar period. That concern should by all means inspire support for a sound and workable system of assurances and safeguards such as the agreements now in effect and the principles of the trade-agreements program provide. Extension and enlargement of the program as contemplated under H. R. 3240, far from involving the United States in any possible disadvantageous commitment, offers the only possible opportunity available to the United States to hold the guarantees it now has and to bargain effectively for others as they may become necessary.

The trade-agreements program, in short, offers the most feasible and surest

means of fulfilling the closing sentence of the minority report, which is:

Let us ever remember that we must keep America free, strong, and prosperous if we would be the hope and salvation of the world.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, this is a peculiar time, an ominous juncture in our life, to question the wisdom or the validity of the operation of our country under reciprocal-trade agreements. Not surrendering any of our domestic rights or benefits but holding that these are also best protected by a continuation of the reciprocal trade-agreements policy and law, we have the further concern that we are to show to the world either that we are sincere in our protestations of a desire for a world peace and a world security or that we are not sincere in them. This consideration impels me as a Member of the House to say a few words in regard to the situation in which we find ourselves today.

I do not want my children or my grandchildren to be able to read in the years or the cycles of years that are to come that I have failed to take a part in undertaking to symbolize the declaration we made earlier that we proposed to devote all that we had, our fortunes, and with them our sacred honor, to the accomplishment of a just and lasting peace in the world. I cannot for the life of me reconcile opposition to the continuation of this Reciprocal Trade Agreements Act and its policy with sincerity in the protestations, and promises that we as a Congress have made looking to the maintaining of a just and lasting peace.

Mr. Chairman, the road that is paved with isolationism or selfishness—and these terms are almost interchangeable—can lead to but one end. The person, or the party, or the nation which travels this road can reach but one destination. It is strange that some people have never learned the truth or the force in the statement that "No man liveth unto himself, and no man dieth unto himself."

For a long, long time the tariff, a designation familiar to everyone, was the football of politics. On this, as an issue, men staked their fortunes in the seeking of public office or preferment. Circumstances, which one need not now advert to, often brought the result that we had what we knew to be, and know to have been, high protective preferential tariff rates; often advocated in the name of infant industry, but continued in so long that the effects became unbearable to the great body of the American people. These grew to a size beyond common sense or good judgment. No one profited by this "protection" except those who were permitted to grow from a state of infancy to giants of industry, with complete control of the economies of our country. It may be true that there was a vast accumulation of wealth, but there was an unconscionable distribution, so that neither labor nor agriculture participated but were reduced to a state of impoverishment from year to

year. I remember the plight of labor and agriculture in those days, and I remember that it was accepted as a truth that our labor status and our agricultural condition reached such a stage as to result in the destruction of both.

One man appealed to the country in these words:

Destroy your cities and leave your farms, and your cities will spring up again as if by magic; destroy your farms and the grass will grow in the streets of every city in this country.

I am not old, but I saw this prophecy literally fulfilled. Not until 1934 was there actual departure from the unhappy state in which and through which we had undertaken, for years, to struggle. We remember that in 1930 a tariff law of terrible proportions was enacted, through the assurance of some that this would aid in lifting us from a most terrible depression. It did not, of course, have that effect, but the opposite. In 1934 the reciprocal trade-agreements policy was adopted, and at this point I wish to quote to you from the words of a man who had labored long to correct this tariff evil and to deliver the people of our country from the awful effects of a continued policy of enriching a few at the expense of the many. I quote from the words of our former Secretary of State, Hon. Cordell Hull:

In 1934 the United States decided to go the other way, and to use its influence to persuade other countries to take the same new course. Under the Trade Agreements Act we have succeeded in reaching agreements with 28 countries, to our advantage and theirs. But international relations had already deteriorated to such an extent, against the setting of trade wars and depressions, that Hitler had come into power in Germany and the Japs were in Manchuria. We shall soon have another chance to make a peace. This time we propose to make one that will last. We know that it cannot last unless it embraces not only political and military affairs, but also arrangements to provide the essential prerequisites to economic prosperity, and to maintaining and improving standards of living in our own and all other countries. The trade agreements program is one of these essentials.

It is possibly remarkable that we find some of our friends in the Congress professing a willingness to extend the Reciprocal Trade Agreements Act for a year, but at the same time—what can you do in a year?—when we read the *RECORD* of yesterday we find that their laboring has been to go back to the days of the Hawley-Smoot or the Smoot-Hawley tariff policy. Figures are given which were prepared by the old Tariff League, which has not had a new transfusion of blood since 1896. The proposal in the Doughton bill, which we have for consideration, cannot be dismissed with the idea that it is purely an altruistic effort.

While it is designed to establish a working trade agreement among the countries of the world, the 28 with others to be included, and to contribute to the establishment of a just and lasting peace among nations, it is not without its definite benefits to our own country. I quote from the testimony of Hon. William L. Clayton, recently made Assistant Secretary of State, but for many years

thoroughly familiar with tariffs and the results of tariff laws. He says:

I wish to convey to the committee my complete satisfaction with the existing machinery of administration, which we have taken over intact from Secretary Hull. I shall be happy to work with it, for I believe that it is designed to provide every necessary safeguard to avoid injustice and to assure that the final decisions in each case are in accord with the weight of the evidence. We are very fortunate to have at hand, at a time when we are uniquely endowed with all the power and influence necessary to lead the world toward economic reconstruction, an instrument which has been tested and improved over the years and in which the American people have great confidence. It has been used with caution and with wisdom, and it will continue to be used that way.

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

Mr. FOLGER. I yield.

Mr. PATRICK. Does the gentleman remember the time when, under the protection they have been discussing here today, money became so short among the poor folks of this country that President Hoover issued an order to bring all the gold and silver out of hiding, and called it in from the tobacco pouches and socks, and that the banks promptly locked it up behind closed doors?

Mr. FOLGER. I remember most of the things that happened, but I would like to forget some of them.

The Committee of Reciprocity Information is composed of responsible officers of the Tariff Commission and the Departments of State, Commerce, Agriculture, and the Treasury. Through these, private interests may present their views, and to them give information. Most of the members of this committee serve as members of the Trade Agreements Committee, which coordinates the work of all the interested Government agencies in the administration of the trade-agreements program. Due notice is given of any and every intention to negotiate a trade agreement. As an instance of the care provided for the operation of these committees, reference is made to the escape clause or provision of article XI of the trade agreement with Mexico, to which both Mr. Ryder and Mr. Charles P. Taft have directed the committee's attention; reminding that these provisions have evolved from long experience in the operation of the trade-agreements program. They state that in the committee's view they represent a perfected instrument through which trade barrier reduction can be achieved, with full scope for flexibility where flexibility is needed, and that the provision gives assurance that if, as a result of unforeseen developments and of the concession granted on a product, the product is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic producers of like or similar products, then this Government or the other government concerned, as the case may be, shall be free to withdraw the concession, or to modify it so as to prevent such injury.

I wish to quote one sentence from the language so pertinently, I think, used by Secretary Stettinius in his statement regarding this legislation. He says:

A resolute attack on restrictive trade barriers throughout the world—an attack such as would be made possible by enactment of the legislation proposed herein, would give the rest of the world a symbol, and a tangible proof that we mean what we say about joining with other nations in working toward a more prosperous and a more secure world, and that we are determined not to repeat the mistakes that were made after the last war.

Let me quote also from the language of Mr. Nelson A. Rockefeller, Assistant Secretary of State, in charge of American Republics affairs:

The hemisphere unity which has been achieved in this war is a priceless asset, not only to us but to each one of the other republics. This unity is not the product of mere words. It is made up of countless instances of doing things together, of working out problems to our mutual best interest through joint efforts and common agreement. That is the essence of international cooperation in action. The record shows not only that it works, but perhaps even more importantly, the record here in the hemisphere shows that in reality it is the only policy that does work. You simply cannot get unity by either force or purchase—you work it out together, or you just do not get it.

This is but to recognize the value of cooperation, and to assure the willingness of this Government that the standard of living in other lands may be raised, which, withal, will contribute to our own well-being. People without means do not purchase things. The poverty of the peoples of other nations will certainly reflect itself in an unhappy effect upon our own economy and well-being.

We have in our Government, or as our Government, 48 separate States. There can be no trade barriers as between these States, for that is prohibited by the Constitution. It is no doubt the result of the knowledge of the framers of our Constitution that we, as States, must trade and commune with each other, and one helpful to all.

There is no danger in the provision in this bill that in the adjustment of tariffs an additional leeway, through the provision that where found advisable and necessary an additional margin of increase or reduction in tariff rates may be employed. Some may not have been decreased or increased at all; the provision is provided to the end that the Tariff Commission, the Committee for Reciprocity Information, with all the machinery provided for safeguarding, may have room to make needed amendments as circumstances and time may seem to require.

Cooperation among peoples, nations, and individuals is one of the great methods by which the common good can be arrived at. I make reference to the formation of the Apple Blossom Club in the State of Michigan. In Michigan there is an area of barren, cut-over pine land, occupied by farmers, many of them foreign-born, who eke out a meager living on marginal land. Yet this impoverished country has 75 of the best consolidated rural schools in the United States. It was not always so.

Less than 20 years ago the rural schools here were as marginal as the land. They are flourishing today, however, thanks to the cooperation of the peoples of that

community—urged to the course by the cooperation of Dock Smith and his students at Central Michigan College. He, with his students, went to that community and interested the people there in cooperating in the establishment of better schools, better churches, and a better life. Cooperation was obtained and the result indicated followed. The Apple Blossom Club did not content itself with this accomplishment, but continued throughout other territories, enjoying, through cooperation, the success of their coordinate efforts. Today there is an Apple Blossom Club on Luzon Island—that part of the territory from which the Japs have been expelled. In writing about this, Mr. Nelson A. Crawford makes this observation:

Tolerance and cooperation have been born. Previously there were jealousies among the people, but they have learned to work together. The work of this club has reached and benefited all phases of community life. Recently educators from Guatemala, Nicaragua, and Honduras visited Michigan Central College and invited the Apple Blossom Club to come to Central America after the war. They said, "We desire you shall inspect our education, and we promise you thereafter there will be Apple Blossom Clubs blooming in every school."

The fearful and the doubting will never accomplish anything. We will make a great contribution to the peace of the world by the enactment of this bill as it is written, and without danger but with benefit to ourselves. In this connection I feel impelled to quote again from the language of Mr. Clayton:

I wish to convey to the committee my complete satisfaction with the existing machinery of the administration, which we have taken over intact from Secretary Hull. * * * We are very fortunate to have at hand, at a time when we are uniquely endowed with all the power and influence necessary to lead the world toward economic reconstruction, an instrument which has been tested and improved over the years, and in which the American people have great confidence. It has been used with caution and with wisdom, and it will continue to be used that way.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SHEPPARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3204) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on two subjects and to include therein certain items.

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

There was no objection.

Mr. HAYS (at the request of Mr. MILLS) was given permission to extend

his remarks in the RECORD and include a speech made by Mr. Chester Bowles.

Mr. STARKEY asked and was given permission to extend his remarks in the RECORD.

Mr. HAVENNER asked and was given permission to extend his remarks in the RECORD and include a letter received from the San Francisco Chamber of Commerce.

Mr. REED of New York and Mr. SIMPSON of Pennsylvania (at the request of Mr. CARLSON) were given permission to extend their remarks in the RECORD.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. STIGLER, until June 4, 1945, on account of official business.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent that the House may stand in recess until 7:30 this evening.

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

Mr. KEEFE. Mr. Speaker, reserving the right to object, may I ask the gentleman just what the purpose is of having the House recess until this evening when we have only had 7, 8, or 10 Members present most of the afternoon in connection with this debate? What is the purpose of recessing until 7:30 tonight?

Mr. DOUGHTON of North Carolina. As far as the gentleman from North Carolina is concerned it is to keep an agreement he had with the minority leader and the ranking minority member of the Ways and Means Committee in charge of the bill on the gentleman's side in order that Members on that side primarily may have an opportunity to make speeches. I am deferring to their request and I am keeping faith with them.

Mr. KEEFE. Mr. Speaker, I do not know as I have any objection to Members making speeches. I have been sitting here all afternoon and have not had a chance to say anything. I do not know as I care to make a speech to a lot of empty seats any way. It seems to me that it is an idle gesture to ask Members to come back here at 7:30 in the evening when we have not had more than 8 or 10 Members on the floor all afternoon to hear the speeches delivered by members of the committee. In my opinion it is unfair to call the Members of the House back here at 7:30 this evening when there is not any expectation there will be more than a handful here to listen to speeches. Mr. Speaker, I therefore object.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 244. An act for the relief of Adell Brown and Alice Brown;

H. R. 533. An act authorizing the State of Minnesota Department of Highways to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Hastings, Minn.;

H. R. 780. An act for the relief of the legal guardian of Vonnie Jones, a minor;

H. R. 856. An act for the relief of Frances Blewer;

H. R. 879. An act for the relief of Ed Williams;

H. R. 904. An act for the relief of Fred A. Lower;

H. R. 980. An act for the relief of Mrs. Gladys Stout;

H. R. 1016. An act for the relief of Capt. Millard L. Treadwell;

H. R. 1054. An act for the relief of Mrs. Mary Karalis;

H. R. 1069. An act for the relief of Sidney B. Walton;

H. R. 1184. An act to authorize Slater Branch Bridge and Road Club to construct, maintain, and operate a free suspension bridge across the Tug Fork of the Big Sandy River at or near Williamson, W. Va.;

H. R. 1241. An act for the relief of Margaret M. Meersman;

H. R. 1347. An act for the relief of Lee Graham;

H. R. 1558. An act for the relief of Mrs. Alma Mallette and Ansel Adkins;

H. R. 1561. An act for the relief of the legal guardian of Louis Ciniglio;

H. R. 1598. An act for the relief of Mrs. Bessie I. Clay;

H. R. 1602. An act for the relief of Robert Lee Slade;

H. R. 1652. An act granting the consent of Congress to the State of Louisiana to construct, maintain, and operate a free highway bridge across the Mississippi River at or near New Orleans, La.;

H. R. 1659. An act authorizing the Department of Highways of the State of Minnesota to construct, maintain, and operate a bridge across the Pigeon River;

H. R. 1845. An act for the relief of Domenico Strangio;

H. R. 1847. An act for the relief of Francis X. Servantes;

H. R. 1877. An act for the relief of Maj. William Peyton Tidwell;

H. R. 1910. An act for the relief of Frank Lore and Elizabeth Vidotto;

H. R. 1952. An act for the relief of Joseph Brunette;

H. R. 2006. An act for the relief of Boyd B. Black;

H. R. 2068. An act to provide for the settlement of claims of military personnel and civilian employees of the War Department or of the Army for damage to or loss, destruction, capture, or abandonment of personal property occurring incident to their service;

H. R. 2129. An act for the relief of Edward Lawrence Kunze;

H. R. 2361. An act for the relief of Alexander Sawyer;

H. R. 2701. An act for the relief of Margaret J. Pow;

H. R. 2907. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 177. Joint resolution repealing a portion of the appropriation and contract authorization available to the Maritime Commission.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 72. An act for the relief of Antonio Ruiz;

S. 93. An act for the relief of Mary G. Marggraf;

S. 194. An act for the relief of Mrs. Glenn T. Boylston;

S. 498. An act for the relief of W. C. Wornhoff and Josephine Wornhoff;

S. 519. An act for the relief of Charles A. Straka;

S. 567. An act for the relief of Mrs. Freda Gullikson;

S. 645. An act to suspend until 6 months after the termination of the present wars section 2 of the act of March 3, 1883 (22 Stat. 431), as amended; and

S. 647. An act to authorize the Secretary of the Navy to convey to the State of Rhode Island, for highway purposes only, a strip of land within the naval advance base depot at North Kingstown, R. I.

ADJOURNMENT

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.), pursuant to its previous order, the House adjourned until 11 o'clock a. m. tomorrow, Friday, May 25, 1945.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Friday, May 25, 1945, to resume public hearings on H. R. 3170, a bill to provide Federal aid for the development of public airports and to amend existing law relating to air-navigation facilities.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the full Committee on the Post Office and Post Roads on Friday, May 25, 1945, at 10 a. m., at which time further hearings will be had on H. R. 3235 and H. R. 3238, bills readjusting the rates of postage on books and catalogs.

COMMITTEE ON THE JUDICIARY

Subcommittee No. III of the Committee on the Judiciary will begin hearings at 10 a. m., Friday, May 25, 1945, on H. R. 2357, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended (secs. 7 and 11). The hearings will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON PATENTS

There will be a meeting of the Committee on Patents on Tuesday, May 29, 1945, at 10 o'clock a. m., to consider H. R. 2631.

There will be a meeting of the Committee on Patents on Thursday, May 31, 1945, at 10 o'clock a. m., to consider H. R. 2632.

There will be a meeting of the Committee on Patents on Friday, June 1, 1945, at 10 o'clock a. m., to consider H. R. 2630.

COMMITTEE ON THE JUDICIARY

There will be a public hearing before Subcommittee No. 4 of the Committee on the Judiciary, beginning at 10 a. m., on Monday, June 11, 1945, on the bill H. R. 2788, to amend title 28 of the Judicial Code in regard to the limitation of certain actions, and for other purposes. The hearing will be held in room 346, Old House Office Building.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

The Committee on Immigration and Naturalization will hold an executive hearing at 10:30 o'clock a. m., on Thursday, June 14, 1945, on H. R. 173, H. R. 1584, and H. R. 2256.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

499. A letter from the Chairman of the Board of the Reconstruction Finance Corporation, transmitting a report of the Reconstruction Finance Corporation for the month of February 1945; to the Committee on Banking and Currency.

500. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes; to the Committee on Naval Affairs.

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. JARMAN: Committee on Printing. House Resolution 232. Resolution authorizing the printing of additional copies of part 1 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; without amendment (Rept. No. 608). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Concurrent Resolution 49. Concurrent resolution authorizing the printing of additional copies of part 2 of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives, current session, on the bill (H. R. 1362) to amend the Railroad Retirement Acts, the Railroad Unemployment Insurance Act, and subchapter B of chapter 9 of the Internal Revenue Code, and for other purposes; without amendment (Rept. No. 609). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. Senate Concurrent Resolution 14. Concurrent resolution authorizing that the letter of the Secretary of the Interior, dated February 2, 1945, transmitting a report on a survey of the fishery resources of the United States and its possessions be printed as a Senate document, and providing for the printing of additional copies thereof; without amendment (Rept. No. 610). Referred to the House Calendar.

Mr. KEFAUVER: Committee on the Judiciary. House Joint Resolution 180. Joint resolution giving official recognition to the pledge of allegiance to the flag of the United States, with amendment (Rept. No. 611). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 3293. A bill to provide for the national security, health, and public welfare; to the Committee on Ways and Means.

By Mr. RODGERS of Pennsylvania:

H. R. 3294. A bill to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania, relating to Pymatuning Lake; to the Committee on the Judiciary.

By Mr. ROE of Maryland:

H. R. 3295. A bill to authorize a preliminary examination and survey with a view to the construction of a breakwater in the harbor at Betterton, Md.; to the Committee on Rivers and Harbors.

H. R. 3296. A bill to authorize a preliminary examination and survey with a view to the construction of a boat basin in Johnsons Creek, in Somerset County, Md.; to the Committee on Rivers and Harbors.

By Mr. FOGARTY:

H. R. 3297. A bill to provide for advancement in rank for certain World War I veterans; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3298. A bill amending S. billization Act of 1942, stabilizing the price of sea foods; to the Committee on Banking and Currency.

By Mr. REES of Kansas:

H. R. 3299. A bill to establish a Division of Printing Control in the office of the Bureau of the Budget, and for other purposes; to the Committee on Printing.

By Mr. SIKES:

H. R. 3300. A bill for preliminary examination and survey of waterway from St. Mary De Galvez Bay to Sound Bay, Fla.; to the Committee on Rivers and Harbors.

By Mr. GEARHART:

H. J. Res. 203. Joint resolution to provide for reciprocal trade agreements to expand the foreign commerce of the United States; to the Committee on Ways and Means.

By Mr. MARCANTONIO:

H. J. Res. 204. Joint resolution requesting the President to use his good offices to the end that the United Nations invite Italy to be a signatory to the United Nations agreement; to the Committee on Foreign Affairs.

H. J. Res. 205. Joint resolution requesting the President to use his good offices to the end that the United Nations recognize Italy as a full and equal ally; to the Committee on Foreign Affairs.

By Mr. GWYNNE of Iowa:

H. Con. Res. 59. Concurrent resolution fixing the time for the return to standard time; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of New Mexico:

H. Res. 269. Resolution providing for the printing of additional copies of House Report No. 504, of the Seventy-ninth Congress; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to call a constitutional convention to propose an amendment to the Constitution of the United States relating to the making of treaties; 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. CLEMENTS:

H. R. 3301. A bill for the relief of the legal guardian of James Herbert Keith, a minor; to the Committee on Claims.

By Mr. LYLE:

H. R. 3302. A bill for the relief of Christian H. Kreusler; to the Committee on Claims.

By Mr. MCGEEHEE:

H. R. 3303. A bill for the relief of A. M. Strauss; to the Committee on Claims.

H. R. 3304. A bill for the relief of Lt. (jg) William Augustus White, United States Naval Reserve; to the Committee on Claims.
By Mr. WEAVER:

H. R. 3305. A bill for the relief of Edgar B. Grier; 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:

739. By Mr. BRUMBAUGH: Petition of 77 Townsend Clubs of the Twenty-second Congressional District of Pennsylvania in convention at Tyrone, Pa., April 23, 1945, urging immediate and favorable consideration of House bill 2229 or 2230; to the Committee on Ways and Means.

740. By Mr. CLASON: Petition of the General Court of Massachusetts, commending Congress for its affirmation of the principles of freedom of speech and press and recommending to the Peace Conference the adoption of an international compact in accordance with the mandate of Congress; to the Committee on Foreign Affairs.

741. By Mr. COCHRAN: Petition of August Meier and 31 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

742. Also, petition of George Hornberger and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

743. Also, petition of L. D. Lathy and 30 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

744. Also, petition of J. Wilhelm and 29 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

745. Also, petition of N. Hummel and 26 other citizens of St. Louis, Mo., protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

746. By Mr. JOHNSON of Illinois: Petition of J. D. Gunter, commander, and J. G. Johnson, adjutant, Monmouth Camp No. 78, United Spanish War Veterans, Monmouth, Ill., for the increase of pensions of veterans and widows of veterans who are entitled to an increase and who are not included in Public Law No. 242; to the Committee on Pensions.

747. Also, petition of Nellie A. Peterson and 53 others of Moline, Ill., to prevent the alcoholic-beverage industry from directing high-pressure campaigns to increase its profits at the expense of the home and of youth, by prohibiting it the use of the air, periodicals, newspapers, motion pictures, or any other form of advertising; to the Committee on the Judiciary.

748. By Mr. LANE: Petition adopted by the House of Representatives and the Senate of the Commonwealth of Massachusetts, on May 9 and 15, respectively, urging the Congress of the United States to adopt a Federal-State plan of establishing and developing a national system of airports; to the Committee on Interstate and Foreign Commerce.

749. By the SPEAKER: Petition of Washington Industrial Union Council, Washington, D. C., petitioning consideration of their resolution with reference to urging the passage of the Bretton Woods agreement without amendment; to the Committee on Banking and Currency.

750. Also, petition of the Toilet Goods Association, Inc., of New York, petitioning consideration of their resolution with reference to vesting sole jurisdiction of both the label-

ing and advertising of foods, drugs, and cosmetics in the Food and Drug Administration; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 25, 1945

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

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, whose resources transcend our greatest needs, may our lives during this day be brought under the sovereignty of Thy divine will and be touched to those finer issues of truth, beauty, and love.

We pray that Thou wilt enlarge our souls with a more vivid sense of our kinship with Thee and with all mankind. Create within us a desire to achieve a fuller measure of that deeper unity of spirit which will inspire us to walk with the members of the human family in the ways of brotherhood and mutual responsibility.

Grant that we may be empowered by Thy holy spirit to bring to fulfillment and fruition our noblest aspirations for a world order in which justice and righteousness, peace and good will shall be blessed realities.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had ordered that the Secretary of the Senate be directed to request the House of Representatives to return to the Senate the bill (H. R. 1260) entitled "An act for the relief of Dr. Walter L. Jackson and City-County Hospital."

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

H. R. 209. An act for the relief of David B. Smith; and

H. R. 1567. An act for the relief of Katherine Smith.

HOURLY MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

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

There was no objection.

EXTENSION OF REMARKS

Mr. MILLS asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain tables, excerpts, and other extraneous matter.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include newspaper items.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD in connection with the benefits of the Bretton Woods agreements, and further to extend his remarks and include memorials from the State of California in regard to certain legislation.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a statement on the Bretton Woods agreements from the Americans United for World Organization, Inc.

Mr. AUCHINCLOSS, Mr. KEARNEY, and Mr. PHILLIPS asked and were given permission to extend their remarks in the RECORD.

Mr. BISHOP asked and was given permission to extend his remarks in the RECORD and include an editorial from the Carbondale (Ill.) Free Press on the question of Government-sponsored medical care.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a tabulation.

Mr. GEARHART asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain tabulations and quotations, and further to extend his remarks and include a statement from the Contra Costa County Walnut Growers' Association.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he expected to make in the Committee of the Whole today and include certain extracts and figures.

Mr. RICH asked and was given permission to extend the remarks he expected to make in the Committee of the Whole today and include certain extraneous matter.

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an address by Hon. Sumner Wells. It may exceed by a small amount the space allowed under the rule, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.