shall be glad to do so. As I have previously stated, I am very anxious to start at the beginning of the calendar, because I am interested in the first bill on the calendar. I believe that we shall be able to start at the beginning of the calendar at the next call. I do not think there will be any trouble about it.

Mr. WHERRY. Mr. President, I quote from the RECORD the statement referred to in the observations just made by the distinguished Senator from California [Mr. KNOWLAND]. I read from page 12199:

Mr. KNOWLAND. I wonder whether the Senator could give some indication to Members of the Senate as to when it may be proposed to have a call of the calendar, beginning at the beginning of the calendar? I have had a number of inquiries in regard to the matter, and the time is running.

Mr. LUCAS. I am unable to say to my friend from California at this time. It seems to me that might be done probably the next time we call the calendar.

Mr. KNOWLAND. There are a number of bills to which there was but one objection, which objection has been gotten out of the way now.

Mr. LUCAS. The Senator is correct.

He did not give any assurances. A few days ago I asked if he would not return to the beginning of the calendar.

I withdraw the request, if my distinguished friend the Senator from Alabama will not give me that assurance. I am rather surprised; it is the first time in a long while that when I have asked unanimous consent in connection with a matter as small as this one, I have been refused. There is no particular issue about the bill.

I say to the distinguished Senator that when he confers with the majority leader, I think he should arrange that at least Calendar No. 570, Senate bill 1165, be included in the call of the calendar. If it is not, I shall be forced to object to having any bills called beyond where we leave off today, unless that consent is given.

Mr. HILL. Mr. President, I shall be delighted to convey to the majority leader what the minority leader has had to say. My only reason for not acceding to the request of the minority leader is that other Senators are interested in bills similarly located on the calendar; and if we take up one, we have to take up the others. That is the reason.

Mr. HENDRICKSON. Mr. President, inasmuch as we have been talking about the call of the Calendar, I wish to make this observation with respect to the bills coming toward the end of the calendar. In respect to future calls of the calendar, I feel that I shall be constrained to object to the consideration of any bill that has not been in the hands of Senators with a committee report for at least 2 days. Certainly it is a very dangerous practice for us to pass bills which have just been received from committees. I feel that I must serve notice that in the future I shall have to object to the consideration of bills which have not received longer consideration.

The PRESIDING OFFICER. The Senate will be interested to know that today the Senate has passed 94 bills or other measures.

EXECUTIVE SESSION

Mr. HILL. I move that the Senate proceed to the consideration of executive business.

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

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HOEY in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

CONVENTION CONCERNING FREEDOM OF ASSOCIATION AND PROTECTION OF THE RIGHT TO ORGANIZE—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER. The Chair lays before the Senate Executive S, Eighty-first Congress, first session, a convention concerning Freedom of Association and Protection of the Right To Organize, adopted by the International Labor Conference at its thirty-first session, held at San Francisco June 17 to July 10, 1948. Without objection, the injunction of secrecy will be removed from the convention, and the convention, together with the President's message, will be referred to the Committee on Foreign Relations, and the message from the President will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith an authentic text of the Convention (No. 87) concerning Freedom of Association and Protection of the Right to Organize, adopted by the International Labor Conference at its thirty-first session, held at San Francisco June 17 to July 10, 1948.

I transmit also for the information of the Senate the report of the Secretary of State regarding this convention, together with a copy of a letter addressed by the Secretary of Labor to the Secretary of State with respect to the convention.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 27, 1949.*

(Enclosures: 1. Report by the Secretary of State. 2. Copy of letter from the Secretary of Labor. 3. Authentic text of convention (No. 87) concerning Freedom of Association and Protection of the Right To Organize.)

The PRESIDING OFFICER. If there are no reports of committees, the clerk will proceed to state the nominations on the calendar.

ARMY NOMINATIONS PASSED OVER

The legislative clerk proceeded to read sundry temporary appointments in the Army.

Mr. KNOWLAND. Mr. President, I ask that the nominations go over temporarily. I wish to study the law under which the appointments have been made.

The PRESIDING OFFICER. Without objection, the nominations in the Army will be passed over.

Mr. HILL. I understand that that applies to all the Army nominations on the calendar.

The PRESIDING OFFICER. The Chair inquires whether that is the intent of the Senator from California.

Mr. KNOWLAND. Yes; that applies to the three brigadier general nominations, which are the only new reports on the Executive Calendar.

RECESS TO MONDAY

Mr. HILL. Mr. President, as in legislative session, and in pursuance of the order of the Senate previously entered, I move that the Senate stand in recess until 11 o'clock a. m. on Monday next.

The motion was agreed to; and (at 2 o'clock and 33 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, August 29, 1949, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate August 27 (legislative day of June 2, 1949):

DEPARTMENT OF DEFENSE

Paul H. Griffith, of Pennsylvania, to be Assistant Secretary of Defense.

Marx Leva, of Alabama, to be Assistant Secretary of Defense.

Wilfred J. McNeil, of Iowa, to be Assistant Secretary of Defense.

SENATE

MONDAY, AUGUST 29, 1949

(Legislative day of Thursday, June 2, 1949)

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

Rev. George M. Docherty, B. D., minister, the North Church, Aberdeen, Scotland, offered the following prayer:

O Thou who art the Lord of Lords, and the King of Kings, before whom the nations of the earth are a very little thing, in simple and contrite and penitent faith we would seek in this moment of prayer a glimpse of eternal things that what we do and decide this day may have divine significance.

We remember before Thee with thanksgiving the President of this great land. In his high office, where he must ever know the loneliness of great decisions, grant unto him always Thy presence and Thy peace, and encompass him with continuing strength for all his tasks. We commit unto Thee, with confidence, all who are set in authority over us in this land. Grant unto each one to declare the truth in love and without fear; set clearly before them their duty and endow them with courage to do it.

O Lord, Jesus Christ, who in the midst of the storm did slumber at the prow of a frail ship, and brought calm to men's hearts in rebuking the tempest by Thy word of peace, still speak this word today to men's hearts, gripped by fear and uncertainty of the future, and enable us

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

always above the tumult of life to hear Thy still small voice speak to us.

O Thou who hast refreshed us with the worship and recreation of the Sabbath, and hath awakened us to a new day with all its challenge and promise, so teach us always to live that every moment of every day can be for each one of us indeed to walk with God.

Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, August 27, 1949, was dispensed with.

NATIONAL MILITARY ESTABLISHMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4166) making appropriations for the National Security Council, the National Security Resources Board, and for military functions administered by the National Military Establishment for the fiscal year ending June 30, 1950, and for other purposes.

Mr. LUCAS. Mr. President, I am about to suggest the absence of a quorum.

Mr. WHERRY. Mr. President, before the majority leader suggests the absence of a quorum, let me say that, under the unanimous-consent agreement, the time shall be divided equally between 11 and 2 o'clock. The time when the vote will be taken is pretty close, and I wondered if the majority leader had consulted both the proponents and the opponents to ascertain whether they wanted a quorum call.

Mr. LUCAS. I think we had better have a quorum call.

Mr. WHERRY. Then I wish to propound a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Inasmuch as the Senate has agreed to vote on the McClellan amendment at 2 o'clock, is a point of order good against the McClellan amendment now, since an agreement has been made to vote upon it?

The VICE PRESIDENT. The Chair is inclined to think not, but the Chair will reserve his decision. So that there will be no misunderstanding, the time taken up in the quorum call will be equally divided between the two sides.

Does the Senator from Illinois suggest the absence of a quorum?

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Hayden	McClellan
Anderson	Hendrickson	McFarland
Brewster	Hoey	McKellar
Byrd	Ives	Miller
Capehart	Johnston, S. C.	Neely
Donnell	Kefauver	Robertson
Eastland	Kerr	Schoeppel
Ellender	Kilgore	Thomas, Okla.
Flanders	Langer	Wherry
Fulbright	Leahy	Wiley
Gillette	Long	Withers
Graham	Lucas	Young

The VICE PRESIDENT. A quorum is not present.

The Secretary will call the names of the absent Senators.

The legislative clerk proceeded to call the names of the absent Senators.

Mr. McCLELLAN. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. McCLELLAN. I wish to propound a parliamentary inquiry.

The VICE PRESIDENT. That is the transaction of business.

Mr. McCLELLAN. I ask unanimous consent that further proceedings under the roll call be dispensed with, because our time is limited today.

The VICE PRESIDENT. The absence of a quorum was announced after the first call of the roll, so the Chair is afraid that cannot be done.

The Secretary will resume the calling of the names of the absent Senators.

The legislative clerk resumed the calling of the names of absent Senators, and Mr. BUTLER, Mr. CHAPMAN, Mr. CHAVEZ, Mr. CONNALLY, Mr. CORDON, Mr. DOUGLAS, Mr. DOWNEY, Mr. DULLES, Mr. ECTON, Mr. FREAR, Mr. GEORGE, Mr. GREEN, Mr. GURNEY, Mr. HICKENLOOPER, Mr. HILL, Mr. HOLLAND, Mr. HUMPHREY, Mr. JOHNSON of Texas, Mr. KEM, Mr. KNOWLAND, Mr. MALONE, Mr. MARTIN, Mr. McMAHON, Mr. MILLIKIN, Mr. MUNDT, Mr. MURRAY, Mr. O'MAHONEY, Mr. PEPPER, Mr. REED, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. SMITH of New Jersey, Mr. SPARKMAN, Mr. STENNIS, Mr. TAFT, Mr. TAYLOR, Mr. THOMAS of Utah, Mr. TYDINGS, Mr. VANDENBERG, Mr. WATKINS, and Mr. WILLIAMS answered to their names when called.

Mr. LUCAS. I announce that the Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate on official business.

The Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], and the Senator from Georgia [Mr. RUSSELL], are absent by leave of the Senate.

The Senator from Washington [Mr. MAGNUSON] is detained on official business.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from Maryland [Mr. O'CONOR] is necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from Michigan [Mr. FERGUSON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] is absent on official business.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

The VICE PRESIDENT. A quorum is present.

Under the agreement heretofore made the time until 2 o'clock is divided equally on each side, to be controlled by the Senator from Illinois [Mr. LUCAS] and the Senator from Arkansas [Mr. McCLELLAN].

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator can make it only on his own time.

Mr. LUCAS. What is before the Senate at this time, if anything?

The VICE PRESIDENT. Presumably the McClellan amendment is before the Senate; but the agreement under which the Senate is operating is one with which the present occupant of the Chair has not been familiar heretofore. It is an agreement to vote at a certain hour on an amendment intended to be offered by a certain Senator. It has not yet been formally offered. That raises the question whether a unanimous-consent agreement to vote upon an amendment at a certain hour, which amendment has not yet been offered, but is only intended to be offered, brings it automatically before the Senate. It seems that the precedents indicate that when an agreement of that sort is made on a matter not pending at the moment, it brings it before the Senate. The Chair does not wish to overrule those precedents by holding that it must be formally offered, which is the ordinary procedure to get an amendment before the Senate.

Mr. LUCAS. The only thing I wanted to inquire about was the unanimous-consent agreement. The first sentence of the unanimous-consent agreement contains the language "the amendment intended to be proposed." In other words, if it is not proposed, it seems to me that we have nothing before the Senate. Let us assume that the Senator from Arkansas may not desire at this time to debate the amendment.

The VICE PRESIDENT. The Chair thinks the better practice would require the Senator from Arkansas to carry out what was evidently his intention by formally offering the amendment.

Mr. McCLELLAN. Mr. President, that was my intention. I intended to ask the clerk to state the amendment.

The VICE PRESIDENT. That presents a confused parliamentary situation. When an agreement is made to vote at a certain hour on something which is not even before the Senate, but is intended to be brought before the Senate, the situation can be cleared up by the Senator offering his amendment.

Mr. McCLELLAN. I can assure the Chair that the intention will be carried out. Whatever is required formally to offer the amendment, I now do.

The VICE PRESIDENT. The Chair suggests that the amendment be handed to the clerk to read.

Mr. McCLELLAN. The clerk has the amendment. I intended to ask that the amendment be stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 91, after line 12, it is proposed to insert a new section under title VII as follows:

SEC. 703. (A) With a view to bringing the estimated Federal expenditures within estimated Federal receipts for the fiscal year ending June 30, 1950, (a) the President is authorized and directed to make such reductions in the amounts to be expended by all agencies from any and all appropriations and funds made available prior to the expiration of the first regular session of the

Eighty-first Congress, for expenditure in such fiscal year, as will in the aggregate equal not less than 5 percent nor more than 10 percent of the total amounts estimated for expenditure in the budget for the fiscal year 1950 by all agencies, as adjusted to conform with the total amounts estimated for expenditure under appropriations and funds actually made available prior to the expiration of such session: *Provided*, That any reduction in amounts estimated for expenditure brought about as a result of reductions made by Congress in the aggregate appropriations and funds made available to any agency below the aggregate of estimates submitted in said budget (including amendments thereto) for such agency, shall be used for the purpose of computing (1) the aggregate reduction required to be made under this section, and (2) the over-all limitation specified in section with respect to such agency; and in carrying out this section the President is requested to give appropriate consideration to reductions made by Congress in the appropriations and funds made available to any agency. (b) As used in this section—

(1) the term "appropriations and funds made available" shall include the amount of any borrowing authority estimated for in the budget for the fiscal year 1950; and

(2) the term "agency" means" any executive department, independent establishment, or corporation which is an instrumentality of the United States.

(B) In order to accomplish the reductions in expenditures required by section (A), the President is authorized to direct any officer in the executive branch of the Government to refrain from creating, notwithstanding any other provision of law, any obligation or commitment which would require an expenditure during the fiscal year 1950, under any appropriation, fund, contract authorization, or borrowing authority over which such officer exercises administrative control, in such amounts as he may deem necessary. No such officer shall create any obligation or commitment under any borrowing authority which would require an expenditure during the fiscal year 1950 in excess of any estimate included in the budget (or in excess of any estimate under any authority included in any act of Congress enacted after the submission of the budget for the fiscal year 1950) with respect to such obligation or commitment for such fiscal year or in excess of any amount established by direction of the President under the authority contained in this section; except that the President is authorized to waive the prohibition contained in this sentence in individual cases upon the happening of some extraordinary emergency or unusual circumstance.

(C) Such reductions shall be made in a manner calculated to bring about the greatest economy in expenditure consistent with the efficient operation of the Government.

(D) No reduction of expenditures required herein shall have the effect of reducing by more than 20 percent the estimated expenditures by any agency from appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress.

(E) The President shall cause (a) the total amounts estimated for expenditure in the fiscal year 1950 (adjusted as provided in sec. A), (b) the amount of the reduction directed by him in obligations or commitments (as provided in sec. B), and (c) the amount of the reduction in each appropriation or fund account, to be certified to the Secretary of the Treasury, and shall make a detailed quarterly report thereon to the Congress within 15 days after the expiration of each calendar quarter during such fiscal year. The amounts so certified shall not be expended, or, in the case of contract authorizations and borrowing authority, the authority, shall not be exercised to the extent of the reduction. The President shall also include in the quarterly report to Congress the actual figures showing the number of Federal employees at the beginning of the quarter and the estimated number of Federal employees at the close of the quarter.

Mr. LUCAS. Mr. President, I raise the point of order at this time that this amendment is legislation on an appropriation bill, and requires a two-thirds vote to suspend the rule.

Mr. McCLELLAN. Mr. President, I insist——

The VICE PRESIDENT. That involves the question whether, when an agreement of this sort is made to vote at a certain time, it deprives Senators of the right to make points of order against the amendment. The Chair would rather not pass upon that question at the moment, but let the debate proceed. In the meantime the Chair will be studying the question whether a point of order can be made in spite of the agreement.

Mr. WHERRY. Mr. President——

Mr. LUCAS. Mr. President, this is not on my time.

The VICE PRESIDENT. The Senator from Illinois and the Senator from Arkansas control the time, no matter what the object of the Senator from Nebraska is in rising. He cannot even make a parliamentary inquiry without the consent of one or the other of the two Senators who control the time.

Mr. WHERRY. Mr. President, will the Senator grant me 1 minute to make a parliamentary inquiry on my time?

Mr. LUCAS. I raised a point of order.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. Let the Chair hear what is going on, so that we may proceed in order. The time from now until 2 o'clock is controlled absolutely and irrevocably by the two Senators, the Senator from Arkansas [Mr. McCLELLAN] and the Senator from Illinois [Mr. LUCAS]. No other Senator has the right to be heard on anything, except by being yielded to by one of those Senators. Does the Senator from Arkansas yield?

Let the Chair clear up the question as to who has the floor.

Mr. WHERRY. The Senator from Arkansas——

The VICE PRESIDENT. The Senator from Illinois raised a point of order. He can discuss it in his own time, but apparently he does not desire to do so. The Chair would prefer that the question be held in abeyance until later in the discussion.

Does the Senator from Illinois claim the floor?

Mr. LUCAS. Mr. President, a parliamentary inquiry, in view of what the Senator from Nebraska said in my time.

Mr. WHERRY. Mr. President, I have not said anything yet.

Mr. LUCAS. Can the Senator from Arkansas yield 1 minute, to be charged to the time of the Senator from Nebraska?

The VICE PRESIDENT. He cannot yield one minute to be charged to the time of the Senator from Nebraska, because the Senator from Nebraska has no time. It will be charged to the Senator from Arkansas.

Mr. WHERRY. Mr. President, I ask unanimous consent that the Senator from Arkansas may yield 1 minute to me.

Mr. McCLELLAN. The Senator from Nebraska does not have to get unanimous consent. I yield him 1 minute.

Mr. WHERRY. The Senator is very gracious.

Mr. President, at the beginning of the session, I submitted a parliamentary inquiry as to whether, the Senate having agreed by unanimous consent to vote on the McClellan amendment at a certain hour, a point of order was good against it, as being legislation on an appropriation bill.

The VICE PRESIDENT. The Chair——

Mr. WHERRY. Mr. President, I have only 1 minute, if the Chair will permit me to continue.

It is my opinion that when the unanimous-consent agreement was entered into it foreclosed the right of any Senator to raise a point of order. The question I wish to ask is this: When will there be time to debate the point of order? The unanimous-consent agreement requires a vote on this amendment and every other amendment, and upon the bill itself, at 2 o'clock.

The VICE PRESIDENT. The time of the Senator from Nebraska has expired.

Mr. WHERRY. I ask the question, Mr. President.

The VICE PRESIDENT. The Chair will answer it in due time.

Mr. McCLELLAN. Mr. President, this amendment contains the full text of Senate Joint Resolution 108, which was favorably reported by the Committee on Expenditures in the Executive Departments, on June 13 last, and is now Calendar No. 485.

At the outset, Mr. President, I wish to state that although this amendment bears my name as the author, I am in fact acting in the capacity of a committee chairman, the committee having voted to report the joint resolution to the Senate. At this time I wish to acknowledge and give due credit to the efforts, assistance, and contributions made by a number of Senators, on both sides of the aisle, to this proposed legislation. Time will not permit me to dwell upon that, or call by name those Senators on both sides of the aisle who have been most active, most interested, and most helpful in processing this legislation.

Mr. President, every Senator knows the full purpose of that resolution, the circumstances and conditions that inspired it, and the history of its development. The limited time of debate does not permit me to review all of the proceedings that have previously transpired. But I wish to remind all Senators, and to make it clear for the RECORD, that a concerted and consistent effort has been made by the Senator from Arkansas, supported by many other Senators, constituting more than a majority of this body, to have Senate Joint Resolution 108 brought up in regular order so that it might be thoroughly debated and the Senate be permitted to vote on it as an independent measure—on its own merits and in its own right.

Mr. President, notwithstanding the great importance of the resolution, and the very urgent need for economy in Government and the reduction in Federal expenditures that it seeks to achieve in the public interest, that effort to get this resolution before the Senate has failed. The policy makers and the leadership of the majority have turned a deaf ear to our plea. They have either affirmatively or by inaction denied the request of some 62 Senators who joined the Senator from Arkansas in a formal petition to both the majority and the minority leadership, presented to them on June 27 last, more than 2 months ago, and appealing to them to give the Senate a chance to vote on the resolution.

Under these circumstances, the expressed will of a majority of the Membership of this body will be thwarted unless we employ the procedure now proposed, namely, to offer the resolution as an amendment to the pending bill. I personally regret the necessity for taking this course; but there is no other choice, and I offer no apology for doing so.

If this amendment is adopted and the resolution becomes law, the President will be directed to make an over-all cut of from 5 percent to 10 percent in budget estimates for expenditures in fiscal 1950 as adjusted by appropriations, which would result in a minimum saving of approximately $2,000,000,000.

Based on actions taken thus far on appropriation bills, it is indicated that Congress may reduce expenditures under budget estimates by $1,750,000,000. This saving by the Congress will not achieve a balanced budget. The President's budget estimated receipts for fiscal 1950 at $40,984,645,347 and expenditures at $41,857,777,869 and that there would be a deficit of $873,132,522, based upon those anticipated receipts.

Changed economic conditions and developments since the budget was submitted definitely point to a significant slump in Federal income.

On May 14 of this year, the Joint Committee on Internal Revenue Taxation issued an analysis estimating that receipts would fall below budget estimates by $2,100,000,000, which would bring the deficit up to at least $3,000,000,000, based upon original budget estimates of expenditures. However, supplemental budget requests have been submitted to Congress to date in excess of $375,000,000, and other supplemental budget requests are expected, including $1,000,000,000 or more in arms aid to Europe. All of those are in addition to the original budget estimates of expenditures, and are to be added to the original estimates, as we undertake to calculate whether we are going to live within our income or whether we are to go further into debt.

I may say at this point that at our hearings we undertook to get the Secretary of the Treasury to submit an estimate of the anticipated decline in receipts, or to revise and modify, in accordance with changed conditions, the anticipated receipts. But he stated that he was not in a position to get that information for the committee.

The estimate of the joint committee that receipts will fall by $2,100,000,000 is borne out by current tax collections. The Bureau of Internal Revenue reports receipts were off by more than $107,000,000 last month, as compared to the month of July last year.

I remind the Senate that for the month of July, the first month in the fiscal year, only one-twentieth of the annual anticipated revenues are usually collected. So if we multiply the figure for July by 20, in order to cover tax collections for the period of the entire fiscal year, we arrive at a figure representing the falling off in receipts of more than $2,000,000,000.

So, Mr. President, it is not an exaggeration, nor is it without foundation, to say, based on present conditions and factual information available to us, that we are still confronted with a deficit this year of at least $3,000,000,000.

The objective of this resolution—this amendment—is to attain a balanced budget or at least hold the deficit to a minimum. That objective will not be assailed except by those who believe we should spend more than our income and who want to increase the national debt. I am bitterly opposed to that policy. Economic instability caused by deficit spending constitutes a much greater threat from within to both the security and survival of our liberties than does the military threat of communism from without.

The responsibility to maintain sound fiscal policies to prevent economic instability in Government rests not alone upon the Congress, as some will argue and would have us believe. The President of the United States has equal responsibility. Under our system he has the first or initial responsibility, although it may be said Congress has the last or final responsibility. The President formulates the fiscal policy by submitting a budget of expenditures and urging the Congress to appropriate the money for his administration of the executive department of the Government. We have equipped him to do that job by creating the Bureau of the Budget and a council of economic advisers staffed by some 600 employees at an expense of more than $3,500,000 annually.

The President must share this responsibility. He submits a budget. He requests the expenditures, and when it is clearly indicated that his request for expenditures, if granted by the Congress, will carry us into deficit spending, I maintain it is his responsibility to modify and revise the budget he submits, unless he wants to recommend to the Congress and insist upon the Congress making appropriations for expenditures which the Government's income will not cover.

I do not care who shouts that the passing of this resolution is an act of political cowardice. The President of the United States cannot escape his share of either the blame or the legal and moral responsibility for any deficit that occurs either great or small so long as the Congress does not appropriate in excess of his budget recommendations.

No, Mr. President, this is not an act of political cowardice. On the contrary, it is sound legislation necessary in the public welfare, and failure to balance the budget or to hold the deficit to the minimum this amendment makes possible may well prove to be a stupid and dangerous blunder. The risk is too great. This living beyond our means in government must be stopped. It often takes courage to do our duty, and the duty to maintain sound fiscal policies now is so impelling—the safety and security of the Nation is involved.

It will be charged that this measure gives the President too much power. It is charged also that this amendment is unconstitutional and gives the President of the United States too much power. In this very bill, as already agreed by the Senate—note this statement, Mr. President—we are giving to a lesser official, a Cabinet officer, the identical power as affects the national defense department, and directing him to reduce the expenditures appropriated in this bill by $433,000,000. If this proposal is unconstitutional, so is that. If this proposal grants too much power, so does that. If the Secretary of Defense can be entrusted with a half-billion-dollar reduction responsibility and power in his Department, who is there to say that we cannot or should not direct or trust the President of the United States with $2,000,000,000 reduction power and responsibility in all the other departments and agencies in the executive branch of the Government?

We have said, "We will trust the Secretary with a half billion dollar reduction and we propose to go further and say, we will trust him with some $700,000,000 or $9,000,000 with reference to contract authority, directing him to cut it; and yet we have the charge that we cannot trust the President. If any Senator wants to vote that way and cast that implication, he may do so, of course; but I refute the charge, and under existing conditions and in the public interest, I shall trust the President to carry out this mandate of the Congress in the same good faith and spirit he administers other laws that impose duties upon him. Since when can we not trust the President? Who is it that is now making the charge that we cannot trust the President, and that he should not be given this authority? Let us consider the source of it It is coming from those who are the strongest supporters of the President.

The representative of the Bureau of the Budget testified before the Expenditures Committee that the reduction can be made under the authority and direction contained in this resolution. Shall we withhold or shall we give that authority and direction? Our vote for or against this amendment will be decisive of this issue and determine the course of our Government's fiscal policy, whether we shall try to live within our income, or if we shall go deeper and deeper into debt. Make your choice, Mr. President.

There is a strong economy sentiment throughout this land of ours. There has been a lot of economy talk on the floor of this Senate during this session of Congress. Shall we practice what we preach? Are we going to vote as we have talked? I fervently hope, Mr. President, that we

may take this dutiful step, that we may now square our actions with our words and speeches.

I respectfully and earnestly trust that the Senate of the United States will on this vote measure up to that standard and quality of statesmanship that the exigencies of the impending crisis demands.

Madam President, I ask unanimous consent to insert in the RECORD as a part of my remarks, at this point, two editorials, and also a statement regarding the deficit of $1,142,043,372 already accrued in the expenditures for this year.

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Is there objection?

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

[From the Washington Post of June 29, 1949]

ATTACK ON SPENDING

On June 23, just a week before the end of the fiscal year, the Federal budget deficit amounted to $888,000,000, if account is taken of the $3,000,000,000 expended from the Foreign Economic Cooperation Fund that the Eightieth Congress charged against last year's budget surplus. This financial legerdemain deceives nobody. The fact is that the Government is once again "in the red" after 2 years of budget surpluses following 16 years of deficit financing. And from present indications next year's deficit will be considerably larger—possibly of the magnitude of $3,000,000,000.

Since Congress is rightly unwilling to add to the already excessive tax burden, especially during a business recession, the only hope for a balanced budget in 1950 or at least for an approach to balance lies in a reduction of expenditures. Heretofore the Washington Post has consistently criticized the kind of budget pruning that takes the form of indiscriminate percentage cuts. However, attempts to reduce expenditures by scrutinizing and trying to justify specific reductions carried in appropriation bills have failed to effect substantial savings in outlays. Consequently, as we pointed out some weeks ago, an over-all reduction of expenditures on a percentage basis appears to be the only feasible method of making a sizable cut in Government spending.

That is evidently the opinion of a majority of the Senate, for 62 Members have signed a petition urging action on a resolution approved by the Committee on Expenditures in the Executive Departments which directs the President to make reductions in aggregate budgetary expenditures of at least 5 percent and not more than 10 percent for the fiscal year 1950. This proposal does not call for uniform departmental and agency cuts. The President would have discretionary authority to vary the amount of reductions; no department or agency would have its expenditures cut by more than 20 percent, while in some cases expenditures might remain unchanged or cut only slightly. The aim, in short, is to compel the executive branch of Government to resurvey the entire spending program and trim it in such manner as to "bring about the greatest economy in expenditure consistent with the efficient operation of the Government."

This resolution is, to be sure, a sorry confession of legislative impotence to restrain congressional spending proclivities. In effect it calls on the executive branch of the Government to do what should have been done by House and Senate committees when appropriation measures were under consideration. But legislators frankly admit that present methods of handling appropriation bills and the bewildering number of items carried in such bills make an efficient job of legislative budget paring an almost impossible task. The President's advisers in the Budget Bureau are without doubt much better equipped to undertake this belated job of cutting Government costs than Congress.

Senator BYRD has called attention to the fact that more than $16,000,000,000 of Government expenditures represent legal or moral commitments of the Government that are virtually untouchable, such as interest on the public debt, veterans' pensions and benefits, and grants-in-aid to the States. This means that savings would have to be concentrated in a restricted area, the full burden of the over-all reductions being borne by other spending programs. It will be a difficult task, therefore, to reduce expenditures sufficiently to cover a prospective deficit of several billion dollars. However, the choice lies between cutting those expenditures, increasing taxes, or passively submitting to a return to deficit financing. And, as Senator BYRD says, "If increasing taxes or deficits to meet continuously higher expenditures is to be our course it is obvious that neither our system nor our form of government can endure."

[From the New York Herald Tribune of June 24, 1949]

ECONOMY'S LAST STAND

The device of a 5- or 10-percent horizontal slash in Federal spending is a crude one, beyond any doubt. Placing the responsibility for carrying out such a cut upon the President, as proposed by the Senate economy coalition, is an evasion of congressional responsibility. But the fact remains that this plan, for all its faults, is virtually the only hope of bringing the national budget within sane limits; it is certainly the only way of reducing Government expenditures which will not place a disproportionate part of the economy burden upon a few measures and agencies—notably the foreign-aid programs.

Mr. Truman has stubbornly resisted any effort to pare his budget estimates. The House has passed the regular appropriation bills with some reductions, but has given the President more than he asked in authorizations. The Senate is still holding up many spending measures, either in committee or in conference, but in the bills which it has passed, despite Republican efforts, it has tacked about half a billion onto the sums approved by the House. The fiscal year expires next week, and the danger of hasty and irreparable action is very great. Neither the President nor Congress can congratulate themselves on their statesmanship in handling this vital aspect of government—but while the possibility of correcting some of the damage remains, it should be done with the means available.

The Senate—a bipartisan majority of it, at least—is ready to direct the President to apply the ax to his own budget, setting a goal of from 5 to 10 percent. The administration leaders in the Senate have been attempting to stall action on the proposed resolution, but the pressure for it is very great—much greater than could be obtained for cuts in any individual spending bill. The resolution should pass. The alternatives are deficit financing or reductions in foreign aid and military appropriations which would have a very serious effect upon this Nation's security. Neither of these is pleasant to contemplate, although Mr. Truman apparently views the former with equanimity. He must be jolted out of his complacent assumption that the Nation's taxing and borrowing power can be adapted to any budget requirements which he may put forward; that the one is capable of indefinite expansion while the other is as inflexible as the law of the Medes and the Persians. At this late stage in the session, the Senate resolution offers the only means of doing so. It is, in grim truth, economy's last stand.

FEDERAL DEFICIT WORSENS

The following table (derived from the current daily Treasury statement) shows a 43-percent increase in the budget deficit during the first 8 weeks of the current fiscal year over the deficit for the same period of the prior year—from $1,142,043,372 to $1,633,139,543. About a third of this worsening is due to smaller receipts and about two-thirds to heavier expenditures.

Budget deficit to date (8 weeks), last year versus this year

	July 1 to Aug. 24, 1948	July 1 to Aug. 24, 1949
Receipts	$4,266,862,621	$4,113,594,55
Expenditures	[1] 5,408,905,993	5,746,734,101
Deficit, first 8 weeks	[1] −1,142,043,372	−1,633,139,543

[1] The Daily Treasury Statement of Aug. 24, 1949, has been adjusted to make expenditures truly comparable between this and last year (by adding in $362,102,858 of ECA expenditures during this period which were paid from a very large trust fund created by statute from the prior year's budget surplus).

Mr. McCLELLAN. Madam President, I yield 10 minutes to the senior Senator from Virginia.

Mr. BYRD. Madam President, I am supporting the pending resolution, but I should have much preferred that Congress make the necessary reductions in expenditures.

I appreciate the fact that in the critical situation confronting us, with a deficit of from $5,000,000,000 to $8,000,000,000, which is certain in the present fiscal year, it is the duty of Congress to reduce expenditures. I voted for the reductions as proposed in the individual appropriation bills as they came before the Senate. One of the reasons why it is difficult for Congress to make the reductions is that we do not have a consolidated appropriation bill.

The Senate Calendar shows that 18 appropriation bills have been introduced in this session, and, although the fiscal year expired 60 days ago, only 7 of the bills have actually been enacted to date.

There was never a time when the Congress could more effectively consider appropriations as compared to revenue than during the present session. It is also true that to some it was not definitely apparent that a large deficit would occur, until the recession in business conditions within the last 90 days brought about a reduction in the estimated Federal tax revenue.

Today the chaotic condition of our appropriations, the worst in the entire history of the United States, emphasizes again the necessity of adopting a consolidated appropriation bill, the resolution for which is now pending on the Senate Calendar with unanimous approval of the Senate Rules and Administration Committee. Representative CANNON, chairman of the House Appropriations Committee, has advised the House that next year his committee will adopt the consolidated appropriation plan. The situation now confronting us could have been avoided if there had been a consolidated appropriation bill, because we could have reduced the bill itself on the

basis of over-all merit instead of doing as we now propose, by asking the President to make the reductions.

It is because of these conditions that I shall support the pending resolution directing the President to make cuts in expenditures for this fiscal year, as I think it imperative that reductions be made in our expenditures, in order, if possible, to avoid, or if that be impossible, to greatly reduce, the seriously threatened deficit.

THE SITUATION

The Federal Government on June 30 closed fiscal year 1949 with expenditures totaling $40,100,000,000, revenue totaling $38,200,000,000, and a deficit totaling $1,800,000,000.

Since June 30 there have been 2 days when Treasury receipts exceeded expenditures. The cumulated deficit for the first 45 days of the current fiscal year was $1,700,000,000.

Individual income is a principal factor in Federal revenue. In the first 6 months of the current calendar year it dropped from an annual rate in excess of $220,000,000,000 in December to about $213,000,000,000 in June. Under our present tax structure Federal receipts decline approximately $1,000,000,000 with each $4,000,000,000 drop in individual income.

While the income drop during the January-to-June period was reflected in the deficit of fiscal year 1949 to the extent that withholding taxes were involved, the first effect of the income decline on business taxes will not show up until returns are made in fiscal year 1950.

The greatest increases in individual income were recorded during the last 6 months of the last calendar year. It is improbable that last year's increases could be equaled from now until January—even in the event of a fourth round of wage increases.

1950 REVENUE

In these circumstances there is no reason to expect Federal revenue for fiscal year 1950 to equal the $38,200,000,000 collected last year. It is virtually certain receipts this year will drop at least $1,000,000,000 to not more than $37,200,000,000.

1950 EXPENDITURES

When the President submitted his budget in January he requested authorization for Federal expenditures totaling $42,000,000,000. But this figure did not include expenditures to be required for the military arms program for Europe, remote area aid (under the President's foreign policy point 4), veterans' supplementals, or postal deficits in lieu of increased postage rates. When these items are added to the requests as they were made in January by the President, total expenditures would amount to $45,000,000,000.

1950 DEFICIT

Thus, by the best calculations possible at this time, it may be estimated that the 1950 deficit will be between $5,000,000,000 and $8,000,000,000.

This estimate, of course, is subject to revision on the basis of such limitations on the availability of funds for expenditure in the current year as Congress may write into the appropriation bills. The extent of these limitations cannot be estimated now, with half the budget still awaiting enactment.

Whatever the deficit may be, it will be added to a Federal debt which already is more than a quarter of a trillion dollars.

M'CLELLAN PROPOSAL

It is with these prospects in view that the Senate now comes to consideration of what is referred to as the McClellan proposal, directing the President to reduce by an aggregate of from 5 to 10 percent "the total amounts estimated for expenditure for fiscal year 1950 by all agencies," with cuts made by Congress taken into account.

In view of the present condition of appropriation legislation, it is virtually impossible at this time to make any intelligent revision of expenditure estimates. Therefore, only the President's January estimates are available as a basis for projecting the reduction to be accomplished under the pending formula. And to these we must add the 1950 costs of the European arms program, remote area aid, postal deficits, and other supplemental requests which have been submitted since January.

NOT ENOUGH

If the fiscal legislation finally to be enacted should not change the President's January estimates, plus his supplemental requests, in the aggregate, the McClellan proposal, with the economies offered by Congress, may be presumed to result in reductions totaling between $2,250,000,000 and $4,500,000,000, on a full-year basis.

This reduction would not balance the budget even if estimated expenditures were held to the $42,000,000,000 figure originally requested by the President in January, before the costs of the European arms program, the remote area aid program, and the postal deficits were added.

But it is a step in the right direction.

The Senator from Virginia is supporting the proposal by the Senator from Arkansas because it is a step in the right direction, but he would prefer action precluding deficit spending.

REDUCTIONS CAN BE MADE

As one who for 16 years has made a constant study of Federal fiscal operations, the Senator from Virginia does not hesitate to venture the assertion that four and one-half billion dollars, and more, could be intelligently deleted from the expenditures estimated for fiscal year 1950 without impairment of a single necessary Federal function, service, or activity.

Madam President, I make the statement without fear of successful contradiction, that there is not a single agency of the Government which cannot reduce expenditures by 5 or even 10 percent and, with due economy, cannot continue to render the same service to the Government, and perhaps better service.

Secretary Johnson emphasized that a few days ago when he reduced the personnel of the armed services by 135,000. He stated that he did not want to tolerate any longer the boondoggling, as he expressed it, which was existing in the armed services.

Moreover, personal examination of every expenditure item in the 1,300-page budget document submitted by the President for the current fiscal year reveals that the aggregate of estimated expenditures can be reduced by four and one-half billion dollars and more, without defaulting or reneging on a single fixed charge, imperative obligation, or nondeferrable commitment.

BALANCED BUDGET

If we were to avoid deficit spending and curb expenditures to the level of a balanced budget, we would preclude piling new debt on top of the postwar base of a quarter of a trillion dollars. And most important, we would promote sound progress and solid prosperity not only at home but throughout the free democratic world.

The budget could be balanced if:

First. National defense expenditures were reduced to $12,000,000,000, which would still be more than they were in 1949;

Second. If foreign-aid expenditures were reduced to $5,750,000,000, which would still be a billion more than they were in 1949; and

Third. If expenditures for the rest of the Government, exclusive of interest on the debt, were reduced to $14,000,000,000 which would still be a billion dollars more than these expenditures for the rest of the Government in 1948.

MANDATE FOR MAXIMUM

The Senator from Virginia repeats, he would prefer that a balanced budget be required; he has shown how it could be achieved without impairment of the Government's integrity or essential functions. But in the absence of prospects for such action at this time, he urges adoption of the McClellan proposal with a solidarity of approval which will make its maximum application a mandate. There need be no fear that such action necessarily would result in defaulting or reneging on any fixed charge, imperative obligation, or on any commitment which cannot honorably be deferred.

In support of this contention with respect to reductions under the McClellan proposal the Senator from Virginia submits:

First. A billion dollars could be saved by eliminating, or postponing until a more appropriate date, the nonessential proposals among the 40—mostly domestic civilian—which the President has submitted requiring new legislation.

Second. On the basis of testimony by former Secretary Royall, and Secretary Symington, and the recent report by former President Hoover, another billion could be saved, exclusive of civilian personnel reductions, through proper unification of the armed services.

Third. Civilian employment in the executive branch in the year before Pearl Harbor averaged 1,164,433. The postwar employment low, in December 1947, was 1,995,388. Now it is more than 2,100,000. The new budget requests 13,000 new additional permanent positions, exclusive of temporary appointments. Under the budget, the pay roll would run to nearly $6,500,000,000. If this were reduced by $1,500,000,000, employment could still be nearly 150 percent of the prewar total.

Fourth. This would leave only $1,000,000,000, or about 3 percent, to be absorbed in all the rest of the budget. If this could not be accomplished without default in fixed charges, imperative obligations, and nondeferrable commitments, it would be a sad commentary on the administrative efficiency and the competence of Federal officials in general.

The PRESIDING OFFICER. The time of the Senator from Virginia has expired.

Mr. BYRD. Madam President, may I have 2 minutes more?

Mr. McCLELLAN. I yield 2 minutes more to the Senator from Virginia.

Mr. BYRD. From still another approach for those who wish to be more specific, the Senator from Virginia has analyzed every single item in the Federal expenditure budget for fiscal year 1950. To simplify this discussion he will eliminate reference to estimates for National Military Establishment components, for foreign aid, for European arms, for interest on the debt, for Federal contributions to retirement systems, for veterans' pensions and benefits, for claims and judgments, and for all other nondeferrable commitments, imperative obligations, and fixed charges.

With these excluded, there are still more than 300 expenditure items in the budget which have been raised above the figure fixed for last year. These increases will be itemized at the end of the remarks by the Senator from Virginia.

THREE BILLION DOLLARS IN INCREASES

The increases alone in these items total nearly $3,000,000,000. More than $1,000,000,000 of these increases is in nearly 150 salary and expense items. Nearly $2,000,000,000 is in more than 150 other items. They run through three-fourths of the independent agencies, and half of the departments, exclusive of Military Establishment components. The increases average approximately 60 percent.

Seventy-five percent of the maximum reduction provided for in the McClellan proposal could be accomplished merely by eliminating the increases in the run-of-the-mill items exclusive of the military, European arms program, foreign aid, fixed charges, imperative obligations, and nondeferrable commitments.

RECKLESS ABANDONMENT

Anything less than the McClellan reductions, in a year of peace and relative prosperity, must be regarded as reckless abandonment by the Federal Government of its responsibility, not only for the Nation's solvency upon which democratic freedom depends, but also its responsibility for the elements of stability for our free-enterprise system which supports the Government.

Actually repetition of the deficit even at the level of the past year is cause for great anxiety.

How long can these deficits go on? Is their curtailment hopeless?

QUIBBLING

It is in this situation that we are quibbling about who is going to reduce Federal expenditures, and how much.

ENOUGH RESPONSIBILITY

Obviously there is enough responsibility, and enough of a job to be done, for all to share in it.

A balanced budget is the first fundamental principle of sound finance, whether it is in government, business, or in our personal pocketbooks.

We all know there is a mutual responsibility between the executive and legislative branches for sound government. We know this is accomplished best if there is sympathetic cooperation, and this should be backed up by overwhelming public sentiment, for the public has some responsibility in this matter, too.

We all know that continual deficit financing can lead only to disaster.

In a sentence, the situation is this: There will be a deficit in fiscal year 1950; but the deficit is bound to be less with adoption of the McClellan proposal than it will be without it.

Madam President, I shall not take up any more time of the Senate, but I ask unanimous consent that the remainder of my remarks, which I have not time to deliver, be printed in the body of the RECORD at this point.

There being no objection, the remainder of Mr. BYRD's remarks was ordered to be printed in the RECORD, as follows:

DEBT INCREASE

With these deficits go the continuing prospect for increased taxes which inevitably will come with a Federal debt that now must climb from a postwar low of a quarter of a trillion dollars.

Neither solid progress nor firm prosperity can be expected here or elsewhere so long as the Federal Government of the United States offers only the alternatives of confiscatory taxes—which means the woes of socialism such as now have the British in a tailspin—or national bankruptcy to be accompanied by the kind of horrors not yet comprehended by a people continually lulled by self-styled economists who chant the vicious platitude that nothing is wrong with this huge debt so long as we owe it to ourselves.

DEBT IS OURS

The debt is definitely ours—every individual of us—if that is what they mean. It is ours in the war bonds we own. It is ours to the extent that our bank savings against a rainy day are invested in it. It is ours to the extent that our insurance for the protection of our families is invested in it. It is ours to the extent that our social-security payments against old age and unemployment are invested in it. It is ours to the extent to which we are taxed to pay ourselves interest. And, indeed, it will be ours if the time ever arrives when we can not pay off, when we cannot refinance it, and when we cannot pay ourselves the interest.

It is the Federal debt that controls our personal security. It is the Federal debt that controls the security of earning a livelihood in our free-enterprise system. It is the Federal debt that controls the security of our form of government.

THE TIME HAS COME

The time has come to stop taking chances with it.

The time has come when we should reduce it, not increase it.

Since the war, exclusive of the reduction made with cash balances on hand at the end of the war from war borrowing, we have reduced the debt less than 3 percent—in years of prosperity at an all-time high we have reduced the debt on an average of less than 1 percent a year.

And now we propose to start another chain of annual debt increases. Under the circumstances, there is no reason to expect the current business recession to level off on an even and profitable keel. And there is no reason to expect a sound leveling off of personal income which already has dropped from an annual rate of $220,000,000,000 to about $213,000,000,000 since December.

When business and income decline, tax-revenue sources dry up and Federal tax collections fall off. We have just witnessed the effect of reduced personal income on tax revenue in fiscal year 1949.

EXPENDITURE RECORD

With revenue coming down, the record of Federal expenditures reveals that a demand for retrenchment is not unreasonable.

The record

[In billions of dollars]

Expenditure categories	1941 (actual)	1947 (actual)	1948 (actual)	1949 (actual)	1950 (present request)
National defense	6¼	14¼	11	11¾	14¼
Foreign aid	¼	6½	4¾	7¼	6¾
Subtotal	6½	20¾	15¾	19	21
Interest	1	5	5	5¼	5½
Other	6	13¼	13	16	15¼
Total	13½	39	33¾	40¼	41¾

MILITARY EXPENDITURES

Analyzing national defense expenditures, we find in round figures that approximately $5,000,000,000 is required to pay and maintain uniformed personnel and that approximately $3,000,000,000 is required to pay civilian personnel in the National Military Establishment (of course, civilian personnel reductions now ordered by Secretary Johnson, we hope, will reduce this figure). The remainder represents more than $6,000,000,000 in military expenditures for items exclusive of uniformed and civilian personnel.

To demonstrate the extent to which the military's postwar job has been reduced—in some aspects, at least—official statstics show that the need for civilian personnel employed overseas by the military components has been reduced by 68 percent since December 1947. But in the same period civilian employment by the military inside continental United States was increased by more than 100,000.

It is found that at the war peak the Military Establishment was employing one civilian for each five men in uniform. Now it is employing one civilian for about each two men in uniform. (This ratio will be changed by a fraction when the new cut takes effect.) From so vast a reduction in its overseas responsibility—as indicated by a 68-percent reduction in force—and from so great an increase in ratio between civilian and uniformed personnel, it would appear not to be unreasonable to reduce funds for civilian employment in the Military Establishment by a full 33 percent, or approximately $1,000,000,000. The cuts recently ordered by Secretary Johnson would amount to about half that figure on an annual basis.

Without reducing funds for pay and maintenance of uniformed personnel, it would not seem unreasonable—under unification—for the remaining $6,250,000,000 in other military expenditures to absorb a reduction of 20 percent, or $1,250,000,000.

This would account for a reduction in military expenditures of $2,250,000,000, or

about 15 percent. A 20-percent reduction in the military budget as a whole would save nearly $3,000,000,000 and still leave military expenditures at approximately their level of last year.

FOREIGN-AID EXPENDITURES

Analyzing foreign-aid expenditures, we find that in 1948 we were spending approximately $2,000,000,000 on foreign relief and $2,500,000,000 for international reconstruction, development, and monetary stabilization, and another quarter of a billion in smaller items, such as Philippine war-damage and rehabilitation programs, membership in international organizations, etc.

In fiscal year 1950 the President proposed to spend approximately a half-billion dollars for Philippine war-damage and rehabilitation programs, membership in international organizations, etc. The remaining $6,250,000,000 was requested for foreign relief and international reconstruction, development, and monetary stabilization. The arms program is in addition.

It should be noted that after the expenditure of nearly $7,500,000,000 in the 2 years 1948 and 1949 for international reconstruction, development, and monetary stabilization, it was proposed that we still spend more than a billion for foreign relief as compared with approximately $2,000,000,000 in 1948.

It is suggested that after more than 2 years of recovery programs abroad involving nearly $7,500,000,000, the foreign-relief programs are due for more than a 50-percent reduction unless it is contemplated that this country should take on the responsibility of permanently underwriting European relief.

In view of this situation, and in view of the recorded decline in prices of materials which are being purchased under the ECA program, it is suggested that foreign aid would not be reduced too sharply if it were held to expenditures totaling 120 percent of what they were 2 years ago. The arms program would be in addition.

This would result in a saving of a billion dollars, or about 18 percent. A 20-percent reduction would save about $1,300,000,000.

DOMESTIC CIVILIAN EXPENDITURES

Analyzing expenditures for domestic civilian functions and activities, exclusive of interest on the debt, we find that the President recommended expenditures of $15,250,000,000.

Since December 1947 civilian employment in the domestic civilian agencies has increased by 66,000 and the pay roll for these agencies is now running at the rate of nearly $4,000,000,000 a year. At the prewar emergency peak employment by these agencies totaled 919,000. Employment now is 1,222,000. If this employment were reduced by 20 percent, these agencies would still be employing nearly 60,000 more people than they were at the prewar emergency peak, and their expenditures would be reduced by $750,000,000.

Exclusive of pay-roll costs these domestic civilian agencies, under the President's January proposals, would spend approximately eleven and one-quarter billion. Thus it is seen that a reduction of only 5 percent in the expenditures by these domestic civilian agencies, in addition to reduction of employment, would bring their expenditures down to $14,000,000,000, which would still be a billion dollars more than they spent in 1948. The total saving would be $1,250,000,000, or about 9 percent. A 20-percent reduction would save about $3,000,000,000.

Thus it is seen that a 20-percent retrenchment could be accomplished without disturbing fixed charges, imperative obligations, and nondeferrable commitments, and still maintain the policies of the Government which have been promulgated in the postwar period.

CONCLUSIONS

In conclusion the Senator from Virginia concedes that to a degree the McClellan proposal acknowledges abdication of responsibility for sound Government by both the executive and the legislative branches of the Government.

It has been demonstrated that reductions aggregating a minimum of 5 percent or a maximum of 10 percent of the President's expenditure estimates would be inadequate as a device for balancing the budget and avoiding deficit financing.

It has been demonstrated that reductions of 20 percent in three major categories of Federal expenditures, exclusive of interest on the debt, can be made without taking the activities and functions of the Federal Government at home and abroad into any default on fixed charges, imperative obligations of nondeferrable commitments.

In short the retrenchment to be required by the McClellan proposal is the least that could be done to serve notice on the world that the Federal Government of the United States is conscious of its obligation to keep this Nation solvent—that it is conscious of the fact that anything short of this tangible recognition probably would precipitate an economic crisis in this Nation which could be disastrous to our free-enterprise system.

The free-enterprise system supports the Government of this Nation in its present form; no other economic system can do that. If the free-enterprise system falls, the Federal Government of the United States—as it is known to the world—will fall. If the system and the Government falls, so will the last hopes for the preservation of freedom and democracy in the world.

Mr. BYRD. Madam President, I ask unanimous consent that an accompanying statement with respect to expenditure increases may be printed at this point in the RECORD.

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

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950

[Exclusive of estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

		Salary and expense items				Other items					Agency totals				
No.	Agencies, objects and items	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
1	White House Office	$980,000	$1,347,457	$367,457	37						1	$1,206,515	$1,357,457	$150,942	11
	Executive Mansion and Grounds					1	$240,004	$259,700	$19,696	8					
	Emergency fund for President					2	180,000	1,000,000	820,000	450	2	180,000	1,000,000	820,000	450
2	Bureau of the Budget	3,133,922	3,301,875	167,953	5						3	3,267,013	3,338,616	71,603	2
3	Council of Economic Advisers	334,228	336,506	2,278	1						4	334,228	336,506	2,278	1
4	National Security Council	157,338	211,000	53,662	34						5	157,338	211,000	53,662	34
5	National Security Resources	2,883,182	3,923,238	1,040,056	36						6	2,883,458	3,923,238	1,039,780	36
6	American Battle Monuments Commission	343,959	752,172	408,213	119						7	989,859	5,642,172	4,652,313	657
	Construction, cemeteries					3	645,900	4,890,000	4,244,100	657					
7	Atomic Energy Commission	611,000,000	721,000,000	110,000,000	18						8	632,000,000	725,000,000	93,000,000	15
8	Civil Service Commission	16,542,806	17,740,204	1,197,398	7						9	16,542,806	17,740,204	1,197,398	7
	Displaced Persons Commission					4	1,344,230	2,146,770	802,540	59	10	1,344,230	2,146,770	802,540	59
	Federal Mediation and Conciliation Service: Boards of inquiry					5	61,786	75,000	13,214	21					
9	Federal Trade Commission	3,485,000	3,723,000	238,000	7						11	3,525,920	3,748,000	222,080	6
10	General Accounting Office	34,474,447	35,449,455	975,008	3						12	36,661,842	37,391,732	729,890	2
	Conservation and use of agricultural land resources					6	252,565	266,000	13,435	5					
11	Interstate Commerce Commission	9,463,087	9,590,652	127,565	1						13	11,247,070	11,325,740	78,670	6
	Railway Safety					7	937,318	951,648	14,330	2					
	Locomotive Inspection					8	631,954	667,436	35,482	6					
12	National Advisory Committee for Aeronautics	36,475,000	45,065,000	8,590,000	24						14	44,300,000	59,900,000	15,600,000	35
	Construction					9	3,000,000	10,876,500	7,876,500	262					

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950—Continued

[Exclusive of estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

No.	Agencies, objects and items	Salary and expense items				Other items					Agency totals				
		1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
13	National Archives	$1,433,730	$1,482,800	$49,070	3						15	$1,462,131	$1,494,800	$32,669	2
	National Capital Housing Authority maintenance and operating title I properties					10	$24,803	$33,665	$8,862	36					
	National Capital Park and Planning					11	699,871	1,501,564	801,693	114	16	721,037	1,572,769	851,732	118
	District of Columbia redevelopment					12	21,166	71,205	50,039	236					
14	National Mediation Board	338,069	356,670	18,601	5										
15	Railroad Retirement Board	392,928	451,600	58,672	2										
16	Philippine War Damage Commission	151,303,203	165,000,000	13,696,797	8										
17	Smithsonian Institution	2,227,080	2,312,500	85,420	4										
18	National Gallery of Art	1,076,483	1,081,900	5,417	1										
19	Tariff Commission	1,237,205	1,328,000	90,795	7						17	1,260,911	1,341,000	80,089	7
20	Tax Court of United States	770,212	794,316	24,104	3						18	788,419	801,316	12,897	3
21	U. S. Maritime Commission	39,200,000	107,000,000	67,800,000	173	13		13,000,000	13,000,000	New					
	Export-Import Bank					14		146,400,000	146,400,000	New					
	Reconstruction Finance Corporation (transportation)					15		1,932,000	1,932,000	New					
	Tennessee Valley Authority										19	28,655,933	48,861,000	20,205,067	70
	Fund					16	31,335,161	51,968,000	20,632,839	66					
	Other					17	1,057,000	2,393,000	1,336,000	126					
22	Antiinflation	2,500,000	13,500,000	11,000,000	440						20	2,500,000	13,500,000	11,000,000	440
23	Management improvement		900,000	900,000	New						21		900,000	900,000	New
24	Housing Expediter	22,776,000	23,324,000	548,000	2						22	22,816,082	23,324,000	507,918	2
25	Top flight pay increase		1,500,000	1,500,000	New										
26	National Capital Sesquicentennial	65,000	1,200,000	1,135,000	1,746						23	65,000	1,200,000	1,135,000	1,746
27	FEPC		500,000	500,000	New						24		500,000	500,000	New
28	National Science Foundation		2,000,000	2,000,000	New						25		2,000,000	2,000,000	New
29	Synthetic Fuels		1,000,000	1,000,000	New						26		100,000,000	100,000,000	New
30	UMT		600,000,000	600,000,000	New										
	FEDERAL SECURITY AGENCY														
31	Columbia Institution for Deaf	292,101	315,300	23,199	8										
32	Food and Drug Administration	5,187,596	5,612,253	424,657	8										
33	Freedmen's Hospital	2,322,789	2,434,645	111,856	5										
34	Howard University	2,187,241	2,382,800	195,559	9										
35	Office of Vocational Rehabilitation	626,860	671,128	44,268	7										
	Office of Education:														
	Federal aid					18		290,125,000	290,125,000	New					
	Building and scholarship survey					19		1,000,000	1,000,000	New					
	Public Health Service:														
	TB control					20	8,983,315	9,528,000	544,685	6					
	Assistance to States					21	14,005,800	23,852,695	9,846,895	70					
	Hospital construction grants					22	14,607,817	60,000,000	45,392,183	311					
	Hospital and medical care					23	22,077,450	23,966,751	1,889,301	9					
	Mental health activities					24	8,507,721	10,470,000	1,962,279	23					
	Foreign quarantine service					25	2,595,584	3,262,700	667,116	26					
	Cancer Institute, operating expenses					26	14,793,412	16,159,250	1,365,838	9					
	Heart Institute, operating expense					27		3,840,000	3,840,000	New					
	Dental health activities					28		1,580,000	1,580,000	New					
	Research, construction					29	42,380	94,200	51,820	122					
36	Salaries and expenses	4,120,714	4,406,742	286,028	7	7									
37	Vital statistics		42,625	42,625	New										
38	Water pollution		1,230,000	1,230,000	New										
	Water pollution grants					30		1,000,000	1,000,000	New					
	Narcotic working fund					31		20,580	20,580	New					
	Displaced persons					32	319,500	425,500	106,000	33					
	Hospital construction (States)					33	423,113	432,000	8,887	2					
39	St. Elizabeths Hospital	1,688,166	1,918,500	230,334	14										
40	Bureau of Employment Security: Grants for compensation and administration	128,607,451	135,006,440	6,398,989	5										
41	Federal credit unions		176,308	176,308	New										
42	Medical care insurance		14,900,000	14,900,000	New										
43	Public Assistance (States)	1,332,562	1,336,831	4,269	1	34	975,284,911	1,128,000,000	152,715,089	16					
44	Childrens' Bureau	1,376,290	1,493,632	117,342	9										
45	Conference on Youth	67,650	75,650	8,000	12										
	Grants to States					35	19,893,795	23,106,205	3,212,410	16					
46	Office of Commissioner	233,880	254,294	20,414	9										
47	Office of Administrator	1,777,900	2,480,968	703,068	4										
48	Division of Operations	815,460	1,239,770	424,310	52										
49	Office of General Counsel	470,700	544,746	74,046	16						27	1,380,227,440	1,908,564,503	528,337,063	38

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950—Continued

[Exclusive of estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

No.	Agencies, objects and items	Salary and expense items				Other items					Agency totals				
		1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
	FEDERAL WORKS AGENCY														
50	Office of Administrator	$353,000	$371,000	$18,000	5										
	Public Buildings Administration:														
51	Salary and expenses in District of Columbia	32,820,698	34,510,000	1,689,302	5										
52	Salaries and expenses outside District of Columbia	24,181,344	26,326,600	2,145,256	9										
	Industrial reserve					36	$9,762,500	$14,500,000	$4,737,500	48					
	Hospital Center, District of Columbia					37	90,000	400,000	310,000	344					
	Census Building					38		4,800,000	4,800,000	New					
	Geophysical Institute (Alaska)					39	200,000	700,000	500,000	250					
	GAO Building					40	1,600,000	8,441,806	6,841,806	428					
	Federal Courts Building, District of Columbia					41	1,000,000	5,000,000	4,000,000	400					
	Los Angeles post office					42	250,000	750,000	500,000	200					
	Nashville Federal Office Building					43	1,100,000	3,250,000	2,150,000	195					
	Veterans' Administration facilities					44	250,000	900,000	650,000	260					
	St. Elizabeths construction					45	1,350,000	2,200,000	850,000	63					
	Do					46		150,000	150,000	New					
	Howard University construction					47	1,600,000	7,620,000	6,020,000	376					
	Public Housing Service research construction					48	6,850,604	18,038,000	11,187,396	163					
	Remodeling, outside District of Columbia					49	500,000	3,600,000	3,100,000	620					
	Executive Mansion					50	300,000	3,599,703	3,299,703	1,100					
	St. Elizabeths, repairs					51	125,000	613,000	488,000	390					
	D. C. heating plant					52	750,000	788,000	38,000	5					
	Public Roads Administration:														
	Forest highways					53		23,500,000	23,500,000	New					
	Philippine rehabilitation					54	10,235,165	17,040,000	6,804,835	66					
	Hawaiian war damage					55	1,904,347	3,000,000	1,095,653	58					
	Bureau of Community Facilities:														
	Water pollution grants					56		450,000	450,000	New					
53	Water Pollution Administration	73,000	137,000	64,000	88										
	Alaska Public Works					57		1,000,000	1,000,000	New					
	Disaster relief										28	$590,325,976	$686,800,801	$96,474,825	16
53	Housing and Home Finance Agency:														
54	Office of Administrator	1,050,000	1,521,000	471,000	45	58	5,000	15,000	10,000	200					
55	Federal Housing Administration	3,998,654	6,786,302	2,787,648	70										
	Public Housing Administration:														
	Annual contributions					59	4,395,591	6,200,000	1,804,409	41					
	Checking account					60	15,000,000	128,213,900	113,213,900	755					
56	Salaries and expenses	90,000	3,510,000	3,420,000	3,800										
	Alaska Housing					61		5,000,000	5,000,000	New					
57	Research and administration	50,000	1,520,000	1,470,000	2,940										
	Slum clearance					62		10,000,000	10,000,000	New	29		105,856,238	105,856,238	New
	DEPARTMENT OF AGRICULTURE														
58	Office of Secretary	2,114,857	2,212,000	97,143	5										
59	Research and Marketing Act	15,248,543	18,712,316	3,463,773	23										
60	Office of Information	591,003	982,871	391,868	66										
61	Library	659,716	723,955	64,239	10										
62	Bureau of Agricultural Economics	4,644,511	4,761,991	117,480	3										
63	Strategic and critical research	406,900	506,540	99,640	24										
64	Alaska research	396,000	649,000	253,000	64										
	Experiment station, payments to States					63	7,361,082	7,406,208	45,126	1					
65	Experiment stations	343,333	375,550	32,217	9										
66	Bureau of Plant Industry soils, etc	8,648,907	8,818,000	169,093	2										
	Control of forest pests					64	3,719,762	4,647,067	927,305	25					
	Forest roads and trails					65		8,750,000	8,750,000	New					
	Forest-fire cooperation					66	8,933,978	9,000,000	66,022	1					
	Acquisition of forest lands					67		75,000	75,000	New					
	Forest emergency repair					68	100,000	1,900,000	1,800,000	1800					
	Flood control					69	7,562,507	13,272,428	5,709,921	76					
67	Soil Conservation Service	47,817,130	48,543,000	725,870	2										
68	Water conservation	323,500	578,000	254,500	79										
	PMA, conservation					70	187,383,335	214,620,000	27,236,665	15					
69	AAA, administrative expenses	7,319,900	11,300,000	3,980,100	54										
70	AAA, local administration	20,371,356	46,400,000	26,028,644	128										

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950—Continued

[Exclusive of estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

No.	Agencies, objects and items	Salary and expense items				Other items					Agency totals				
		1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
	DEPARTMENT OF AGRICULTURE—continued														
71	REA	$5,859,020	$6,051,330	$192,310	3										
	Loans to States					71	$275,750,000	$323,250,000	$47,500,000	17					
	Agriculture working fund					72	14,904	48,532	33,628	226					
72	Farm credit	2,211,033	2,294,000	82,967	4										
	Disease eradication					73		13,000,000	13,000,000	New					
73	Forest Service		3,600,000	3,600,000	New										
74	Wheat agreement		200,000	200,000	New	74		55,500,000	55,500,000	New					
	Grain facilities					75		25,000,000	25,000,000	New					
	Farm housing					76		20,000,000	20,000,000	New					
	DEPARTMENT OF COMMERCE														
	Seventeenth Decennial Census					77	2,212,641	36,098,000	33,885,359	1531					
	Census of housing					78		6,000,000	6,000,000	New					
	Establishing air navigation facilities					79	20,000,000	30,048,875	10,048,875	50					
75	Civil Aeronautics Authority	85,767,307	97,057,879	11,290,572	13										
	CAA technical development					80	1,753,080	1,759,203	6,123	1					
	Airport aid					81	35,000,000	50,710,087	15,710,087	45					
	Alaska airport construction					82	2,890,000	6,100,000	3,210,000	111					
	Air navigation development					83	75,000	5,955,000	5,880,000	7840					
76	Philippine rehabilitation	2,142,036	2,501,694	359,658	17										
	CAA working fund					84		107,989	107,989	New					
77	Civil Aeronautics Board	3,576,000	3,916,652	340,652	10										
78	Coast and Geodetic Survey, departmental	3,458,355	3,674,015	215,660	6										
79	Field	5,540,933	5,910,300	369,367	7										
80	Commissioned officers	1,235,201	1,302,000	66,799	5										
81	Philippine rehabilitation, Coast and Geodetic Survey	291,389	335,317	43,928	15										
82	Bureau of Foreign and Domestic Commerce	4,612,803	4,680,000	67,197	1										
	Export Control					85	1,420,000	4,626,000	3,206,000	226					
83	Patent Office	8,815,608	10,294,620	1,479,012	17										
84	Bureau of Standards	1,359,092	1,447,000	87,908	6										
	Radio Propagation					86	2,632,092	3,251,187	619,095	24					
	Radio property building					87		225,000	225,000	New					
85	Weather Bureau	23,088,052	23,785,899	697,847	3										
86	Philippine rehabilitation	939,112	1,040,300	101,188	11						30	$247,241,079	$327,631,314	$80,390,235	33
	Inland waterways, capital stock					88	2,000,000	3,000,000	1,000,000	50					
	INTERIOR DEPARTMENT														
87	Office of Secretary	1,195,712	1,325,400	129,688	11										
88	Office of Solicitor	262,021	283,900	21,879	8										
89	Division of Territorial and Insular possessions	167,465	214,200	46,735	28										
90	Oil and Gas Division	342,948	390,000	47,052	14										
91	Board of Geographic Names	13,104	14,100	996	8										
	Soil and Moisture Conservation					89	2,729,816	2,750,000	20,184	1					
	Contingent expenses					90	273,232	295,400	22,168	8					
92	Southeastern Power		80,000	80,000	New										
	Power transmission construction operations					91		3,500,000	3,500,000	New					
	Control of forest pests					92	565,909	600,000	34,091	6					
	Contingent fund, transportation					93		150,000	150,000	New					
	Bonneville Power Administration					94	22,440,036	33,500,000	11,059,964	49					
	Bureau of Land Management: Management, protection, disposal					95	3,191,475	3,727,500	536,025	17					
93	Bureau of Indian Affairs	797,500	1,092,000	294,500	37										
94	Field administration	2,590,000	3,272,800	682,800	26										
	Maintenance, law and order					96	128,000	160,000	32,000	25					
	Alaska Native Service					97	4,570,000	6,097,000	1,527,000	33					
	Navajo and Hopi construction					98	800,000	2,900,000	2,100,000	262					
	Navajo and Hopi Agency					99	4,115,000	5,361,000	1,246,000	30					
	Maintenance, building, utilities					100	775,000	945,650	170,650	22					
	Education of Indians					101	10,951,000	11,985,000	1,034,000	9					
	Health conservation					102	7,265,000	7,750,800	485,800	6					
	Indian welfare					103	560,000	585,400	25,400	4					
	Forest range management					104	976,000	1,090,800	114,800	12					
	Agriculture and stock raising					105	828,000	911,100	83,100	10					
	Loan revolving fund					106	290,598	2,400,000	2,109,402	724					
	Irrigation construction					107	3,500,126	4,000,000	499,874	14					
	Payment to Flatheads					108	200,000	330,000	130,000	65					
	Construction of building utilities					109	4,348,000	5,300,000	952,000	21					
	Power system maintenance					110	1,100,000	1,250,000	150,000	13					

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950—Continued

[Exclusive of estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

No.	Agencies, objects and items	Salary and expense items				Other items					Agency totals				
		1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
	INTERIOR DEPARTMENT—continued														
	Bureau of Reclamation:														
	Gila project					111	$2,401,500	$3,800,000	$1,398,500	53					
	Davis Dam					112	25,300,000	33,750,000	8,450,000	33					
	Colorado River Dam fund					113	2,200,432	5,950,000	3,749,568	170					
	Kern River project					114	6,000	25,500	19,500	325					
	Hungry Horse project					115	12,503,500	21,000,000	8,421,500	67					
	Columbia River Basin					116	47,635,000	64,795,000	17,160,000	36					
	Missouri River Basin					117	56,800,000	81,300,000	24,500,000	43					
	Rehabilitation of works					118		4,000,000	4,000,000	New					
	Geological survey					119	13,721,612	16,925,067	3,204,455	23					
95	General expenses	$480,000	$500,000	$20,000	4										
	River and harbor, maintenance					120	115,267	172,000	56,733	49					
	Operating naval petroleum reserve					121	22,105	26,000	3,895	17					
96	International Commission	96,190	115,000	18,810	19										
	Reclamation Fund					122	4,060	10,000	5,940	146					
97	Bureau of Mines	153,768	165,500	11,732	8										
	Fire control					123	203,000	245,500	42,500	29					
	Coal mine inspection					124	2,566,103	2,717,000	150,897	6					
	Testing fuel					125	528,253	603,000	74,747	14					
	Anthracite investigations					126	378,443	385,000	6,557	2					
	Investigation and development of deposits					127	1,601,048	2,005,000	403,952	5					
	Oil and gas investigation					128	646,605	695,000	48,395	7					
	Metallurgical research					129	1,514,181	1,795,600	281,419	19					
	Mineral industry economies					130	767,484	1,061,400	293,916	38					
	Mineral incentive payments					131		5,000,000	5,000,000	New					
98	National Park Service	7,972,300	8,952,500	980,200	12										
	Demonstration areas					132	13,100	18,545	5,445	42					
99	National Capital Parks	852,200	1,033,800	181,600	21										
	River basin studies					133	144,200	177,300	33,100	23					
	Land acquisition					134	145,000	275,000	130,000	90					
	Independent parks					135		250,000	250,000	New					
	Roads and trails					136	1,330,000	5,800,000	4,470,000	336					
	Improvement					137	458,000	2,400,000	1,942,000	424					
	Gettysburg Cemetery					138		10,000	10,000	New					
	Great Smoky acquisition					139	11,000	49,000	38,000	345					
	Arlington Memorial Bridge					140	709	101,500	100,791	14,216					
100	Fish and Wildlife Service	6,946,830	10,937,505	990,675	10										
	Flood control					141	75,000	105,000	30,000	40					
	River and harbor work					142	600,000	800,000	200,000	33					
	Government in Territories:														
	Road construction Alaska					143	17,000,000	25,000,000	8,000,000	47					
	Expenses municipal government Virgin Islands					144	520,200	745,000	224,800	47					
101	Puerto Rico		14,000	14,000	New						31	$537,638,504	$640,433,228	$102,794,724	19
	DEPARTMENT OF JUSTICE														
102	Office of Attorney General	837,462	854,660	17,198	2										
103	Administrative Division	1,272,015	1,289,400	17,385	1										
104	Claims Division	1,649,200	1,662,800	13,600	1										
105	Contingent expenses	211,000	560,750	349,750	165										
106	Travel	122,500	127,500	5,000	4										
107	Customs Division	196,750	198,000	1,250	1										
108	Antitrust Division	3,476,200	3,642,500	166,300	5										
109	Judicial office examination	105,760	108,580	2,820	3										
110	District attorneys	5,519,293	5,589,600	70,307	1										
111	Marshals	5,528,019	5,617,000	88,981	2										
112	Federal Bureau of Investigation	49,884,670	50,852,250	967,580	2										
113	Immigration Service	30,775,000	31,068,650	293,650	1										
114	Displaced persons	221,850	652,150	430,300	197										
	Federal Prison System										32	123,368,092	131,790,500	3,422,408	3
115	Bureau of Prisons	426,700	470,800	44,100	10										
116	Institutions	18,934,000	19,296,000	362,000	2										
117	Support of prisoners	1,584,500	1,710,500	126,000	8										
	DEPARTMENT OF LABOR														
118	Office of Secretary	954,747	1,052,959	98,212	10										
119	Office of Solicitor	1,046,539	1,057,600	10,061	1										
120	Bureau of Labor Standards	326,825	387,410	60,585	18										
121	Bureau of Veterans' Reemployment	215,300	250,100	34,800	16										
122	Bureau of Apprenticeship	2,522,552	2,606,600	84,048	3										
123	Bureau of Labor Statistics	4,283,375	5,374,340	1,090,965	25										
124	Women's Bureau	286,908	330,140	43,232	15										
125	Wage and Hour Division	5,192,017	5,333,500	141,483	3										
126	Industrial safety		3,052,000	3,052,000	New						33	15,682,963	19,561,758	3,878,795	22
	POST OFFICE DEPARTMENT														
	Debt administration					145	3,698,464	4,148,000	449,536	12					
	Foreign mail (Army)					146	700,000	800,000	100,000	15					

Items and objects of Federal expenditure for which increases were requested in the President's budget recommendations for fiscal year 1950—Continued

[Exclusive o. estimates for Military Establishment, European arms program, foreign aid, remote area assistance, interest on debt, contributions to retirement, pensions and veterans' programs, postal deficit financing in lieu of increased rates, and other fixed charges, imperative obligations and nondeferrable commitments]

No.	Agencies, objects and items	Salary and expense items				Other items					Agency totals				
		1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase	No.	1949	1950	Increase	Percent increase
127	STATE DEPARTMENT[1]	$23,658,075	$63,722,724	$40,064,649	160										
	International organizations					147	$99,690,631	$100,633,366	$942,735	1					
	International contingencies					148	3,584,616	3,599,231	14,615	1					
	United States-Mexico Water Commission					149	3,425,000	8,715,000	5,290,000	154					
	Rio Grande flood protection					150	15,000	111,000	96,000	640					
	International Information and Education					151	24,869,538	32,162,310	7,292,772	29					
128	International commissions	221,152	277,570	56,418	25										
	Displaced persons					152	882,885	1,010,115	127,230	14					
	Pacific salmon fisheries					153	114,817	125,218	10,401	9					
	Institute of Inter-American Affairs					154	2,500,000	5,000,000	2,500,000	100					
	Collecting and editing papers					155		7,500	7,500	New					
	FAO Building					156		1,000,000	1,000,000	New					
	Foreign Service increase					157	427,705	1,378,624	950,919	222					
	TREASURY DEPARTMENT														
129	Office of Secretary	404,100	771,460	367,360	90										
130	Division Tax Research	137,056	156,315	19,259	15										
131	Office of General Counsel	267,240	369,944	102,704	38										
132	Office of Administrative Services		1,130,000	1,130,000	New										
133	Miscellaneous expenses	225,323	329,000	103,677	46										
134	Bureau of Accounts	1,451,397	1,636,200	184,803	13										
135	Bureau of Customs	34,478,828	35,314,000	835,172	2										
136	Bureau of Internal Revenue	208,762,904	232,310,624	3,547,720	11										
137	Bureau of Narcotics	1,528,953	1,568,620	39,667	3										
138	Bureau of Engraving and Printing	13,917,098	16,969,800	3,052,702	22										
139	Secret Service	1,734,974	1,980,250	245,276	14										
140	Secret Service, White House	354,000	370,000	16,000	5										
141	Bureau of Mint	4,141,730	4,745,870	604,140	15										
142	Bureau of Federal Supply	1,364,946	1,622,200	257,254	19										
	General supply revolving fund					158	1,500,000	4,000,000	2,500,000	166					
	Strategic and critical materials					159	320,000,000	515,000,000	195,000,000	61					
143	Coast Guard, office of Commandant	2,193,484	2,483,300	289,816	13										
144	Pay and allowances	67,701,454	76,452,000	8,750,546	13										
145	General expenses	28,015,972	38,541,000	10,525,028	35										
146	Civilian employees	4,063,392	4,484,800	421,408	10										
	Construction and improvements					160	7,242,755	11,226,000	3,983,245	55					
146	Total	1,969,164,330	2,986,803,279	1,017,638,949		160	2,165,518,549	4,015,914,780	1,850,396,231		33	$3,712,353,846	$4,889,194,662	$1,176,800,816	

[1] Departmental detail not given.

Mr. LUCAS. Madam President, I yield five minutes to the distinguished Senator from Arizona [Mr. McFARLAND].

Mr. McFARLAND. Madam President, it is only because of the deep affection and high regard I hold for the distinguished senior Senator from Arkansas that I rise at this time to give my views as to why I am unable to support the amendment which he has offered.

As I view it, this amendment strikes at a foundation stone of our Government. Our forefathers saw fit to establish three coordinated but separate divisions of government. That system has worked well throughout all the years of our history. It has been this system of checks and balances that has enabled this great Nation to endure all these years, and ours has been the only free democratic Government that has endured for so long.

I believe we may well consider what this amendment would mean; what is its effect? Upon numerous occasions on this floor, and in the Hall of the other House, there has been criticism of the judiciary when it has attempted to write into decisions legislative interpretations not intended by Congress. Likewise there has been criticism of the executive branch of the Government when it has made administrative interpretations of laws passed by Congress which were not in accord with the legislative intent and which encroached on the field of the legislative branch of the Government. We have made those criticisms, Madam President, rightfully, because we viewed with concern any encroachment upon our trinity of divided but coordinated responsibilities.

Now we face an attempt to violate in two particulars that division of the Government into three separate branches. First we are asked to delegate a specific constitutional power of the Congress—the power of the purse—to the President of the United States. If the President of the United States should attempt to usurp the powers of Congress, we would be the first to rise on the floor of the Senate and criticize him for so doing.

Secondly, we are asked to violate another one of the principles of our Constitution by directing the President what to do. I, for one, believe that the President of the United States is capable of performing the duties of his office as he sees fit to do, and that he will do as he thinks wise and proper within the powers of his office. We in Congress should not fail to carry out our duties, if we expect this great Government to continue as it has throughout all the years of our history.

It is important that we guard carefully the separation of powers of the three distinct branches of Government to which I have alluded. We cannot, we must not delegate congressional power to the President. Let us stand up and be counted. If we want to reduce expenditures, let us vote the reduction ourselves. Let us not hide behind a resolution or amendment and say, "We want to reduce expenditures, but we do not want to say where they should be reduced."

Mr. LONG. Madam President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Louisiana?

Mr. McFARLAND. I yield for a question.

Mr. LONG. If we desire to reduce expenditures, does not the bill now under consideration afford the best opportunity we will have to cut expenditures? Is not

this the largest appropriation bill that will come before the Congress at this session?

Mr. McFARLAND. Certainly, and we could cut down the appropriations in this bill, but we have not done so. We have, in fact, voted to increase the appropriations above what the committee recommended. Now we are being asked to vote to delegate power to the President of the United States to effect a reduction for which we do not want to take the responsibility ourselves.

Madam President, I do not care to take up the time of the Senate to discuss this matter in detail. I believe, just as does the senior Senator from Arkansas, that the budget should be balanced, but, in my opinion, it is up to the Congress of the United States to balance it. We should either cut expenditures or we should increase taxes, or do both, if necessary. We should stand up and be counted, and be willing to carry out the duties of our office, just as we ask the President of the United States to carry out the duties of his office, and we should not be attempting to direct the President how to perform his duties.

The VICE PRESIDENT. The time of the Senator from Arizona has expired.

Mr. LUCAS. Mr. President, I yield 18 minutes to the junior Senator from Arkansas [Mr. FULBRIGHT].

The VICE PRESIDENT. The Senator from Arkansas is recognized for 18 minutes.

Mr. FULBRIGHT. Mr. President, I should like to make one observation in regard to the remarks of the Senator from Arizona [Mr. McFARLAND]. It strikes me as very unusual that those who have often supported many legislative acts increasing the power of the Executive should now be opposing the pending proposition because it might give the President power which belongs to Congress. I, for one, have in many instances opposed some efforts on the part of the executive branch to increase its power, and I must say that under the pending amendment to the bill that element is involved. I do not think this procedure is one to which we should look forward as an annual affair, or as constituting a precedent. It is due to some very unusual circumstances. Among them was the misjudgment in the early part of this year as to what the state of business in the country would be. Senators will recall that in January we were threatened with and did have considerable inflation. We were sent measures which were designed to prevent inflation Within the course of 2 or 3 months that whole approach to the situation was completely reversed, and we were sent bills which were designed to prevent depression. That had a great deal to do with the change in attitude toward taxes and our whole fiscal system, and I think it delayed and prevented a proper evaluation by the Congress of some of the fiscal measure which we had before us in the early part of the year. So, while I am supporting the pending amendment, I may say that I would not want it to be accepted as a precedent to be followed every year.

With further regard to that point, I wish to say that so far as my own record is concerned, I voted against the repeal of the excess profits taxes. I thought the proposal was premature, and that it should not have been done. It was an administration measure, and we estimated it did at that time decrease the receipts of the Government by $6,000,000,000. I also voted against the subsequent decrease in taxes in the Eightieth Congress on the ground that in times of good business the Government should get all the receipts possible, and try not only to balance the budget, but to pay something on the national debt.

Now, however, we confront such a situation that I think it is wholly unrealistic to expect any increase in taxes. The sentiment is growing that in order to maintain the business level, we should perhaps decrease taxes, particularly in the excise field. So, we are left with only one alternative, namely, to cut expenditures. I believe we have before us the only opportunity of cutting them in any substantial way during this Congress. Therefore I think it is the only thing that gives us any hope of bringing the budget into better balance.

Mr. President, with regard to the amendment offered by the Senator from Wisconsin [Mr. WILEY] I wish to say a few words. The Senator from Wisconsin talked at great length last Friday on the subject of butter and oleomargarine. As Senators know, the amendment of the Senator from Wisconsin is one designed to perpetuate a provision in our Military Establishment legislation which has been carried in it for some years, as I recall since 1931. It is a part and parcel of the discrimination which exists with regard to butter and oleomargarine. This provision in effect prohibits the armed services from the purchase of margarine.

The Senator from Wisconsin had much to say about the influences involved in the effort to repeal the discrimination which has existed in legislation for many years. I desire to make a few comments with regard to that particular point, because the Senator tried to leave the impression that this was a 5-percenter project, or that brass hats were influencing the movement to repeal the tax on oleomargarine. I think he mentioned the oleo lobby, as he called it, and he tried to make it appear as if it were a sectional matter, and that only the South was involved. I do not think there is the slightest justification for any of those statements.

Particularly with regard to the history of the legislation in recent years, in the second session of the Eightieth Congress the House Committee on Agriculture not only refused to report a measure to repeal the antimargarine laws, but voted to table all repeal bills for the remainder of the session. That condition had existed in that committee for many years. The matter was concentrated in the Committee on Agriculture of the House, and there was a sentiment against doing anything about repeal.

The significant point is that the House itself then resorted to the unusual procedure of discharging the Committee on Agriculture from further consideration of oleomargarine legislation. Members of the Senate who have been Members of the House know how unusual that procedure is. It is very difficult to get a discharge petition through the House. Then the House voted, in the Eightieth Congress, in favor of repeal by a vote of 260 to 106. That vote certainly does not indicate that sectional influences brought about such a result.

It will be remembered that an effort was made to have the oleo-tax-repeal bill referred to the Committee on Agriculture and Forestry of the Senate, and in the Senate a vote was taken. The Senators believed, as shown by a vote of 47 to 30, that the legislation would receive more favorable consideration at the hands of the Finance Committee. That was the only real significant vote we were able to get in the Senate. Subsequently that bill, in the Eightieth Congress, was unanimously reported by the Committee on Finance of the Senate.

Early in the present session of Congress the House Committee on Agriculture reported a margarine bill which was, however, completely unsatisfactory to the advocates of repeal because it prohibited shipment in interstate commerce of colored margarine. But on April 1 of this year the House amended the bill and provided for complete repeal and passed the bill by a vote of 287 to 89, an even larger margin than before.

The record of the vote on this bill in the House shows that a majority of the Representatives of 33 States voted for it, that is, in favor of complete repeal; and that Representatives of 40 of the 48 States voted for it, including the States of Minnesota and Wisconsin.

Mr. President, according to the Senator from Wisconsin [Mr. WILEY], who spoke the other night, this is a southern measure. Of course, it is nothing of the sort. There is the most widespread interest in it, as the majority leader confessed the other day in a statement on the floor. He said more appeals from all over the country for the repeal of antimargarine legislation have come to him than with respect to any other single bill before the Senate. I must say that the majority leader ought to bring up the bill and dispose of it and stop the continual controversy that goes on and injects itself into bills such as this. I know of no way to stop it until we repeal the basic legislation—legislation which is absolutely unjustifiable.

The sentiment for repeal of antimargarine laws is evident in the States as well as in Congress. In 1949, for example, 10 States repealed or modified their antimargarine statutes. Since 1939, 31 States have taken such action. Governor Warren, in signing the California repeal bill on June 28, 1949, said:

> The long-standing prohibition on coloring is an unjust discrimination against a good product * * *. I would like to compliment the dairy interests who also recognize this fact and who withdraw their opposition to the bill * * *. In fact, several (State) senators from districts where dairy farming is of great importance cast their votes in favor of this legislation.

Repeal of the antimargarine law is also a plank in the Democratic platform of 1949. So it certainly is not a measure which is sectional, nor is it one which relies upon 5 percenters or any of the other lobbyists referred to by the Senator from Wisconsin on last Friday.

This particular discrimination against margarine has been included in the military appropriation bill since 1931. Last year it was included in the bill as it came from the House and as reported by the Senate committee. On the floor of the Senate I offered a motion to delete the prohibition, and it was agreed to. In spite of this action by the Senate, and the action of the House in voting overwhelmingly to repeal other restrictions on oleomargarine, the conferees on the last night, and at the last minute before adjournment—and everyone will recall how confused the situation was here and in conferences during the last few hours before we adjourned for the conventions in Philadelphia—I repeat, at the very last minute, after the Representative from my State had left the meeting, the conferees reinserted that same provision. That is how the provision got into the bill, and I certainly did not know it until after it had been done, and I think many of the members of the conference did not know it until the next day.

Last year the House Armed Services Committee reported to the House a separate bill which would have repealed the provision in the law which we are now discussing, and which it is sought to have inserted by the amendment of the Senator from Wisconsin. I wish to read at this time a few statements from the report of the House Armed Services Committee. From pages 2 and 3 of that report, House Report No. 2270, Eightieth Congress, I read the following:

The basic issues involved in the proposed legislation are very simple and can be reduced to the following questions:

1. Is the nutritive value of oleomargarine equal to or superior to that of butter?

I want to clarify the matter. This is not on the general legislation, but is precisely on the provision that is now under discussion, and the Armed Services Committee is here discussing whether or not it is justified. I continue to read from the report:

This question was answered by several experts who testified that there is no difference in the nutritive value of these two products with respect to digestibility or other factors, provided that oleomargarine is fortified with vitamin A.

Earlier forms of oleomargarine did not contain vitamin A, which is normally present in butter in varying amounts, depending upon the season of the year. However, pursuant to standards established by the Food and Drug Administration a few years ago, all oleomargarine must now be fortified with a minimum of 9,000 USP units of this vitamin. Indeed, most commercial forms today contain 15,000 units per pound.

As a matter of fact, more than 99 percent today contain 15,000 units per pound.

2. The second question is whether oleomargarine is equally acceptable from the psychological standpoint, bearing in mind such factors as the food habits of consumers.

In answer to this question representatives of the services testified that there is no past experience upon which they can base any opinion as to the troop acceptability of oleomargarine, for the simple reason that it could not heretofore be substituted for butter.

That is because of the provision which had been carried in the law with which we are now concerned.

A very important consideration brought to light during the hearings was the fact that during World War II personnel in many forward areas were forced to do without butter because of unavailability due to transportation, storage, and refrigeration problems which either made it impossible to procure butter at all in those areas or which rendered such butter as was received unfit for human consumption because of rancidity and deterioration. In the absence of authority to serve oleomargarine as a substitute, troops were forced to rely upon other less satisfactory table spreads.

So, in effect, what the Senator from Wisconsin, by this provision, is trying to prevail upon the Congress to do, is to deprive members of the armed services of the opportunity and ability to have butter or margarine, because under the conditions which existed during the past war, they were unable to get butter, and, by law, they were prohibited from buying margarine. I think that is a great price to pay for a symbol which has long since been outdated by the actual developments in this industry.

3. A third question considered by the committee, in addition to the factors of comparative nutritional value and psychological acceptability, was whether or not oleomargarine is protected by the same pure-food standards as butter. Testimony was received to the effect that all standards having to do with purity, cleanliness, and sanitation are equally applicable to oleomargarine.

I think Senators will find in the hearings held before the Senate committee that there was testimony indicating that on the average the sanitation and purity of margarine was superior to butter, that is because of the ability to control the conditions of production in the margarine industry.

4. A final question pertinent to the problem is that of the comparative cost of the two products.

I call this particularly to the attention of those who are interested in cutting the budget:

Testimony was received to the effect that approximately ten to eleven million dollars per year could be saved by the armed services, assuming the complete substitution of oleomargarine for butter.

So that if anyone is interested in cutting appropriations, this is one of the ways to do it. Senators who vote for the amendment offered by the Senator from Wisconsin in effect are voting to increase the appropriation by ten to eleven million dollars, according to the best testimony received in the House Armed Services Committee last year.

In view of the fact that there is no difference in the nutritional value of the two products; in view of the fact that oleomargarine is an equally pure and sanitary product; in view of the fact that substantial savings can be effected through its use; and in view of the fact that there is no evidence from which it can be inferred that it would not be equally acceptable to troops, it is the view of this committee that the services should be permitted to use oleomargarine as they see fit.

That is the language of the House committee.

The authority to exercise such discretion will enable the services to furnish an equally nutritious and, to many people, an equally palatable and acceptable product under circumstances where it would be impossible to furnish butter. A great deal of testimony was received bearing on the relative keeping qualities of the two products.

I call this particularly to the attention of the Senator from Wisconsin [Mr. WILEY]:

While butter on the one hand is subject to rapid deterioration and must be kept under refrigeration at all times, oleomargarine can be preserved for weeks at room temperatures.

That is partly because of the great purity of the product.

While butter on the one hand is subject to rapid deterioration and must be kept under refrigeration at all times, oleomargarine can be preserved for weeks at room temperatures. Even if it be assumed, therefore, that troops would prefer butter, if given a choice between the two products, it is equally logical to assume that they will welcome a high-quality substitute, such as oleomargarine, when conditions are such as to preclude the use of butter.

* * * * *

Representatives of the Army, Navy, and Air Force testified at the hearings that the armed services concur in the proposed legislation.

In other words, the armed services themselves are in favor of that legislation, and are opposed to the amendment offered by the Senator from Wisconsin. Both the Senator from Wisconsin and the Senator from Oregon [Mr. MORSE] have attempted to make the point that the purpose of their amendment, which provides that none of the money appropriated shall be used for the purchase of oleomargarine, "except to supply an expressed preference therefore," is to permit the free exercise of choice by members of the armed services. No one, however, knows better than the authors of this amendment that it is intended to bar the purchase of oleomargarine by the armed services. That is, of course, its obvious purpose. It is a mandate to the armed services to do just that. As a matter of fact, although this same language has been carried in past appropriation bills, it has always been so interpreted by the armed services. The report of the Armed Services Committee of the House last year discloses that as a matter of fact none had been purchased.

To quote from page 2 of House Report No. 2270, of the Eightieth Congress:

There is no past experience upon which they can base any opinion as to the troop acceptability of oleomargarine, for the simple reason that it could not, heretofore, be substituted for butter.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. MCCLELLAN. Mr. President, I yield 5 minutes more to my colleague.

The VICE PRESIDENT. The Senator is recognized for five more minutes.

Mr. FULBRIGHT. Mr. President, I have before me a number of editorials.

I shall not undertake to read them all. I had intended to speak on this subject at some length in connection with the bill now on the calendar, in an effort to bring the bill before the Senate for consideration as soon as the appropriation bills are disposed of. I intend to do so. This material would perhaps be more appropriate in that connection.

However, the point which I thought was extremely out of place was the one with regard to this being a sectional matter. I wish to read one editorial as an illustration of the attitude of people in an area which is sometimes considered to be strongly and bitterly against legislation repealing the discriminatory tax on margarine. I have before me editorials from 44 States, even including Wisconsin, all of them advocating the repeal of this tax. The following is an interesting editorial from the Reinbeck, Iowa, Courier. All these editorials are dated this year. This one is dated April 21, 1949. I may say that Iowa is one of the largest producers of butter.

Now comes Senator GUY M. GILLETTE, who states that he is sponsoring a bill to repeal the tax on oleo. GILLETTE's bill will be very much the same as other bills that have been introduced, and almost identical with the Grainger bill, with exception that GILLETTE's bill will not permit shipment of colored oleo in interstate commerce.

How silly this is. Just as well include butter in the bill also. There is no such thing as natural golden yellow butter with the exception of about 1 month in the year. All butter is colored with the same ingredients that oleo is colored with.

The writer had a vital interest in a creamery in Reinbeck some 14 years ago, in fact we had money invested in it, and we know whereof we speak. Our creamery purchased a lot of butter coloring, and it was used aplenty.

It just strikes us a little out of line to legislate one group against another. In fact, this legislating business has grown to an extent where it has become dangerous. Nothing can bring about one of the so-called isms as quickly as too much legislation.

Southern Senators can be expected to fight to a finish this oleo bill restricting their farmers and industries of the Southern States making oleo. It seems to be O. K. to ship colored butter down South, but wrong to send colored oleo up North. Such a law.

That is typical of the other editorials, which I shall not undertake to read at this time. I again urge the Senate to follow the precedent it set last year, when it struck this provision from the appropriation bill. It is perfectly ridiculous, when we are trying to save money, to satisfy an ancient and ill-conceived policy by adopting an amendment which would increase the cost of the bill by not less than $10,000,000, and also deprive soldiers in out-of-the-way parts of the world, where they need more attention than they do here at home, of the opportunity to use an article the production of which is gradually increasing throughout the country because of its own merits.

In spite of the legislation which is on the books, the production of butter has been decreasing, even with this protection. I urge the Senate to reject this unjust amendment.

Mr. LUCAS. Mr. President, I yield 20 minutes to the Senator from Minnesota [Mr. HUMPHREY], a member of the Committee on Expenditures in the Executive Departments, who filed the minority views.

Mr. HUMPHREY. Mr. President, as a member of the Senate Committee on Expenditures in the Executive Departments, I presented the minority views on Senate Joint Resolution 108, a joint resolution to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest. This minority report is available for Senators who wish to study its contents. It is the opinion, at least of the author, that it makes a sensible and understandable analysis of the budget situation which faces the Congress, and at the same time draws some conclusions as to the validity of the resolution reported by the majority.

I believe that the amendment proposed by the Senator from Arkansas constitutes an unsound approach to the problem of reducing Federal expenditures. Therefore, as I pointed out in the minority report, I recommend that it be not adopted.

The immediate and long-range effect of legislation of this type would be dangerous to our economy and our democratic processes, and damaging to the proper functioning of the Federal Government. The pending amendment is a clear abdication by the Congress of its constitutional responsibilities and duties "to provide for the common defense and the general welfare." It would give the President blanket authority to alter, without congressional review, legislation enacted by the Congress over many years. Under its provisions, including the clause "notwithstanding any other provision of law," the Chief Executive could destroy the effectiveness of the laws providing price supports for agricultural commodities. He could sharply limit the benefits to veterans under the GI bill of rights. He could curtail our armed forces by one-fifth, and change all, or nearly all, the benefits and services of the Federal Government now provided by statute.

I invite the attention of Members of this honorable body to the fact that that is exactly what the amendment provides. It provides that after the Congress, which represents the people, has legislated and declared a national policy and has established a system of standards and benefits, it shall then abdicate its power as representatives of the people. The amendment says to the President, in substance, that despite what the Congress has done as the elected representatives of the people, he may reduce price supports for agricultural commodities, may sharply limit benefits to veterans under the GI bill of rights, may curtail our armed forces by one-fifth or more, and may change the benefits and services of the Federal Government now provided by statute.

Furthermore, this resolution—now an amendment—is a confession that the Congress, the greatest representative body in the world, is incapable of legislating funds for and of controlling expenditures in the executive departments of our Government. This resolution is the greatest confession of parliamentary weakness that has ever been placed before the American people. At a time when representative government is on trial throughout the world, the Congress of the United States is saying in substance to the peoples of the world, "We do not have the intelligence, the courage, and the know-how to legislate in regard to appropriations."

Mr. President, if there are Members of the Congress who wish to confess to the totalitarians and the doubters of democracy that we are incapable of living up to our responsibilities as legislative officials of the Government, at least I do not want to do that. I happen to believe that the Congress is capable of legislating and of appropriating. When I took the oath of office as a Member of this body, I took it in connection with the obligation of a Senator to participate in the making of appropriations and also in the enactment of tax legislation. I submit that there is nothing in the Constitution which says that the President of the United States shall appropriate or that the President shall tax.

The speciousness of the arguments advanced in favor of the resolution now before us is revealed by examining the implications. If there are times when economic or budgetary policy calls for the over-all reduction of Federal expenditures, there are other times when the national interest requires the expansion of the over-all budget. If the Congress transfers to the President the responsibility for making an over-all cut of not less than 5 nor more than 10 percent and distributing this as he sees fit among various programs, on the ground that the Congress cannot work out the details and that this is a field for executive action, then by the same token and for the same reasons the Congress might transfer to the President the authority to make an over-all increase of not less than 5 nor more than 10 percent in Federal expenditures and to distribute this increase among whatever programs he might select.

If we are going to delegate to the President the right to decrease expenditures, why should not we establish now, as a matter of public policy, a proposal that whenever we in Congress wish to finish our work in a hurry, we may say to the President, "All right; increase expenditures from 5 to 10 percent," or whatever we wish to have him do. That would make just as much sense.

Likewise, if the principle were sound with respect to expenditures, it would also be sound with respect to revenues. Since there are times when taxes should be increased and other times when they should be decreased, the arguments underlying Senate Joint Resolution 108 would lead to the conclusion that the Congress should confer upon the President the executive discretion to increase or decrease taxes by not less than 5 nor more than 10 percent and to decide within the percentage limitation which taxes should be increased or decreased. Merely to cite such proposals is sufficient to reveal the impropriety and impracticality under our established constitutional theory and practice of conferring upon the President responsibilities which properly rest with the Congress.

Let me refer for a moment to the testimony before the Committee on Expenditures in the Executive Departments. Let me say first that I read every line of

that testimony. I examined the record in detail. Not only did I do so, but men who are competent in the field of finance examined, at my request, the record in detail. It is their considered judgment, as it is mine, that, first of all, this proposal is unrealistic in approach, since it directs the President to effect reductions in programs on which the Congress itself is now enacting appropriations. These enactments represent the best judgment of the legislative branch as to the minimum amounts necessary to carry on the Government's activities. A general reduction cannot be made, therefore, without reducing items the Congress has specifically found necessary.

Mr. President, let us take a good look at that situation. The Appropriations Committee and other committees making authorizations or appropriations have been meeting. Congress has, in many cases, adopted the recommendations of those committees. The Appropriations Committee has considered the President's budget items, day in and day out. The committee has made increases here and decreases there, in those items. After many months of studying each and every appropriation, and after each Member of the Senate has at least had an opportunity to express himself in regard to the matter, this amendment would have us say that all of that is of no avail, and that we should say to the President of the United States, "You fix things up."

In the second place, I say the amendment is impractical in method since the reductions would have to be made in programs accounting for only about 40 percent of all Federal expenditures. These programs are the so-called controllable items of expenditure in the budget. Mr. President, I wish this point clearly understood. To cut 5 to 10 percent from total Federal expenditures, therefore, would, in fact, require slashes of 11 to 23 percent in these controllable Government programs, which account for only 40 percent of all Federal Government expenditures. So let us not delude ourselves as to what this amendment would do. Such slashes obviously would have a very serious effect on the operation of the Government.

In fact, the proposal in Senate Joint Resolution 108, now the pending amendment, is disingenuous and unfair, even though not intentionally so, because it presents to the American public the distinct impression that the cuts which the President is required to make are moderate in character, when in fact the resolution would force the President to make cuts that would be immoderate and extreme with respect to certain vital programs of the Government—cuts in these programs of a size that the Congress itself would certainly not want the American public to think it was imposing.

In other words, Mr. President, if the Senate wishes to reduce the appropriations for soil conservation benefits, Congress should have the courage to do so on the floor of the Senate and the floor of the House of Representatives, and to tell the farmers of the United States that the Congress does not think the farmers should have as much agricultural research as they are getting. Similarly, the Congress should tell veterans that they are getting too much in the way of pensions or veterans' hospitalization. In other words, Mr. President, Congress should have the courage to tell the people that, and should not attempt to lay the blame on the President, and make the American people think the President is going to be entrusted with the power to make moderate cuts in expenditures, whereas the facts show that in the total budget of over $40,000,000,000, items amounting to $24,700,000,000 cannot be touched without changing the law and the basic requirements of the law.

Mr. TAFT. Mr. President, will the Senator yield? If he will, I should like him to specify what items comprise the total of $24,700,000,000 which he has mentioned.

Mr. HUMPHREY. I shall be glad to place them in the RECORD. They are found in the minority views.

Mr. TAFT. I have a copy of that document.

Mr. HUMPHREY. On pages 6 and 7 of the minority views appears an analysis by the Bureau of the Budget. The same analysis is used in the majority report. In that analysis it is pointed out quite conclusively that of the total budget of $41,900,000,000, there are fixed charges amounting to $24,300,000,000; and the majority report concedes that very little reduction can be made in those fixed charges during 1950, and therefore, any reduction can only affect the $17,600,000,000 of controllable items.

Of the funds appropriated for the so-called controllable items, the vast majority are for our foreign-aid program and our military program. Of course, we still have before us the military appropriations bill, which is one of the major appropriation bills.

If the Senators wish to economize, they should tell the American people that they favor reducing the appropriations for the national defense by $3,000,000,000 or $4,000,000,000. But Senators do not wish to do that, because we cannot afford to jeopardize the security of the Nation.

In connection with the independent offices appropriation bill, we had before us the appropriations for the Veterans' Bureau. Did I hear any Member of this body propose that we cut 10 percent or 15 percent from the appropriations for the Veterans' Bureau? No, indeed. The Senate made some small reductions, but in many cases the Senate voted larger appropriations than those voted by the House of Representatives. The Senate has generally been the body which has voted increased appropriations, as compared with the appropriations voted by the House of Representatives.

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

Mr. HUMPHREY. I yield.

Mr. LONG. As a matter of fact, is it not true that mathematically it would be virtually impossible to carry out the mandate of the resolution, or amendment, unless an enormous slash were taken from the national defense appropriations bill which presently is before the Senate?

Mr. HUMPHREY. That is entirely correct. That is not only my own observation, but it is the judgment of very competent and trained persons whom I have consulted.

What are the items which can be included in the group to be cut? Among them is the interest on the public debt. Does any Member of Congress wish to propose that Congress reduce the interest paid on the Government bonds? Certainly none of us wish to do that. Does any Member of the Senate say that we should reduce the GI benefits? No; those are obligations which we must meet.

So, Mr. President, when we get down to the practicalities of the matter, even though there is a deficit, we know that the vast majority of the Government's expenditures—76 cents out of every budget dollar—goes for interest on the national debt, national defense, veterans' rights, foreign aid, and national security. The other 24 cents go for social security, old-age pensions, unemployment compensation, aid to schools, vocational education, soil conservation, and similar items. In other words, the American people, outside the veterans' group, get 24 cents out of each budget dollar.

I ask Members of the Congress of the United States, are you willing to take out of this 24 cents of the budget dollar, which remains of the $17,600,000,000 which is not fixed or controlled by commitments on the part of the Government already made, enough to balance the budget? In fact, the majority resolution will not balance the budget. It is not a matter of budget balancing, it is a matter of talking about some kind of economy, and I submit it is no economy to cut down soil conservation; it is no economy to deny the veteran his right to payment; it is absolutely no benefit to deny the armed forces the equipment needed in order to defend the Nation. I shall be no party to such false economy.

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

Mr. HUMPHREY. I yield.

Mr. LANGER. I cannot tell from the minority report whether any other member of the committee joined with the Senator.

Mr. HUMPHREY. No, I believe, however, that the Senator from Idaho [Mr. TAYLOR] voted against the majority resolution and that the Senator from Louisiana also voted against the majority resolution.

Mr. LANGER. I thank the Senator.

Mr. HUMPHREY. I had certain points of view of my own which I put in the minority report, which some of my distinguished colleagues would not concur in, so I submitted it as it was.

In conclusion I merely want to state why I think this is a dangerous procedure. I shall sum it up. The minority report, I think, is filled with facts, and I stand on the statement of those facts. I think they are incontrovertible. The analysis of the budget estimate by people who came to us with the material from the Budget Bureau, and who were cross-examined, made it perfectly clear that the Government had made real commitments upon which we could not renege, such, for example, as contract commit-

ments, authorizations under which the goods had already been delivered and the appropriation had to be voted later on. The Government of the United States is not going to buy something from somebody and not pay the bill.

Grants to States under legislation which the Congress has passed—what we call the grant-in-aid program—the veterans' benefit programs, which are commitments to some 17,000,000 or 18,000,000 men, unemployment compensation, the social-security program, interest on the public debt are what I mean by the controlled or the relatively controlled items.

I repeat, without fear of successful contradiction, it is high time we faced the actual facts of the situation. There is not a $41,000,000,000 budget to be cut. Let the American people know the truth. If we touch what we have a chance to touch, there remains about $17,000,000,000 or $18,000,000,000 of the budget to cut.

I want to sum my argument up by saying that I see no reason or justification for representative government, if we are going to abdicate the greatest power that representative government has, which is the power of taxation, and say we are unwilling to use the power of taxation. I concede at this time we ought not to raise taxes, but let me tell you, Mr. President, that the handmaid of the power to tax is the power to appropriate. Let me remind some of my distinguished colleagues that I have heard for years about the usurpation of power by the Executive. Yet, here we have an amendment which will give more power to a President in peacetime than any President has ever possessed

The VICE PRESIDENT. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask that the views of the minority as prepared by me be included in the RECORD at this point.

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

The minority views (Rept. 498, pt. 2) are as follows:

As a member of the Senate Committee on Expenditures in the Executive Departments, I present herewith a minority report on Senate Joint Resolution 108, a resolution to reduce expenditures in Government for the fiscal year 1950 consistent with the public interest.

I believe this resolution constitutes an unsound approach to the problem of reducing Federal expenditures and therefore recommend that it do not pass.

The immediate and long-run effect of legislation of this type would be dangerous to our economy and our democratic processes and damaging to the proper functioning of the Federal Government.

Senate Joint Resolution 108 is a clear abdication by the Congress of its constitutional responsibilities and duties "to provide for the common defense and the general welfare." It would give the President blanket authority to alter, without congressional review, legislation enacted by the Congress over many years. Under its provisions, the Chief Executive, "notwithstanding any other provision of law," could destroy the effectiveness of the laws providing price supports for agricultural commodities, sharply limit the benefits to veterans under the GI bill of rights, curtail our armed forces by one-fifth and change all, or nearly all, of the benefits and services of the Federal Government now provided by statute.

Further, Senate Joint Resolution 108 is a confession that the Congress is incapable of legislating funds and controlling expenditures in the executive branch. It is an effort to avoid responsibility for paying for legislation which the Congress itself has enacted.

The speciousness of the arguments advanced in favor of Senate Joint Resolution 108 is revealed by examining the implications. If there are times when economic or budgetary policy calls for the over-all reduction of Federal expenditures, there are other times when the national interest requires the expansion of the over-all budget. If the Congress transfers to the President the responsibility for making an over-all cut of not less than 5 nor more than 10 percent and distributing this as he sees fit among various programs, on the ground that the Congress cannot work out the details and that this is a field for executive action, then by the same token and for the same reasons the Congress might transfer to the President the authority to make an over-all increase of not less than 5 nor more than 10 percent in Federal expenditures and to distribute this increase among whatever programs he might select. Likewise, if the principle were sound with respect to expenditures, it would also be sound with respect to revenues. Since there are times when taxes should be increased and other times when they should be decreased, the arguments underlying Senate Joint Resolution 108 would lead to the conclusion that the Congress should confer upon the President the executive discretion to increase or decrease taxes by not less than 5 nor more than 10 percent and to decide within the percentage limitation which taxes should be increased or decreased. Merely to cite such proposals is sufficient to reveal the impropriety and impracticality under our established constitutional theory and practice of conferring upon the President responsibilities which properly rest with the Congress.

A. After careful consideration, it is the opinion of the minority that there are four fundamental objections to Senate Joint Resolution 108:

First, it is unrealistic in approach since it directs the President to effect reductions in programs on which the Congress itself is now enacting appropriations. These enactments represent the best judgment of the legislative branch as to the minimum amounts necessary to carry on the Government's activities. A general reduction cannot be made, therefore, without reducing items the Congress has specifically found necessary.

Second, it is impractical in method since the reductions would have to be made in programs accounting for only about 40 percent of all Federal expenditures. These programs are the so-called controllable items of expenditure in the budget. To cut 5 to 10 percent from total Federal expenditures, therefore, would, in fact, require slashes of 11 to 23 percent in these controllable Government programs. Such slashes obviously would have a very serious effect on the operation of the Government.

In fact, the proposal in Senate Joint Resolution 108 is disingenous and unfair, even though not intentionally so, because it presents to the American public the distinct impression that the cuts which the President is required to make are "moderate" in character, when in fact the resolution would force the President to make cuts that would be immoderate and extreme with respect to certain vital programs of the Government—cuts in these programs of a size that the Congress itself would certainly not want the American public to think it was imposing.

Third, it is unsound from the standpoint of national economic policy because heavy cuts in Federal expenditures and the resulting decline in public spending and investment at this time would add to the downward pressures now present in our economy.

Fourth, Senate Joint Resolution 108 does not provide for balancing the budget, nor does it meet the needs of sound Government economy or efficiency.

1. SENATE JOINT RESOLUTION 108 IS UNREALISTIC IN APPROACH

It is the responsibility and the obligation of the Congress to levy taxes and to make appropriations. This is the very center of government by the consent of the governed. There can be no abrogation of this responsibility to the Executive. For the Congress to give discretionary power to the Executive to either increase or reduce expenditures or appropriations is to jeopardize our constitutional system and to give away precious prerogatives of the legislative branch.

Senate Joint Resolution 108 clearly fails to recognize the hard facts of our postwar expenditures requirements.

For the past 3 years there has been a great deal of discussion in Congress about economy in Government. Advocates of budget slashing have promised reductions of from $2,000,000,000 to $12,000,000,000 annually. There has been considerable talk about "padded" budgets and budgets filled with "fat." The solution to these large expenditures, many have claimed, was not the paring knife but the meat ax.

Yet, while preaching economy the Congress has again and again raised the President's own budget requests. The Eightieth Congress last year, for example, raised appropriations for a number of programs including national defense and veterans' services and benefits above the President's budget recommendations. Most of these increases not only raised the budget for the fiscal year 1949 but have been reflected also in the budget for 1950.

While preaching a balanced budget the Eightieth Congress reduced taxes over the President's veto by $5,000,000,000. These and other actions have helped reverse the Government's financial position from a surplus of $8,400,000,000 for the fiscal year 1948 to a deficit of nearly $1,500,000,000 for the fiscal year 1949 and possibly more than three times that amount for the fiscal year 1950.

These facts demonstrate the folly of hasty and oversimplified approaches to the Federal budget. Events of the last 2 years have shown conclusively that the proposed budget expenditures have been realistic, and that the meat-ax approach has not worked—and cannot work.

The budget for the present year is no exception. For the past 6 months the Appropriations Committees of both Houses have been conducting an intensive review of the budget recommendations. The purpose of this review has been to determine the minimum amounts necessary to carry out the provisions of the laws. That determination has now been made by the House on all 10 regular 1950 appropriation bills and by the Senate on 7 bills. In passing these appropriations the Congress has reached its own independent judgment on the amounts necessary to carry out functions and programs.

The six appropriation bills which have been enacted by Congress represent a net increase in appropriations and other authorizations of $174,000,000 above the budget estimates. In addition, House action on the National Military Establishment appropriation bill has raised authorizations $531,000,000 above the budget estimates. The only material downward revision in the President's budget to date has been in the House action on the independent offices appropriation bill where a reduction of $735,000,000 was made. More than $500,000,000 of this, however, is a "paper" saving achieved by revising the estimates of the amounts required for pensions and veterans' readjustments benefits. In making this cut, however, the Appropriations Committee instructed the Veterans' Administration that it would entertain a deficiency

if the amount contained in the budget were required.

In addition to these major adjustments, hundreds of individual appropriations items have been altered to express the precise intent of Congress on the rate and level at which Federal programs are to be carried out. Now, after review and determination by the Congress of the specific necessity for each appropriation, Senate Joint Resolution 108 would completely repudiate these decisions. If this is to be the end result, the minority fails to see the reason for wasting the time of the Appropriations Committees in hearings and the Senate and House in debate, since this resolution would throw all this work into the discard.

The plain fact is that there is no painless way to cut the budget. It is not a matter of finding soft spots; the net effect of congressional action on the President's budget recommendations during the past 3 years has demonstrated again and again that there has been little padding of estimates. Cutting the budget is a matter of making judgments as to policy and programs along with defining what Government programs should be deferred and at what level going Federal programs should be financed.

But Senate Joint Resolution 108 is an attempt to avoid making those judgments. It would simply require the President to make the judgments for the Congress. Thus, Senate Joint Resolution 108 would permit the Congress to sidestep its responsibility. It would provide an easy and pleasant way to preach economy and at the same time to be on record as favoring all governmental services and benefits. It would place on the President the full burden not only of executing the laws of Congress as he is required to do, but of modifying and adjusting those laws, which is the proper responsibility of the legislative branch. It would leave the Congress free to criticize any reduction the President might have to make which proved unpopular in any particular district or State or to any particular group in our economy.

Through this device the Congress would be admitting, in effect, that it does not want to tell the farmer he should get less for soil-conservation practices or the veteran that he should receive poorer service in the hospital; it does not want to tell the people that their postal service should be reduced perhaps one delivery a day, or the local chamber of commerce that a local river and harbor improvement or airport should be postponed. The Congress could say that it had voted for higher expenditures for all of these, but the President would be required to make reductions of exactly this type.

The inconsistency of Senate Joint Resolution 108 with the Congress' action on appropriations is apparent. For example, last January, the President in his budget message stated that construction of the full number of 900 authorized veterans' hospitals would result in serious overbuilding and recommended rescissions in unused contract authorizations amounting to $237,000,000. The House has refused to enact this rescission.

During the current fiscal year, the Department of Agriculture was required to absorb $6,400,000 in pay increases enacted by the last session of Congress. In order to absorb this increase, the Department discontinued certain work projects and closed certain experiment stations. In reporting the 1950 appropriation bill, the House Appropriations Committee disapproved these actions and directed the Department to reopen the stations. Yet the $6,400,000 absorbed by the Department represented less than one-half of 1 percent of the total funds available to the Department. Under the provisions of Senate Joint Resolution 108, however, a 5-percent cut would require curtailment in agricultural programs amounting to $65,000,000 and a 10-percent cut—a curtailment totaling $130,000,000.

The claim has frequently been advanced that the Congress does not have the time or staff to review and adjust the budget. It is agreed that the Congress needs more staff. It then becomes the responsibility of the Congress to make available the necessary staff, not only for the Appropriations Committees but for all congressional committees. That may well be one of the answers to executive encroachment upon legislative policy. All too often the Congress must depend upon the expert guidance of the executive and administrative branch only because the Congress has not provided for adequate technical, professional, and investigatory staff for its standing committees.

Nevertheless, the Appropriations Committees have had time and staff in the last 6 months to hear testimony amounting so far to over 20,000 printed pages. Furthermore, the committees and the Congress have had enough information to make individual determinations on many hundreds of appropriation items, and have in fact altered the budget estimates in most cases. In the opinion of the minority, it is not staff and time alone that are lacking. The Congress has enough information and time to judge the necessity for appropriations. Senate Joint Resolution 108 is an attempt by the Congress to avoid the consequences of its own decisions.

In light of the fact that approximately an estimated $30,000,000,000 of appropriations are pending in the Appropriations Committees, and in respect to the constitutional responsibilities of the Congress to determine all appropriations, it is the opinion of the minority that whatever budget cuts or reductions in appropriations are to be made should be determined in the Appropriations Committees. The final responsibility for fiscal policy and budgetary matters rests with the Congress and can only be altered by Presidential veto. In the instance of a veto, the Congress, under the terms of the Constitution, still retains the power to declare the fiscal and budgetary policy of the Government.

It is, therefore, the considered opinion of the undersigned that this resolution presents an unrealistic approach to the reduction of Federal activities. The budget as submitted represented the President's best judgment of the minimum amounts required to carry on the Government's activities. The Congress has expressed its own judgment on these amounts by voting on appropriations. These actions represent decisions on the amounts necessary to conduct the Government's affairs; they reflect where and in what degree savings can properly be made. Cuts below the amount enacted in the appropriations bills would necessarily result in reducing or eliminating services that the President and the Congress have judged to be essential.

2. THE APPROACH RECOMMENDED IN SENATE JOINT RESOLUTION 108 IS IMPRACTICAL

It does not take account of the character and composition of the expenditure totals in the budget. The majority report recognizes that 60 percent of total expenditures in the 1950 budget represents fixed or relatively fixed expenditures over which the Congress and the President have little control, unless basic legislation is changed. Analysis of the fixed expenditures included in the 1950 budget furnishes convincing proof of the difficulty encountered in attempting to reduce expenditures by a flat percentage cut. These fixed charges generally represent two types of financial commitments facing the Federal Government in any fiscal year.

First is the commitment by the Government to pay off obligations for goods and services which it has already incurred under appropriations and contract authorizations enacted in prior years. In some instances, these goods and services are contracted for in a previous year, but are not actually delivered or rendered until the present year. In other instances, a lag occurs between one fiscal year when goods are received or services rendered and the following fiscal year when the Government is billed, vouchers audited, and checks written.

Second is the commitment which requires payment by the Federal Government of specified sums of money to citizens or to State and local governments eligible to receive such payments under specific provisions of existing law.

Summary of analysis by Bureau of the Budget[1] of estimated budget expenditures by type of commitment, fiscal year 1950

FIXED AND RELATIVELY FIXED EXPENDITURES

	Estimated 1950 expenditures (in millions)
1. Fixed charges:	
Interest on public debt	$5,450
Veterans' Administration (pensions, $2,111)	2,170
Railroad Retirement Board (annual indefinite)	716
Civil-service retirement and disability appropriated fund	328
All other	313
Total	8,977
2. Obligated balances of prior year appropriations:	
Economic cooperation: Foreign assistance	1,435
National Military Establishment:	
Army (Greek-Turk aid; Finance, Quartermaster, Transportation, Engineering, and Ordnance services)	1,154
Navy (maintenance, stock and working funds, aviation, aircraft construction, etc.)	731
Air Force (general expense; aircraft construction, etc.)	378
Civil functions (hospitals and domiciliary facilities; GARIOA)	453
Veterans' Administration: Salaries and expenses	112
Treasury Department: Strategic and critical materials	103
All other	2,181
Total	6,547
3. Appropriation to liquidate contract authorization	3,036
4. Veterans' Administration: Readjustment benefits	2,118
5. Authorizations to expend nonappropriated funds	1,332
6. Grants to States:	
Social Security Administration:	
Public assistance	988
Unemployment compensation	134
All other	201
Total	1,323
7. Public Works (AEC, Veterans' Hospital Reclamation, Corps of Engineers)	966
8. Appropriations for 1951 available in 1950 (grants and payments to States)	80
9. Unobligated balances of prior year appropriations (Army Quartermaster; Navy funds)	−86
Total fixed and relatively fixed expenditures	24,293

[1] Analysis of 1950 appropriations and estimated expenditures as per the 1950 budget, prepared by Bureau of the Budget, May 24, 1949.

Summary of analysis by Bureau of the Budget of estimated budget expenditures by type of commitment, fiscal year 1950—Continued

RELATIVELY CONTROLLABLE EXPENDITURES

	Estimated 1950 expenditures (in millions)
10. Proposed 1950 legislation not yet enacted:	
Universal training	$600
Other foreign aid	305
Military public works, special program, pay increase, etc.	366
Federal aid for education	290
All other	171
Total	1,732
11. Other relatively controllable expenditures:	
National Military Establishment (Air, $2,362; Army, $2,781; Navy, $2,912)	8,055
Relief (ERP, $3,050; Greek-Turk aid, $50)	3,100
National Military Establishment, civil functions, GARIOA	717
Veterans' Administration: Salaries and expenses	746
Department of Agriculture	599
Treasury Department (Bureau of Internal Revenue, $219; strategic materials, $172)	648
Department of State	202
Department of Commerce (CAA, $114)	215
Post Office Department, net (gross $408, less increase in rates, $250)	158
Department of Justice	124
Federal Works Agency: Public Buildings Administration	101
All other, classified	519
Not classified	649
Total	15,833
Total relatively controllable expenditures	17,565
Total estimated budget expenditures	[2] 41,858

[2] See table 1 of budget document for fiscal year ending June 30, 1950 (p. A4).

Testimony presented to the committee by the Bureau of the Budget showed that out of total estimated expenditures of $41,900,000,000 in 1950, $9,500,000,000 represented expenditures from obligated balances of appropriations and contract authorizations enacted by Congress in prior years. Virtually no control of these expenditures is possible, since Congress has already enacted the appropriations and contract authorizations and the Federal Government is clearly obligated to make cash payments for goods and services already contracted for or already received. Largest item in the category of obligated balances for the fiscal year 1950 is an estimated $1,400,000,000 to meet existing contractual obligations for goods ordered under the European recovery program which are yet to be delivered or are now in the process of delivery, but for which actual payment will not be made until this year.

These expenditures from obligations incurred against appropriations enacted in former years is a normal situation which occurs year after year in the budget. Between 80 and 90 percent of most annual appropriations are spent in the year in which they are enacted; the remainder, however, carries over for expenditure in the following 2 years.

For many large procurement programs in which there is a considerable time lag between the time contracts are let and goods actually delivered, the Congress enacts contract authorizations, rather than appropriations. These contract authorizations permit the Government to enter into contracts and make other contractual arrangements for airplanes, strategic and critical materials, and other items. When the goods are actually delivered, the Congress then enacts appropriations to permit liquidation of the contracts by actual payments. Included in the 1950 budget are estimated expenditures amounting to $3,000,000,000 to liquidate these prior contract authorizations.

Any discussion of cutting the budget in a given fiscal year, therefore, is unrealistic if it overlooks the fact that $9,500,000,000 of the expenditure total is required to pay for the Government's transactions in prior years.

In addition to the $9,500,000,000 representing expenditures from obligated balances of appropriations and contract authorizations enacted by Congress in prior years, there is the relatively "fixed" item of approximately $2,100,000,000 for readjustment benefits to veterans as authorized by congressional policy and as administered by the Veterans' Administration. A further summary of the analysis of the budget for the fiscal year 1950 reveals congressional authorization by prior Congresses to expend nonappropriated funds in the sum of approximately $1,330,000,000. These are items which according to the testimony before the Committee on Expenditures in executive departments were recognized as being obligations on the part of the Government due to former congressional action.

The second type of financial commitment which generally represents a "fixed" or relatively fixed charge in the budget includes specific payments required by law, such as interest on the debt, veterans' pensions, grants to States and readjustment benefits for veterans.

Under the various grants-in-aid programs enacted over many years, the Federal Government makes payments to States on a matching basis, generally according to a formula. The amount of Federal expenditures in any one year, therefore, depends upon the level and rate at which the States elect to conduct their programs. Unless the laws specifying the formula by which the Federal Government will match State and local funds are changed by Congress, it is not possible to alter in any significant degree the amount of expenditures in any one year. Approximately $1,300,000,000 in expenditure has been estimated for grants to States out of 1950 appropriations, the largest item being near $1,000,000,000 for public-assistance grants for the needy, aged, dependent children, and blind.

Budget Bureau testimony before the committee also listed $8,900,000,000 in other "fixed" charges. Largest item was interest on the public debt amounting to $5,450,000,000 and veterans pensions totaling $2,100,000,000. Another large item is a Budget expenditure of $716,000,000 which represents the payment by the Treasury of money received from railroad employees and the railroads from the Treasury's general fund into a special railroad retirement fund. In this instance, the Federal Government is functioning as the banker in administering the Railroad Retirement Act, and the President has no discretion under the law in curtailing or diverting the appropriations and expenditure of these funds out of the Treasury receipts into the retirement fund.

These fixed charges amount to $24,300,000,000 of the $41,900,000,000 total. The report conceded that little of the reduction can come from these fixed charges in the fiscal year 1950 and most of the cuts therefore must be made in the $17,600,000,000 of "controllable" items.

The majority report states that on the basis of present outlook "approximately a $3,000,000,000 reduction or 7.2 percent of total estimated expenditures of $41,900,000,000 must be made to bring these expenditures within estimated revenues for the fiscal year 1950." To achieve a reduction of $3,000,000,000 or 7.2 percent of total expenditures would require a reduction of 17 percent in the so-called controllable items.

Since it would be necessary to assess the entire cut against only about 40 percent of the total budget, Senate Joint Resolution 108, therefore, represents not a 5-percent cut in Government programs, but, in fact, a 17-percent cut.

"Controllable" items are those items over which the Congress and the President can, without change in basic law, exercise discretion and decision as to the rate and level at which programs shall be carried out. The amount of funds provided in effect dictates the level or amount of Government services provided. Through the enactment of appropriations it is thus possible to specify what the level of our armed strength will be, what degree of medical service will be provided in veterans' hospitals, how rigid or how lax will be the administration of wage-hour laws and how extensive will be the programs of the Forest Service, the Federal Bureau of Investigation, the Foreign Service, and many other Government programs.

In presenting his budget recommendations, the President thus not only includes estimates of appropriations and expenditures required to meet the fixed obligations discussed above, but he transmits what, in his judgment, represents the proper rate and level at which Government services should be rendered to carry out all the other laws effectively. Congress, through its review of these recommendations and its enactment of appropriations, makes the final determination on these matters.

In discussing the composition of the "controllable" $17,600,000,000 in expenditures, the majority report points out that $1,700,000,000 of this total represents proposed new legislation and states that "if the Congress fails to enact such legislation this amount becomes a reduction without further effort." Use of such reasoning at this time to show economy is fallacious, since the committee assumes that no new legislation will be enacted by this session of Congress. But it is apparent that the Congress is likely to enact such essential measures as aid to education, military public works, an increase in military pay, and those items for foreign aid contained in the budget. Yet these four programs alone total nearly a billion dollars, or almost 60 percent, of the possible savings on new legislation which the committee cites.

Furthermore, the committee has failed to take account of possible changes in the expenditure estimates since last January. In arriving at a reduction estimate of $3,000,000,000, it has assumed that expenditures will remain the same, but that receipts will be $2,100,000,000 less than originally estimated in the budget.

If the purpose of Senate Joint Resolution 108 is to balance the budget, a realistic appraisal of the expenditure outlook is necessary. Such an appraisal is not possible at this time, since Congress is still enacting legislation and appropriations which will significantly affect expenditures. The original budget expenditure total was based on the assumption of new postal rate increases which would lower the postal deficit by $250,000,000. This legislation is not enacted. On the other hand, the 1950 budget expenditure total did not include estimated expenditures for the proposed military assistance program.

The majority report itself indicates one significant change in estimated expenditures for 1950 when it states that price support activities of the Commodity Credit Corporation will require net expenditures of about $1,000,000,000 in the fiscal year 1950. This is nearly $500,000,000 higher than the amount estimated in the January budget. In addition, it is evident that expenditures for veterans' readjustment benefit for 1950 will be

higher than were estimated last January. Thus, if the purpose of Senate Joint Resolution 108 is actually to balance the budget, higher expenditure forecasts for various fixed charges will mean even greater cuts in the controllable items.

The majority report ignores the real impact of cutting the $17,600,000,000 listed as "controllable." More than $13,100,000,000 or 74 percent of the total is required for national defense and international programs. To reduce expenditures by $3,000,000,000 would require drastic cuts, perhaps more than $2,000,000,000, in our national security programs. This would mean significant changes in the level of military strength and basic alterations in our foreign policy. These are not matters which should be delegated by the Congress to the President.

Savings elsewhere would require the curtailment of many essential services and benefits. Outside the national security programs, the largest items are $746,000,000 for salaries and expenses of the Veterans' Administration and $259,000,000 for conservation and use payments to farmers.

A 17-percent cut in the Veterans' Administration could mean serious delays in the processing of claims for compensation, retard the payment of dividends from the insurance fund, and lower the level of care for veterans in hospitals. It would mean interference with agreements with individual farmers throughout the Nation for conservation payments. The 1940 Appropriation Act contained language committing the Government to a conservation and use program amounting to $262,500,000 during the fiscal year 1950. On the basis of that authorization many farmers have already purchased lime and fertilizer and contracted for terraces and other flood-control and conservation measures.

Other examples of so-called controlled items against which a 17-percent cut could be made include the national school-lunch program, the Soil Conservation Service, the Public Health Service, the provision of air navigation facilities by the Civil Aeronautics Administration, the Bureau of Internal Revenue, and many others.

Advocates of reduced Federal expenditures frequently claim that it is possible for agencies to absorb a 5- or 10-percent reduction in personnel and other administrative funds without impairing existing services. Yet costs of Federal employment represented in the budget total of $41,900,000,000 amount to around $5,000,000,000, or about 12 percent.

More than half this total, or nearly $2,800,000,000 will be required to pay the estimated 925,000 civilian workers in the National Military Establishment during the fiscal year 1950. These workers provide essential support at navy yards and arsenals and in offices for the men in uniform. It would be short-sighted economy, to maintain large standing forces and at the same time drastically, without serious and careful study, reduce the normal civilian support required to maintain these forces. The net effect of such action would be to divert men in training into essentially civilian or housekeeping jobs at posts and other installations.

The appropriations for the National Military Establishment should be controlled and determined by the Congress and not left to the discretion of the President. If a reduction in the size of the armed forces is to be the policy of the Government, that policy should be decided by the representatives of the people in the Congress and not delegated to the Executive. This is not to say that reductions in civilian personnel or military personnel cannot or should not be made. It is the considered judgment of the minority that this is a policy decision which well belongs to the Congress. Possibly no single agency of Government should be under more direct supervision of the Congress than the National Military Establishment.

Pay rolls in the Veterans' Administration will amount to nearly $600,000,000 in 1950 for an estimated 180,000 employees. More than 60 percent of these employees are in the medical program of the Veterans' Administration as doctors, nurses, hospital attendants, and administrative employees in hospitals. All testimony to date has revealed that there is a shortage of medical personnel, not an abundance or oversupply. The needs of the veterans' hospitals are greater than the available professional personnel. Percentage reductions in the administrative costs of the Veterans' Administration would of necessity be reflected in the level of medical service and care provided veterans.

Actually, more than 75 percent of the Federal employees are employed by the National Military Establishment, the Post Office, and the Veterans' Administration. If all the rest of the Government were shut down completely, some 500,000 employees could be discharged, at an annual saving of about $1,700,000,000 in personnel costs. To make any substantial reduction in the Federal pay roll, therefore, would require that the Congress reduce or eliminate programs it has enacted into law.

Furthermore, reduction in administrative funds is in most instances a costly and short-sighted approach to Government economy. Loss of adequate supervision, investigative, and other personnel frequently leads to less efficiency in administering programs and therefore higher program costs. The Senate has just voted unanimously to insist on expanding the staff of the Bureau of Internal Revenue for exactly this reason.

These examples could be multiplied indefinitely. The inescapable conclusion is that it would be thoroughly unwise to enact a measure which would require heavy cuts in programs which the Congress has, after due deliberation, enacted into law.

Furthermore, within the past 6 months the Commission on Organization of the Executive Branch of the Government has published reports which pointed the way for improvements in the organization and management of the executive branch. On June 20 the President signed the Reorganization Act of 1949 under which he is authorized to submit reorganization plans, many of which would carry out the recommendations of the Hoover Commission. Under this act the President has already transmitted seven reorganization plans to Congress. In addition to these plans, the Congress has already enacted the Federal Property and Administrative Services Act which streamlines procurement and property administration and an act strengthening the authority of the Secretary of State by providing him with additional assistance in the conduct of foreign affairs.

All of these are steps to improve the organization, tighten the administration, and promote increased efficiency and economy. Various estimates of savings possible under recommendations of the Hoover Commission have been discussed. While the exact amount of eventual savings cannot be determined at this time, it would again be short-sighted economy to apply flat percentage cuts not only to essential Government services but also to their administration before the recommendations of the Hoover Commission have become law and we have had an opportunity to measure their value.

3. SENATE JOINT RESOLUTION 108 REPRESENTS UNSOUND ECONOMIC POLICY

The proposal of the majority in Senate Joint Resolution 108 does not provide for a balanced budget; it merely directs the Executive to reduce expenditures in not less than 5 percent and not more than 10 percent of the total amount authorized for expenditure in the budget for the fiscal year 1950. It further directs the President that there shall be no reduction of expenditures which shall have the effect of reduction by more than 20 percent of the estimated expenditures by any agency from appropriations and funds made available prior to the expiration of the first regular session of the Eighty-first Congress. On the basis of the facts and figures submitted in the majority report, these percentage cuts will not provide a balanced budget. At best, such proposed expenditure reductions would merely reduce the deficit without regard of the effect upon the program or policy of the Congress.

The majority has failed to enunciate the policy of the balanced budget in its declaration of purpose. It has, however, recognized the fact of "the lower levels of business activity." In pointing out the elements of recession and lower business activity, the majority has not made a policy declaration as to what are the responsibilities of the Federal Government or what would be the effect of sharply reduced governmental expenditures upon an already receding economy.

A major weakness of the majority resolution and the report thereto lies in its failure to analyze the effect of the resolution, first, upon Government services and programs; and second, its effect upon business activity and the economic life of the Nation.

Large over-all cuts in Federal expenditures would add to downward pressures now present in the economy, and would have a seriously detrimental effect upon the state of the economy.

In January, when the 1950 budget was transmitted, the President pointed out that although he had held proposed expenditures to what he felt was a minimum, revenues were expected to fall somewhat short of expenditures, as a result of the tax-reduction bill passed by the Eightieth Congress. He therefore recommended new revenue legislation to balance the budget, act as an inflationary brake, and permit some reduction of the public debt.

Because of the decline in production, employment, and certain prices during recent months, the majority of the committee is of the opinion that action on new additional tax laws should now be delayed. In this the minority does concur.

It does not logically follow, however, that expenditures should therefore be drastically reduced in an attempt to balance the budget. A large reduction in Federal expenditures at the present time could add to the downward pressure in the economy. This is the considered judgment of the President's Council of Economic Advisers.

The fact that the Federal budget today amounts to roughly 20 percent of the national income is itself a major element of strength in our economic system. Payments to farmers, Federal civilian, and military pay rolls, Government purchases of all types of commodities from business and industry throughout the country, and many other types of expenditures act as major supports to business activity and consumer purchasing power. In a time of economic uncertainty, there is an understandable tendency for businessmen to cut down their investments and consumers to hold back their purchases with the hope of lower prices. The Federal Government should not, however, help initiate a deflationary spiral by acting as though it were another private citizen nervously cutting its investment or holding off essential purchases.

In the inflationary period which followed the war it was sound economic policy for the Federal Government to hold down its expenditures in order to avoid competing with private industry for scarce materials and labor. In a period when business activity is declining and when shortages have disappeared, the Government should not add to the waste involved in idle manpower by curtailing long-overdue projects and reducing expenditures below the level of a minimum program adopted in a period of inflation. At

the very least, we should hold to the over-all expenditure program which the President presented in January as a minimum budget.

It is the responsibility of the Congress to evaluate the expenditure items and to make the necessary appropriations for the programs and projects which the Congress has deemed wise and prudent through legislative policy. This is not to say that reductions cannot be made in such items as the Military Establishment or reductions in line with the reduced cost of materials and services which are required in our foreign-aid program. Reductions consistent with lower prices on goods and services in no way jeopardize or alter congressional policy, nor do they limit the extent and coverage of needed services and assistance.

The possibility of effecting substantial economies in expenditures for the Military Establishment by the centralization and/or consolidation and elimination of duplicating services, such as purchasing, supply, paymaster, accounting, legal, ordnance, intelligence, medical, and hospital, for the Army, Navy, Marine Corps, and Coast Guard, are highly commendable. Such reorganization and consolidation for a more efficient establishment can be evolved without jeopardizing the presently assigned functions of the combat services. Expenditure reduction in one agency, however, deemed advisable on the basis of efficiency and the elimination of duplication and waste, does not justify over-all percentage expenditure cuts in all agencies for projects and services vitally needed and essential to an expanding economy and a growing population. It is the responsibility of the Congress to legislate not only in terms of essential Government services, but also in light of the economic facts as reported by the research and statistical facilities of the Congress and the executive department. Government policy does and should affect the economic situation.

For example, we are now confronted with an over-all decline in private construction compared with last year. The construction program of local, State, and Federal Governments can, therefore, increase without imposing any strain on the economy by using up the slack contributed by the decline in private activity. For the Federal Government to slash its public-works expenditures now would simply contribute to the downturn of construction activity.

Similarly, we are undertaking a great program of economic assistance to the governments of western Europe. We are furnishing them with the dollars to rebuild their economies by purchasing essential goods and services. The greater proportion of their purchases are made in our own markets. To drastically curtail these programs now would not only have disastrous effects on our foreign-policy objectives, but would sharply reduce foreign purchases of American goods. The results would fall on American farmers and businessmen already facing a decline in domestic demand for their products.

There are many other examples. An over-all cut applied to the whole budget would, in fact, be a substantial cut applied to only 40 percent of the budget. And, in this smaller percentage are most of the Federal programs which contribute most directly to our economic development and growth and to the economic security of our people. Not only would these cuts curtail direct Federal spending for the products of our farmers and manufacturers but they would result in deferment of long-range projects—dams, conservation programs, flood control, and many others—which should not be delayed if we are to have the basic resource developments so essential to a growing economy.

In whatever part of the Federal budget the cuts are made—in agricultural programs, investments in flood control and reclamation, national defense, international aid, or any other major category—action of the type proposed in Senate Joint Resolution 108 would clearly tend to increase the economic downturn and to weaken the long-run supports for an expanding economy.

It is not sound fiscal or budget policy to subscribe to an action by the Government which would be clearly harmful in the present economic situation.

A deep concern over a possible business decline has been manifested in the Congress by the introduction of a series of bills to provide for a greatly expanded public-works program and further extension of Government assistance in credit, loans, and grants. These legislative proposals have been advanced by the representatives of both political parties, and in many instances have been sponsored or cosponsored by some of those who are now urging the adoption of Senate Joint Reslution 108. In sharp contrast to the objectives of Senate Joint Resolution 108, these proposals contemplate increased expenditure authorizations and appropriations.

4. ECONOMY-EFFICIENCY—A CONSTRUCTIVE APPROACH

The preceding observations are not to be interpreted in any way as underwriting waste or inefficiency. Waste and inefficiency in any form are indefensible. It is for that reason that the minority favors the basic recommendations of the Commission on Organization of the Executive Branch of the Government, commonly known as the Hoover Commission. The minority recommends to the Senate a careful consideration of the scientific findings of this Commission as the most effective means of meeting the long-run problem of efficient use of Government expenditures. The recommendations of the Commission on Organization of the Executive Branch of the Government offer the practical manner and the constructive means of promoting sound economy and efficient administration than over-all budget cuts as proposed in Senate Joint Resolution 108, which would be made without adequate study and without due consideration to essential Government services. This is at best a haphazard measure. It further represents an abrogation of the constitutional responsibilities of the Congress.

The biggest business in the world—the Government of the United States—can no longer be managed with the political instruments of the eighteenth and nineteenth centuries. Government in the United States is no longer a simple thing that can be left to political chance and mediocre administration. A twentieth-century economy propelled by the boundless energy of mass-production industry and constantly accelerated with new advances in the field of science cannot be managed or regulated with the mechanisms of an unplanned, unrelated administrative establishment. The need for governmental reform and organization is imperative. It is a matter of sound economics and literally life or death for American political and economic survival. When 20 percent of the national income is utilized by the Federal Government, it is time to take stock of the means and methods which are employed in the use and expenditure of such a vast sum.

We must provide essential services for our own citizens, but the cost of our Government is running perilously high. Our task is to obtain the maximum use and production use of every budget dollar. Economy in government does not necessarily mean spending less. It basically means obtaining the most that is humanly possible out of every dollar committed to public service. The question of economy in government could well be stated not in terms of dollar appropriations, but in the use of those appropriations. The effective use of public revenues is directly concerned with proper organization of administration. Modern tools of government are no longer matters of academic theory. They are absolute essentials if we are to continue our program of social welfare, public improvement, and international leadership.

It is for these reasons that the undersigned strongly supports the basic recommendations of the Commission on Reorganization, commonly known as the Hoover Commission. This is not a partisan issue. It is not one of mere dollars or of the number of Government employees. It is an issue that runs deep into the very survival of free government and a free economy. Either we learn how to manage government, or the bigness of government will overwhelm us. Either we learn how to properly utilize the vast sums of public revenues and how to appropriately control and manage their use, or we will bleed our economy into an impoverished condition.

CONCLUSION

The minority believes as strongly as does the majority of this committee in the principle of a balanced Federal budget and an orderly reduction of the Federal debt. The realization of a balanced budget and a substantial reduction in the Federal debt was made impossible by the tax-reduction legislation of the Eightieth Congress. A balanced budget is not an end in itself. There are times when deficit financing is needed and inevitable. This was true during the war years as well as during the period of depression and the immediate prewar years. Present requirements for our national defense and foreign aid have placed tremendous burdens upon the American taxpayer. These expenditures may well be considered a part of the war program and a justifiable contribution to the achievement of stability and peace in the world.

Substantial reductions in Government spending can and should be made when it will not jeopardize our security or our foreign policy or threaten the stability of our economy. The task before the American people and their representatives in Congress and the executive departments is to secure and maintain a level of economic activity so high that it will produce revenues sufficient to cover the cost of those programs which the Congress considers essential and which in addition will provide a surplus for debt retirement.

Unemployment, falling production, and sharp breaks in the market do not provide an economic climate conducive to balanced budgets or an expanding economy. The goal of a balanced budget may not be obtainable in any single year. It certainly cannot be achieved by the defeatist method of sharply reducing Federal expenditures without regard to the consequences of such a policy in a period of declining business activity. Such a course will only deepen and prolong the business decline. The result will indubitably mean lower revenues and a greater deficit in the Federal budget. This observation is, of course, predicated on the assumption that the United States Government will not relax its efforts toward European recovery and toward the attainment of a stable and peaceful world. The cost of such a program obviously is great. The cost of failure is incalculable.

It is the opinion of the minority that the Government should go forward with all essential programs dedicated toward strengthening our own economy and directed toward rehabilitation and recovery on the international scene. Furthermore, it is considered wise and prudent public policy on the part of the minority that the Government undertake additional measures which may prove necessary to restore our economy to the high levels of production which will resume the upward course of economic activity. For these reasons the minority strongly recommends against the passage of Senate Joint Resolution 108.

HUBERT H. HUMPHREY.

Mr. McCLELLAN. Mr. President, I yield 10 minutes to the senior Senator from Ohio [Mr. TAFT].

The VICE PRESIDENT. The senior Senator from Ohio is recognized for 10 minutes.

Mr. TAFT. Mr. President, in the first place, I completely deny the figures and the conclusions of the distinguished Senator from Minnesota, as to what appropriations can be reduced. As a matter of fact, the only nontouchable items, so to speak, that I can find in the budget are the interest on the public debt and veterans' pensions, amounting approximately to from $10,000,000,000 to $12,000,000,000 instead of $24,000,000,000. The difference arises largely from the fact that the Senator has included obligated balances of prior-year appropriations. Of course, Mr. President, we cannot stop spending money we have already spent and contracted for. But such items are balanced by other money which is appropriated for expenditure this year, the actual expenditure of which will carry over until 1950. So those items, of course, can be cut. While the immediate effect may not be had on this year's budget, it is within the scope of the amendment and such cuts can be made, in accordance with the amendment out of, I figure, at least $27,000,000,000 of the total of $42,000,000,000, instead of out of some $17,000,000,000, as calculated by the distinguished Senator from Minnesota.

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

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Louisiana?

Mr. TAFT. I regret I have not the time. My time is so short that I can but decline.

So I question the very basis of the argument of the distinguished Senator from Minnesota.

Mr. President, there is no greater burden on the people of the United States than the burden of taxation which exists today and which threaten steadily to increase. There is no way in which to reduce that burden of taxation except to reduce the burden of expenditures. I know of no one who advocates a deficit-spending policy. If we want to reduce the burden of taxation, if we want to keep that burden from increasing, we have no other sound way, no other possible way, except to reduce expenditures.

Mr. President, what is this burden of taxation today? The President estimates, I think a burden of expenditures of $42,000,000,000, which has been increased by supplemental estimates. The total taxes which he says are necessary in order to balance the budget are $46,000,000,000 of taxes during the current fiscal year. When we add to the $46,000,000,000 the $15,000,000,000 for State and local taxes, we have a total of $61,000,000,000, which is the present burden of taxation on the people of the United States, out of a total income estimated today at $222,000,000,000. In other words, the present burden of taxation, if it equalled the expenditures which are now contemplated, would be 27 percent of the entire national income. When we add to that the other expenditures which the President has recommended, $6,000,000,000 for compulsory health insurance, an indefinite sum to carry out the Brannan plan, $4,000,000,000 for UMT, which I think has been perhaps abandoned, we can rapidly build up to a point at which taxes will take more than 33 percent, or a third of the total national income.

I do not know how far we can go and still maintain a system of free enterprise. What we are concerned about is to keep our production high and to maintain full employment. How can we do it? Only by a free economy; only by a system based on incentive, and adequate rewards to those who are willing to invest their money, time, effort, genius, and daring in expanding American industries. We cannot stand still. We must constantly add new plants, enlarge the use of machinery, and increase the productivity of the plants, if we are going to maintain full employment in the United States. We cannot go back. Our system has been much more successful than has any socialistic system in the history of the world. It has made this country the greatest country on earth. It is necessary to increase and to expand.

It is questionable whether we have now any sources of new investment funds, outside the profits of corporations. The flow of new investment money which investors are willing to put into the expansion of industry has become a mere trickle. Why? Partly because there is a 38-percent tax on corporate profits. The Government takes 38 percent of a corporation's profits. There is also a gradually increasing rate on all individual incomes. So it is far more profitable for a person to take a low fixed income than to run the risk of investing large sums in business, because if he wins, the Government takes most of his profit, and if he loses, he loses his own money.

We are already in a very serious economic situation, and unless we can reduce expenditures of government there will come a time when we cannot maintain our system of free enterprise. I do not know just where that point is, but it is perfectly obvious that as business becomes unprofitable, if railroads, for example, should get into a bad situation, there will be immediate excuse for the Government to take over. The moment the Government does that, we gradually add to the burden. Every industry which the British Government has taken over is a new loss to the British Treasury, and, at the same time, there is a much narrower basis of taxation. There is a greater burden imposed on all private businesses. There is a point at which free enterprise must go on a downward path. This is an easy way to reach a socialistic state; probably it is easier than any other way, because we do not see what is coming. We are forced into it by tremendous expenditures. If we cannot find a way to stop it we cannot maintain our American economy. As long as we give $7,000,000,000 to Europe, we are going to add $7,000,000,000 as an additional burden on our own productivity.

There is nothing more important than is the reducing of expenses. Congress has done a good job on the military bill, but there is a perfectly logical reason to let the President do more of it. No one can go into a business enterprise and tell the management they have got to save here or there. He cannot know enough about it to know how they should save the money. In government no appropriations committee can do a complete job of anything. The Appropriations Committee can reduce funds to what it considers a point of safety, but it cannot feel sure about going further. It might be destroying a department's effective work. Only the department itself can make the additional saving necessary over what Congress has done.

It is a perfectly logical proposal that we tell the President, "You must cut 5 or 10 percent from this appropriation." There is not a department of the Government that cannot operate just as effectively with 10 percent fewer employees. That has been accomplished in the Army. The Appropriations Committee has given Mr. Johnson the power to rescind $433,000,000 of the appropriation. There is nothing new or unconstitutional in the theory of giving the President reasonable discretion as to how he should spend money. We have given him $100,000,000 for his discretionary fund. He can spend it all or he can spend none of it. There is nothing unconstitutional in such a procedure. There are many appropriations which the President can reduce. Reductions were made by him in the expenditures for public works 3 or 4 years ago. I think it is a perfectly logical and constitutional method of providing some additional cuts over what Congress itself can make.

So, Mr. President, I urge very strongly that the Senate add this provision to the bill. I think with this provision and with the cuts we have made in ECA appropriations and appropriations for the armed forces, we shall come very close to a balanced budget next year. I still think the present burden of taxation is dangerous. If ECA appropriations are reduced, as I think they will be in time, and we can reduce appropriations for the armed forces, we can probably readjust the tax system to the encouragement of all industry.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. LANGER. Mr. President, I ask unanimous consent that the Senator may have one more minute so that I can ask him one question.

Mr. McCLELLAN. Mr. President, I yield 3 minutes to the Senator from Indiana [Mr. CAPEHART].

The PRESIDING OFFICER. The Senator from Indiana is recognized for 3 minutes.

Mr. CAPEHART. Mr. President, I have been talking all year on the importance of reducing expenditures and of a balanced budget. I can agree with the school of thought which takes the position that the responsibility of reducing expenditures belongs to the Congress. I think we should have had the courage to reduce expenditures and to reduce the amounts in appropriation bills, but we did not have the courage to do it; at least,

we did not do it. Therefore I shall vote for this amendment, because I think it will accomplish what I think should be accomplished, namely, that we shall eventually have a balanced budget. I do not believe this cut will anywhere near balance the budget, but it will go a long way toward balancing it. As a matter of practice, the idea of asking the President of the United States to reduce appropriations, in my opinion, is a good business practice, because the President of the United States should be in a position to know where he can cut without hurting his administration or without hurting departments. If it were a business matter, and I were the president of a corporation, I would rather welcome the idea of being able to cut where I felt I could cut without reducing efficiency, rather than having the board of directors do the cutting. I see nothing wrong with this method. I think it is the only method we have of reducing expenses at this late date. I think expenses should be reduced. I think they must be reduced. I can think of nothing more fatal than for our Government to go on, year in and year out, spending more money than it takes in.

This is one method of reducing expenditures. In my opinion, it is an effective method of doing it. If the President will accept it in the spirit in which we are offering it to him, I think he will go over his different departments, the appropriations, and the budget, call in his administrators, his Cabinet members, and those who are responsible for the expenditure of funds appropriated by Congress, and they will find that it is very simple and very easy to reduce expenditures anywhere from 5 to 10 percent. I do not think the adoption of the amendment would work a hardship on the President.

I do not agree with the able Senator from Arizona [Mr. McFARLAND] that it is against the Constitution. I do not think it violates any law. As I said a moment ago, I think in the business world it is a very common practice, and one which is effective, one which is often used and often followed.

I again wish to say that I do not care whether we spend $50,000,000,000 a year, or sixty or seventy billion, if we are spending no more than we take in by way of taxes, provided, of course, the taxes are not a burden on the people, that they are fair and equitable, and are such that they encourage private capital and encourage incentive capital. I hope to live to see the day when our people will have an income of $400,000,000,000 a year, and when the Government might well spend fifty or sixty billion a year, if it is spent on a sound basis, and if we are not spending more than we are taking in, if it is on a basis under which one can have confidence in Government bonds and confidence in our money. If we keep going on year in and year out piling up the debt by way of deficit spending, spending more than we take in, I cannot possibly see but that the day will come when we will get into trouble. I am confident that will be the result, because I do not subscribe to the theory that it does not make any difference how big the debt is, since we owe the money to ourselves. That is not true.

Mr. President, I shall vote for the pending amendment, because I believe it will be in the best interest of the people of the Nation and in the best interest of our own Government.

The PRESIDING OFFICER (Mr. LONG in the chair). The time of the Senator has expired.

Mr. McCLELLAN. Mr. President, I yield 3 minutes to the Senator from Mississippi [Mr. STENNIS].

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 3 minutes.

Mr. McCLELLAN. Mr. President, I wish to announce that after the Senator from Mississippi concludes, I shall not wish to use any more time at the moment.

Mr. STENNIS. Mr. President, some weeks ago, in a brief speech, I announced my interest in and apprehension regarding our deliberate deficit spending in times of prosperity. I denominated it as a "political sin." I said at that time, and I still think, that what we appropriate is primarily a legislative problem, and that we ourselves ought to reduce the appropriations and make them come within the reasonably anticipated revenues for the fiscal years. But as a practical matter and as a second choice I am going to vote for the McClellan amendment.

Mr. President, I think we are confronted with one of the most serious problems that confronts any nation in the world, because our whole domestic program, and our whole national defense program, depend upon whether or not we are going to have reasonably sound financing in times of relative prosperity.

I think the executive branch of the Government has done fine work in reducing the figures of the amounts required to carry on the military department of the Government. I think they deserve much credit for getting the appropriations for the military departments reduced to what they are. As a second choice, I believe they can further aid the situation and help us extricate ourselves from a situation in which we are faced with a probable deficit of more than $5,000,000,000.

I think that upon the course we take with reference to the matter before us not only depends the amount of money involved, but the attitude of the American people, because if we do not put our own house in order, what about the young people who are coming along, getting their ideas as to sound financing, and their ideas of thrift? What can we expect from them?

I think the whole program of national defense, the whole program of our internal improvements—social security, rivers and harbors, flood control, funds for veterans, and every other kind of Government activity—depends upon whether or not we really follow common sense in getting our fiscal affairs in order. It is up to us to meet the situation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. I yield 3 minutes to the Senator from Florida [Mr. HOLLAND].

Mr. HOLLAND. Mr. President, I strongly support the pending amendment, since it presents the only way by which we can now carry out our clear obligations to reduce the expenditures of the Government. The amendment presents no new problem. Such a proposal has been pending ever since the war, and Congress has been striving zealously to find the real way to meet the problem.

The report on the reorganization of Congress, made in the Seventy-ninth Congress on March 4, 1946, contained the recommendations of the joint committee with reference to the adoption of an annual Federal budget, and with reference to what would happen after a budget was adopted by the Congress in the event total appropriations proved to be more than the budget or the ability of the Government to pay without creating a deficit. I read from that report:

> Should total appropriations later be found to have exceeded the total budget figure as set by the Congress, all appropriations except permanent appropriations and those for servicing the public debt, for veterans' pensions and benefits and trust expenditures, would be automatically reduced accordingly by a uniform percentage designed to bring total appropriations within the over-all limit previously fixed.

Mr. President, that drastic reduction which would have been uniform in all cases, was much more drastic than what is presented to us now. I call attention to the fact that that recommendation was made by a strong joint committee of both Houses of Congress, acting after long and painstaking study.

Out of the 16 former wartime Governors serving in this body, I am very sure not one will be found who did not find it necessary to conform the budget of his State to the wartime conditions and to adopt methods of saving much more drastic than the choice presented in the particular amendment now pending.

It is no hardship on the Executive; it is, instead, a boon to the Executive to enable him to claim that he has the approval and the mandate of the Congress, representing the people of the Nation, to make a reduction. It stands as his justification for making those cuts which will enable our financial picture to be kept strong.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. LUCAS. I yield 15 minutes to the Senator from Nebraska [Mr. WHERRY].

Mr. WHERRY. Mr. President, I ask unanimous consent that at the conclusion of my remarks there be printed in the RECORD the names of the Members of the Senate who signed the resolution asking for a 10-percent cut in all the appropriation bills. Sixty-three Senators signed the resolution, and I should like to have the names appear at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. DONNELL. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I cannot yield; I am very sorry.

Mr. President, I now desire to sum up the situation before the Senate.

There are three avenues open to us in balancing the budget. The first is by an increase in taxation. Senators know how popular that is. We all desire new projects, but do not want an increase in taxes.

The second avenue is a resort to deficit spending in peacetime. That is what we have been doing for the past 16 years, with the single exception of a brief time, namely, during the Eightieth Congress.

Mr. President, if we continue deficit spending, it will break this country. If it is right to continue deficit spending, why is not a substantial budget of a hundred billion dollars brought in, if that is the way to operate the country?

The third avenue is to cut the costs of government. The Joint Committee on Internal Revenue Taxation discloses that expenditures for the fiscal year 1950 will exceed forty-one and nine-tenths billion dollars, whereas the estimated revenue for the fiscal year 1950 will be between thirty-eight and thirty-nine billion dollars.

Taking the figures of 3 months ago, last May, we must conclude that the estimated revenue of thirty-eight or thirty-nine million dollars certainly will not show an increase, but if anything will show a decrease, so that the three-billion-dollar deficit arrived at in May now shows an increase. According to the chairman of the House Committee on Ways and Means, Mr. DOUGHTON, the expenditure budget will exceed the receipts by $5,000,000,000 in the fiscal year 1950.

Members of the Senate, there is just one sound, sensible thing to do, that is cut the cost of government. That is what I have attempted to do. I have made countless motions to reduce appropriations in committee. I have supported every move, with the exception of the item of steam plants, to cut appropriations on the floor of the Senate. I supported the proposal for steam plants because I think once a policy is authorized it is unfair to sabotage the authorization by declining one red cent of appropriation.

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

Mr. WHERRY. I cannot do so at this time. I am sorry.

Mr. President, I have supported every motion to recommit appropriation bills.

I have supported every motion to reduce appropriation bills by 5 or 10 percent, with the exception of one, and that is the civil-functions bill. A motion was made to cut the civil-functions bill 40 percent. Every Member of the Senate knows how ridiculous it would be to cut that bill 40 percent. Such a cut would simply sabotage the construction work necessary to be completed.

But I remind Senators that I did vote for a 10-percent cut in the civil functions appropriation bill, and I believe such a cut in that bill would mean more to me than it would mean to most Senators.

So, Mr. President, I have been consistent. I say to the Members of the Senate that I believe there should be a real cut in expenditures. Since the committee did not do that, the Senate can do it now. This is the last opportunity for the Senate to direct and authorize the President to do the thing which we in the Senate have not done.

Oh, yes, there have been some who have talked economy, but who did not vote for economy.

Now we hear the strangest argument being made, which is that the so-called McClellan amendment should not be agreed to because it would be an abdication of the powers of Congress. The argument is being made by the very ones who have wanted to increase the authorizations by billions and billions of dollars.

Mr. President, the argument has a very hollow sound, in view of bills such as those which have been introduced by Representative SPENCE, by the Senator from Montana [Mr. MURRAY], and the Brannan farm bill, which together would give the President absolute power, I believe, to control, in a social welfare state, all business, all agriculture, and everyone else. Oh, how strange the argument is which is now being made by some who do not want cuts to be made.

Yes, Mr. President, there are those who talk economy, but they do not vote economy. For example, take the distinguished floor leader. Let me quote from a press release which the majority leader, the Senator from Illinois [Mr. LUCAS] made recently. I quote from the Wall Street Journal of Saturday:

> "As majority leader," the Illinois lawmaker stated, "I have advocated every reduction in Federal expenditures recommended in reports of the Senate Committee on Appropriations. I am fully aware that the people of Illinois, as well as the people from every State in the Union, are seeking reductions in the cost of Government."
>
> This statement seemed to put Senator LUCAS somewhat at odds with his White House chieftain. In his midyear economic report to Congress last month, the President warned lawmakers against cutting funds for essential Government functions. He claimed the huge volume of spending by Federal and local governments is itself an element of great stability in the national economy.

Oh, yes, there are those who talk economy, but who do not vote economy. In order that the RECORD may be clear, I should like to have printed at this point the record of the distinguished senior Senator from Illinois. The distinguished Senator on more than 30 votes has voted to increase expenditures. I should like to read to the Members of the Senate all his record of how he has tried to practice economy on the floor of the Senate. I do not have time, however. So I ask unanimous consent that the Senator's voting record may be printed at this point as a part of my remarks.

Mr. LUCAS. Reserving the right to object——

Mr. WHERRY. Mr. President, I do not yield.

Mr. LUCAS. I object, then.

Mr. WHERRY. Very well. I shall read the record of the Senator's votes then.

Mr. LUCAS. I want to know what is going on. The Senator is speaking about me.

Mr. WHERRY. I am referring to the Senator's voting record. In view of the fact that he objects to his voting record being placed in the RECORD at this point, I shall read it into the RECORD later. The Senator has cast 30 votes to hike up the appropriations on the floor of the Senate. Yet he tells the people of Illinois that he supports economy, that he has supported every one of the committee amendments to reduce expenditures on the floor of the Senate.

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

Mr. WHERRY. Then there is the record of the junior Senator from Minnesota [Mr. HUMPHREY].

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

The PRESIDING OFFICER (Mr. LONG in the chair). Does the Senator from Nebraska yield for a question?

Mr. WHERRY. The junior Senator from Minnesota on July 18 filed a statement favoring a reduction in appropriations for the armed services, foreign aid, and independent offices.

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

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Illinois for a question?

Mr. WHERRY. But in his first year in the Senate he has introduced or endorsed bills that would cost the American taxpayer more than $30,000,000,000.

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

Mr. WHERRY. I have seen no effort on his part to cut ECA or armed services appropriations.

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

Mr. WHERRY. Yes, there are many who talk economy, but if they believe what they say, here is their chance to prove it.

Mr. DOUGLAS. Mr. President, I think the Senator from Nebraska might do me the courtesy of giving me a reply.

The PRESIDING OFFICER. The Senator from Nebraska declines to yield.

Mr. WHERRY. Here is the chance to prove how Senators feel about economy.

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

Mr. WHERRY. The junior Senator from Minnesota says he wants cuts made in appropriations for ECA, foreign aid, and independent offices.

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

The PRESIDING OFFICER. The Senator from Nebraska declines to yield.

Mr. WHERRY. Mr. President I want to present his voting record. My exhibit C contains the voting record of the junior Senator from Minnesota. He has either introduced or endorsed pieces of legislation which, if figured up, will authorize the expenditure of more than $30,000,000,000. That is how he believes in economy.

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

Mr. WHERRY. Mr. President, I ask unanimous consent to have the voting record of the Senator from Minnesota [Mr. HUMPHREY] placed in the RECORD at this point.

Mr. HUMPHREY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WHERRY. Mr. President, I want to insert as a part of my remarks also exhibit D, which shows how the Senator from Minnesota voted on the independent offices appropriation bill, which he said he wanted to cut. Here are his votes "yea, yea, yea." He voted for nearly every increase in the independent offices appropriation bill on which there was a vote taken in the United States Senate.

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

Mr. HUMPHREY. I object.

The PRESIDING OFFICER. Objection is heard.

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

Mr. WHERRY. The junior Senator from Minnesota has filed a minority report in opposition to the pending amendment, to save the taxpayers money. Just think of it. He has filed a minority report in opposition to this amendment which would have a cut of 10 percent made by the President. That shows the consistency of the position of the Senator from Minnesota.

Mr. President, the Senate must bear in mind that there is a distinct difference between appropriations and expenditures. It is one thing to cut an appropriation, but it is another thing to cut——

Mr. DOUGLAS Mr. President, I ask for order on the floor of the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOUGLAS. Mr. President, will the Senator from Nebraska yield? I should like to know from the Senator if he will yield.

Mr. WHERRY. Mr. President, there is a difference between appropriations and expenditures. That should be borne in mind, because unless we cut the expenditures as well as appropriations, we have not made a cut on anything.

In 1947, for every $6 cut in appropriations, only $1 was cut in expenditures.

At this point in the RECORD, Mr. President, I ask unanimous consent to insert the statement made by the distinguished Senator from New Hampshire which brings out this point very persuasively. It is to be found on page 1119 of the CONGRESSIONAL RECORD of February 10, 1949. I ask that it be inserted in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

The actual reduction in all appropriations effected by the Eightieth Congress, first session, was slightly in excess of $3,000,000,000. The President's August budget review, however, showed a revision in expenditures for the fiscal year 1948 of slightly more than one-half billion dollars, thus indicating that appropriation reductions affected expenditure reductions in a ratio of 6 to 1; that is, for every dollar of appropriation reduction, only about 16⅔ cents expenditure reduction resulted. The answer to this situation, of course, lies in the fact that the executive branch generally has at its disposal large sums from previous years' appropriations available for expenditure. It was a simple matter for the agencies to accelerate spending from these accumulations of previously unused funds.

Mr. WHERRY. Mr. President, that statement makes clear that cuts have to be made in expenditures as they are made, or there is no cut at all.

Mr. President, the President controls the rate of expenditures. He can slow down spending projects. He can reduce the number of personnel. He did so a couple of years ago, and he did it a year ago. He declared a moratorium on reclamation projects. He can reduce the number of personnel. He can do the very things which were recently done by Secretary Johnson in connection with defense. The President has as much authority as has the Secretary of Defense. He can do the same thing Secretary Johnson did. There is no question about the constitutionality of such action. There is no question about the President's authority. If Secretary Johnson can do such a thing the President can do it, and it is simply silly to stand on the floor of the Senate and argue that such action is unconstitutional, because what the Secretary has done is the proof of the pudding. No one is complaining about the Secretary cutting personnel. Why should complaint be made against directing and authorizing the President to do the very same thing?

Oh, yes; the Congress can control the rate of expenditures only if it works through the President of the United States. We make the appropriations. He carries them out. He, and he alone, says how fast the money shall be expended. After all, regardless of the appropriations made, it is the rate of expenditure that counts.

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

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Illinois for a question?

Mr. WHERRY. Just a moment.

Mr. President, at this time I invite attention to the August Treasury Bulletin to show how expenditures can be speeded up or how they can be held back. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the table at the bottom of page 2, showing, by months, how expenditures were made in 1949 and how they have been made each year since 1941. This represents my experience on the Appropriations Committee. It will be found that in June of this year the same program was carried out. The expenditures were speeded up, and all the money was spent, so that Government agencies could come back to Congress to get new appropriations for the next year. This table shows how the expenditures are handled.

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

TABLE 2.—*Expenditures by major classifications*

[In millions of dollars]

Fiscal year or month	National defense	International finance and aid	Interest on the public debt	Veterans' Administration	Other	Total expenditures	Expenditures of foreign economic cooperation trust fund	Total expenditures adjusted for foreign economic cooperation trust fund
1941	6,655	----------	1,111	563	5,059	13,387	----------	13,387
1942	28,266	----------	1,260	556	4,105	34,187	----------	34,187
1943	75,207	----------	1,808	602	1,914	79,622	----------	79,622
1944	89,720	----------	2,609	730	2,256	95,315	----------	95,315
1945	90,501	----------	3,617	2,060	2,525	98,703	----------	98,703
1946	48,870	727	4,722	4,253	2,133	60,703	----------	60,703
1947	16,766	4,928	4,958	7,259	5,378	39,289	----------	39,289
1948	11,364	7,143	5,211	6,469	6,603	36,791	−3,000	33,791
1949	11,809	3,011	5,339	6,878	10,019	37,057	3,000	40,057
1950 (estimated)	14,030	6,246	5,450	5,313	10,818	41,858	----------	41,858
1948—July	1,155	155	286	788	1,174	3,558	183	3,741
August	800	138	114	539	551	2,143	192	2,335
September	715	282	570	487	815	2,869	196	3,066
October	931	174	212	490	878	2,685	226	2,911
November	957	206	122	618	911	2,815	347	3,163
December	1,017	153	1,112	555	767	3,603	499	4,102
1949—January	1,043	200	319	528	878	2,968	237	3,205
February	930	276	141	547	751	2,646	326	2,972
March	1,109	505	589	640	778	3,621	30	3,651
April	1,043	125	178	548	854	2,748	403	3,151
May	950	272	125	614	861	2,822	282	3,104
June	1,159	524	1,570	525	801	4,579	77	4,656

Source: Actual figures from daily Treasury statement; estimates based on the 1950 budget document, including effect of proposed legislation. Expenditure classifications shown here are based on the daily Treasury statement and therefore differ somewhat from those in the budget.

Mr. WHERRY. The final point I wish to make is that the President himself has the power to carry out this authorization. The President can carry out this direction of Congress. We have made many such delegations of power. We did it in the Federal Reserve Banking Act. The Congress is authorized by the Constitution to print money, but we delegate that power to the Federal Reserve System. We can do the same thing in this instance. Secretary Johnson himself put a similar plan into operation. We can direct the President of the United States to do the same thing.

Mr. President, I beseech every Member of the Senate to vote for this amendment. It is a step in the right direction. It may be said that the result will be to hurt some activities, and give too much for others. If we permit the President to do what we are asking, every agency can do exactly what Secretary Johnson did. The President can look over the situation

and make the cuts where the impact will be least felt, in order to carry out a 48-State reduction in personnel. It is the sensible thing to do. It is the only way to reduce an appropriation made by the Congress. It directs the various agencies to do exactly what the Secretary of Defense did in making a reduction in the armed services expenditures.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

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

The PRESIDING OFFICER. The Senator's time has expired. He cannot yield for a question.

EXHIBIT 1

To the Honorable SCOTT W. LUCAS, majority leader of the Senate, and to the Honorable KENNETH S. WHERRY, minority leader of the Senate:

The undersigned Senators respectfully request that the majority leader of the Senate, Senator LUCAS, and the minority leader of the Senate, Senator WHERRY, so arrange the schedule of the business of the Senate that Senate Joint Resolution 108, entitled "Joint resolution to reduce expenditures in Government for the fiscal year 1950, consistent with the public interest," shall be made at the earliest practicable date the unfinished business of the Senate, so that said resolution may receive full consideration of the Senate and be brought to a vote on final passage.

Democrats: JOHN L. MCCLELLAN, MILLARD E. TYDINGS, VIRGIL H. CHAPMAN, BURNET R. MAYBANK, JAMES O. EASTLAND, KENNETH MCKELLAR, A. WILLIS ROBERTSON, WALTER F. GEORGE, HARRY F. BYRD, G. M. GILLETTE, CLYDE R. HOEY, E. C. JOHNSON, SHERIDAN DOWNEY, SPESSARD L. HOLLAND, J. ALLEN FREAR, JR., PAUL H. DOUGLAS, G. L. WITHERS, TOM CONNALLY, PAT MCCARRAN, J. W. FULBRIGHT, JOHN C. STENNIS, OLIN D. JOHNSTON, ELMER THOMAS, JOHN SPARKMAN, LESTER HUNT, HERBERT R. O'CONOR.

Republicans: STYLES BRIDGES, KENNETH S. WHERRY, CLYDE M. REED, CHAN GURNEY, EDWARD J. THYE, JOHN W. BRICKER, ANDREW F. SCHOEPPEL, ROBERT C. HENDRICKSON, JOHN J. WILLIAMS, OWEN BREWSTER, WILLIAM F. KNOWLAND, ZALES N. ECTON, ROBERT A. TAFT, ALEXANDER WILEY, CHARLES W. TOBEY, JOE MCCARTHY, RAYMOND E. BALDWIN, JAMES P. KEM, HOMER FERGUSON, EDWARD MARTIN, EUGENE D. MILLIKIN, W. E. JENNER, RALPH E. FLANDERS, MARGARET CHASE SMITH, BOURKE B. HICKENLOOPER, KARL E. MUNDT, GEORGE W. MALONE, IRVING M. IVES, HOMER E. CAPEHART, LEVERETT SALTONSTALL, HUGH BUTLER, FORREST C. DONNELL, MILTON R. YOUNG, H. ALEXANDER SMITH, HARRY P. CAIN, H. C. LODGE, JR., ARTHUR V. WATKINS.

Mr. LUCAS. Mr. President, I yield 2 minutes to the Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. Mr. President, I am glad that the Senator has limited my time. It will not be necessary to say more than a few sentences to express my point of view with respect to this amendment.

I consider it to be a dangerous abdication by Congress of its constitutional powers. When the Congress gives up control of the purpose to the Executive, it gives up the very basis upon which free popular government was established. There has been altogether too great a tendency in that direction during recent years.

The bill which we passed surrendering to the President the congressional power to reorganize the various branches of the Government is an indication of the same trend. In the name of economy we have endorsed the recommendations of the Committee on Reorganization of the Executive Branch of the Government. Those recommendations only have the effect of making big government more efficient, and not at all of demobilizing big government in any respect whatsoever. If any Senator who supports this amendment ever again raises any criticism about Executive power, it seems to me that his vote will rise to smite him.

If we are to preserve popular government in the United States we must preserve the right of Congress to control appropriations. If we give this power to a President, he can go into any congressional district or any State and use that power for purposes which would undermine free government. I do not think that will be done by the present President.

Mr. President, I am against this amendment.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. LUCAS. Mr. President, how much time have I left?

The PRESIDING OFFICER (Mr. GRAHAM in the chair). The Senator has 31 minutes.

Mr. LUCAS. I shall take 30 minutes of that time.

A moment ago when the distinguished Senator from Nebraska [Mr. WHERRY] asked unanimous consent to insert in the RECORD my voting record I objected to it, primarily because of the fact that after listening to the Senator from Nebraska last night on the radio, and knowing of all the mistakes he made in that address, I was a little afraid to trust him with my voting record at that particular time without having an opportunity to look at it before it went into the RECORD. I shall have more to say about that subject before the day is over.

The supporters of this proposal have stated over and over again that Congress is unable to evaluate properly the financial needs of the Goverment, and for that reason they have proposed this unusual procedure.

This argument has been totaly disproved. This Congress has demonstrated that it is not wanting in any respect in its ability to evaluate the appropriation estimates of the President. It has demonstrated this by its action in reducing appropriations under the President's estimates by an amount approaching $2,000,000,000. It has disproved this argument by changing more than one-half of the individual items in the President's original appropriation requests.

The fact that the Appropriation Committees this session have taken more than 20,000 pages of testimony substantially contradicts this baseless argument. I do not see how the placing of this unfair responsibility upon the President can any longer be justified on the pretense that Congress cannot perform its own duties. The supporters of this amendment must now find some other grounds to justify this destructive proposal.

This amendment is subject to serious objection on constitutional grounds. It amounts to an improper delegation of constitutional authority to the President of the United States—the authority to make appropriations which, under article I, section 9, of the Constitution, properly belongs to Congress.

The Constitution makes clear that control over appropriations shall be in the legislative branch of the government. We say to the President under this amendment, "Draw whatever is necessary from the Treasury of the United States to meet the requirements of this provision." The Constitution gives to Congress control over the purse strings of government. The framers of the Constitution, in placing this power in Congress, intended that public moneys should be expended for purposes which had met the approval of Congress after careful and thorough consideration of the needs of the people.

The proposed amendment delegates to the President authority to reverse the decisions of Congress arrived at after careful study. Under this amendment, the President could withhold funds from programs which have received the overwhelming support of Congress and for which Congress has made specific appropriations.

It is true that Congress has freely delegated part of its legislative power to the President, but this has been done for the purpose of carrying out the objectives of Congress. I do not think any Senator can point to a precedent justifying a delegation of authority such as this which directs the President to ignore the objectives and decisions of Congress. That is the distinction in all the cases which have been cited by the Senator from Nebraska and other Senators, in which we delegate power. Let me repeat my last statement. We have delegated power to the President for the purpose of carrying out the objectives of Congress. But at no time have we delegated power to the President to ignore the objectives and decisions of Congress. That is exactly what we would be doing if we should adopt this amendment.

Assuming for the sake of argument that Congress can delegate its authority over appropriations, a delegation to be valid must contain standards and principles which will guide the administrative officer in carrying out his duties under the delegated power. These standards make certain that the officer will comply with the intent of Congress. This proposal contains no such standards or principles. The provision that the President must reduce over-all expenditures from 5 to 10 percent and must cut no agency greater than 20 percent is not such a standard.

If Congress wishes the President to make a reduction in expenditures, it is up to Congress to state where the reduc-

tion shall be made. Congress is improperly delegating authority to the President when it directs him to choose among various objectives all of which have received the approval of Congress.

This proposal, if successful, will establish a new and dangerous precedent which Congress in the future will seriously regret.

This amendment should be rejected because of its sheer unfairness. Under our republican form of government, the elected representatives of the people in Congress must take complete responsibility for their legislative actions or inactions. On the other hand, the President must accept responsibility for the wisdom or unwisdom of his proposed program and for the manner and efficiency in which he executes the laws.

This amendment brazenly places the legislative responsibility upon the President of the United States—a responsibility which rightly belongs to every Senator and Representative. It shields the Members of Congress from the brunt of their rightful obligations. If we are frank with ourselves, we must admit that this is not a courageous act on the part of the Congress. Every Member, before he becomes a party to such an action, should weigh the implications of his vote.

Mr. President, my point is that if the House and the Senate can reduce appropriations by almost $2,000,000,000 under the President's budget of expenditures, as they have done, then the Congress can make further reductions in the appropriations if it wishes to do so. If Congress wishes to cut expenditures, it should do it, rather than pass the buck to the President.

It is plain to see how this shift in legislative responsibility comes about. Under this amendment, the President will be required to make drastic cutbacks in many programs that have broad popular support. He will be forced to apply economies in such areas as public works, veterans' services, and agricultural programs. Cut-backs in these programs will face vigorous criticism.

This proposal, in effect, will force the President to make decisions for Congress; the President, rather than Congress, will unfairly bear the responsibility of these decisions. I seriously doubt that any Senator would want to place the Chief Executive in such an unjust position.

A moment ago a statement was made by the Senator from Wyoming [Mr. O'MAHONEY] that if we grant this power to the President, he could then, if he desired, use it in an arbitrary and capricious way, and as a result could destroy certain Members of Congress in an election year. He could take from the State of Nebraska, for instance, all the projects the distinguished junior Senator from Nebraska has been sponsoring.

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

Mr. LUCAS. Mr. President, I shall not yield to any Senator at this time.

The President could do away with the projects the Senator from Nebraska has been sponsoring under the flood control act, or the President could take away the Omaha post office, for which the Senator from Nebraska fought so hard on the floor of the Senate.

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

Mr. LUCAS. The President could do almost anything he might wish to do under the power the amendment would give him.

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

Mr. LUCAS. In other words, the President could leave alone the projects in Illinois in which the Senator from Illinois is interested, but could take away projects in which the Senator from Nebraska or the Senator from Arkansas, for instance, is interested, or the President could seriously curtail those projects. So, under the so-called give-away program about which certain Senators talk so much, the President could do a great deal to certain Members of Congress in the 1950 election, if he so desired. Yet, Mr. President, Members of Congress who seemingly care so much about the Constitution and are constantly heard defending it now seem to be willing to give this power to the President of the United States.

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

Mr. LUCAS. Mr. President, another serious objection to this amendment is the fact that it seriously threatens the essential services of our Government.

An analysis of budget estimates clearly shows that this amendment will not result in a mere 5- to 10-percent reduction in most expenditures, but rather the President in carrying it out will be required to make large slashes in vital areas that will have far-reaching effects that few Senators really want or are prepared to defend.

This amendment provides that reductions in appropriations made by Congress itself will be credited toward the reductions that are to be made by the President. After full credit has been given for the cuts made by Congress, the President will still be required, under this amendment, to reduce expenditures by a minimum of approximately $700,000,000. This takes into consideration increased expenditures as a result of the military assistance program.

The devastating nature of this proposal becomes quite clear when we consider the expenditures which would bear the brunt of this reduction. Mr. President, the able Senator from Minnesota has gone over this matter, but it is so important that I repeat it.. The Senate Committee on Executive Expenditures recognized that over $24,000,000,000 of the President's budget for 1950 cannot practicably be reduced. That leaves about $17,000,000,000 of appropriations to be played with in connection with this amendment. The trouble with a proposal of this sort is that those supporting it are attempting to make the people of the United States believe there should be a reduction all the way down the line. However, as we know, there are many items—comprising, as I have said, more than $24,000,000,000 of the President's budget for 1950—which cannot be reduced. These expenditures are for fixed or relatively fixed obligations. This figure will probably be closer to $25,000,000,000 as a result of the increased expenditures for price supports and the military-assistance program.

In other words, a very small part of the President's budget must bear the brunt of a minimum reduction of at least $700,000,000. It should be clear that this amendment does not require a mere 5 percent to 10 percent reduction in all expenditures, but, rather, it may require cuts of from 20 percent to 25 percent on the items which can be reduced.

As we have seen, under this proposal, the greater part of the expenditures for 1950 cannot be reduced. Expenditures for the National Military Establishment account for the largest share of the expenditures which the Senate Committee on Executive Expenditures classified as reducible. The military appropriation bill now provides for a cut of half a billion dollars. Consequently, it will be difficult for any further reduction to be made there.

Marshall-plan funds account for a large part of the expenditures classified as reducible by the Senate committee. Here, again, Congress had made drastic reductions. If the President in carrying out this proposal should apply additional economy to the armed forces or to the Marshall plan, considerable detriment might be suffered in our national defense and in the ultimate success of the European recovery program. However, in order to preserve the essential services rendered by the Government, the President may be required to cut these programs again, as a result of this amendment.

The able Senator from Michigan [Mr. VANDENBERG], in his remarks on the floor of the Senate on June 28, emphasized the necessity of protecting the ECA program from the destructive effects of this economy move. Out of that discussion came the provision which requires that credit be given for reductions made by Congress.

Let me make it clear that this provision allowing credit for reductions made by Congress does not prevent the President from cutting the ECA program still more. Under this amendment, there is still leeway, since it allows reductions for any particular agency up to 20 percent. Four hundred million dollars more could be cut from ECA and still be within the 20 percent figure. The armed forces appropriations can also be cut further under this amendment. Since all the economies which the President will be required to make under this proposal must fall within a very limited area, the Senate in adopting this measure is for all practical purposes asking the President again to reduce Marshall plan funds and appropriations for the armed forces.

When the distinguished senior Senator from Michigan voiced his fears for ECA on the floor of the Senate, it was pointed out to him that this proposal did not require the President to cut ECA funds at all; that he could effect economy in other ways. It is this shifting of legislative responsibility that is so objectionable and which I believe no Senator can rightly condone, if he votes his honest

convictions upon this kind of measure. The real fact is so clear that it hardly needs stating.

If the amendment is adopted, the President may find it absolutely necessary to make additional cuts in ECA funds and in the expenditures of the armed services.

Mr. President, what I have said over the radio and in the press, I stand by. I have gone along with the cuts the Appropriations Committee has voted to make, even the 10 percent cut of the ECA funds. That is exactly what I have done, Mr. President, in the face of certain opposition on the part of some of those high in authority. I stood foursquare behind every one of the appropriation bills which came from the committee with reductions in the amounts carried. I did not go along with many of the reductions proposed on the floor of the Senate, that is, with some of the minor amendments of which the Senator from Nebraska is attempting to make so much.

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

Mr. LUCAS. I do not yield.

The PRESIDING OFFICER. The Senator from Illinois declines to yield.

Mr. LUCAS. The ECA and the armed forces account for almost two-thirds of the so-called reducible expenditures. Other Government activities cannot possibly absorb the full reduction.

Many Members of Congress are right now criticizing the President because he permitted the Secretary of Defense to shut down certain naval establishments in order to economize. This amendment would result in more activities being closed down and, of course, more unfair shifting of criticism to the President.

It would be extremely easy to shift criticism if the amendment were adopted and the bill were signed by the President—which he never would do. Suppose, Mr. President, the amendment were agreed to and the bill passed, and the President should say "This is unconstitutional, I am not going to do anything about it." I suppose there would be somebody here, as there were some folks last year just before the election, who would want to have the President impeached—and the President would then go out and win another campaign, probably, as the result of it.

Mr. President, it is clear that the amendment would result in more activities being closed down. If military and foreign-aid expenditures are to be spared, all the reductions under this amendment must be absorbed by a limited number of programs having an annual cost of $4,500,000,000. In other words, the President would be required to cut everything in this restricted area by an average of almost 25 percent. This would place upon the President an impossible task if essential services of the Government are to be maintained. Let us consider now the expenditures which make up this $4,500,000,000.

The effect of this amendment becomes apparent when we examine these programs. It is time that we cease thinking and talking in broad generalities about economy and balanced budget and consider exactly what this amendment means in terms of cotton growers in the South, sugar growers in the West, and veterans in hospitals. We cannot discuss economy separately from specific Government activities. Economy becomes meaningful only when it is considered in relation to services our money is buying—only this way can we determine what is and what is not genuine economy.

The Committee on Executive Expenditures has classified as reducible Veterans' Administration salaries and expenses in an amount of $746,000,000. A reduction here of from one hundred to one hundred and fifty million dollars would virtually destroy most of the services rendered to veterans by this agency. The granting of pensions and readjustment benefits depend upon the maintenance of an adequate working force. A large reduction in salaries and expenses would cut down the number of workers this agency could employ to a point where normal services could no longer be properly rendered.

The Administrator of Veterans' Affairs in testimony before the Senate Appropriations Committee emphasized that the medical care and hospitalization program of the Veterans' Administration would require $48,000,000 more than provided in the budget estimates. He stated that if these funds were not made available, the Veterans' Administration would have two alternatives. They could either reduce the quality of medical care now being furnished, or reduce the number of hospital beds in order to maintain present standards of medical care. As a result of this testimony the House and the Senate approved an additional $16,000,000 for the Veterans' Administration's medical program.

A cut in the Veterans' Administration salaries and expenses would fall directly upon the medical program. A vote for this amendment can only be interpreted as a direction to the President to reduce the effectiveness of many of the services provided by the Veterans' Administration. This would be a severe blow to the physical and moral stamina of those veterans who were willing to give all that democracy might live.

Another item which may have to be reduced by as much as one-fourth, if ECA and military expenditures are spared, is $599,000,000 in Agriculture Department funds, classified in the committee report as reducible. A proportionate reduction here would have to be absorbed in the most part by the following programs: Sugar payments, cotton classification which assures higher prices for cotton, the agricultural conservation program, the Farmers Home Administration, and the school-lunch program. It should be clear to all that a serious obstruction in these broadly accepted programs would be extremely costly to farmers of America and to the people generally.

Over $219,000,000 of Bureau of Internal Revenue funds would also bear the brunt of this amendment. From these funds must be paid the enforcement officers of that Department. I would like to remind my colleagues in the Senate that they voted to increase the number of enforcement officers to be employed by the Bureau of Internal Revenue, and they rejected by a vote of 75 to nothing a conference report which did not provide for these new officers. The Senate by adopting this amendment would be practically reversing itself.

Post Office Department expenditures make up a large share of this $4,500,000,000 that must bear the full reduction, if ECA and the armed services are spared. This would jeopardize one of the most essential services rendered by the Government.

This proposal would also require a considerable cutting in the funds of the Federal Works Agency. This is hardly the proper time to effect savings in this area.

It should be perfectly plain that the President would have difficulty carrying out this amendment whether or not additional cuts are made in ECA and the armed forces.

The disastrous effects of this proposal upon the essential and vital functions of the Federal Government should be clear to every Senator. Any argument that the President need not cut the activities which I have been discussing but might reduce other expenditures is wholly fallacious. Simple arithmetic proves conclusively that the very activities which I have mentioned must suffer for these activities account for practically all of the expenditures which have been classified as reducible by the committee reporting the McClellan resolution. In other words, there is no other place where economies can be effected.

So while this amendment may shift legislative responsibility to the President for reductions made on specific items, Congress cannot shift responsibility for the over-all effect of this proposal upon the many vital activities of our Government. This responsibility is firmly on the shoulders of each Senator who supports it. He will be accountable to the people for the destructive effects of this measure. This is a responsibility that cannot be shifted.

Mr. President, the irony of it all is that the Senate of the United States, which is so economy-minded, voted larger appropriations than were contained in bills which came to the Senate from the House of Representatives. After that kind of action, Senators now want to shift the responsibility of doing the cutting to the President of the United States. We ourselves in the Senate did not have the courage to cut, but we had the courage to increase the appropriation here over the amounts approved by the House and sent to the Senate. Oh, what a fallacy. What a sham, Mr. President, this all is. What a pretense of economy, Mr. President, this kind of resolution. I do not quite understand.

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

Mr. LUCAS. I do not yield. I do not have the time.

Mr. JOHNSTON of South Carolina. I wanted to clear up something at that point. I think it would help.

Mr. LUCAS. I yield to the Senator.

Mr. JOHNSTON of South Carolina. What I wanted to say was that many Senators signed the petition only to get a vote on the resolution, not that we would vote for it when it came up.

Mr. LUCAS. I thank the able Senator for the statement.

Mr. JOHNSTON of South Carolina. I want that plainly understood.

Mr. LUCAS. I thank the Senator very much. As I pointed out at the beginning of my remarks, the main basis for this amendment has been disproved. I want to emphasize again that no Senator can support this amendment on the premise that it amounts to only a 5 to 10 percent cut of Federal expenditures and that every Government activity can absorb this reduction. As a matter of fact, it involves closer to a 25 percent cut in every expenditure which can at all be reduced.

As a final observation, I should like to say that after Congress has solemnly gone through the motions of seriously studying and thoroughly considering appropriation bills, spending on them weeks and months, recommending and making hundreds of changes, the Senate increasing here and there the amounts allowed by the House, and yet saving approximately $2,000,000,000, compared with the President's budget, it must appear strange to the general public to observe the same Congress without any apparent embarrassment telling the President to ignore all the studying Congress has done and all the recommendations it has made.

I do not see how anyone can disagree that this proposal would not only set a dangerous precedent but would amount to a shunning of legislative responsibility. Above all it is a serious threat to essential services of the Government.

Mr. President, I received a telephone call this morning from one of the most important men in this Nation. He is not in politics. Every Senator knows about him. He asked me to do everything I could to keep this amendment from being agreed to, because he does not want to see this kind of responsibility shifted to the President of the United States when, under section 1, article IX, of the Constitution of the United States, it is the duty of the Congress itself to take care of the purse strings and control the funds of the Government.

I say to the Senate that if this amendment is agreed to, Senators will regret this day as long as they live. If this amendment shall become part of the law of the land, Senators will rue to their last days the grant of such power to the President of the United States, I care not who the President may be. We are in dangerous times in the world. There is totalitarian power everywhere, and yet the Senate itself wants to grant such power to the President of the United States. Senators who call themselves conservatives, who go about the country telling the people that they are reactionaries, and pleading for the days of the past, are willing to transfer this power, this unbridled power, I might say, to the President of the United States, in order that he may carry out the duties and the obligations which rest, under the Constitution of the United States, upon the shoulders of each and every Senator in this body. Senators can take it in any way they desire. They can go home and talk to the people about how they voted for the great amendment to bring about economy, but the people will find out sooner or later exactly what was involved in all the economy tommyrot embodied in this particular amendment.

I repeat, Mr. President, that this is the most dangerous step which has been attempted since I have been a Member of the Senate of the United States, so far as concerns the granting of legislative rights that are ours under the Constitution. No one can challenge the figures which I have given. If this amendment is adopted it may cripple the essential domestic services of the Government to the point where the Government may break-down.

The VICE PRESIDENT. The Senator has one more minute.

Mr. LUCAS. Mr. President, I yield 1 minute to the Senator from Connecticut [Mr. McMAHON].

The VICE PRESIDENT. The Senator from Connecticut is recognized for 1 minute.

Mr. McMAHON. Mr. President, I voted for a 5 percent cut in connection with most of the appropriation bills which have come before the Senate. I shall vote against the pending amendment. In my State, when a person is incompetent to handle his affairs, someone files a petition with the probate court for the appointment of a conservator or a trustee. I do not intend to vote for the appointment of a conservator for the United States Senate. If there is one thing upon which our democracy is based, it is upon the fundamental division of powers between the executive, the legislative, and the judicial branches. This attempt to put aside all responsibility and to confess our inability to do our constitutional duty is a pusilanimous act. That is why, Mr. President, I shall vote against the amendment.

The VICE PRESIDENT. The Senator from Arkansas has 5 minutes.

Mr. McCLELLAN. Mr. President, in answer to what the able Senator from Connecticut has just said, may I remind him that in this very bill we have already voted to permit the Secretary of Defense to become a "conservator" as he terms it, of national defense because, as he implies, the Congress did not have the wisdom or the courage to make the necessary cut in appropriations. We have established the precedent in this bill. If we want to repudiate it or hunt some dubious alibi to keep from coming out into the open and going through with this courageous step to balance the budget, then let those who choose to do it make their record accordingly. But I shall not record my vote that way. Those Senators who talk about delegating power have already repudiated their arguments by adopting an amendment giving to the Defense Secretary such power and authority. Explain that to the country, if there must be some explaining. If it is too much power, when did the virtue, intellectual honor, and integrity of the Secretary of Defense excel that of the President of the United States? We can talk about its being the job of Congress itself, but we shall have to vote for another appropriation in the arms to Europe bill. That will be an appropriation delegating to the President of the United States absolute power and discretion to spend the money. The money will not be earmarked for providing so many cannon, so many tanks, so much for this country, and so much for that country. We shall delegate full power to the President of the United States to spend it as he pleases if we carry out his recommendation. This issue is of great concern to the tax-burdened people of the Nation. We have asked the President to do many discretionary functions time and time again. If this amendment is unconstitutional, then the President usurped legislative authority of the Congress and violated the Constitution when he impounded appropriations made 2 years ago for reclamation and flood control. We should be honest with ourselves and with the people. I have no personal interest in this. The first resolution which was introduced in this Congress to do this job was introduced by one of the ablest Democrats in the Senate, the senior Senator from Maryland [Mr. TYDINGS]. I do not care what argument may be used, you cannot absolve the President of the United States from his share of the responsibility. He sends us the budget as a guide for appropriations. It is just as much the obligation of the President of the United States to modify and revise that budget to fit changed conditions as it is the duty of Congress to keep appropriations within national income.

Efforts have been made to frighten us with the statement that the President of the United States may be vindictive in the exercise of this power. From whom does that threat come? It comes from those who have plead over and over again for Congress to delegate power to the President of the United States. If their opinion of the President is that he will not act fairly and honestly and in the spirit of the statute, then they certainly have less regard for his intellectual honor and integrity than I have.

Efforts have been made to frighten Senators regarding their State projects. The implication is that the President of the United States is so little in character that he would stoop so low as to punish the people of a sovereign State to get even with a Senator for a vote cast by such Senator as one of the State's representatives in the Senate. Those who made that statement have cast the aspersion against the President. I did not. I am willing to trust the President. In the interest of the national welfare are Senators willing to trust the President of the United States to help us do this job? They can answer by their vote. Make no mistake about it, the Nation is conscious of an impending economic crisis. This is the only way, and the last chance, to make an effort to balance the budget. If you really want to economize and balance the budget, vote for this amendment. If not, vote against it.

The VICE PRESIDENT. The Senator's time has expired. All time for debate has expired.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Hickenlooper	Murray
Anderson	Hill	Neely
Brewster	Hoey	O'Conor
Butler	Holland	O'Mahoney
Byrd	Humphrey	Pepper
Capehart	Ives	Reed
Chapman	Johnson, Tex.	Robertson
Chavez	Johnston, S. C.	Saltonstall
Connally	Kefauver	Schoeppel
Cordon	Kem	Smith, Maine
Donnell	Kerr	Smith, N. J.
Douglas	Kilgore	Sparkman
Dulles	Knowland	Stennis
Eastland	Langer	Taft
Ecton	Leahy	Taylor
Ellender	Long	Thomas, Okla.
Flanders	Lucas	Thomas, Utah
Frear	McClellan	Tydings
Fulbright	McFarland	Vandenberg
George	McKellar	Watkins
Gillette	McMahon	Wherry
Graham	Malone	Wiley
Green	Martin	Williams
Gurney	Miller	Withers
Hayden	Millikin	Young
Hendrickson	Mundt	

The VICE PRESIDENT. A quorum is present.

Mr. BUTLER subsequently said: Mr. President, it had been my intention to make a statement on the bill which has just passed, but I was unable to get any time allowed for the statement. I, therefore, ask unanimous consent to have my statement inserted in the RECORD previous to the vote.

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

STATEMENT BY SENATOR HUGH BUTLER

GOVERNMENT SPENDING MUST BE CUT

The issue upon which we are about to vote, in my opinion, is one of the most decisive issues we shall face in this session of Congress. I refer to the pending amendment proposed by the Senator from Arkansas [Mr. McCLELLAN] to require the President to make reductions in the rate of spending of between 5 and 10 percent by all the bureaus and agencies of the Government. I shall vote for this amendment and for the reduction.

I say that it is a most important vote, Mr. President, because it goes right to the heart of the financial situation we find ourselves in today. During the fiscal year we have just finished, the Federal Government spent almost $2,000,000,000 more than it took in. During the fiscal year on which we have entered, it is already clear that we shall spend four, five, or perhaps six billion dollars more than we take in, unless a number of the Members of this Senate and the House of Representatives execute a dramatic about-face.

These excessive expenditures can only be paid for by borrowing the money. There is no other place to get it. That means that the amount of these deficits must be added on to the national debt, which is already over $250,000,000,000.

This reckless policy of spending more than we take in is not due to any lack of tax revenue. On the contrary, the tax burden is still extremely heavy. Federal revenues are still very close to a record for peacetime. Tax revenues during the fiscal year just finished were still more than five times as great as they were during the last year before the war—the fiscal year ended in June 1941. Even these revenues are not great enough to supply the insatiable requirements of our present Federal spending policies.

During the fiscal year just finished, the Federal Government took over $276,000,000 in taxes from Nebraska alone. That represents a cash payment of around $215, on the average, from every man, woman, and child in the State. For the average family of four, it amounts to over $860. Even taxes of that magnitude have not been enough to meet the demands of the various Government bureaus.

The proposed amendment will require the President to reduce expenditures on the average by between 5 and 10 percent. Assuming it may pass, I believe it is safe to say that the President will not cut such expenditures by more than 5 percent. He has given us the lead on these spending programs, and he has never shown any great enthusiasm for economy. Even if he reduces expenditures by 5 percent, the resulting savings would not be nearly enough to balance the budget for this fiscal year we are entering. Five percent of the total budget would amount to about $2,000,000,000—a very substantial sum—but still not enough to bring the budget into balance. I could wish that the amendment would require still greater savings, and I would propose such an amendment myself if I thought it had any real chance of adoption by this body.

I realize that this is a very drastic and unprecedented manner of attempting to deal with our Federal financial system. It is true it amounts to an abdication of the normal responsibilities of Congress, by giving to the President the right and authority to reduce by his individual decision the various appropriation items that Congress has already granted in detail. In effect, it is an "item veto" on our appropriation actions. Normally, I would not favor such a course, but the situation is too serious for half measures.

Congress has the primary responsibility for reducing appropriations, but Congress has failed to meet that responsibility properly. Some reductions have been made by the congressional committees, but not enough to meet the situation. If there is no way to cut expenses except by giving the President authority to do so, then we have no alternative except to give the President that authority.

I wonder if other Members of the Senate feel the same concern as I do about the financial course upon which we appear to be embarking. During the 1930's for a number of years, we spent more than we took in, but at least at that time there was a depression with millons of unemployed and farm prices at bankruptcy levels. Later on during the war, of course, we financed a large part of our necessary expenses by borrowing. There was no escape from that.

There is no such excuse today. There is no war and no depression, but we seem to have caught the habit of spending so badly that we can't stop. No matter how great our tax revenues are, they are never enough. We find ways to spend still more. No matter how many benefits we have already given to various groups in this country, we are told they are never enough. Each year we are told we must pass new legislation conferring yet additional benefits on those same groups. Every year we must spend more than we did the year before to keep these various groups satisfied, so we are told.

Our tax revenues for the year we have just finished—fiscal year 1949—would have been more than enough to pay for all the costs of the previous year—fiscal 1948. They were not enough to meet our expenses for 1949 because we had increased our rate of spending in the meantime. We had enacted additional legislation and increased appropriations, so that as a result we spent almost $2,000,000,000 more than we took in. During this present fiscal year we have again enacted legislation so as to increase the spending total several billion dollars more. Practically every appropriation bill we have acted on has shown an increase over the corresponding appropriation of the previous year.

This Government is no longer a government of the people, by the people, and for the people. It is a government of, by, and for the pressure groups. It seems that almost every element in our national economic system has organized itself to put pressure on Congress, so as to force increases in appropriations. Every pressure group has found means and convincing arguments somehow to persuade Congress to dip into the pocket of the average taxpayer and take out still more money for the benefit of the pressure group and its members.

In this process of pressuring Congress into giving special benefits, these pressure groups have developed Nation-wide associations of those interested in increasing appropriations for their particular pet programs. Members of these associations are notified when these measures are coming up and told to write their Congressmen or their Senators demanding that a certain appropriation not be reduced. This pressure is turned on and off like a spigot. Just before the vote comes up on any question, each of us receives a flood of letters from our constituents insisting that a proposed appropriation be maintained or even increased. We are given to understand by these letters that this group of constituents is interested in only one question of the hundreds of questions that come before us during a session. We are made to realize that we shall be judged entirely on the basis of how we cast our votes on that particular question. In effect, we are told that no matter what other appropriations may be cut, this one is sacred, and it must not be cut.

A few days later some other measure will come before us, and again we receive a flood of mail demanding that we support some other new or expanded program. Again we are told that this particular appropriation or program must not be reduced.

That is how our Federal Government is run today. It is sort of a gigantic money mill. It takes money out of the hands of every consumer and out of the pockets of every man who earns a living. It is the silent partner in every business, whether an individual enterprise, a partnership, or a corporation, demanding its share of the profits. On the other side, it grinds out these gigantic sums of money to every group which has been able to push its program through Congress. Everywhere you go all over the country there are special programs to help special groups with the money taken out of the pocket of the average citizen. Certainly there is hardly an individual left in this country who could not get in on some Government program if he wanted to.

The demand for this increased spending does not come from the people. The average man does not want still more taken out of his pocket in taxes. The original source and fountainhead of the demand is within the Federal bureaus themselves. Federal employees are the idea men and the sparkplugs for these new programs. They are the real makers of policy. On Government time and on Government pay they develop always new and larger programs to sell to the Congress and to the public. The explanation and the arguments for the programs are developed and worked up by the bureaus. This material is passed along to the pressure groups and handed out to the newspapers and magazines. Soon it begins to appear in the Sunday supplements and the leading periodicals in the form of articles and special features. The general public, composed of the average man and his wife, sees and reads this material and hears it on the radio. It is always presented very plausibly. The difficulties and objections to it very rarely come to his attention. The average man does not have

time to think about every law that is proposed here. He is likely to accept what he reads.

The opposition is never so well organized. Certainly there are a few associations of taxpayers and the like around the country, but they are never so well financed and well staffed. They cannot draw on the United States Treasury to finance any counter-propaganda. Probably they do the best they can with the limited means at their disposal.

When the average man has had the new idea sufficiently explained to him the pressure group is ready to go to work. Members of Congress begin getting the letters in support of the proposal. Many of those who write do not even know for sure what it is they are advocating. They have simply been told to write their Congressman, and they do so, urging him to vote for or against a certain measure. All too frequently the pressure becomes too heavy to resist.

That is the history of most of the big new programs which have been put into effect during the last dozen years. The demand for them did not come from the people in most cases. It was artificially stimulated by the Government bureaus concerned, with the aid and assistance of the private associations that expected to reap the benefit.

All the pressure is on the side of spending, and none of it is on the side of saving. Is it any wonder if the average Member of Congress finally gives in to the pressure and votes for the program in question?

The same is true whenever any question comes up of the rate to be charged for any kind of Government service. The Government, of course, operates a considerable number of activities which are more or less of a business type. That is, there are revenues from those who benefit which can be used to pay the cost of running the bureau. For example, a bureau like the Patent Office charges fees for filing applications for patents. It used to be the case that the Patent Office charged enough for such applications to cover its cost of operation. The inventor was required to pay a fee which was sufficient to meet those costs. That is true no longer. The fee that is charged is no longer sufficient to meet the costs of running the bureau. The same is true, I believe, with virtually every other agency run by the Federal Government. Always the appropriations have been increased in response to pressure. Always the fees that are charged have been held down in response to pressure. The result is an operating loss which, of course, must be made up from general taxes. It must be paid by the average man who has no particular interest in or knowledge of the bureau, rather than by the customer who is benefited by the service rendered by the agency. I believe there is not a single one of these agencies which today meets the costs—all the costs—of its operations from the fees and charges.

Even today we are told, Mr. President, that we must increase still further the rate of Federal spending. We have been urged to adopt the Brannan plan for agriculture which will cost untold billions of dollars. The demand for this plan did not come from the farmers. Most of the large farm organizations are very much against it. In my State none of the farm organizations are for it. I don't recall receiving a single letter from any farmer in my State in favor of the Brannan program to let farm prices fall and then pay the farmer the difference with a Government check.

This plan is certain to cost billions and billions of dollars every year. We do not know how much it would cost if it were put into effect. The Secretary of Agriculture has never been able to tell us. Secretary of Agriculture Brannan has 89,517 people working for him in his department, and not one of them can tell him how much his plan will cost the Federal Government. Apparently they cannot even give him a close estimate whether it will cost two billion a year, five billion, or fifteen billion. The cost doesn't seem to concern him. He is apparently in favor of going ahead with it regardless of cost.

Another big new program we have been pressured to adopt is the socialized-medical program. This is another brainchild of a Government bureau. It is sponsored primarily by the Administrator of the Federal Security Agency, Mr. Oscar Ewing. In effect this plan provides that instead of paying your own medical expenses you will pay more taxes to the Government, and the Government will pay your medical expenses. If the plan is adopted, you will have no say as to how much it will cost you and how much additional taxes you must pay. That will be decided by the Government. It will certainly cost more than your present medical bills, if only because a certain percentage of what you pay must be kept by the Federal Government to cover the administration costs. In effect the Government will decide how much medical attention you need and are entitled to have. It will pay your doctor for you, and then, if necessary, raise your taxes to secure the money. In England, which has a similar system, the Government has decided that every man who wants one shall be entitled to a wig. Since wigs are free under the system, many men go and secure wigs who probably never before realized that they wanted them. Of course, the cost is paid out of taxes. There is nowhere else to secure the money. The individual who may not desire a wig cannot refuse to accept it and thereby save his money. He can refuse the wig, but he cannot save any money by doing so. He might as well accept the wig, whether he wants it very badly or not. Then the cost is added on to his tax bill and everybody else's.

These proposals—the Brannan plan for socialized agriculture and the Ewing plan for socialized medicine—are only two of the programs that we have been called upon to accept. Either of them will cost billions of dollars. I am happy to say that the Congress has thus far refused to accept either one. There are half a dozen other big, new, expensive programs that have been placed before us by the President. Most of them we have not accepted to date, but gradually, one by one over the years, they seem to get through. We fought off socialized, subsidized low-cost housing for several years, but this year it finally passed. It will add a few more billions to the cost of the Federal Government during the coming years.

The point we have finally reached is just short of disastrous. In spite of our heavy tax burden, last year we ran almost $2,000,000,000 in the red. This year the deficit is to be larger. If this were an unusual emergency need, perhaps these sums could properly be met by borrowing and issuing bonds. There is no emergency need, however. These spending programs have become the normal mode of Government operations. Each year they increase over the previous year. Unless some method is found—and found quickly—to put a stop to this policy, the situation will go completely out of control and we are likely to lose all contact with financial reality. Borrowing sounds easier than taxing, but it is not. It is simply putting off until tomorrow what ought to be done today. It is a method of avoiding our responsibilities for the time being, in the hope that some all-powerful savior will be able to save us from our foolishness.

History is full of nations that thought borrowing was the easier way. Once they had embarked upon a policy of borrowing, they found it very difficult to stop. Deficit financing led to printing-press money, and that caused inflation.

A little inflation always seems pleasant at first, but as it grows and grows, more and more people are impoverished. Prices go out of sight. Generally it continues until there is some kind of crash. Then people come to their senses and find they must turn to repairing the damage.

If we are at all concerned about keeping some kind of financial stability in this country, we must make at least a start toward cutting down expenditures by adopting this 5-percent reduction. Certainly the President cannot properly complain, since it gives him the authority to decide where the reduction shall be made. It will give him the right to make reductions on those programs which are dearest to our own hearts. He will be able to cut out the proposed hospitals or construction programs in my State or in States of other Senators. Perhaps he will cut in half some appropriation which I personally have been sympathetic to. I am willing to take that chance. This financial situation is too serious to do anything else.

Certainly it is not reasonable to say that no reductions are possible. No one who has any familiarity with the Federal Government and how it operates believes that. One Cabinet officer—the Secretary of Defense—has just proved to us all that reductions can be made. He has issued orders for a reduction of 125,000 civilian positions scattered all through the country. In so doing, he has been perhaps very stern. In some cases, he has abolished entirely installations which were of tremendous importance to the localities where they were situated. That happens to be the case at one city in my State. As a part of the reduction program, he has deactivated a naval ammunition depot, employing over a thousand people, at Hastings, Nebr., a city of 20,000. This action is a terrible blow to the prosperity of that city. I did not particularly like this particular action, and I certainly wished that he could have found it possible to spread the reduction out more evenly, or for that matter, to make the reduction somewhere else. Whatever the merits of this particular case may be, however, it is obvious that there must be strong and courageous action to reduce spending of every kind by every agency. It is certainly unfortunate that no other Cabinet officer or head of an agency seems to be as willing as the Secretary of Defense to tighten up the operations or cut down the costs of his particular department or agency.

There are plenty of places where reductions can be made. In some cases, they could be made easily if those in charge of our administration were willing to look for them. To give one example, our policy of dismantling German plants over the last 4 years has cost us directly hundreds of millions of dollars. By destroying those plants and throwing their employees out of work, we have added to the relief load of our own occupation force and cut down the productivity of the German people. As a result, we must pour in something like a billion dollars a year to permit the Germans to get the essentials of life. No more ridiculous or inconsistent policy can be imagined. Any reparations that we have agreed to, to be paid supposedly by the Germans, have actually been paid by ourselves. By destroying the assets of those people, we are simply adding hundreds of millions of dollars to our own tax load.

One other example of foolish waste that sticks out like a sore thumb was our policy last year on potato imports from Canada. We were supporting the price of potatoes here at home. We had let down the tariff barriers on Canadian potatoes. As a result, millions of bushels of Canadian potatoes came into this country over the low-tariff rates. We had such a surplus that we were burning potatoes, yet Canadian potatoes were permitted to come in to add to our surplus. No wonder it is impossible to balance the budget when such things are permitted.

Perhaps if we pass this amendment, the President will be forced to seek out and

eliminate some of the more foolish programs that the Government is engaged in. He is in a better position to find them than we are. His agencies and departments are conducting them. Each of us in Congress has a different idea of what should be cut. The President at least is in a position to make a decision, and then make it stick. If he is required by this amendment to reduce expenditures by $2,000,000,000, I have no fear that he will have to cut any essential service. He can make most of the savings by adopting some of the recommendations of the Hoover Commission.

I very much hope this amendment will be adopted. It seems to be the only hope of making any real reductions this year. Next year, if the Congress will adopt the proposal sponsored by the Senator from Virginia [Mr. BYRD], by myself, and other Senators—Senate Concurrent Resolution 18—the Congress may be in better position to make the necessary reductions. At least I hope so. That is a proposal that the Senator from Virginia and I have been working on very hard for several years. This year we have real hope that it can be passed and put into effect for next year's appropriations.

This year, however, there seems no real prospect of any real reduction unless this amendment is adopted. No one else has made any constructive suggestion which has any chance of success. The President has made it clear that he will not make any substantial reductions unless he has to. In fact, he has winked at the deficit and said in effect that it doesn't matter. I believe this Congress should make it clear that, in our judgment, it does matter. We can do so by adopting this amendment, sending it to conference, and then rejecting any conference report which does not include it. I urge that we do so, Mr. President.

The VICE PRESIDENT. The Senator from Illinois [Mr. LUCAS] earlier in the day made a point against the pending amendment on the ground that it was legislation on an appropriation bill. The Chair's decision in the matter involves two points of order, but he can pass on only one at a time.

The agreement entered into last Friday set a time for a vote on the pending amendment and all other amendments, without further debate, and divided the time equally between the two sides. The status occupied by the amendment, in view of the agreement, is different only from the status of an amendment that is the pending question in that it fixes the time when a vote shall be taken at a given hour, instead of leaving it indefinite, to the conclusion of the debate as it may run out.

There is nothing in the agreement which, either in terms or by implication, waives points of order on the amendment. It is an agreement merely for a vote at a certain hour, and dividing the time. The Chair therefore feels that in the absence of any agreement waiving the right of any Senator to make a point of order, a point of order can be made. The Chair is not passing on the merits of the point of order, but on the mere parliamentary right of a Senator to make a point of order against an amendment at any time prior to the vote on it. In the absence of an agreement to vote at a certain hour, any Senator has the right to make a point of order against an amendment on any ground he may allege. That does not, of course, indicate what the ruling of the Chair will be on the point of order now made.

The Chair feels that in the present situation, and under the agreement entered into, and in the absence of anything which can, by implication, be construed as waiving points of order, the Senator from Illinois or any other Senator can make a point of order against the amendment.

Mr. McCLELLAN. Mr. President, I assume that the point of order the Senator from Illinois made is still before the Chair. Is that the pending question?

The VICE PRESIDENT. The Chair can hear debate on it at his discretion. It does not automatically follow that there can be debate.

Mr. McCLELLAN. As a parliamentary inquiry, I desire to ascertain if the point of order previously made by the Senator from Illinois is the question pending before the Chair at the present time.

The VICE PRESIDENT. The Chair has not ruled on the point of order.

Mr. McCLELLAN. I understood the Chair to say that he was ruling on the right to make a point of order.

The VICE PRESIDENT. That is correct.

Mr. McCLELLAN. And that he had not yet ruled on the point of order.

The VICE PRESIDENT. That is correct.

Mr. McCLELLAN. Then I ask to be heard, if I may be.

The VICE PRESIDENT. Does the Senator desire to be heard on the merits of the point of order?

Mr. McCLELLAN. On the merits of the point of order, and on a point of order against the point of order, which I now make.

The VICE PRESIDENT. The point of order raises all questions involving the point of order. It is not necessary to make a point of order against the point of order, because the point of order itself raises all questions involved.

Mr. McCLELLAN. I do make the point of order that the point of order is out of order, that it has been waived. The unanimous consent request was made by the majority leader on his own initiative, of his own volition. He framed the request in his own language, and for the purposes he had in mind, to bring about a vote on the pending amendment, as the order said, and a reading of the order will show that to be true. Under the order debate on the McClellan amendment was to begin at 11 o'clock and a vote to be taken at 2 o'clock. There is not a reservation in it, and if a reservation were to be made now, that would be a departure from every precedent that has been established in the past. I am advised by the Parliamentarian that the Senator making the request should have also made the reservation, if one was to be made. That was not done, and according to my information, obtained since this question was raised, all past precedents have been to the effect that a unanimous consent order to do a certain thing at a certain time is the order of the Senate, and according to the rule, it cannot be revoked except by unanimous consent.

Mr. President, I ask the Presiding Officer if the obligation did not rest upon the Senator who requested a vote at this hour, and got unanimous consent of the Senate for a vote at this hour, to reserve the right to make a point of order. I respectfully submit to the Chair that the able Senator from Illinois at the time he made his request, was not uninformed as to the rules of the Senate. Certainly he was advised that if he wanted to reserve the right to make a point of order he should have reserved that right in the unanimous-consent request, which he did not do.

Mr. President, I respectfully urge the Chair to preserve these precedents of long standing. I do not want any favors under the rules, but there is a rule, and a rule that has guided and directed the Senate throughout the years so I am advised. I earnestly insist it should not now be abrogated because of a possible oversight on the part of the able Senator from Illinois who has the responsibility for carrying this legislation through.

I say to the Chair that I recall a recent occasion when I was the victim, so to speak, of the operation of a rule of the Senate. The Chair ruled one way and the Senate overruled the Chair. I am perfectly willing, Mr. President, to have the rules and the precedents we have established apply to me now. I have been willing for them to apply to me in the past. I am willing for them to apply to me in the future. But I do urge the Chair most respectfully—and, of course, I have the highest regard and respect and esteem for him—I do urge the Chair that we adhere to the rules, and if there has been a mistake made, let the mistake lie where it was made, where the oversight was, and let us not, contrary to precedent that after a unanimous-consent order is made to do a thing at a certain time, and the time set, and it becomes the order of the Senate, hold that by some parliamentary procedure the unanimous-consent agreement can be nullified.

Mr. President, had I known that that was going to be the procedure I could have spent more time prior to this, arguing the point of order and also preparing the precedents to cite to the Chair.

We now find ourselves in this situation, and we are asked now, or will be asked, to abide by a decision here that according to my information violates every precedent of the Senate with regard to unanimous-consent requests. I may say that if what the Chair has ruled or is about to rule upon this point is to be the rule of the Senate, then no unanimous-consent agreement in the future can be stable and dependable, and reliable, but resort can be made to any parliamentary rule or trick that may be permitted under the rules of the Senate to nullify any unanimous-consent agreement.

I hope the precedents will not be overthrown and this new precedent established.

The VICE PRESIDENT. Will the Senator from Arkansas refer the Chair to any precedent of the Senate in all of its history holding that unanimous-con-

sent agreement to vote on an amendment or a bill at a given hour foreclosed the right of any Senator to make a point of order against it?

Mr. McCLELLAN. My information is—and I obtained it in answer to my inquiry from the Parliamentarian——

The VICE PRESIDENT. The Chair also consulted the Parliamentarian and his answer is to the contrary to what the Senator has said, that there is no such precedent.

Mr. McCLELLAN. May I ask the Chair if there is any precedent for the ruling the Chair is making?

The VICE PRESIDENT. There is no precedent either way, but there has to be one some time when a new question comes up, and the Chair has made his ruling on what seems to be the logic of the situation, because it would be obviously impossible to obtain a unanimous-consent agreement to vote at any hour on anything if by agreeing to vote at a given hour all Senators waive their rights to make points of order under the rules of the Senate. The Chair realizes that his ruling will probably be appealed from, and he may be overruled either way he rules.

While the Chair has the same amount of pride that any other human has in being sustained, either here or elsewhere, personally he is not concerned about whether he will be sustained or overruled, but he is concerned about what sort of precedent is to be set now in a new parliamentary situation which has never arisen before, as to whether by agreeing to vote on anything—and particularly an amendment—at a given time, all Senator's waive the right to make points of order. If it is done in regard to the amendment of the Senator from Arkansas it would apply to all other amendments. There are six or seven amendments yet to be offered and to be voted on. No one knows precisely what they are. If by agreeing to vote on the Senator's amendment and all amendments at 2 o'clock all Senators waive their rights to make points of order, they would foreclose themselves against making a point of order against an amendment they had not even heard read from the desk.

Therefore the Chair adheres to his ruling that the point of order may be made.

The question as to how the Chair will rule on the point of order is entirely another matter.

Mr. McCLELLAN. I may point out to the Chair that at the time this request was made the able senior Senator from Georgia [Mr. GEORGE] made a reservation that all amendments to be considered would have to be germane. I assume he made that request in order to make certain that no amendments would be offered which were not germane, and that no amendments would be offered that we would have to vote on the question by a yea-and-nay vote.

The VICE PRESIDENT. The question of reserving the right to question the germaneness of amendment under an agreement that is stipulated in writing, is one thing, and it is another thing to assume that by agreeing to vote at a given hour all Senators waive their rights to make points of order. The Chair cannot believe that the Senate intended that every Senator—those who were here and those who were not here at the time this agreement was entered into—should waive all points of order to amendments that might be offered. Otherwise, as to the matter of germaneness, no Senator could make a point of order to any amendment that may be hereafter offered until a final vote is had on the bill.

Mr. McCLELLAN. Mr. President, may I make an inquiry?

The VICE PRESIDENT. Yes.

Mr. McCLELLAN. When the request was made to begin debate at 11 o'clock on this amendment, and to vote on it at 2 o'clock, if there was to be a point of order made against it certainly reservation should have been made then, because every Senator in this body, and most of all the able majority leader, knew what the amendment was. If there was to be a point of order made I feel that reservation should have been made at that time.

The VICE PRESIDENT. The Chair might say that it is not necessary for a Senator to reserve the right to make a point of order. That is an inherent parliamentary right enjoyed by every Senator in this body.

Mr. LUCAS. Mr. President, I should like to be heard for just a few moments.

The VICE PRESIDENT. The Chair has ruled on the point of order that the point of order can be made. If any Senator wishes to appeal from that ruling—and that is wholly independent of the merits of the amendment itself and the further point of order that the Senator has made that it is legislation on an appropriation bill—the Chair, of course, would be glad to hear argument on that point. But on the question that the Senator from Illinois has a right to make a point of order, the Chair has ruled.

Mr. LUCAS. Mr. President, will the Chair permit me to say a word in reply to the Senator from Arkansas with respect to the ruling the Chair has made that a point of order can be made under the unanimous-consent agreement? In the first place, I want the Senator from Arkansas to understand that there is no trick, no device upon the part of the majority leader to try to take advantage of the situation. As everyone knows, the Senator from Arkansas gave notice of a motion to suspend the rule with respect to this particular amendment. Everyone knows that it is legislation upon an appropriation bill. There can be no question about that. It never occurred to the Senator from Illinois that in entering into this unanimous-consent agreement he was waiving any rights with respect to making a point of order on an amendment which involves the question of suspending the rules. I do not believe that any other Senator understood the situation any differently until today, when we began discussing the question with the Parliamentarian.

As the Vice President stated a moment ago, there are no precedents for this. This is an important question. If we must waive points of order in connection with unanimous-consent agreements, we shall have to start looking for something other than the unanimous-consent agreement to expedite proceedings.

I respectfully submit to the Chair that a point of order is entirely different from an amendment. I am satisfied that the Chair has ruled correctly in holding that a point of order can be made. I shall wish to argue the point of order against my point of order at the proper time. An effort is being made to take advantage of a rule by holding tenaciously and rigidly to a unanimous-consent agreement when every Senator knows that this amendment is legislation on an appropriation bill. I shall have a little more to say on that subject later.

Mr. WHERRY. Mr. President, I agree with the distinguished Senator from Illinois that a point of order is different from an amendment. It was my understanding from the press, and from the discussion on the floor of the Senate, that the distinguished Senator from Illinois knew——

Mr. LUCAS. O Mr. President——

Mr. WHERRY. Mr. President, I decline to yield.

Mr. LUCAS. I challenge that statement.

The VICE PRESIDENT. The Senator from Nebraska does not have to yield, and the Senator from Illinois cannot make him yield.

Mr. WHERRY. The Senator from Illinois has been challenging my statements all day.

Mr. President, I shall appeal from the ruling of the Chair, and the Senate can do what it pleases. It is my feeling that the Senator from Illinois, judging from the observations he has made not only on this bill but on other bills, knew that this was legislation on an appropriation bill. There is no doubt about that. He made the proposal that the Senate proceed to vote on the McClellan amendment at 2 o'clock today.

Let us look at the history of the unanimous-consent agreement. Let us turn to the CONGRESSIONAL RECORD of August 26, 1949, page 12310, which will show what was said, I read from the first column:

> Mr. WHERRY. Mr. President, I think that is agreeable. I want to ask a question, however. Does that mean that each amendment which is reached this afternoon will have to be voted on today?
>
> Mr. LUCAS. Any amendment that comes up this afternoon, on which the Senate desires to vote, will be voted on today.
>
> Mr. WHERRY. If the rescission amendment is offered this afternoon, or if it is not offered until Monday—I am not sure when it is proposed to offer that amendment—it will be voted upon as one of the amendments, at 2 o'clock on Monday?
>
> Mr. LUCAS. That is perfectly agreeable.

That is written into the unanimous-consent agreement. If we turn to the unanimous-consent agreement, we find that it reads as follows:

> And at the hour of 2 o'clock p. m. on said day the Senate proceed to vote, without further debate, upon said amendment or any amendment that may be pending or that may be proposed, and upon the passage of the said bill.

What could be plainer than that?

Certainly the distinguished majority leader knew, when this proposal was made, whether or not he intended to

make a point of order. I do not say that a mistake was made. I believe that Senators must realize that if a unanimous-consent agreement is to be preserved, if it means anything, it means what it says. The unanimous-consent agreement in this case provides that we are to vote on the McClellan amendment at 2 o'clock this afternoon. When Senators agreed to vote, they waived every right they had with regard to anything. They agreed to vote on the amendment.

Mr. President, I respectfully appeal from the decision of the Chair.

The VICE PRESIDENT. This agreement was entered into not with respect to an amendment which was pending or which had been offered. It was made with respect to an amendment intended to be offered by the Senator from Arkansas. Suppose over the week end the Senator from Arkansas had changed his mind and no longer intended to offer the amendment, and did not offer it. The 2 o'clock hour for voting would still have applied to all other amendments.

Mr. WHERRY. Whether or not he could withdraw his amendment is another question. I respectfully submit to the distinguished occupant of the Chair that the question at issue is, Did the majority leader waive his right to make a point of order when he agreed to the unanimous-consent request?

Again I read the colloquy which preceded the agreement:

> Mr. WHERRY. Mr. President, I think that is agreeable. * * * If the rescission amendment is offered this afternoon, or if it is not offered until Monday—I am not sure when it is proposed to offer that amendment—it will be voted upon as one of the amendments, at 2 o'clock on Monday?
>
> Mr. LUCAS. That is perfectly agreeable.

Ordinarily we can appeal from a decision of the Chair on a point of order, and the appeal is debatable. We could argue at length, and defeat the very purpose of the unanimous-consent agreement. I believe that in the interest of good government and orderly procedure, in the absence of a precedent, we should establish a precedent, so that we may understand that when we enter into a unanimous-consent agreement to vote on a certain question at a certain hour, we can rely upon it.

Mr. President, I respectfully appeal from the decision of the Chair, and on that question I ask for the yeas and nays.

The VICE PRESIDENT. The Senator from Nebraska appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the Senate? On that question the yeas and nays have been demanded.

The yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. A vote "yea" is a vote to sustain the Chair, is it not?

The VICE PRESIDENT. The Senator is correct.

Mr. WHERRY. And a vote "nay" is a vote to overrule the Chair.

The VICE PRESIDENT. That is true.

Mr. WHERRY. Therefore, a Senator who believes that the unanimous-consent agreement should stand——

The VICE PRESIDENT. The Senator cannot argue the question.

Mr. WHERRY. I am not arguing.

The VICE PRESIDENT. The Senator is arguing. A "yea" vote means a vote to sustain the Chair. A "nay" vote means a vote to overrule the Chair; and that is as obvious as the nose on my face.

Mr. WHERRY. I thank the Chair very much.

The legislative clerk resumed and concluded the calling of the roll.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate on official business.

The Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Indiana [Mr. JENNER]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Indiana would vote "nay."

The Senator from Pennsylvania [Mr. MYERS] is paired on this vote with the Senator from Washington [Mr. CAIN]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Washington would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN], who is absent by leave of the Senate on official business, is paired with the Senator from Ohio [Mr. BRICKER], who is necessarily absent. If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Ohio would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, is paired with the Senator from Massachusetts [Mr. LODGE], who is absent by leave of the Senate. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Massachusetts would vote "yea."

The Senator from Michigan [Mr. FERGUSON], who is absent by leave of the Senate, is paired with the Senator from Oregon [Mr. MORSE], who is absent on official business. If present and voting, the Senator from Michigan would vote "nay," and the Senator from Oregon would vote "yea."

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate.

The Senator from Minnesota [Mr. THYE] is necessarily absent.

The Senator from Washington [Mr. CAIN], who is absent by leave of the Senate, is paired with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Pennsylvania would vote "yea."

The Senator from Indiana [Mr. JENNER], who is necessarily absent, is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Indiana would vote "nay," and the Senator from Washington would vote "yea."

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business.

The result was announced—yeas 41, nays 36, as follows:

YEAS—41

Aiken	Hill	Murray
Anderson	Hoey	Neely
Chapman	Humphrey	O'Conor
Chavez	Johnson, Tex.	O'Mahoney
Connally	Johnston, S. C.	Pepper
Douglas	Kefauver	Robertson
Dulles	Kerr	Sparkman
Ellender	Kilgore	Stennis
Flanders	Langer	Taylor
Frear	Leahy	Thomas, Okla.
Gillette	Lucas	Thomas, Utah
Graham	McFarland	Vandenberg
Green	McMahon	Withers
Hayden	Miller	

NAYS—36

Brewster	Hickenlooper	Reed
Butler	Holland	Saltonstall
Byrd	Ives	Schoeppel
Capehart	Kem	Smith, Maine
Cordon	Knowland	Smith, N. J.
Donnell	Long	Taft
Eastland	McClellan	Tydings
Ecton	McKellar	Watkins
Fulbright	Malone	Wherry
George	Martin	Wiley
Gurney	Millikin	Williams
Hendrickson	Mundt	Young

NOT VOTING—19

Baldwin	Jenner	Morse
Bricker	Johnson, Colo.	Myers
Bridges	Lodge	Russell
Cain	McCarran	Thye
Downey	McCarthy	Tobey
Ferguson	Magnuson	
Hunt	Maybank	

So the decision of the Chair stood as the judgment of the Senate.

The VICE PRESIDENT. The question now is on the point of order made by the Senator from Illinois that this amendment constitutes legislation on an appropriation bill.

Does any Senator wish to argue the point of order?

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. If not, the Chair will rule.

The Chair rules that the amendment is legislation on an appropriation bill, and therefore is repugnant to the rule. The Chair bases his ruling upon the fact that this amendment affects not only the appropriation bill now before the Senate but also all appropriation bills heretofore passed and all future appropriation bills passed at this session between now and the date of the final adjournment of the session; and, in the opinion of the Chair, the amendment is obviously legislation on an appropriation bill.

Mr. MCCLELLAN. Mr. President, I move to suspend the rule in order that the amendment may be offered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas to suspend the rule.

Mr. MCCLELLAN, Mr. TAFT, and other Senators asked for the yeas and nays; and the yeas and nays were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate on official business.

The Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from Colorado [Mr. JOHNSON] and the Senator from Nevada [Mr. McCARRAN] are paired on this vote with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Colorado and the Senator from Nevada would vote "yea," and the Senator from Washington would vote "nay."

The Senator from Georgia [Mr. RUSSELL], and the Senator from Connecticut [Mr. BALDWIN] are paired on this vote with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Georgia and the Senator from Connecticut would vote "yea," and the Senator from Pennsylvania would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from New Hampshire [Mr. BRIDGES], who is necessarily absent, and the Senator from Michigan [Mr. FERGUSON], who is absent by leave of the Senate, are paired with the Senator from Oregon [Mr. MORSE], who is absent on official business. If present and voting, the Senator from New Hampshire and the Senator from Michigan would vote "yea" and the Senator from Oregon would vote "nay."

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. JENNER], and the Senator from Minnesota [Mr. THYE] are necessarily absent. If present and voting, the Senator from Ohio [Mr. BRICKER] and the Senator from Indiana [Mr. JENNER] would vote "yea."

The Senator from Washington [Mr. CAIN], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from Washington [Mr. CAIN], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] would vote "yea."

The Senator from Connecticut [Mr. BALDWIN], who is absent by leave of the Senate on official business, and the Senator from Georgia [Mr. RUSSELL] are paired with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Connecticut and the Senator from Georgia would vote "yea," and the Senator from Pennsylvania would vote "nay."

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

The result was announced—yeas 49, nays 28, as follows:

YEAS—49

Brewster	Cordon	Ecton
Butler	Douglas	Ellender
Byrd	Dulles	Flanders
Capehart	Eastland	Frear
Fulbright	McClellan	Sparkman
George	McKellar	Stennis
Gillette	Malone	Taft
Gurney	Martin	Thomas, Okla.
Hendrickson	Millikin	Tydings
Hickenlooper	Mundt	Vandenberg
Hill	O'Conor	Watkins
Hoey	Reed	Wherry
Holland	Robertson	Wiley
Ives	Saltonstall	Williams
Johnston, S. C.	Schoeppel	Young
Kem	Smith, Maine	
Knowland	Smith, N. J.	

NAYS—28

Aiken	Johnson, Tex.	Miller
Anderson	Kefauver	Murray
Chapman	Kerr	Neely
Chavez	Kilgore	O'Mahoney
Connally	Langer	Pepper
Donnell	Leahy	Taylor
Graham	Long	Thomas, Utah
Green	Lucas	Withers
Hayden	McFarland	
Humphrey	McMahon	

NOT VOTING—19

Baldwin	Jenner	Morse
Bricker	Johnson, Colo.	Myers
Bridges	Lodge	Russell
Cain	McCarran	Thye
Downey	McCarthy	Tobey
Ferguson	Magnuson	
Hunt	Maybank	

The VICE PRESIDENT. Two-thirds of the Senate not having voted in favor of the motion to suspend the rule, the motion is rejected.

Mr. DOUGLAS (after having voted in the negative). Mr. President, when the senior Senator from Arkansas [Mr. McCLELLAN] made his second motion earlier this afternoon there was some disorder in the Chamber, and I thought he was appealing from the second ruling of the Chair, who had held that the proposed McClellan amendment was legislation. Since I believed the ruling of the Chair correct from a parliamentary standpoint, I voted against the McClellan motion, thinking that I was voting to uphold the ruling of the Chair, and that I would later have a chance to vote for the McClellan amendment directing the President to make a reduction of 5 to 10 percent in appropriations. It was my intent to vote for such a reduction, and for a proper motion to suspend the rules to make such an amendment in order. Shortly after that I found that the motion of the Senator from Arkansas actually was to suspend the rules, and that by voting in the negative I had therefore voted in effect against the amendment. This was contrary to my intent. I then thought there was no chance to change my vote, but I have since been informed by the Senate Parliamentarian that I can do so by unanimous consent. I therefore ask unanimous consent to change my vote from "nay" to "yea."

Mr. LANGER. Mr. President, I object.

The PRESIDING OFFICER. The Chair will read the rule.

Mr. LANGER. I object. This has never been done since I have been a Member of the Senate. I tried it once. It is a violation of the rule, and I therefore object.

The PRESIDING OFFICER. The Chair will read the rule as provided in rule XII, the third clause in paragraph 1, on page 16 of the Senate Manual:

> No Senator shall be permitted to vote after the decision shall have been announced by the Presiding Officer, but may for sufficient reasons, with unanimous consent, change or withdraw his vote.

The Chair understands there is precedent for permitting this to be done under rule XII. Did the Chair hear objection?

Mr. LANGER. I objected, Mr. President.

The PRESIDING OFFICER. The Chair having heard objection to the request of the Senator from Illinois, the request will not be granted.

Mr. DOUGLAS. Will the Senator from North Dakota withhold his objection?

Mr. LANGER. Yes; if the Senator desires to make a further statement. I shall be glad to have the Senator state fully and completely that he was wrong, and put in all his reasons for desiring to change his vote, but I certainly object to any Senator changing his vote.

Mr. DOUGLAS. I voted under the belief that I was voting against an appeal from the ruling of the Chair.

Mr. WHERRY. I have no objection to the request of the Senator from Illinois.

The PRESIDING OFFICER. Does the Senator from Illinois wish to speak further?

Mr. DOUGLAS. No.

Mr. WHERRY. The Senator from North Dakota has objected.

Mr. LANGER. If the leader of my party has no objection, I would not have objection. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and the permission requested is granted.

Mr. WHERRY. I thank the Senator from North Dakota for his willingness to accede to the request. I did not mean in any way to suggest anything that would influence him to withdraw his objection. My feeling was that if there was an honest error on the part of the Senator from Illinois, and I thought there was, I could not see any difference between changing the vote and having the statement made in the RECORD. Of course, the vote shows on its face. For 7 years, since I have been a Member of the Senate, I have tried to comply with unanimous-consent requests where they were sincerely made, and of course I thought the one made by the Senator from Illinois was sincere. I hope the Senator from North Dakota will not take offense because I suggested I did not object. The Senator from North Dakota is one of my best friends, we sit side by side in the Senate, and I hope he did not in any way change his view because of anything I said.

Mr. LANGER. Mr. President, 2 years ago I made a similar request. At that time the majority leader was Senator White, of Maine. The leader of our own party objected at that time, and refused to let me change my vote.

Mr. WHERRY. I remember that incident very distinctly, and I certainly did not agree with the majority leader then, and I do not agree with him now. There is a fellowship in the Senate, and when unanimous-consent requests are made I believe it is unusual indeed when they are not granted. I want the RECORD to show that I have enough faith and confidence in all my colleagues so that when they make requests, such as that made by the junior Senator from Illinois, the request will be complied with if possible.

The VICE PRESIDENT. The Chair feels that inasmuch as the Wiley amendment was the pending amendment when the unanimous-consent agreement was entered into, and was debated until the time of the recess on Friday, automatically we return now to the Wiley amendment to the committee amendment to be voted on without further debate. The Secretary will state the amendment to the amendment.

The amendment was, on page 15, line 12, under the heading "Subsistence of the Army," at the end of the paragraph to change the semicolon to a colon and add the following: *"Provided further,* That none of the money appropriated in this act shall be used for the purchase of oleomargarine or butter substitutes for other than cooking purposes, except to supply an expressed preference therefor or for use where climatic or other conditions render the use of butter impracticable."

Mr. WILEY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a bulletin of the National Cooperative Milk Producers' Federation.

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

In connection with the Military Establishment appropriation bill now being debated on the Senate floor, Senator Wiley will offer in his own behalf and that of other Senators an amendment to restore the butter proviso.

The proviso—which has been a part of this legislation for the past 18 years—reads as follows:

"Provided further, That none of the money appropriated in this act shall be used for the purchase of oleomargarine or butter substitutes for other than cooking purposes, except to supply an expressed preference therefor or for use where climatic or other conditions render the use of butter impracticable."

Unless the provision is restored—

1. The Army and the Air Corps would be forced to eat oleo at their messes, much against the wishes of personnel, while the Navy and the Marine Corps will continue to eat butter in accordance with the Navy ration law.

2. This discrimination will damage military morale and hurt recruiting. One of the chief reasons the Senate voted the butter proviso in the bill in 1931 was because when the Quartermaster General bought oleo only the enlisted men got it while officers continued to eat butter.

3. Costs to the Government would increase tremendously. Millions of pounds of butter are now being purchased by the Commodity Credit Corporation under the price-support program. If the Army cuts its butter purchases Commodity Credit Corporation purchases would have to be stepped up by that amount. Oleo procurement would be in addition to butter purchases. Commodity Credit Corporation holds 54,000,000 pounds of butter today.

4. Millions of pounds of oleo would be served to soldiers and airmen while the Government would continue to hold millions of pounds of butter which could be turned over to the armed forces.

5. The farm economy would be injured at a time when it is vital to preserve the agricultural prosperity of the Nation.

Restoration of the butter proviso will mean—

Freedom of choice for the men of the Army and the Air Corps as to the spread they want. Under the terms of this proviso, whenever the men ask for oleo in preference to butter, they are to get it.

The 2,500,000 dairy farmers of the Nation—who with their families and others dependent on the cow total 10,000,000—will still have the armed forces as a market for a large volume of their butter.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin, on behalf of himself and other Senators, to the committee amendment.

Mr. WILEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. HILL. I announce that the Senator from California [Mr. DOWNEY] and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate on official business.

The Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

The Senator from Colorado [Mr. JOHNSON] is paired on this vote with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Colorado would vote "yea," and the Senator from Pennsylvania would vote "nay."

The Senator from South Carolina [Mr. MAYBANK] is paired on this vote with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from South Carolina would vote "nay," and the Senator from Minnesota would vote "yea."

The Senator from Washington [Mr. MAGNUSON] is paired on this vote with the Senator from Wisconsin [Mr. MCCARTHY]. If present and voting, the Senator from Washington would vote "nay," and the Senator from Wisconsin would vote "yea."

The Senator from Georgia [Mr. RUSSELL] is paired on this vote with the Senator from Michigan [Mr. FERGUSON]. If present and voting, the Senator from Georgia would vote "nay," and the Senator from Michigan would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Massachusetts [Mr. LODGE], who is absent by leave of the Senate, is paired with the Senator from Oregon [Mr. MORSE], who is absent on official business. If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Oregon would vote "yea."

The Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from Washington [Mr. CAIN] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate. If present and voting, the Senator from Washington [Mr. CAIN] would vote "yea."

The Senator from Minnesota [Mr. THYE], who is necessarily absent, is paired with the Senator from South Caroline [Mr. MAYBANK]. If present and voting, the Senator from Minnesota would vote "yea" and the Senator from South Carolina would vote "nay."

The Senator from Michigan [Mr. FERGUSON], who is absent by leave of the Senate, is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Georgia would vote "nay."

The Senator from Wisconsin [Mr. MCCARTHY], who is detained on official business, is paired with the Senator from Washington [Mr. MAGNUSON]. If present and voting, the Senator from Wisconsin would vote "yea," and the Senator from Washington would vote "nay."

The result was announced—yeas 31, nays 45, as follows:

YEAS—31

Aiken	Humphrey	Taft
Butler	Ives	Taylor
Byrd	Kem	Thomas, Utah
Capehart	Langer	Vandenberg
Cordon	Malone	Watkins
Ecton	Millikin	Wherry
Flanders	Mundt	Wiley
Frear	Murray	Withers
Gillette	Reed	Young
Gurney	Robertson	
Hickenlooper	Schoeppel	

NAYS—45

Anderson	Hendrickson	McMahon
Brewster	Hill	Martin
Chapman	Hoey	Miller
Chavez	Holland	Neely
Connally	Johnson, Tex.	O'Conor
Donnell	Johnston, S. C.	O'Mahoney
Douglas	Kefauver	Pepper
Dulles	Kerr	Saltonstall
Eastland	Kilgore	Smith, Maine
Ellender	Knowland	Smith, N. J.
Fulbright	Leahy	Sparkman
George	Long	Stennis
Graham	McClellan	Thomas, Okla.
Green	McFarland	Tydings
Hayden	McKellar	Williams

NOT VOTING—20

Baldwin	Jenner	Maybank
Bricker	Johnson, Colo.	Morse
Bridges	Lodge	Myers
Cain	Lucas	Russell
Downey	McCarran	Thye
Ferguson	McCarthy	Tobey
Hunt	Magnuson	

So the amendment offered by Mr. WILEY on behalf of himself and other Senators to the committee amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the Wiley amendment has just been rejected.

Mr. HILL. Mr. President, I move to lay the motion to reconsider on the table.

The VICE PRESIDENT. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

The VICE PRESIDENT. That brings us to the committee amendment to which the amendment was offered, which apparently is the only committee amendment undisposed of.

Mr. ELLENDER. Mr. President, will the Chair have the amendment stated?

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 14 line 16, after the word "products", it is proposed to insert a semicolon and a proviso, as follows:

Provided further, That no part of this or any other appropriation contained in this act shall be available for the procurement of any article of food or clothing not grown or produced in the United States or its possessions, except to the extent that the Secretary of the Army shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing grown or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and without unduly increasing future United States market prices and except procurements by vessels in foreign waters and emergency procurements or procurements of highly perishable foods by establishments located outside the continental United States, except the Territories of Hawaii and Alaska, for the personnel attached thereto: *Provided further,* That, notwithstanding the provisions of the foregoing proviso, the Secretary of the Army is authorized to purchase from the Commodity Credit Corporation any meat owned and stored by such Corporation on the date of enactment of this act which the Secretary determines to be of a satisfactory quality for the use of the Military Establishment, or for civilian feeding in occupied areas.

The VICE PRESIDENT. Without objection, the committee amendment is agreed to. The bill is open to further amendment.

Mr. THOMAS of Oklahoma. Mr. President, there are two amendments pending, which I should like to call up in order. The first one comes in on page 87. It is the amendment offered by the junior Senator from Illinois [Mr. DOUGLAS]. It contains no monetary item, but simply states a limitation. Speaking for the committee, the committee has no objection to accepting the amendment and taking it to conference.

The VICE PRESIDENT. The clerk will state the amendment.

The CHIEF CLERK. On page 87, line 25, it is proposed to strike out the figure "$14,040" and insert "$14,040 on housing units for generals; $12,040 on housing units for majors, lieutenant colonels and colonels, or equivalent; $11,040 on housing units for second lieutenants, lieutenants, captains, and warrant officers, or equivalent; or $10,040 on housing units for enlisted personnel."

On page 88, line 2, after the comma strike out down to the period on line 4 and insert "the cost per unit shall not exceed two times the cost of such units in the continental United States: *Provided,* That the cost of the land and improvements for all such housing, both within and outside the continental United States, shall not exceed 15 percent of the cost of the construction of such housing units."

The VICE PRESIDENT. Debate is not now in order on any amendment. Without objection, the amendment is agreed to.

Mr. THOMAS of Oklahoma. Mr. President, the two Senators from Pennsylvania have offered an amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 99, after line 19, it is proposed to insert the following new section:

SEC. 635. In order to clarify the original intent of Congress, hereafter, section 2 and that part of section 3 (a) preceding the words "provided, however," of title III of the act of March 3, 1933, 47 Stat. 1520, shall be regarded as requiring the purchase, for public use within the United States, of articles, materials, or supplies manufactured in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, unless the head of the department or independent establishment concerned shall determine their purchase to be inconsistent with the public interest or their cost to be unreasonable.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to speak one sentence in explanation of that amendment.

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

Mr. THOMAS of Oklahoma. The amendment, if adopted, will give manufacturers of foreign materials the same protection they have in using domestic materials.

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

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The question is on the passage of the bill——

Mr. DOUGLAS. Mr. President, I move that House bill 4146 be recommitted to the Committee on Appropriations with instructions to reconsider the amounts provided therein, for budgeted and nonbudgeted items, and to report the same back to the Senate with the smaller sums of money in all appropriations and contract authorizations, wherever there is a difference between the amounts passed by the House of Representatives and the amounts recommended by the Senate Appropriations Committee.

Mr. President, is a statement permissible on this motion?

The VICE PRESIDENT. Debate is not in order on the motion.

Mr. DOUGLAS. I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOUGLAS. Mr. President, I rise to ask unanimous consent to be permitted to make a statement explaining the nature of the motion to recommit.

Mr. WHERRY. Mr. President, I object.

The VICE PRESIDENT. Objection is heard. The clerk will continue the call of the roll.

Mr. KERR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KERR. I should like to have the motion read again so that I can be sure I understand it.

Mr. DOUGLAS. Mr. President, the motion was placed on the desk on Friday evening, and I assume it is in the possession of the clerk.

The VICE PRESIDENT. The Secretary will read the motion of the Senator from Illinois.

The LEGISLATIVE CLERK. Mr. DOUGLAS moves that the bill be recommitted with instructions to reconsider the amounts provided therein, for budgeted and nonbudgeted items, and report the same back to the Senate——

Mr. DOUGLAS. Mr. President, I think the clerk is reading the wrong motion.

The VICE PRESIDENT. It is the only one he has.

Mr. McKELLAR. Mr. President, I ask for the regular order.

The VICE PRESIDENT. The regular order is the calling of the roll. The Chair is advised that there is a difference between the motion just read and the one made by the Senator from Illinois. Without objection, the clerk will read the motion so that Senators may know what they are voting on.

The LEGISLATIVE CLERK. Mr. DOUGLAS moves that House bill 4146 be recommitted to the Committee on Appropriations with instructions to reconsider the amounts provided therein, for budgeted and nonbudgeted items, and to report the same back to the Senate with the smaller sums of money in all appropriations and contract authorizations, wherever there is a difference between the amounts passed by the House of Representatives and the amounts recommended by the Senate Appropriations Committee.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Are we to vote on this motion, or the one previously submitted?

The VICE PRESIDENT. The Senate will vote on this motion.

Mr. WHERRY. Is it a substitute for the other one?

The VICE PRESIDENT. No. The clerk read the wrong motion.

The clerk will continue calling the roll.

The legislative clerk resumed and concluded the calling of the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], and the Senator from Washington [Mr. MAGNUSON] are absent on official business.

The Senator from Wyoming [Mr. HUNT] is absent by leave of the Senate on official business.

The Senator from Colorado [Mr. JOHNSON], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. McCARRAN], and the Senator from Georgia [Mr. RUSSELL] are absent by leave of the Senate.

The Senator from Pennsylvania [Mr. MYERS] is absent on public business.

If present and voting, the Senator from Washington [Mr. MAGNUSON], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Pennsylvania [Mr. MYERS] would vote "——."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. JENNER], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Washington [Mr. CAIN], the Senator from Michigan [Mr. FERGUSON], the Senator from Massachusetts [Mr. LODGE], and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Oregon [Mr. MORSE] is absent on official business.

The Senator from Vermont [Mr. AIKEN], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Kansas [Mr. REED] are detained on official business.

The result was announced—yeas 25, nays 49, as follows:

YEAS—25

Butler	Hickenlooper	Smith, N. J.
Byrd	Ives	Taft
Capehart	Kem	Vandenberg
Douglas	Long	Watkins
Dulles	McMahon	Wherry
Ecton	Malone	Wiley
Flanders	Martin	Williams
Frear	Millikin	
Hendrickson	Schoeppel	

NAYS—49

Anderson	Holland	Neely
Brewster	Humphrey	O'Conor
Chapman	Johnson, Tex.	O'Mahoney
Connally	Johnston, S. C.	Pepper
Cordon	Kefauver	Robertson
Donnell	Kerr	Saltonstall
Eastland	Kilgore	Smith, Maine
Ellender	Knowland	Sparkman
Fulbright	Langer	Stennis
George	Leahy	Taylor
Gillette	Lucas	Thomas, Okla.
Graham	McClellan	Thomas, Utah
Green	McFarland	Tydings
Gurney	McKellar	Withers
Hayden	Miller	Young
Hill	Mundt	
Hoey	Murray	

NOT VOTING—22

Aiken	Hunt	Morse
Baldwin	Jenner	Myers
Bricker	Johnson, Colo.	Reed
Bridges	Lodge	Russell
Cain	McCarran	Thye
Chavez	McCarthy	Tobey
Downey	Magnuson	
Ferguson	Maybank	

So Mr. DOUGLAS' motion was rejected.

The VICE PRESIDENT. The question now is, Shall the bill pass?

The bill (H. R. 4146) was passed.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Vice President appointed Mr. THOMAS of Oklahoma, Mr. HAYDEN, Mr. RUSSELL, Mr. O'MAHONEY, Mr. TYDINGS, Mr. GURNEY, Mr. BRIDGES, Mr. WHERRY, and Mr. CORDON conferees on the part of the Senate.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORT OF NATIONAL MORTGAGE ASSOCIATION

The VICE PRESIDENT laid before the Senate a letter from the Commissioner, Federal Housing Administration, transmitting, pursuant to law, a report of the Federal National Mortgage Association, for the period January 1 through June 30, 1949, which, with the accompanying report, was referred to the Committee on Banking and Currency.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. DOWNEY, from the Committee on Interior and Insular Affairs:

H. R. 5764. A bill to authorize the granting to the city of Los Angeles, Calif., of rights-of-way on, over, under, through, and across certain public lands; without amendment (Rept. No. 966).

BILLS INTRODUCED

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

By Mr. KEFAUVER:

S. 2504. A bill to provide a larger Federal contribution for old-age assistance; to the Committee on Finance.

By Mr. LANGER:

S. 2505. A bill for the relief of Abdul Karim; to the Committee on the Judiciary.

By Mr. GURNEY:

S. 2506. A bill for the relief of Libuse Chalupnik Pavlish; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 2507. A bill to authorize the United States Maritime Commission to grant to the East Bay Municipal Utility District, an agency of the State of California, an easement for the construction and operation of an interceptor sewer pipe line in an under certain Government-owned lands comprising a part of the Maritime Alameda Shipyard, Alameda, Calif.; to the Committee on Interstate and Foreign Commerce.

By Mr. BUTLER:

S. 2508. A bill to provide for obtaining certain data relating to Indians in connection with the taking of the seventeenth decennial census; to the Committee on Post Office and Civil Service.

MINIMUM-WAGE STANDARD—AMENDMENTS

Mr. TAFT submitted an amendment, and Mr. GILLETTE and Mr. ELLENDER each submitted amendments intended to be proposed by them, respectively, to the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, which were ordered to lie on the table and to be printed.

NATIONAL FARM POLICY—ADDRESS BY SENATOR ANDERSON

[Mr. ANDERSON asked and obtained leave to have printed in the RECORD an address entitled "National Farm Policy," delivered by him at the twenty-first annual session of the American Institute of Cooperation, University of Wisconsin, Madison, Wis., August 26, 1949, which appears in the Appendix.]

POLISH-AMERICAN CONGRESS OF EASTERN MASSACHUSETTS AND AMERICANS FOR POLAND RELIEF—ADDRESS BY SENATOR SALTONSTALL

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD an address delivered by him on August 28, 1949, to the Polish-American Congress of Eastern Massachusetts and Americans for Poland Relief, which appears in the Appendix.]

GENERAL DAWES AT 84—ARTICLE BY BASCOM N. TIMMONS

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article entitled "General Dawes at 84," written by Bascom N. Timmons, and published in the New Orleans States, which appears in the Appendix.]

BRITISH JETS REPORTED BRIDGING 10-YEAR LAG IN RESEARCH BY SOVIET—ARTICLE FROM THE WASHINGTON STAR

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "British Jets Reported Bridging 10-Year Lag in Research by Soviet," from the Washington Evening Star of August 26, 1949, which appears in the Appendix.]

RECKLESS LENDING THE GREATEST THREAT TO UNITED STATES—ARTICLE BY LOUIS BROMFIELD

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Reckless Lending the Greatest Threat to United States" written by Louis Bromfield, and published in the Kansas City Star of August 16, 1949, which appears in the Appendix.]

NEW CONCEPT OF STOCKHOLDERS—LETTER FROM WILMA SOSS

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD a letter from Wilma Soss dated August 16, 1949, on the subject New Concept of Stockholders, which appears in the Appendix.]

AN ATLANTIC UNION?—EDITORIAL FROM THE PITTSBURGH POST-GAZETTE

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "An Atlantic Union?" from the Pittsburgh Post-Gazette of July 29, 1949, which appears in the Appendix.]

HOT DAYS ON THE POTOMAC—EDITORIAL FROM THE NEW YORK TIMES

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an editorial entitled "Hot Days on the Potomac," from the New York Times of July 31, 1949, which appears in the Appendix.]

THE ONLY WAY TO REARM EUROPE—ARTICLE BY ALEXANDER P. DE SEVERSKY

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, an article entitled "The Only Way To Rearm Europe," by Maj. Alexander P. de Seversky, which appeared in the American Mercury for March 1949.

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

THE ONLY WAY TO REARM EUROPE

(By Maj. Alexander P. de Seversky)

(With this article Major de Seversky returns to his old battleground, and begins another fight for the most intelligent and effective use of air power in global warfare. Surely no one is more competent to make such an analysis. He alone, for a long time against the most vehement protests and objections of men high in the Army and Navy, saw the importance of the plane as an offensive, strategical, and tactical weapon. Before the war was over virtually every one of his ideas had been adopted by our armed forces, and the very men who had denounced him had only the highest praise for him. In awarding him the Medal of Merit, President Truman again referred to his "courageous labors in arousing our democratic public opinion in support of modern and adequate air force." The American Mercury was very proud in discovering Major de Seversky and in being the first magazine to open its pages to his articles, which eventually became the truly historic book, Victory Through Air Power. Now, at a time when our country is again in crisis

and when the matter of defense is inexorably tied in with our foreign policy, the Mercury considers it a privilege to open its pages to him again. What he now has to say is perhaps even more important than what he said in the momentous years 1939–45. It merits the attention of every American solicitous for the welfare of his country.—The Editors.)

I

In the interests of world peace and its own security, America should help restore the military potential of western Europe. On this long-term objective there seem to me no reasonable grounds for disagreement.

The hope of an economically healthy and morally self-reliant Europe is precluded as long as the nations beyond the iron curtain live under the continuous menace of Soviet conquest. Peace will remain tentative at best until a military balance of power is established on that Continent and its democratic nations cease to be military wards of the United States. The ultimate creation of such a balance is possible. Given economic rehabilitation and social stability, western Europe could muster the resources for self-defense.

But nothing is gained by ignoring the fact that Soviet Russia, today and in the next few years, holds physical dominance over Europe. If the Red Army, spearheaded by its teeming tactical aviation, were set rolling westward, there is no force in existence to stop its progress to the Atlantic. Talk of containing the Soviet colossus on the Elbe or the Rhine, even if the proposed 45 divisions were available, is unrealistic. Stalin cannot be blocked where Hitler crashed through.

Nor could an American decision to rearm Europe possibly alter this melancholy fact, no matter how lavishly it might be backed by our Treasury. The time element cannot be canceled out. The process would be slow—5 to 10 years on the most optimistic reckoning. In this interval the Soviets would retain their dominance over that land mass, checked only by effective power outside the Continent.

The creation of a force in Europe capable of meeting a Red land offensive would require not only the training and equipment of several hundred divisions, the construction of a great supporting tactical air armada, but the restoration of the industrial strength on which an effective military machine must rest. It would require—and this may prove to be the slowest part of the job—the moral reconditioning of the European people for combat and resistance.

While this gigantic task is under way, what would the masters of the Kremlin be doing? Those who discuss the revival of west European military vitality shy away from the distressing question. Their calculations assume that Soviet Russia will watch passively while a balance of military power is being built. The assumption seems to me fatuous.

We must face up to the truth that Moscow has, and will continue to have, the physical capacity to interrupt and to smash west European rearmament at any stage before its completion. Whether under the spur of aggressive ambitions or compulsive fears, the U. S. S. R. is likely to strike before the rearmament program jells. The temptation to do so will increase as mountains of equipment, new air bases, revived industries are piled up in western Europe, providing ever more enticing booty for a conqueror.

The logical moment of attack, indeed, can be estimated. It would be the stage at which preparations will be large enough to be worth capturing but not yet strong enough or sufficiently integrated to offer decisive resistance.

We are seeing the lengths to which the Kremlin and its fifth columns go in their determination to stymie the Marshall plan. Obviously military recovery, constituting an even more direct challenge to the Soviet position, will call forth correspondingly sharper interference. Should they delay attack beyond a certain point, the moral rehabilitation of western Europe, its greater economic and political stability, will become more formidable obstacles to the Soviet offensive. The healthier the democratic segment becomes, the harder Soviet Russia will find it to digest its conquest after taking military possession. Intervention long before western Europe becomes a self-sustaining entity—unless it is prevented by a counterforce elsewhere—must therefore be accepted as a near-certainty.

This does not mean that an early start in the military revival is not desirable or feasible. It does mean that the effort would be futile unless it were insured by adequate American strength—and strength of the right kind.

II

It is generally assumed that the Kremlin has been restrained thus far (political considerations aside) by fear of touching off a war to the finish with the United States of America. Probably Soviet Russia is not yet fully prepared for such a showdown. However that may be, certainly the only factor that can be counted upon to restrain Moscow in the future is the prospect of deadly American retaliation. Atom-bearing American air power is the sword of Damocles hanging over its head. Any policy which hampers the forging of that sword or tends to blunt its striking edges would be disastrous.

The indispensable condition for west European rearmament is the existence of a force capable of shielding the undertaking.

It must be a force that acts as a deterrent upon Russia. Under present-day conditions, huge armies and navies can hardly deter a nation whose great might is on the surface. Only American strategic air power "in being," i. e., in existence and ready to go into immediate action, offers the assurance that the hoped for rebirth of European capacity for self-defense will not be nipped in the bud. It is the sole force that may discourage a would-be aggressor from attacking or, in the worst case, compel him to loosen his grip on the Continent.

But this retaliatory force must not be based on Europe and its environs, where it would serve as an additional invitation to Soviet attack and, more important, would have to share the fate of Europe if the Red offensive were successful.

Strategic air power, whether it delivers atom bombs or any other kind of destruction, is no stronger than its bases. Once those bases are eliminated, the aviation becomes inoperative. If obliged, by reason of inadequate range, to strike from western Europe, this air power will be as vulnerable to attack and neutralization as any other military objective on that land mass. It will be subject to defeat by land power through the seizure or demolition of its bases.

The only base near Europe that will be tenable is the British Isles, not merely because they are separated from the Continent by water but because they have the industrial capacity and manpower to generate air power equal in quality and quantity to that of an enemy. This base will be a powerful ally of our air strength, certainly in the initial contest for air supremacy.

Any other base near Europe, within the orbit of Russia's striking air force, cannot be defended. In order to survive, such bases must be endowed with aerial defenses capable of thwarting attack by the total aerial potential of the enemy. They would have to possess, that is to say, defensive air power on the scale and with the same self-sustaining ability as the British Isles or the United States, which, of course, is economically impossible. What is true of such fixed overseas bases is true a hundredfold of the floating bases called aircraft carriers; their defensive capacity obviously must be infinitely smaller than what can be deployed on land; besides, they can be sunk with one blow.

Let me at this point make clear the distinction between strategic and tactical aviation. They are animals of entirely different species. The telltale difference is not in size, though the strategic aircraft are normally larger, but in the functions for which they are designed and equipped.

Tactical aircraft are designed to operate with and support surface forces, helping them to achieve their objectives. They are auxiliary to the surface strength—in effect, artillery of much longer range to clear a path for surface advances and to cooperate in winning surface battles.

Strategic air force, by contrast, is designed primarily for destruction of the industrial complex of the enemy nation and the rest of his means of waging war. Its role is to strangulate the opposing military effort in the enemy homeland; if successful, it makes surface conflict unnecessary and impossible.

It is thus apparent that big strategic bombers are not a proper weapon against armies supported by tactical aviation. Used for that purpose, they are simply reduced to tactical airplanes and, since they are not built or geared for such operations, are uneconomical and inefficient to boot. Great armies, well equipped and backed by vast reserves of matériel, cannot be defeated by strategic aviation through direct assault. Strategic air action has to be directed against the source and center of enemy war-making power—but that will not affect the armies in the field until they exhaust their reserve weapons and supplies. In Europe, this interval would be more than sufficient to allow the Red Army to occupy the whole Continent.

The fact that the strategic aircraft carry atomic destruction does not change the picture, for the atomic bomb also is not a proper weapon against advancing ground troops. After inspecting Hiroshima and Nagasaki and later witnessing the atom tests at Bikini, I was convinced that the tactical use of atomic bombs against soldiers and tanks is a highly unprofitable undertaking. This view was later corroborated by General McAuliffe, the hero of the bulge, who was deputy commander of the joint task force at Bikini. "The atomic bomb is a strategic rather than a tactical weapon," he declared. The Bikini experience, he pointed out, showed that soldiers in dugouts or tanks could weather the blast, head, and radiation of nearby atomic explosions and go on fighting.

I am fully aware that these conclusions run counter to popular misconceptions on atomic bombing effects. The fact is that in the aerial explosions over Bikini, Hiroshima, and Nagasaki, there was no residual or "latent" radioactivity to speak of. The rescue workers and Red Cross were able to enter the bombed areas immediately and work without hazard to themselves. The radioactive danger existed only at the moment of explosion, which is an infinitesimal fraction of a second, and affected only those who were directly exposed to the rays. Even Japanese who happened to be in primitive earth dugouts near the center of explosion were not touched by radiation. That is why soldiers properly dug in will survive to fight again, as General McAuliffe rightly said.

The confusion on this score has been caused by the results of underwater explosion of the atomic bomb at Bikini. That bomb was artificially planted under water and detonated by remote control, as a kind of laboratory experiment. Millions of tons of water were mixed with radioactive fissionable material. This poisoned water drenched the ships, leaving radioactive deposits in all the crevices of the structures, from which they could not be completely removed without dismantling the ships. Hence they had to be destroyed. This condition does not prevail in aerial attacks on land forces. The tactical use of the atomic weapon against

armies is therefore highly impractical at present, particularly considering the prodigious national effort that goes into their manufacture.

In short, strategic aviation based on Europe, being unable to stop surface attack by superior land forces, could be rapidly eliminated. To fulfill role as a deterrent, as a means of decisive retaliation, it must be immune to Soviet attack. To make it part of the very area it is expected to protect, through dependence on European bases, is to court disaster.

An important principle of warfare at the present stage of technological development needs to be understood:

(1) A preponderant land force in being, with its supporting tactical aviation, cannot be prevented from taking possession of its own continent, except by superior land force already on the same continent. (2) Preponderant strategic air power located on one continent can neutralize and liquidate the land force of another continent through destruction of its means of waging war, communications, transportation, food, and water supply.

In other words, preponderant land force can be stopped only by opposing land power of the necessary magnitude and vitality originated on the same continent. If that is not available, it can be challenged only by long-range strategic air power operating from another continent—from bases that are not menaced by hostile land forces and are shielded, moreover, by the entire defensive might of that continent.

The reinforcement of defending armies from overseas on a decisive scale is today out of the question. Encouraged by the success of the European invasion in the last war, some people stake their hopes on another and larger invasion; some such illusion underlies the demand for universal military training in our country. They forget that conditions have changed fundamentally.

In the last war, aircraft were still of limited range—not for technical reasons but because all the belligerents were blind to the need to exploit range to its full limit. Our factories were unmolested. Great expanses of ocean were open to us. We could amass large armies in England without serious interference. Despite this, the invasion required years of intensive preparation and could not begin until the enemy's land strength had been sapped and his air strength virtually destroyed.

Today American factories would be under aerial bombardment, as would points of embarkation and disembarkation. No water area would be safe from enemy attack. Under these new conditions naval transport is too vulnerable to deliver millions of men and their equipment on the endangered continent in time to prevent its seizure. Air transport cannot as yet attain the lift to deliver and supply, let us say, 100 or 150 divisions across an ocean. The Berlin airlift, for all its dramatic achievement, should not engender illusions on this score; far-reaching technological advances—such as the replacement of present methods of propulsion by atomic energy—must be made before the transport of manpower on such a huge scale becomes feasible.

It is thus clear that to deter Soviet Russia from overrunning all of Europe in a crisis—or to liberate the continent if it is taken over by the Red Army—we have only the aforementioned sword of Damocles. Without it, a military revival of western Europe will never be permitted by the great land power which is now potentially master of the continent.

Invincible strategic air power operating in part from the British Isles and in the main from the American continent must therefore have number-one priority in planning the economic revival and military defense of Europe. It is the pre-condition for the rearmament of the democratic portion of that land mass.

When west European statesmen grasp this central fact, they will see the fallacy of American military aid at the expense of long-range air power. They will no longer feel that the United States is "abandoning" Europe if it chooses to channel its resources into the air, rather than into a utopian attempt from the outset to match Russia's 300 divisions with west European divisions. On the contrary, any let-down in our strategic air program would amount to an abandonment of Europe to its fate.

To store perishable goods, the first and minimal need is a stout roof. Rearmament of western Europe, until it is brought to the point where it balances the huge Soviet surface might, will remain exceedingly perishable goods. The protective roof can be provided only by American air power independent of European bases and geared for instant attack on Russian industries and communications.

Under the guarantee of such a roof, democratic Europe can begin to reorganize its military potential. The fighting manpower will be drawn from its own large population, while we provide the equipment and industrial tools. As its industries are revived, there will be less call for the American contribution, until ultimately western Europe stands on its own feet.

III

Though restoration of western European military strength, with the French Army as its core, is a primary goal, it must remain subsidiary at this stage, both in the matter of investment and priority. The right-of-way must be given to long-range strategic air power.

There are some, especially among the more rhetorical European leaders, who visualize a grand coalition of all the countries west of the iron curtain to match the Soviet potential division for division. Most of these divisions are to be provided by Europe, though equipped largely by America; the rest will be trained on our side of the ocean and, when war starts, conveyed to Europe by an immense Navy sailing under its own umbrella of air power.

Not even opulent America is rich enough in men and materials to translate such a grandiose conception into reality—and at the same time develop the strategic air power which alone could restrain Russia from rudely interrupting the whole effort. First things must be put first in the plans for world security.

American manpower and resources, when measured against those of the Soviet Union and the Eurasian continent it dominates, are extremely limited. We cannot afford to build anything and everything that is proposed without courting bankruptcy and dispersing our strength into the bargain.

The present official plans call for building simultaneously the largest possible land, sea, and air forces. Obsessed by the "team" concept—the combined Army-Navy-Air Force operations developed during World War II—we are splitting our potential three ways. The military budget for the fiscal year 1950 earmarked equal amounts, about $4,500,000,000 for each of the three services, on the arbitrary and unrealistic assumption that they will play equal roles in any coming war.

A recent press summary of the view of our high command stated that "the United States can develop overwhelming superiority in the air and at sea, but it will find it hard to compete" with Russia's land power. Since Russia is a self-contained continent which does not depend on overseas supplies, the reference to our overwhelming superiority on the sea is irrelevant. Why then assign a third of our wealth to a force which Russia can and will ignore? Why assign another third to the land force, which we admit in advance will be defeated? Logic demands that we invest our national effort preponderantly in the one force, air power, where our overwhelming superiority can assure victory.

Sooner or later this logic will be recognized. The team of the last war was a makeshift designed to carry short-range aviation step by step, atoll by atoll, within striking distance of the industrial heart of Japan proper. Now, with transoceanic aviation range a reality the makeshift is no longer needed. Air power has become the predominant strategic force, our first line of security, with the surface services reduced to auxiliary functions.

An enlightened public opinion must lead to a reappraisal and reassignment of roles, and our resources must be invested in the decisive force of modern war making. Billions being squandered on outlived surface forces will then be saved. Having reduced our effort on land and sea, we shall be enabled to undertake the important job of restoring military vigor in western Europe without an intolerable strain upon our economy and upon our free way of life.

Meanwhile, however, we are launched on an incredibly profligate strategy, almost suicidal in its waste of our substance on superfluous weapons. It is draining American national resources and committing American productive capacity at an alarming rate. To add to it the burden of massive European rearmament could only spread our limited strength still more thinly, with consequent weakening of the whole complex and without assuring clear-cut superiority in the most decisive sphere, which is today the air ocean. In theory we would be attempting to revitalize European self-defense; in actuality we would be making that very thing impossible.

Unfortunately, the great debate over fundamental strategic issues among our military men is being kept in large part a family secret. The American people, who in the final analysis must make the decision, are being kept ignorant by officialdom. When they know all the facts, as in the end they must, they will determine whether our country will be a land, air, or sea power. We cannot be all three without condemning ourselves to defeat.

Military leaders, psychologically and mentally committed to their respective strategies, in the nature of the case will never come to a free unanimous decision. To leave it all to one man, the Defense Secretary, as is now being proposed, is undemocratic and dangerous; the military defeat of totalitarian nations holds a clear warning in this connection.

When the American people decide that long-range air power operating from their own mainland—now technologically realistic and feasible—is their sole strategic reliance, they will effect real economy in our national defense. They will then have a margin of wealth and manpower to spare for a genuine military revival in western Europe. At the same time that strategy will guarantee to the democratic nations of that Continent the necessary time for rearming without Soviet interference.

The rearmament effort, in addition, will tend to divide the Soviet air potential. Knowing that a surface counterforce is being developed, Moscow will have to maintain its own surface strength at peak. It will therefore have to commit a large portion of its resources to the immense tactical aviation that goes with modern land power. The amount Russia will have available for the lang-range air contest and home defenses will thus be reduced, with a relative enhancement of American strategic air might.

In its preparatory years, Nazi Germany built a Siegfried Line. From subsequent German strategy it is now apparent that the Nazis did not put much faith in surface obstructions. Why then did they build it? The answer, I believe is that they were eager to stimulate French faith in the Maginot Line. Every franc siphoned off into the use-

less types of defenses raised Germany's relative weight. Steps for west European rearmament will serve similarly to siphon off an ever larger part of the Soviet industrial and raw-material potential into surface force, with a consequent advantage to American strategic air power.

But the problem of restoring European defensive vitality cannot be considered in a vacuum. It is inexorably bound up with the whole global equation and must be put in its proper relative place in the picture. A table of priorities in this crucial period of preparedness for peace—and for victory if war is forced upon us—would be roughly as follows:

First, long-range American strategic air force, and the reinforcement of the British Isles as our most important and tenable advance base.

Second, rearmament of western Europe, and the industrial recovery of that area to make possible the ultimate generation of independent military strength.

Both these purposes must be pushed simultaneously, of course. But in the assignment of appropriations and allocation of resources priority must be reserved to the first of them. To do otherwise would be tantamount to killing the goose that lays the golden eggs of American deterrent and retaliative power.

Within the framework of this realistic pattern, a beginning should be made immediately in the restoration of European military might. It will be a shot in the arm for the morale and self-respect of the nations involved. It will provide at least the minimum strength for policing purposes, to hold down fifth-column activities and to defeat them if they take violent forms. It will initiate the long-term program for an ultimate balance of military power on the European continent.

It has become a truism in our epoch that foreign policy is only as effective as the military power by which it is buttressed. Once we adopt a simple and logical military strategy, one that is within our means, our foreign policy will also be simplified. We shall be able to pursue our goal of world peace with self-assurance and without being misunderstood either by friends or potential enemies.

NATIONAL AND PER CAPITA DEBTS OF THE COUNTRIES OF EUROPE AND THE UNITED STATES FOR 1939

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a tabulation which has been compiled by the Library of Congress, which shows the debts of the various North Atlantic Pact countries and the iron curtain nations, giving the dates of the debts, the money denomination, the United States equivalent, the debts in local currencies and the debts in United States dollars, the populations in the year of the debts, the current per capita debt, and the 1939 per capita debt.

The VICE PRESIDENT. Is there objection?

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

ERP COUNTRIES, WITH THE EXCEPTION OF THE UNITED STATES, TOTAL DEBTS AND POPULATION

Total debts in United States dollars, $162,975,055,758.

Total population, 219,832,000.

ATLANTIC PACT NATIONS WITH THE EXCEPTION OF THE UNITED STATES

Total debts in United States dollars, $157,562,289,150.

Total population, 184,229,000.

Comparative list of the national and per capita debts of the ERP countries and the rest of Europe and the United States of America for 1939 and the latest available dates

Country	Date	Money denomination	United States equivalent	Debt in local currency	Debt in United States dollars	Population in same year as debt given	Current per capita debt	1939 per capita debt
ERP countries:								
Austria	Oct. 30, 1948	Schilling	$0.10	11,714,700,000	1,714,700,000	6,755,000	$253.841	$89
Belgium [1]	July 31, 1947	Franc	.022829	276,769,000,000	6,318,364,067	8,421,000	750.310	190
Luxemburg [1]	Jan. 1, 1947	do	.02275	4,276,000,000	97,270,246	289,000	336.575	81
Denmark [1]	Mar. 31, 1948	Kroner	.20864	1,484,000,000	309,621,760	4,190,000	73.895	64
France [1]	Jan. 1, 1948	Franc	.008407	2,499,073,000,000	20,989,706,711	41,500,000	505.776	283
Greece	June 30, 1948	Drachma	.000199	1,000,000,000,000	199,000,000	7,780,000	25.578	87
Iceland [1]	Jan. 1, 1949	Kronur	.1536	170,000,000	26,113,671	134,000	194.878	73
Ireland	Mar. 31, 1948	Pound	4.03	42,521,000	171,359,630	2,997,000	57.177	99
Italy [1]	June 30, 1947	Lira	.00444	1,309,171,000,000	5,812,719,241	45,373,000	129.064	176
Netherlands [1]	do	Guilder	.37760	13,686,000,000	5,167,833,600	9,629,000	536.697	259
Norway [1]	Jan. 1, 1948	Kroner	.20160	6,117,261,181	1,233,239,854	3,181,000	387.689	122
Sweden	Jan. 1, 1949	do	.27823	11,598,000,000	3,226,911,540	6,883,000	468.823	100
Turkey	Jan. 1, 1948	Lira	.3540	1,459,591,634	516,695,438	19,500,000	26.497	2
United Kingdom [1]	Apr. 30, 1949	Pound	4.03	25,184,000,000	101,591,520,000	50,300,000	2,019.712	667
Bizone of Germany								
French zone of Germiny								
Trieste								
United States of America [1]	July 1, 1949	Dollar		252,292,246,513		148,902,000	1,694.351	351
Canada [1]	Mar. 23, 1949	do	1.03	15,600,000,000	15,600,000,000	12,900,000	1,209.302	384
Iron curtain and other countries:								
Albania		Lek						
Bulgaria	Mar. 31, 1946	Leva	.003472	112,235,683,310	389,682,293	6,993,000	55.724	70
Czechoslovakia	June 30, 1946	Koruna	.01994	85,427,700,000	1,703,428,340	12,916,000	131.885	111
Finland	Jan. 1, 1946	Markka	.007353	85,506,000,000	628,725,620	3,835,000	163.944	29
Hungary	Sept. 30, 1943	Pengo	.08455	6,500,000,000	549,575,000	9,440,000	58.217	36
Poland	Jan. 1, 1947	Zloty	.009804	35,827,000,000	3,512,479,100	23,781,000	147.701	29
Portugal [1]	do	Escudo	.040501	10,339,000,000	415,900,000	8,312,000	50.036	33
Rumania	Mar. 31, 1947	Lei	.006536	45,226,229,184	295,598,634	16,530,000	17.882	39
Spain	Jan. 1, 1947	Peseta	.08913	49,319,026,338	4,395,804,820	27,503,000	159.830	93
Switzerland	do	Franc	.2317	8,702,702,000	2,016,416,050	4,547,000	443.460	338
U. S. S. R.	Sept. 1, 1939	Ruble	.1990	35,419,000,000	7,048,381,000	170,467,000	41.362	
	Jan. 1, 1947	do	.18867	494,466,336,000	26,208,000,000	193,000,000	1,357.920	
Yugoslavia	July 1, 1948	Dinar	.02304	28,120,000,000	647,884,800	15,700,000	41.267	32

[1] Atlantic Pact country.

NOTES

1. Population figures are from the United Nations, Monthly Bulletin of Statistics, vol. III, No. 7 (July 1949) pp. 10–13.
2. Conversion rates are from:
(a) Federal Reserve Bulletin, vol. 35, No. 6 (June 1949), p. 753.
(b) United Nations: Monthly Bulletin of Statistics, vol. III, No. 7 (July 1949), pp. 150–51.
(c) International Monetary Fund, International Financial Statistics, vol. II, No. 9 (June 1949), pp. 12–13.
(d) Federal Reserve Board, Banking and Monetary Statistics, 1943, p. 662.
3. 1939 per capita debt burden totals are taken from: U. S. Government, Senate Committee on Finance, Foreign Assets and Liabilities of the United States, December 18, 1947, p. 131.
4. Sources for national debts of ERP countries:
(a) Austria: Economic Cooperation Administration; Country study. Austria, February 1949, p. 30.
(b) Belgium; UN Economic and Social Council; Belgium, Public Finance Data, 1937–48. 1948, p. 29.
(c) Luxemburg: Whitaker's Almanac, 1949. London 1949, p. 948.
(d) Denmark: Ibid, p. 913.
(e) France: Europa, London, Europa Publications, Ltd., June 1948, p. 3.
(f) Greece: ECA Country Study. Greece, February 1949, p. 21.
(g) Iceland: ECA Country Study. Iceland, February 1949, p. 14.
(h) Ireland: Statesman's Yearbook, 1948. p. 93.
(i) Italy: Europa, May 1948, p. 3.
(j) Netherlands: Whitaker's Almanac, 1949. p. 955.
(k) Norway: Ibid., p. 958.
(l) Sweden: ECA Country Study. Sweden, February 1949, p. 23.
(m) Turkey: ECA Country Study. Turkey, February 1949, p. 17.
(n) United Kingdom: International Monetary Fund. International Financial Statistics, vol. II, No. 5 (May 1949), p. 123.
(o) French zone, Bizone of Germany, and Trieste left out since their statistics do not relate themselves to the rest.
(p) United States: U. S. Treasury, Daily Treasury Statement, July 1, 1949, p. 2.
(q) Canada: Montreal Daily Star, Montreal, March 23, 1949. p. 17.
5. Sources for national debts of "iron curtain" countries and rest of Europe:
(a) Albania: No external debt.
(b) Bulgaria: Statesman's Yearbook, 1948, p. 755.
(c) Czechoslovakia: Ibid., p. 818.
(d) Finland: Europa, Finland, May 1948, p. 5.
(e) Hungary: Statesman's Yearbook, 1948, p. 1008.
(f) Poland: Europa, Poland, May 1948, p. 4.
(g) Rumania: Whitaker's Almanac, 1949, p. 974.
(h) Spain: Statesman's Yearbook, 1948, p. 1237.
(i) Switzerland: Whitaker's Almanac, 1949, p. 984.
(j) U. S. S. R.: Moody's Governments and Municipals, 1948, p. 1905.
(k) Yugoslovia: Whitaker's Almanac, 1947, p. 1003

IRREGULARITIES IN THE ADMINISTRATION OF WAR FOOD ORDER 119 BY THE WAR FOOD ADMINISTRATION IN DELAWARE—STATEMENT BY SENATOR WILLIAMS

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a statement by me as to irregularities in the administration of war food order 119 by the War Food Administration in Delaware. I was unable to get time to make the statement today under the conditions existing.

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

IRREGULARITIES IN THE ADMINISTRATION OF WFO 119 BY THE WAR FOOD ADMINISTRATION IN DELAWARE—STATEMENT BY SENATOR WILLIAMS

Mr. President, I take the opportunity of calling to the attention of the Senate, and particularly the farmers on the Delmarva Peninsula, the results of an investigation which was conducted during the war years relating to one phase of the activities of the War Food Administration. As you know, the War Food Administration is the name under which the Commodity Credit Corporation operated during the war years, and is the same corporation which the Honorable Lindsay C. Warren, Comptroller General of the United States, in his report to the Congress of March 30, 1949, charged with having spent over $366,000,000 of the taxpayers' money for which it was unable to render an accounting.

I fully recognize the fact that the information which I am about to present to the Senate is related to transactions which took place some 4 years ago. However, until recently, I was unable to obtain all of the facts relating to this investigation. I consider these facts of such vital consequence to the farmers on the Delmarva Peninsula, particularly in my own State, that I feel they should be made public even at this late date.

Before giving a detailed report I will summarize a few of the high lights of this investigation.

These files show that during the 3-month period in 1945 in which the investigation was conducted, 1,862 loads, or over two-thirds of the live poultry shipped from the Delmarva area was going out under improper certificates.

There are statements in these files of the individuals responsible admitting that farmers' names were forged to many of these certificates and that the poultry was being shipped out of the area in the farmers' names without either their knowledge or consent.

There is also contained in these files undisputed charges that in many instances these forgeries were conducted with the knowledge of either Clifford W. Shedd, State director of the War Food Administration, or his subordinates.

There is evidence in these files that a large percentage of the poultry leaving Delmarva Peninsula through these improper methods was being disposed of in the black market in New York City through a corporation largely owned by some of the same buyers who were operating on the peninsula and shipping the poultry under the forged certificates.

These files show that another partner in this New York corporation and the man who exercised the power of a czar over our poultry industry during the war years was a certain Charles Herbert, a notorious New York gangster with a long criminal record.

These files also show that at no time during the operations of WFO 119 did the Government buy any poultry at below the ceiling prices, notwithstanding the fact that in many instances the poultry was purchased from the farmer by the processor at prices substantially below the ceiling price. This was a direct violation of the terms of the contract in which the seller represented that the contract price was based upon the estimated price paid to the producers.

This report completely exonerates the farmers on the Delmarva Peninsula and at the same time places the responsibility for whatever black-market conditions existed on a small group of buyers who were operating with the knowledge of the State director of the War Food Administration or his subordinates in that area.

Any of the statements which I have made can be verified from the five investigation reports which were submitted by Special Agents Harold Mesibov and Robert J. Duff to the War Food Administration, identified as follows: August 14, 1945, file WFO 119-59; August 23, 1945, file 4-37; September 19, 1945, file WFO 119-42; October 9, 1945, file 4-36; and October 16, 1945, file WFO 119-42-1.

In order that the records of this case may be complete, I shall review its complete history.

During the war years many loose charges of black-market operations were made by prominent Government officials against the farmers in the Delmarva area. Speaking in their official capacity as heads of the different Government agencies, including the OPA and the War Food Administration, they made wholesale charges that the farmers in this area were shipping their poultry to be sold on the black markets, in violation of the OPA regulations and also in violation of the 100-percent set-aside of WFO 119, issued on December 1, 1944.

WFO 119 set aside 100 percent of the poultry in the Delmarva area for use of the armed services and called for the stationing of soldiers at every highway outlet. The officials in Washington, responsible for the operations of both the War Food Administration and the OPA, were so convinced that the majority of the farmers in this area were law violators that in the issuance of WFO 119 they included a sentence stating that one of the main reasons for the issuance of the order was not altogether to obtain the poultry for the Army, but was primarily to break up the alleged black market prevailing in that area.

The farmers in our State, knowing that the charges contained in this order were false, became very indignant and the situation grew so tense that the Honorable Walter W. Bacon, governor of our State, called a meeting of the farmers at his office in Dover, Del., with the acting State director of the War Food Administration, Clifford W. Shedd. At this meeting the governor requested that either the War Food Administration produce evidence of its charges or else retract them. Mr. Shedd, as spokesman for the War Food Administration, admitted that the Government could not support its charges and agreed to obtain from his superiors a public apology to the farmers in that area.

WFO 119, setting aside 100 percent of the poultry produced on the Delmarva Peninsula for use of the armed services went into effect on December 11, 1944. And during the period in which this order was in effect, poultry was not supposed to be shipped from the peninsula unless each load was accompanied by a release signed by the farmer, the buyer, and the State Director for the War Food Administration.

Notwithstanding the fact that soldiers were stationed at every outlet on the peninsula to check each load of poultry leaving the area, the press continued to prominently play up charges that many loads of poultry were leaving the area daily and ending up in the black markets in the eastern cities.

From its New York office the Office of Price Administration sent hordes of special agents into each county on the Delmarva Peninsula, with specific instructions that they check each farmer in that area. These many agents were continuously releasing front-page articles to create the impression that all the farmers in our area were crooks. The result was that during the brief period in which the agents operated they not only almost completely destroyed the reputations of the farmers themselves but they also destroyed the good will of the city consumers which our farmers, over a period of years, had worked so hard to develop.

We who live in that area, being familiar with the poultry industry and knowing many of these farmers personally, could not understand why prominent officials of the United States Government should continue to make charges which we knew full well were false. I am not trying to say that there were not some violations o the OPA in that area as there were in all parts of the country. But I do say that the large majority of our farmers were doing their best at all times to comply with the wartime regulations.

In the midst of this period during which time the War Food Administration was demanding 100 percent of our poultry, we read in the newspapers that a special investigation was being conducted in our area. In the Philadelphia Record of June 13, 1945, an article appeared stating that the Federal Bureau of Investigation had been quietly probing the poultry black market in the Delaware-Maryland area and that startling results were expected. The article stated that their findings would reach high into Delaware State politics and perhaps into the Washington headquarters of the War Food Administration and the OPA itself. Many of us felt that at last the truth would soon be exposed, and that the loose charges which had been made against the farmers in the Delmarva Peninsula would be repudiated.

However, for some reason which I cannot understand, the results of that investigation were never released to the public. The wholesale charges which were made against our farmers, accusing them of black market operations, have been allowed to stand during these intervening 4 years. Although the OPA has passed out of existence, the names of many of these farmers have remained on the black list of the Federal Government as suspected law violators. The Bureau of Internal Revenue, supplied with this list and believing the farmers to be guilty of having received black-market money, has assigned an unusually large number of agents to the area to continue the investigations. In view of these circumstances I feel that the report of the investigation conducted by the special agents of the War Food Administration, which for some unexplained reason has remained a top secret and has been suppressed, should be released to the public. This investigation clearly proves that the charges that wholesale black market operations were being conducted by the farmers of the Delmarva Peninsula were lies.

In the reports of this investigation as filed with the Department by Special Agents Harold Mesibov and Robert J. Duff, can be found a complete exoneration of the charges which were made against the farmers in this area. These amazing documents do contain some startling revelations and rather serious charges of irregularities, but not on the part of the farmers who had been so freely accused of law violations; on the contrary, the reports contain rather serious charges of irregularities on the part of the Government officials themselves who were responsible for the operations of the program on the Peninsula.

In order that the record might be put straight and the responsibility placed where it belongs, here are some of the facts as contained in this report covering the period between May 7, 1945, through August 6, 1945.

I refer first to—

FILE NO. 4-36 DATED OCTOBER 9, 1945

On June 11, 12, 13, and 14, 1945, at the Dover, Del., office of Clifford W. Shedd,

Deputy Administrator of WFO 119, 4 special agents examined all of the releases and applications made available to them, and found that of a total of 2,762 releases issued by Shedd's office, less than one-third of them were supported by growers applications. The report reveals that when applications for releases were solicited or recommended by one particular representative of a certain group of poultry buyers, they were given top priority by Mr. Shedd's office. One thousand three hundred and eighty-four of these releases were granted on requests submitted through this one representative, and of that number, 944 were not supported by growers applications. One thousand three hundred and seventy-eight releases were issued during the same period to buyers applying directly to the office of Clifford W. Shedd, the Deputy War Food Administrator, and of this number, 918 were not supported by growers applications as required by law.

FILE WFO 119-42 DATED SEPTEMBER 19, 1945

The report contains signed admissions that the names of the farmers appearing on many of these WFA releases were forgeries and that a large percentage of the poultry which was moving out of this area into the black market was being shipped out in the name of the individual farmers on the Delmarva Peninsula without either their knowledge or consent. Moreo.er, the report contains charges that some of these forgeries were committed with the knowledge and approval of the Government officials in charge of the operations at the Office of the War Food Administrator at Dover, Del.

FILE NO. 4-36 DATED OCTOBER 9, 1945

The report further shows that Clifford W. Shedd, during the month of May 1945, alone, issued these unauthorized releases for 1,700,000 pounds of poultry for sale in civilian markets in spite of repeated warnings from Gordon W. Sprague, his superior in Washington, that the Army needed the poultry.

FILE WFO 119-42 DATED SEPTEMBER 19, 1945

There is evidence in the report that members of this buyers' group were actually paying their official representative for the releases which he was receiving from Clifford W. Shedd's office in Dover.

FILE WFO 119-42 DATED SEPTEMBER 19, 1945

The report indicates that a large percentage of the poultry moving out of this area during the period of the investigation, much of it on forged certificates, was handled through the West Seventeenth Street Poultry Co., 425 West Seventeenth Street, New York, N. Y., and ultimately was disposed of in that market. It shows that this New York poultry company which was acting as a clearing house for a large percentage of the poultry leaving the Delmarva Peninsula was substantially owned by the same group of buyers who were controlling operations on the Delmarva Peninsula and shipping poultry to this concern in the name of the Delaware farmers on forged certificates.

FILE WFO 119-42 DATED SEPTEMBER 19, 1945

The record further shows that Charles Herbert of New York City was part owner and general manager of this corporation or clearing house in New York City, and in that capacity practically controlled the distribution of all poultry moving from the Delmarva area. Apparently this was not a new experience for Mr. Herbert since the files show that this was the same Charles Herbert who was convicted in 1929 of racketeering and terrorism in the operation of a chicken monopoly at that time and for violation of the Sherman Anti-Trust Act.

On July 9, 1936, a New York newspaper referred to this Charles Herbert as a "notorious racketeer" and the article stated that Mr. Morgan, Commissioner of Markets for New York, was leaving for Washington to seek the aid of the G-Men to break up the poultry racket. According to this newspaper report, Morgan turned over to Special Prosecutor Thomas E. Dewey evidence of a so-called shakedown racket and abuses which he attributed to this same Charles Herbert. In 1937 this same Charles Herbert was again sentenced for from 4 to 10 years for racketeering in the poultry markets in New York. Numerous other indictments and convictions are listed in the files against this same Charles Herbert, including records of many charges during this same period against the owners of the firm for violations of OPA regulations and numerous other Government orders.

Substantial financial losses accrued to the farmers through the ignoring by Mr. Shedd of that provision of WFO 119 which provided that the amount saved through the purchase of any poultry by the buyers below the ceiling price must be passed on to the Government in its entirety. Each contract between the processors and the Government contained a provision which stated:

"The contractor represents that the contract price * * * is based upon an estimated price paid to the producer * * * for live chickens to be processed hereunder. In the event and to the extent that the actual price paid to the producer of live chickens purchased for the performance of this contract is less than such estimated price, the contract shall be reduced by the same number of cents or fraction thereof, per pound."

The purpose of incorporating this provision in all contracts was to remove all incentive from the buyers of forcing the price of broilers at the farm below ceiling price since had this provision been enforced, such savings would have been merely passed on to the Federal Government.

Mr. David L. Hume, chief of the poultry section, headquarters, quartermaster market center system, Chicago, Ill., in response to an inquiry of June 23, 1949, as to how much, if any, poultry the Government procured below the ceiling price, replied that to the best of their knowledge—

"All poultry purchased under WFO 119 by the market center system was at applicable maximum OPA prices. * * * Further, WFO 119 was administered by the War Food Administrator. The Quartermaster Corps was only an authorized buyer under the terms of the order."

Once again we find that Mr. Shedd, in ignoring this provision of the law, allowed unwarranted profits to accrue to this same privileged group at the expense of the farmer.

Notwithstanding all the irregularities which transpired under the administration of WFO 119 by Clifford W. Shedd, we find that instead of any disciplinary action being taken against him, Mr. Shedd was actually given a promotion and an increase in salary of $580 per year, and was retained on the rolls of this same corporation until April 16, 1946. On that date he was all wed to resign and accept a position with a higher salary in the Department of Commerce, which position he still holds today.

This is another example to prove the maxim, "If you make a mistake in the Federal Government, make it big and involve enough people, and you can get away with it."

Mr. President, it seems rather ironical that we should find that not only were these wholesale criminal charges which were made against our farmers false, but that they were originated and encouraged by the officials of the same Government agency which at that time was spending hundreds of millions of dollars of the taxpayers' money without keeping any record of it.

These tactics of making false charges against our farmers were employed by the State director of the War Food Administration in an apparent effort to divert the attention of the OPA investigators and the public from the irregularities in his own office.

This is one of the most flagrant miscarriages of justice which has ever come to my attention, and I think the Administration, which has had these files in its possession for over 4 years and has done nothing about them, should explain:

1. Why have the contents of this report been withheld from the public for over 4 years; and

2. Why have these files not been referred to the Department of Justice?

And the most important question of all is, Was it this same group which was responsible for the flagrant manipulations of the broiler market on the Delmarva Peninsula as recently as July of this year?

1949 AGRICULTURAL HARVEST

Mr. WILEY. Mr. President, I send to the desk a statement on a momentous canning strike which has just been averted—a strike which could have paralyzed Wisconsin agriculture as well as farmers throughout the Nation. I ask unanimous consent that it be printed at this point in the CONGRESSIONAL RECORD.

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

COMMENTS BY SENATOR WILEY ON 1949 AGRICULTURAL HARVEST

Mr. President, throughout the Nation the agricultural harvest of 1949 is proceeding in full swing. This year we in Wisconsin are proud of a particularly good harvest which, while not bumper in size, is sufficient, thanks to late June rains and a tremendous corn crop which is expected to hit around 130,000,000 bushels.

As usual, the Wisconsin farmer faced the ravages of nature but came through with flying colors. A drought threatened for a considerable time to keep the hay fields as bare as a floor. Corn borers struck in the southern part of the State. Insects ravaged much of the pea crop, and yet in spite of it all we will harvest over 5,500,000 tons of hay; 110,000,000 bushels of oats; 6,250,000 bushels of barley; 13,000,000 bushels of potatoes; 10,000,000 cases of peas, and many other crops.

WISCONSIN'S LEADING CANNERY PRODUCTS

I have pointed out previously on the floor the pride of my State in its great canning production. The Badger State leads the Nation in the production of peas for canning and while this year's crop of peas will fall short of the 1945 peak of 16,000,000 cases, we will still hold first place in the Nation in canned peas. We rank first in the Nation in the production of sweet corn for canning and we will have a pack of around 7,000,000 cases. We will pack 1,650,000 cases of green and waxed beans with the limas still to come. We are going to have wonderful yields from our lush beet fields—between 10 and 12 tons yield to the acre.

All of this spells lifeblood to Wisconsin's over 150 canning factories, employing around 30,000 workers with an annual payroll of $15 to $20,000,000. Canned peas, canned kraut, canned green beans, limas and waxed beans—these are the stuff and substance of much of the prosperity of the Badger State.

And yet, but a week or so ago it looked as though a tremendous proportion of this golden yield of nature would be rotting in the fields. A strike was scheduled in a vital canning company and this strike undoubtedly would have spread. The corn, the peas, the beans, would have moldered in the fields if the cans were not instantly available.

From all over the State of Wisconsin came telegrams to my office urgently pleading for action to prevent this disaster—a potential

calamity not only to the small canning factories but to the individual farmer. I, of course, immediately got in touch with the Federal Mediation Service in the Department of Labor and I am glad to say that this strike has been put off until October.

APPRECIATION OF WISCONSIN CANNERS

I am grateful for the many messages which have poured in from Wisconsin expressing gratification that our Federal authorities were able to forestall a disastrous stoppage.

I should like to quote from one letter from a Wisconsin canning company typical of many splendid letters for which I am humbly grateful:

"I want to take this opportunity of thanking you for the splendid cooperation that you gave to us and your promptness in handling our request for assistance in preventing that strike of American Can Co. employees.

"I rather imagine that you received a deluge of requests and it certainly is gratifying to note the promptness of the decision * * * and I am positive that your efforts materially aided our industry in securing this objective. Thank you again."

Now, Mr. President, the reason I bring this issue up is not merely as an act of pride in the great canning and farming industry of my State nor is it to merely express heartfelt thankfulness that a dreadful canning strike has been averted; rather, it is to point up the fact of the harmful economic consequences of strikes—to labor, to management, to farmers, to the public. Fortunately, reason prevailed in this recent instance. The peas and beets and beans did not rot in the fields as they might have. It was a narrow escape and I am hoping that even in the long run no strike will come to pass.

LET US UNITE TO PREVENT AVOIDABLE STRIKES

Let labor, businessmen, farmers, consumers, unite to help put more vitality in Federal and State labor statutes so that calamitous strikes such as the one that we have just avoided in the canning industry may be held to an irreducible minimum. Let not labor miss vital pay envelopes; let not crops for which the farmers sweated and strained be lost. Let not the public be denied wholesome, nutritious foods.

PURCHASE OF AUTOMOBILES BY CERTAIN DISABLED VETERANS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2115) to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes, which was, on page 1, line 9, after the word "of", to insert "World War I and."

Mr. THOMAS of Utah. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. PEPPER, Mr. HILL, Mr. DOUGLAS, Mr. TAFT, and Mr. MORSE conferees on the part of the Senate.

MINIMUM-WAGE STANDARD

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, Senate bill 653.

The Senate resumed the consideration of the bill (S. 653) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment to the pending bill, by way of a substitute for the entire language of the bill.

The Chair is informed that practically all of the amendments which have been sent to the desk to be printed and to lie on the table are amendments to the substitute, and for that reason the Chair supposes that the substitute will be regarded as the language of the bill.

Mr. TAFT. Mr. President, I wonder if we could not enter into a unanimous-consent agreement to treat the substitute as the pending bill.

The VICE PRESIDENT. Under the precedents, that is the case anyway, so that amendments to the substitute will be considered as amendments in the first degree instead of the second degree.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. PEPPER. What is the unfinished business? Is it Senate bill 653?

The VICE PRESIDENT. It is.

Mr. PEPPER. That is the measure now before the Senate, is it not?

The VICE PRESIDENT. It is before the Senate at this time. There is no amendment pending, but the substitute reported from the committee is to be treated as the text of the bill.

Mr. PEPPER. Mr. President, the pending bill is the Fair Labor Standards Act of 1938, which is proposed to be amended. Senators will recall that in 1938 the first Federal legislation upon this subject was enacted.

Mr. LUCAS. Mr. President, will the Senator yield for a short statement?

Mr. PEPPER. I yield.

Mr. LUCAS. It is the hope of the majority leader and others who are vitally interested in this measure that we may be able to conclude the bill by Wednesday night. We can do so by having a night session tomorrow evening and perhaps a night session on Wednesday. It is the thought of a great number of Senators that we then might take a recess until the following Wednesday—practically a week. I merely mention it now so that Senators may be thinking about it overnight, and I shall be glad to talk a little later to the Senator from Nebraska [Mr. WHERRY] and the Senator from Ohio [Mr. TAFT] to see whether or not some arrangement can be worked out.

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

Mr. PEPPER. I yield.

Mr. TAFT. Do I understand that if the bill is not finally disposed of Wednesday night we will continue consideration of it on Thursday until action on it is completed?

Mr. LUCAS. Yes. The Senator is correct about that. We will have to continue consideration of it until it is finished. But I was hoping that perhaps we might finish it on Wednesday some time and take perhaps a week's recess after that, if we could.

Mr. WHERRY. Mr. President, will the Senator from Florida yield to me so that I may say something in connection with what has just been stated by the majority leader?

Mr. PEPPER. I yield.

Mr. WHERRY. I took up the matter of the recess with my distinguished friend from Illinois, and I understood him to say that the Senate would stay in session through Friday, that there would be no Labor Day recess except on Saturday, Sunday, and the Monday holiday. Is that still the position of the majority leader?

Mr. LUCAS. The Senator is correct in that statement. That was what we agreed to some time ago, but in later discussions we felt that perhaps a couple of days more might do Senators no harm.

Mr. WHERRY. This is the first time I have heard anything like that. I have advised many of my colleagues on this side of the aisle what the Senator from Illinois advised me as to a possible vacation. So as much as I should like to comply with the Senator's request or suggestion, it seems to me that it is simply another evidence of the confused situation in which we find ourselves. I think the program should be announced far enough in advance to enable Senators to make their plans. I should like very much to have had a week, but after the decision was made I announced it to the Members on this side of the aisle.

Mr. LUCAS. There is not very much confusion in this sort of a situation, in my opinion. If anyone is confused it may be the Senator from Nebraska, who usually is.

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

Mr. PEPPER. I yield to the Senator from Wisconsin.

Mr. WILEY. I trust some arrangement may be worked out that will be satisfactory to everyone. Assuming that we can complete action on the bill Wednesday night, is it the idea that the Senate would then take a recess until the following Tuesday?

Mr. LUCAS. Until the following Tuesday or I might even go as far as to suggest the following Wednesday. This is merely a suggestion. I have talked to a number of Senators who thought that perhaps we should have three or four more days recess around Labor Day time. The arrangement the Senator from Nebraska speaks of was made some time ago by the policy committee. I advised the Senator from Nebraska that I thought it would not do any harm, even at this hour if I should say something about the latest proposed arrangement. There is nothing very unusual about it.

Mr. WILEY. Mr. President, may I continue further?

Mr. PEPPER. I yield.

Mr. WILEY. My own thought is that because the fact that the Senate is going to be in session through September and into October, a great many Senators, and I am sure the Senator from Illinois is one, and I include myself, not having in contemplation months ago that the Senate would remain in session so late in the year, have put themselves on the spot in relation to making definite speaking appointments. This is what I ask: Assuming that the program the Senator speaks of will become effective, so that a

recess can be taken until Tuesday of next week or perhaps Wednesday of next week, can that not be supplemented by information being given to Senators as to what the next and the next and the next piece of legislation will be which will be called up, so we will have some definite understanding of what to expect in the future? In other words, if there are 6 or 10 pieces of legislation, will they come up in a certain order? Can we be given an understanding on that subject? If so, it will, I believe, add to the ability of Senators to make plans for the future.

Mr. LUCAS. Let me say to my distinguished friend from Wisconsin that I am only one member of the Democratic Policy Committee. The next matter of legislation that will be considered by the Senate, after the disposition of the pending measure, will be the reciprocal trade agreements measure.

Mr. WILEY. What follows that?

Mr. LUCAS. It is a little difficult to say, because, according to what the Senator from Colorado [Mr. MILLIKIN] said the other day, it will require at least 10 days to consider the reciprocal trade agreements bill. So we have now approximately a 2-week program ahead of us. It is somewhat difficult to say exactly what the program will be beyond 2 weeks. A number of bills will be taken up following the reciprocal trade agreements measure.

Mr. WILEY. That helps me a little bit. I suppose the Senate will take up the arms program next after that.

Mr. LUCAS. I am not so sure. That may be. But that is a decision which is to be made by the policy committee, I will say to my friend.

Mr. WILEY. Would it not be well for the policy committee to arrive at some decision so that other Senators could know where they are going?

Mr. LUCAS. The Senator from Nebraska in a statement he made last night to the people of America, said I had no program of any kind. I will say that I reluctantly took the time of the Senate last week and pointed out a great many bills on the calendar which we are going to try to consider. I should like to sit down, probably after tomorrow evening, with the Senator from Nebraska and the Senator from Ohio and see whether we can agree upon the six, seven, or eight bills I previously mentioned. Maybe we can reach an agreement respecting some kind of limitation of time on those bills. If we can, well and good. If we cannot, we will simply move along. I think we are doing quite well and I believe the country feels we are doing quite well. I am satisfied that we are.

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

Mr. PEPPER. I yield.

Mr. SALTONSTALL. I think it would not be out of line to suggest to the majority leader that if we are going to try to reach a final vote on the pending bill by Wednesday night, it might be advisable to consider having a night session tomorrow night. It will be very helpful to me if we can complete action on the bill by Wednesday night. I hope we can. I would suggest a night session tomorrow.

Mr. PEPPER. Before the able leader makes any statement in reply to that suggestion I should like to say that the committee has reduced the bill to a very simple one. I have to offer in the first instance some committee amendments which will remove some of the points of controversy. I really do not think the bill will require protracted debate in the Senate. I see no reason why we should not possibly get through with it tomorrow, certainly not later than the following day, during the day. We are not going to take up extra time with speeches. Senators are familiar with this subject. We did not think we would call for a vote this afternoon, because many Senators are absent. But we thought we might start voting tomorrow.

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

Mr. PEPPER. I yield.

Mr. SALTONSTALL. I do not understand that the Senator objects to a night session tomorrow night. Does he object?

Mr. PEPPER. No. We are glad to have it. I think we have removed a great deal of controversy from this area. I am hoping that we can get through at an early date.

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

Mr. PEPPER. I yield.

Mr. LUCAS. In line with the suggestion which has been made, I desire to notify the Senate that there will be a night session tomorrow night on this bill, with the hope that we can get through by Wednesday evening. As we move along tomorrow we will see if we can get a unanimous-consent agreement to vote on Wednesday night. In that way we can perhaps get away from Washington for a few days.

Mr. WHERRY. Mr. President——

Mr. PEPPER. I yield to the Senator from Nebraska.

Mr. WHERRY. I desire the floor in my own right. How long does the Senator from Florida expect to speak?

Mr. PEPPER. Only for a few minutes. As I previously stated, we shall not consume the time of the Senate with unnecessary discussion of this subject. Senators are familiar with the background of the legislation, and what the bill generally proposes.

As I recall, the first Federal legislation on the subject of fair-labor standards was proposed in the Senate by then Senator, now able Justice, Hugo Black, who introduced the 30-hour-week bill. I believe the Senate passed that bill. Prior to that time there had been numerous State enactments on the subject of minimum wages and maximum hours of labor, and governing conditions of work by employees of industry. However, as I stated, it was not until 1938 that the Congress itself took action in this field.

I see in the Chamber at the moment my distinguished colleague, the Senator from Louisiana [Mr. ELLENDER] and the distinguished chairman of the committee, the Senator from Utah [Mr. THOMAS]. I myself was a member of the conference committee which finally adjusted the existing legislation between the Senate and the House of Representatives. So many of us have personal recollections of the history of this legislation in the Senate.

It will be recalled that the first law of 1938 provided a minimum wage of 25 cents an hour. It provided, however, that that wage should gradually be increased until it should reach 40 cents an hour. We actually achieved 40 cents an hour as the minimum wage about 1943. Industry committees were authorized to take some part in the elevation of the minimum wage. As Senators will recall, the maximum hours were fixed at 40 hours a week, with certain exceptions. I think we have summarized rather succinctly in our report, a paragraph or two of which I shall read, the need for this legislation and the background of it. I read from the report of the committee:

> The need for legislation to improve the effectiveness of the Fair Labor Standards Act of 1938 in meeting the objectives sought to be achieved by Congress when it enacted that act in 1938, namely, to promote economic justice and security for the lowest paid of our wage earners, to create conditions of employment stability, and to eliminate unfair competitive labor practices in industry, has long been apparent. Legislation to accomplish this purpose has been under active consideration by the Congress since 1945. Extensive hearings on comprehensive proposals to amend the act were held before the Committee on Labor and Public Welfare in 1945, in 1948, and again in 1949. Legislation raising the minimum wage to 65 cents an hour, strengthening the child-labor provisions, and making other changes in the act was passed by the Senate in 1946 but failed of enactment when the House of Representatives did not act thereon. Upward revision of the minimum wage has been repeatedly requested by the President since his message to Congress of September 6, 1945. In his state of the Union message of January 5, 1949, the President reported that "The health of our economy and its maintenance at high levels further require that the minimum wage fixed by law should be raised to at least 75 cents an hour." As a result of its study and deliberations, the committee has concluded that legislation to raise the minimum wage standard provided in the Fair Labor Standards Act to 75 cents an hour, to improve and strengthen the child-labor provisions of that act, and to improve the act's administrative effectiveness should be enacted by the Congress at this time.
>
> Proposals were made to the committee during its hearings for comprehensive revision of the standards, definitions of terms, coverage and exemptions, and administrative machinery provided in the Fair Labor Standards Act of 1938. The committee has not attempted to pass judgment on the merits of all of these various proposals.

At this time the committee is confining the amendments which it proposes be made in the Fair Labor Standards Act of 1938 to a limited number.

First, it proposes to raise the minimum wage to 75 cents an hour from the present maximum of 40 cents an hour, which has been in effect since 1943, and was authorized by the act of 1938.

The committee proposes certain changes in the legislation with respect to child labor. I know of no opposition to the suggested changes. They appear to be necessary in the light of experience.

One change is this: The present law does not forbid the employment of child labor, or, to use the more exact term,

"oppressive child labor." It only forbids the shipment in interstate commerce of goods upon which or in connection with which child labor has been employed within 30 days prior to shipment. Obviously that made it possible for an employer disposed to do so to hold the goods in his warehouse for 30 days, although he had used child labor in their production, and then ship them without hindrance or restraint into the unimpeded channels of interstate commerce. I do not know of anyone who wishes to countenance or permit such a practice. So we went directly to the heart of the matter in the pending bill by forbidding oppressive child labor in commerce, which throughout the act means commerce among the several States, or in the production of goods for commerce.

We made two additional minor amendments. Heretofore the law has forbidden the employment of child labor in agriculture during the time when the child was legally required to attend school. That raises rather difficult legal questions, as to what are the laws respecting compulsory education, what is delinquency, and so forth. So we adopted what we believe to be a simpler and clearer test, namely: Was the school in the district in which the child resided in session or not? If it were in session, then the bill would forbid the employment of the child during that time; but if the law did not require the school to be in session, or if, as occurs in some areas, the school were let out in order that the children might help in some emergency, the school would not be in session, and the child would not be forbidden to work in agriculture.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. The amendment does not prohibit a child from being employed after school hours, does it?

Mr. PEPPER. It does not. A child can be employed in agriculture outside the time when the school is required to be in session in the district in which he resides.

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

Mr. PEPPER. I yield.

Mr. GREEN. What does the Senator mean by "the school"? Does that mean public school?

Mr. PEPPER. It means public school.

Mr. GREEN. Do not different schools have different practices?

Mr. PEPPER. I suppose it would be the school to which the child would normally go as a pupil, in the district in which he resides.

The other amendment is a rather minor one, but it was felt that a correction should be made in the law. Under the present law a parent may employ his child in agriculture at any time other than the time when the school is in session, without hindrance or obstruction. Under the present law a parent cannot employ his child who is above the age of 16 years and below the age of 18 years in an occupation which is found by the Children's Bureau to be hazardous; but there is a loophole in the present law. A parent could employ a child less than 16 years of age in hazardous mining or manufacturing operations. No one would say that a parent should be forbidden to employ a child between the ages of 16 and 18 in hazardous mining or manufacturing operations, but should be permitted to employ a child under the age of 16 in a hazardous mining or manufacturing operation. That is a minor change.

Another minor change was to permit children to participate in radio, motion picture, and dramatic performances, because of certain well-recognized exceptions in that field.

First, we raised the minimum wage to 75 cents an hour. Then we tightened up the child-labor provisions a little.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. I wonder whether the distinguished Senator from Florida will give us the basis for fixing the minimum at 75 cents.

Mr. PEPPER. Will the Senator permit me to state what we attempt to do by the bill as reported, and then give the justification for it in respect to the minimum wage?

Mr. ELLENDER. Very well.

Mr. PEPPER. A third category in the bill now before the Senate proposes to do two things: First, to aid the worker who has not received unpaid wages from his employer by authorizing the Wage-Hour Administrator to work out an agreement with the employer and the employee as to any wages due the employee by the employer, and to supervise the adjustment of the wage claim. In other words, the Wage-Hour Administrator is authorized to ascertain, in case of complaint, the amount of wages alleged to be due the worker, and which might have been found to be due by the wage-hour inspector, and to supervise the adjustment of the claim. Second, the bill authorizes the Government to bring suit on behalf of the employee for any back wages the employee might be due from the employer or any wages that might have been in dispute as between the employee and the employer. We do those two things, as it were, for the benefit of the employee.

We do two additional things for the benefit of and the clarification of the duty and responsibility of the employer, namely, if the Wage-Hour Administrator supervises the settlement of a wage claim or a wage question and if the employer pays the amount which the Wage-Hour Administrator finds to be due the employee, and if the employee accepts it, then, under the provisions of our bill, the employee waives the right he has under the present law to sue the employer and, if he recovers, to get not only the wages which might have been in arrears, but twice the wages in arrears, as a penalty, and, in addition, attorney's fees. Thus, in a case in which the Government might at the instance of the employee sue the employer for wages due the employee, but not paid, the employer by virtue of being sued by the Government, after it is authorized by the employee to bring the suit, is held, by the fact of the suit, to be the recipient of a waiver—and so is the employer—on the part of the employee to sue for additional amounts. In other words, the Government can sue only for wages due, but not for penalties.

So by this bill we have helped the employee by providing for his benefit with respect to the enforcement of his rights by way of litigation or settlement; but at the same time, in either of those cases, we have given the employer protection against subsequently having to pay more than either he paid voluntarily or than the Government recovered by way of suit.

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

Mr. PEPPER. I yield.

Mr. WATKINS. It seems to me that this bill, by putting the Government in the position of a claimant, places the Government in an entirely new position, entirely different from any position the Government has ever occupied under the law.

Mr. PEPPER. Several State laws do that. An employee is often intimidated by fear of reprisal if he does bring suit against his employer. If he sues in his own right, of course, he has to have sufficient funds to pay an attorney or must have some arrangement for paying the attorney, which generally means the attorney has to take the case on a contingent basis, and that may lead to vexatious litigation.

In the report we have included figures showing how the litigation involved in the collection of claims has been reduced, even when it was found that the wages were in arrears by the employer. Of course, the remedy on the part of the Government is a rather harsh one or it is an ineffective one. I refer to the right of injunction to prevent abuse on the part of the employer. That remedy is seldom satisfactory. On the other hand, if the employer agrees that the wages are due the employee and are unpaid, then the employee may find a lawyer to bring suit for him, and may use the records of the Wage-Hour Division, and may recover not only the wages due but twice that amount, and attorney's fees as well.

So we felt it would be mutually helpful if the Wage-Hour Administrator had a right to try to adjust these claims and disputes, find out what might be due, if there were any doubt about it, and to find what the worker is justly entitled to receive, and then to have the employer given assurance, as the bill does, that if he pays that amount to the employee and if the employee receives it, the employee cannot later sue for more. So if we write such provisions into law, they will be in the interest of both the employee and the employer.

Mr. WATKINS. I understand those are the provisions of the amendment the Senator now is proposing.

Mr. PEPPER. That is one of the provisions of the bill now before the Senate.

Mr. WATKINS. The Senator would permit, would he not, the United States, acting in behalf of the worker, to bring suit for wages the worker claims are due him and which may be in dispute between the employee and the employer.

Mr. PEPPER. Yes.

Mr. WATKINS. In other words, that would place the Government squarely on the side of the employee.

Mr. PEPPER. No; I would not say it would place the Government on the side of the employee. The Government presently inspects the books.

Mr. WATKINS. I understand that.

Mr. PEPPER. The Government has a duty at the present time to make inquiry about the enforcement of the law. All this bill does is to permit the Government either to bring suit in the name of the employee and protect the employer against having to pay a penalty, if he pays the wages which are due, or else to bring about an amicable settlement and protect the employer from having to pay more than the wages actually found to be due.

Mr. WATKINS. Mr. President, will the Senator further yield?

Mr. PEPPER. I yield.

Mr. WATKINS. It seems to me that in many instances the employer is a stronger party before the law because of his resources, and what not, than any individual worker is. So I can understand why it is proper to give the Government the right to inspect the books, and so forth.

Mr. PEPPER. The Government already has that right, under existing law.

Mr. WATKINS. But to permit the Government to bring suit in the name of the employee, a plaintiff, seems to go too far. It seems to me that both parties should have the right to equal protection under the law.

Mr. PEPPER. Mr. President, I am afraid the Senator from Utah does not understand the present law. The present law permits the Government to bring a criminal prosecution against the employer if he is found to be willfully failing to comply with the law.

Mr. WATKINS. But the employer has a right to have a trial.

Mr. PEPPER. Yes. Of course, in case of a suit, the trial is by a judge and jury.

Mr. WATKINS. Yes. But in this case, this proposed law would make the Government one of the parties to the suit.

Mr. PEPPER. The Government would sue; but the determination of whether the Government was correct would still be made by a judge and jury.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. I understand these proposals to be permissive. The employee will retain his present rights.

Mr. PEPPER. That is correct.

Mr. ELLENDER. And if the employee should sue in his own name, the employer would be responsible for double damages and for attorney's fees, if the employee were successful in the suit.

Mr. PEPPER. That is correct.

Mr. ELLENDER. Under the amendment, the Government would sue for the wages due the employee, and the employer would be saved the double penalities provided by the present law.

Mr. PEPPER. That is correct.

Mr. ELLENDER. On the other hand, the suit would have to be brought and adjudicated in one of the courts of the country.

Mr. PEPPER. Yes. I can foresee that there would not be an instance in which the Government would actually sue the employer unless there was a dispute about the law or the facts, a dispute which could not be reconciled except in a forum where it could be reconciled.

I dare say that when the bill becomes law, it will be found to be possible for the Government, through the Wage-Hour Administrator, to act as mediator and to settle these disputes between employees and employers in a way that will be satisfactory and beneficial to both.

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

Mr. PEPPER. I yield.

Mr. EASTLAND. Can the employer settle the dispute for an amount less than the amount of the wages found to be due?

Mr. PEPPER. That is a matter of law. We do not purport to affect the law. Whatever the law on that subject is, it will remain to be.

Mr. EASTLAND. What is the law?

Mr. PEPPER. My recollection is that the worker cannot settle his claim for less than the minimum wage provided by the law; that to do so would be to violate the law; and everyone is bound to observe the law, of course.

Mr. EASTLAND. Then the employee cannot waive his claim?

Mr. PEPPER. He cannot waive it except under the 2-year statute of limitations. He cannot sue after 2 years. But he does not waive it. He may not elect to bring suit to enforce it.

Mr. EASTLAND. But for 2 years the Government can enforce it, even though the worker does not desire to do so. Is that correct?

Mr. PEPPER. Of course we did not pass a law saying to employers, "You shall pay the minimum wage only to such workers as ask for it." The law is binding upon the employer, who cannot avoid his duty to observe the law.

Mr. EASTLAND. I was not arguing with the Senator. I merely wanted to know what the law is. Can the workman waive his right?

Mr. PEPPER. Not in the contractual sense. He may lose his right by failing to assert it, but he cannot waive it in the contractual sense, as I understand the law. However, we do not here legislate upon that subject.

Mr. EASTLAND. But we are proposing to legislate that the Government can enforce that right for the worker, even though he does not desire to seek its enforcement himself?

Mr. PEPPER. But, Mr. President, only in the instance where the employee requests the Government to do so. It is only where the Government is requested, or where the worker acquiesces in the Government's action.

Mr. ELLENDER. Mr. President, if the Senator will yield, let us clear up this point a little bit. Is it the Senator's understanding that, should the employee ask permission for the Government to sue for him, even the Government could not compromise it, except under certain conditions and except to a certain extent?

Mr. PEPPER. That is according to my understanding.

Mr. ELLENDER. But there is nothing in the Senator's amendment which indicates that, is there?

Mr. PEPPER. No; there is nothing in the amendment.

Mr. ELLENDER. So it would be relegated to the existing law on the subject, would it not?

Mr. PEPPER. That is correct. Whatever the courts have held to be the law is not affected.

Mr. President, there is another minor amendment we put into the bill. It was felt that the small Western Union offices, where the one who runs the office operates on a contractual basis for the Western Union Co., and where the volume of business done is less than $500 a month, should be exempted from coverage. That is one of the provisions of the bill.

In addition to that, in respect to the amendment of the overtime provisions, we have added buttermilk, so that those engaged in the processing of buttermilk may have the benefit of the seasonal exemptions which apply. The processing of buttermilk has a year-round exemption from overtime payment.

Mr. EASTLAND. Why?

Mr. PEPPER. It was done at the instance of the Senator from Vermont [Mr. AIKEN], who felt that buttermilk should come in the same category as other agricultural commodities which enjoy the same exemption at the present time.

I have stated what will be left in the bill when the committee amendments which the committee considered and authorized the Senator from Florida to present on behalf of the committee, are adopted by the Senate, as I hope they will be. Let me say we started originally, as Senators know, with the idea that we might extend the coverage of the law, and that we might reduce certain of the exemptions which the present law contains, in addition to raising the minimum wage and tightening up somewhat in respect to child labor and a few other minor provisions. We had a strong subcommittee that discussed the matter at great length. We debated the pros and cons of the matter, the sentiment which was in favor of extension of coverage and reduction of exemptions, as well as the sentiment in the Senate and in the Congress which was opposed to extending the coverage of the act.

We brought to the Senate originally a bill that made a slight extension in coverage; that is to say, our original bill (S. 653), which is now before the Senate, provided for the removal of the minimum-wage exemption in the handling and processing of agricultural commodities within the area of production. The present law, as is well known, provides that the handling, packing, storing, and processing of agricultural commodities within the area of production as defined by the Administrator are exempt from both the minimum-wage provisions and the maximum hour provisions of the law. The worker so employed gets neither the minimum wage required by the law nor overtime on work above 40 hours a week, for which the present law allows extra payment, if there is statutory exemption of such labor. That is the bill which first came to the Senate.

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

Mr. PEPPER. In a moment. The effect of what the committee did would

have been to bring about 336,000 workers within the coverage of the law with respect to the minimum wage, and it was estimated by the committee that about 125,000 of those workers were not at the present time receiving 75 cents an hour. So the legal effect of the amendment would have been to bring about 336,000 of those workers under the coverage of the law, but only with respect to the minimum wage. They would have received no benefit whatever from the overtime provisions of the law. All those workers would have been immune. They would not have been allowed to receive any of the overtime benefits of the law. About 125,000 of those 336,000 workers, it was estimated, would have had their wages increased. That is the bill which the committee originally brought to the Senate.

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

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

Mr. ELLENDER. At this point will the distinguished Senator classify for us what wage earners will be included in the approximately 300,000 who would have been affected if the amendment proposed by the committee had been adopted by the Senate.

Mr. PEPPER. Generally they would have been those engaged in the handling, storing, packing, or processing of food and kindred products, such as butter, cheese, condensed and evaporated milk, ice cream, canned, preserved, and frozen fruits and vegetables. Those activities would be under the heading of manufacturing generally. Then, persons in the wholesale trade, such as cotton wholesaling, including country buying, dairy products, cream stations, and country buying, fruit and vegetable country buying, fruit and vegetable packing; grain country buying, and elevators; tobacco auction warehouses, and country buying; poultry and eggs, country buying; livestock, farm products, cold storage, cotton ginning and processing, and a certain number of miscellaneous activities, would have had the benefit of the minimum-wage provision but not the benefit of the overtime provisions of the law, had the committee bill stood.

Mr. ELLENDER. Does the present law exclude them?

Mr. PEPPER. It excludes them from both the minimum-wage and overtime provisions.

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

Mr. PEPPER. I yield.

Mr. EASTLAND. Mr. President, that statement is certainly erroneous with respect to cotton gins and compresses which are within the area of production as defined by the Administrator. Those facilities in towns of 2,500 people are not defined as within the area of production.

Mr. PEPPER. It is true, as the Senator says, that from the very beginning it has been most difficult for the wage and hour Administrator to define the area of production. It was originally intended that the area of production meant generally the part of a neighborhood in which production occurred; but when he undertook to define it as a legal matter, the Administrator ran into all sorts of difficulties, for example, as to what should be the size of the town, what should be the distance a commodity would be transported, and so forth. What I am saying is that that has been the law since 1938. We thought we could make some progress in extending the minimum wage to those workers. Frankly, we did not feel that they were getting what they were entitled to receive. However, as I started to say, at the committee meeting this morning the committee determined to retract from that provision in the pending bill the language which would have extended minimum-wage coverage to those who are now within the area of production as defined by the Administrator in the handling and processing of the commodities which we have described.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. Does the Senator's proposal leave the law exactly as it is now written?

Mr. PEPPER. It does. Whatever complaint there is on the part of the Senator from Mississippi relates to the law as it has been in effect since 1938. We are not changing it. What I now propose to do, Mr. President, is to offer a committee amendment which would eliminate the provision in the pending bill which would have made a change in the present law.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. Before doing that, will the Senator tell us whether the committee took into consideration the fact that the area of production should be defined by the Secretary of Agriculture or some other person, rather than by the Administrator?

Mr. PEPPER. I thank the Senator for asking that question. The committee did take that into consideration. The matter was also taken into consideration in the House of Representatives. There is a letter in the RECORD to the chairman of the House Commitee on Labor and Public Welfare, from the Secretary of Agriculture, pointing out why he does not think it proper to vest in him that jurisdiction and that duty. There is also a letter to the same effect to the Senate committee, from the Secretary of Agriculture. I have a copy of the letter which was written to the chairman of the House Committee on Labor and Public Welfare. I do not have the letter which is coming to the Senate committee from the Secretary of Agriculture, which is substantially the same as this letter, except that I understand it contains an additional paragraph stating why he should not have this jurisdiction. The letter which I have reads as follows:

UNITED STATES DEPARTMENT
OF AGRICULTURE,
Washington, June 17, 1949.

Hon. JOHN LESINSKI,
Chairman, Committee on Education and Labor, House of Representatives, Washington, D. C.

DEAR MR. LESINSKI: I understand that it is proposed in a bill to amend the Fair Labor Standards Act (H. R. 4272), which has been referred to the Committee on Education and Labor, that authority to define the term "area of production" as used in certain exemptions in that law relating to the handling and processing of agricultural and horticultural commodities, be given to the Secretary of Agriculture. Because this Department would be directly affected by such a change in the law, and believes that there are certain difficulties inherent in such a proposal, I am taking the liberty of making known to you my views on the matter.

I do not think I need to set forth in detail the difficulties of defining the term "area of production." This Department is aware of these difficulties, having been consulted by the Secretary of Labor prior to the issuance by the Administrator of the Wage and Hour Division of the present regulations under the Fair Labor Standards Act dealing with this matter. The subject has been one of fairly extensive discussion and correspondence between the Department of Labor and the Department of Agriculture. As a result of these discussions, I am in agreement with the Administrator that the "area of production" concept is inherently inequitable and that corrective action should be taken by Congress to eliminate these inequities in the interest of sound public policy. Your committee has acted wisely, in my judgment, in recommending legislation which explicitly specifies exempt activities instead of imposing upon the Administrator the responsbility for defining a concept which is very difficult to define satisfactorily.

If, however, the Congress should decide to retain the "area of production" concept in the Fair Labor Standards Act, I am convinced that the proposal to transfer the problem of defining the term to the Secretary of Agriculture would not alleviate the present difficulties. For these difficulties revolve around inequities inherent in the very use of the term itself, since employees who are doing precisely the same things are exempt if they do them in the "area of production" but not exempt if they do them somewhere else. Furthermore, such action would create new uncertainties and problems since authority in the administration of the Fair Labor Standards Act with respect to such employees would be divided between two agencies. Conflicts of interpretation would be very likely to develop, such as experience has shown to be common when two agencies share jurisdiction over the same field. At the very least, such divided jurisdiction would add to the expenses of administration and would slow up the processes of advising individuals as to their status under the act. Accordingly, I would not favor any such transfer of authority with respect to the definition of "area of production" as is proposed in H. R. 4272.

Sincerely,

CHARLES F. BRANNAN,
Secretary.

Before I yield to the able Senator from Mississippi, let me say that the whole theory upon which the committee brings this bill to the Senate at the present time, stripped, as it is, almost to the very bone and relieved of almost all controversies, is in the hope that we may get this bill through this session of the Congress. There are many Senators and many citizens who want to extend coverage, who want to amend exemptions so that they will be less restrictive than at the present time. There are undoubtedly inequities in the area-of-production concept, and perhaps in other aspects of the law, but it is a complicated, long-drawn-out, and rather tedious process to perfect the law in a short time. That is the reason why we who wanted to extend the coverage, reduce exemptions, and raise the wage even higher, have been willing to subordinate our feeling about the matter to the sentiment of our col-

leagues, and that is why we bring to the Senate a bill unanimously supported by the subcommittee and by the full committee, with the Senators from Ohio and Missouri, in addition to the Senator from New Jersey, reserving the right with respect to one amendment to address themselves to it. I do not mean that Senators have foreclosed themselves, but the bill we bring here comes with the unanimous support of the subcommittee and of the full committee.

I want to say to the senior Senator from Mississippi that the area-of-production matter is a very difficult one. It may be that it should be somewhat clarified, and it may be that in the next session of the Congress we may go into the whole question of clarifying difficulties of that character. But we are very earnestly hopeful that we can get a sample bill through this session of the Congress.

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

Mr. PEPPER. I yield to the Senator from Mississippi.

Mr. EASTLAND. Is that provision retained in the bill?

Mr. PEPPER. Yes.

Mr. EASTLAND. It was condemned by the Secretary of Agriculture in the letter which the Senator read.

Mr. PEPPER. That is correct. It has been difficult of administration. It does contain in equities affecting both sides, no doubt inequities to the employer as well as to the employee, and it is no doubt a subject which should receive consideration by the Congress.

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

Mr. PEPPER. I yield.

Mr. STENNIS. In view of the difficulties which the Senator has himself pointed out, and which have also been pointed out by the Secretary of Agriculture, what is the argument in favor of retaining any reference to the area of production? On what is it based?

Mr. PEPPER. It is based on this: At the present time there is a complete exemption in the processing of agricultural products in the area of production because it was generally considered that that is the neighborhood of the farm, as it were, a sort of a community institution. If we did not have the area of production and did not in some other way affect the matter, there would be, perhaps a large commercial enterprise hundreds of miles away which might not be subject to any part of the Fair Labor Standards Act; or, to turn it around the other way, there might be an enterprise a few hundred yards from where the farmer grew his commodity, and it might be subject to it.

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

Mr. PEPPER. Will the Senator permit me to finish? It has always been felt by the advocates of this legislation that everyone who processes an agricultural commodity, no matter how large a processor he may be or how much of a commercial enterprise it may be, should be subject to the provisions of the law.

Let us consider the Campbell Soup Co., in Camden, N. J., having 10,000 employees. It is hard to understand why the Campbell Soup Co. should have an exemption from the minimum-wage law and the maximum-hour law when it is a big commercial manufacturing institution. On the other hand, if there were a gin somewhere in a community where cotton was grown, and it was more or less of a community enterprise, it was felt that it should not be subject to the Fair Labor Standards Act.

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

Mr. PEPPER. I yield to the senior Senator from Mississippi.

Mr. EASTLAND. As a matter of fact, today, are not such gins, in a locality where cotton is grown within a few hundred yards of the gin, subject to the law?

Mr. PEPPER. I believe the size of the town in which the gin is located is one of the criteria. But of course that is an administrative regulation, due, no doubt, to the fact that it is generally assumed that not very much cotton is grown right around a large city. It is generally supposed that the area of production is out in the country, in rural sections, that the community institutions are serving them, and that they ought not to be considered as industrial operations. I believe, as the Secretary of Agriculture says, that there are inequities both ways. On the other hand, we may deny the workers the right to get a minimum wage and overtime pay in the Campbell Soup Co., althought it is a 10,000-employee institution.

Mr. STENNIS. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield to the junior Senator from Mississippi.

Mr. STENNIS. Does the committee make any recommendation with respect to coping with this problem?

Mr. PEPPER. The committee has not done so, except that it was our general idea that we might at the next session of the Congress take up the question of coverage and go more thoroughly into it. I can say as a member of the committee and a member of the subcommittee—and I am chairman of the subcommittee handling the subject now before the Senate—that we shall be very glad to consider anything the able Senators from Mississippi and other Senators may wish to submit on that subject.

Mr. STENNIS. The Senator is dissatisfied, is he not, with the present situation, but does not have any immediate remedy?

Mr. PEPPER. That is correct; we do not at the present time have an immediate remedy.

My attention has been called to the fact that the letter addressed to Hon. ELBERT D. THOMAS, chairman of the Committee on Labor and Public Welfare of the Senate, has now arrived, and I have it in my hand. I believe it is substantially identical with the letter to Hon. JOHN LESINSKI of the House Committee on Labor, with the exception of the paragraphs at the end of the letter, which read as follows:

In addition to the considerations set forth above, I should also like to point out that the proposal is inconsistent with one of the basic principles defined by the Hoover Commission on the Organization of the Executive Branch of the Government, namely: That the agencies and functions of the Government should be grouped according to major purposes. It would be inconsistent with the principles of sound administration for the Department of Agriculture to have functions under a labor statute, just as it would be inconsistent for the Department of Labor to have functions under statutes relating to agriculture.

Accordingly I do not favor any such transfer of authority with respect to the definition of "area of production" as is proposed in H. R. 5856.

This letter is dated August 29, 1949, and is from the Secretary of Agriculture. I offer the letter for the RECORD.

The PRESIDING OFFICER (Mr. THYE in the chair). Is there objection?

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

DEPARTMENT OF AGRICULTURE,
Washington, August 29, 1949.

HON. ELBERT D. THOMAS,
Chairman, Committee on Labor and Public Welfare,
United States Senate,
Washington, D. C.

DEAR SENATOR THOMAS: My attention has been called to the provisions of H. R. 5856, the bill to amend the Fair Labor Standards Act which has been passed by the House of Representatives, which provides that the authority to define the term "area of production," as used in certain exemptions relating to the handling and processing of agricultural and horticultural commodities, would be vested in the Secretary of Agriculture. Because this Department would be directly affected by such a change in the law, and believes that there are certain difficulties inherent in such a proposal, I am taking the liberty of making known to you my views on the matter.

I do not think I need to set forth in detail the difficulties of defining the term "area of production." This Department is aware of these difficulties, having been consulted by the Secretary of Labor prior to the issuance by the Administrator of the Wage and Hour Division of the present regulations under the Fair Labor Standards Act dealing with this matter. The subject has been one of fairly extensive discussion and correspondence between the Department of Labor and the Department of Agriculture. As a result of these discussions, I am in agreement with the Administrator that the "area of production" concept is inherently inequitable and that corrective action should be taken by Congress to eliminate these inequities in the interest of sound public policy.

If, however, the Congress should decide to retain the "area of production" concept in the Fair Labor Standards Act, I am convinced that the proposal to transfer the problem of defining the term to the Seretary of Agriculture would not alleviate the present difficulties. For these difficulties revolve around inequities inherent in the very use of the term itself, since employees who are doing precisely the same things are exempt if they do them in the "area of production" but not exempt if they do them somewhere else. Furthermore, such action would create new uncertainties and problems since authority in the administration of the Fair Labor Standards Act with respect to such employees would be divided between two agencies. Conflicts of interpretation would be very likely to develop, such as experience has shown to be common when two agencies share jurisdiction over the same field. At the very least, such divided jurisdiction would add to the expenses of administration and would slow up the processes of advising individuals as to their status under the act.

In addition to the considerations set forth above, I should also like to point out that the proposal is inconsistent with one of the

basic principles defined by the Hoover Commission on the Organization of the Executive Branch of the Government, namely: that the agencies and functions of the Government should be grouped according to major purposes. It would be inconsistent with principles of sound administration for the Department of Agriculture to have functions under a labor statute, just as it would be inconsistent for the Department of Labor to have functions under statutes relating to agriculture.

Accordingly, I do not favor any such transfer of authority with respect to the definition of "area of production" as is proposed in H. R. 5856.

Sincerely,

CHARLES F. BRANNAN, *Secretary*.

Mr. EASTLAND. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield to the senior Senator from Mississippi.

Mr. EASTLAND. I understand that the Senator thinks small community enterprises, such as cotton gins, which gin cotton in the community where the cotton is grown, should be exempted from the provisions of the act?

Mr. PEPPER. That has been the general theory upon which the act has proceeded. I do not care to commit myself unequivocally on what we might agree to in the future, but I have always felt that the size of the institution, the number of employees, and perhaps the volume of business done, might well have something to do with the question. Generally speaking, a small community institution has been outside the scope of coverage. If we could work out some way by which we would exempt the small community institution, and extend coverage to those institutions which are larger in character and industrial in nature, I should be very much pleased.

Mr. EASTLAND. The question I desired to ask the Senator was this: For the same reason, does not the Senator think that a small peckerwood sawmill in the country, which works only a few men, should be exempted?

Mr. PEPPER. That raises a difficulty. If, as we shall be able to show later, we should exempt the small sawmill, it would remove from coverage several hundred thousand employees now getting the benefits of the act. The sawmills are still in existence. I think it will be generally agreed that the impact of this legislation is no more severe than the impact of the original minimum-wage law in 1938. Many of the operators thought they would have to go out of business, and some have said so vociferously. Some said so to me in a campaign I was waging at that time. But I was gratified to have many of these gentlemen come around later and tell me that they were mistaken in the fears they entertained about the impact of the legislation upon their sawmills.

Mr. EASTLAND. Does not the Senator think that a small peckerwood mill, where the operator works his brother-in-law, his brother, his boy, his cousin, and perhaps his uncle, in the community, should be exempt?

Mr. PEPPER. I do not. I regret very much that I cannot go along with my distinguished friend in that respect. I think one of them is different in nature, as a manufacturing enterprise, generally, from an enterprise making commodities to be shipped through the channels of commerce. I think such an enterprise is generally different in character from the small gin, although I say even the small gin does present a problem. I am advised that about 135,000 workers now covered would have the coverage removed if the amendment with respect to the small sawmills were agreed to. But that will come along at a later time.

Mr. President, I am authorized on behalf of the committee to offer an amendment the legal effect of which is to restore the law to just what it is now under the Fair Labor Standards Act of 1938, with respect to the handling, storing, and processing of agricultural commodities within the area of production. That is the legal effect of it, in appropriate language. I offer the amendment as a committee amendment for the consideration of the Senate.

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

Mr. PEPPER. I yield for a question.

Mr. STENNIS. I should like to ask the Senator a question with respect to the "area of production" matter we have been discussing. The adoption of the amendment the Senator now offers, on the general subject of processing plants, would not preclude an amendment from the floor on the matter of area of production; would it?

Mr. PEPPER. It would not. It is not intended that floor amendments should be precluded. We are now in the period of committee amendments, and I am offering the amendment as a committee amendment.

Mr. TAFT. Mr. President, I understand that if this amendment is adopted it will restore the complete exemption of cotton gins.

Mr. PEPPER. Just as they were.

Mr. TAFT. And country elevators?

Mr. PEPPER. That is correct.

Mr. EASTLAND. May I ask the Senator from Ohio a question?

Mr. PEPPER. Let me say, first, that there are two amendments now offered that are primarily affected by the amendment I am presenting. One is the amendment offered by the junior Senator from Mississippi and the Senators associated with him. Another is the amendment offered by the Senator from Maryland [Mr. O'CONOR] which would do just exactly what the amendment I offer proposes, namely, restore the law to what it was in the 1938 act with respect to area of production. Then there was an amendment by the Senator from Iowa [Mr. GILLETTE] which I think was intended to restrict the language of the bill which the committee has presently presented to the Senate.

Mr. TAFT. How about the amendment of the Senator from Nebraska?

Mr. PEPPER. The Senator from Nebraska [Mr. BUTLER] presented an amendment with respect to grain elevators. I conferred with him this morning about the action of the committee, and I understand the Senator is satisfied with the committee amendment, so that meets his question. He did not like the language of Senate bill 653 with respect to grain elevators.

I now feel that with the exception of the matter suggested by the Senators from Mississippi, and the matter of the definition of "area of production" given by the Secretary of Agriculture, the committee takes care of the amendments I have described. So, Mr. President, I do not know of any opposition to the amendment proposed by the bill to the present law. We are simply keeping the law in its present form.

If there is no objection, I will now offer as a committee amendment the amendment to which I have referred.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 40, beginning with line 13, it is proposed to strike out down through "(11)" in line 16 and insert "by striking out the period at the end thereof and inserting a semicolon and the following: 'or (12)'."

On page 40, beginning with line 23, strike out through line 6 on page 41.

On page 41, lines 7 and 16, strike out "(c)" and "(d)" and insert in lieu thereof "(b)" and "(c)", respectively.

The PRESIDING OFFICER. Without objection——

Mr. ELLENDER. Just a moment. I understood there would not be any votes on any amendments this afternoon.

Mr. EASTLAND. Mr. President, I ask that there be no action taken on any amendments this afternoon.

Mr. PEPPER. Let the amendments remain then as the pending amendments.

The PRESIDING OFFICER. The amendments will remain as the pending amendments. Without objection, the amendments will be considered and acted on en bloc.

Mr. PEPPER. I send to the desk, so it may be printed and lie on the table for consideration, another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 41, after line 17, it is proposed to insert the following:

Section 13 of such act is amended by adding at the end thereof the following new subsection:

"(e) The provisions of sections 6, 7, and 12 shall not apply with respect to any employee engaged in the delivery of newspapers to the consumer."

Mr. PEPPER. I see the Senator from Ohio is on his feet. The amendment was proposed by him this morning in the committee. It has to do with the exexemption of newsboys. If the Senator from Ohio cares to explain it now, I should like to have him do so.

Mr. TAFT. The amendment makes it perfectly clear that the boys engaged in the delivery of newspapers to the home and the consumers are exempt. I think Senators know various people whose sons are engaged in that business today.

Mr. ELLENDER. The Senator means if they have a contract direct with the newspaper company?

Mr. TAFT. No; any boy delivering newspapers to the home. I believe such boys are exempt already. I believe they are exempt because of the fact that such work is not in interstate commerce. I think they are exempt because of the fact that they are usually independent contractors. But we have added some

additional restrictions on child labor. The newspapers were particularly concerned lest that restriction might in some way affect the newsboys. So they have asked that it be made perfectly clear, without any doubt whatever, that boys who are concerned solely in delivering newspapers to the consumers shall not be covered by any of the provisions of the act. I think there was general agreement in the committee and elsewhere on that question, and I see no reason why the amendment should not be adopted.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. I think it ought to be pointed out that the whole theory of child-labor legislation was to stop the exploitation of children. Everyone knows that the ordinary newsboy is not exploited labor in any sense at all.

Mr. PEPPER. I thank the able chairman of the committee for that statement.

I ask that the amendment be printed and lie on the table.

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

Mr. PEPPER. Another committee amendment, Mr. President, is in response to an amendment offered by the able Senators from Colorado [Mr. JOHNSON and Mr. MILLIKIN], to the effect that employees "in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, and which are used exclusively for supplying and storing of water for agricultural purposes," shall be regarded as agricultural in character.

Mr. ELLENDER. Why does the committee limit it to those not operated for profit?

Mr. PEPPER. That was the amendment offered by the Senators from Colorado. It was felt that it was proper to restrict it primarily to nonprofit operations that were substantially so much in aid of agriculture as to be agriculture in character.

Mr. ELLENDER. I may say to the Senator from Florida that we have quite a few such operations in Louisiana which would not come under the amendment as it is now proposed. While they operate for profit to some extent; yet they are owned by the farmers themselves. I cannot for the life of me see any difference between such operations and those provided for in the amendment.

Mr. PEPPER. If it is a cooperative, I would not say it is operating for profit.

Mr. ELLENDER. I would not say they are exactly cooperatives, but they are owned by a few of the farmers within the districts, and they serve other farmers at the same time. I wonder if the Senator would eliminate the words "or operated for profit."

Mr. PEPPER. The committee has not authorized the Senator from Florida to act except upon the amendment offered by the Senators from Colorado, and this is the amendment the Senators from Colorado have offered. But the Senator can well understand that there might be quite a difference between a cooperative enterprise in aid of agriculture and a profit-making enterprise in aid of agriculture. It can readily be understood that a private utility might be furnishing electric power and light to agriculture, and yet we would not exempt the employees engaged in that activity, although they were contributing very directly to agriculture. If we get away from the idea of the cooperative it can be seen how difficult it is to draw the line between those who should be included and those who should not be included.

Mr. President, I am informed that in the House of Representatives, where it was proposed that those engage in such activities for profit should be exempt, an amendment to that effect was voted down in the House of Representatives.

I offer the amendment as a committee amendment and ask that it be printed and lie on the table.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. PEPPER. The committee has authorized me to submit one additional amendment. The effect of the amendment would be to allow the Secretary of Labor to issue certificates to employers employing messengers primarily engaged, although not necessarily exclusively engaged, in the delivery of messages, permitting such employers, in the cases found to be proper by the Secretary of Labor, to pay such employees a less wage than the minimum wage fixed by the law; in other words, the wages are a sort of learner's or apprentice's wages. That is primarily for the benefit of companies engaged in the delivery of messages. That is a committee amendment, and I send it to the desk and ask that it be printed and lie on the table. The amendment is as follows:

On page 41, after line 17, insert the following:

"Section 14 of such act is amended by striking out in clause (1) the words 'and of messengers employed exclusively in delivering letters and messages,' and inserting in lieu thereof 'and of minor messengers under 18 years of age employed primarily in delivering letters and messages.'"

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

Mr. ELLENDER. Mr. President, I wonder if the Senator would be good enough now to summarize for us, in the light of the amendment he has sent to the desk, how the exceptions now provided for in the law will be affected by the pending measure if all the amendments submitted to it shall be adopted?

Mr. PEPPER. I thank the Senator for the inquiry. I shall be glad to do it. First we raise the minimum wage from 40 to 75 cents an hour.

Second. In the respect I enumerated a while ago, which I shall be glad to repeat, if necessary, we tighten the provisions relating to child labor.

Mr. ELLENDER. What I had in mind was the exemptions particularly.

Mr. PEPPER. Third. We authorize the Wage and Hour Administrator to supervise the settlement of wage disputes, or in the cases I mentioned, to bring suits at the instance of employees upon the conditions set forth in the law, namely, the waiver of the employee's right to sue for himself thereafter and to collect either the wages due or a penalty thereon, or the cost of the suit, including attorney's fees.

We exempt the small Western Union offices, that is, what might be called contract offices, not operated on the premises of the Western Union but generally in a store or shop somewhere on a contractual basis between the operator and the company, where the total volume of business done is less than $500 a month.

Fourth. We permit the Secretary of Labor to give a certificate to the employer in such cases permitting an employer to pay less than the minimum wage to workers under 18 years of age engaged primarily in the delivery of messages.

In effect, we reversed the decision of the United States Supreme Court holding that workers engaged upon reclamation and irrigation projects were subject to the coverage of the present law, by providing that if the employer is an association not for profit and the employees are engaged in this work, it shall be treated by the act as agricultural, and the employees shall not be entitled to the minimum wage or overtime provisions of the law.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. Did the Supreme Court make any distinction as to whether they were operated for profit or not?

Mr. PEPPER. I think the case actually decided by the Supreme Court was a nonprofit case. I am not entirely certain, but that is my recollection.

Agricultural exemption provided in section 13 (a) (6) of the act does not extend to employees of mutual ditch company engaged in supplying water to its farmer stockholders since employees are not engaged in agricultural production, although their work is necessary for such production.

It is my understanding that it was a mutual company and not one for profit.

Then we specifically provide that newsboys shall not be subject to the coverage of the law. I believe that is a pretty fair summary of what the bill would do if enacted into law as the committee recommends it to the Senate.

Mr. ELLENDER. Then, as I understand the distinguished Senator, the committee has broadened the exemptions rather than further restrict them.

Mr. PEPPER. Generally speaking, that is so.

Mr. ELLENDER. Are all the exemptions now provided for in the law retained?

Mr. PEPPER. All exemptions now provided in the law are retained. What we have attempted to do is to try to raise the minimum wage and leave the controversial questions with respect to extended coverage and reduced exemptions to subsequent action by the Congress.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. THOMAS of Utah. Plus the reference to child labor.

Mr. PEPPER. Yes. I mentioned that earlier in my statement.

Mr. ELLENDER. I was discussing exemptions and no other part of the bill.

Mr. PEPPER. We are pleased with the fact that we think the committee has

recommended some salutary improvements in the provisions of the present law, and in that sense there is a little extension of coverage. It gives more children protection than otherwise; but on the whole we have leaned backward trying to accommodate ourselves to the sentiment of our colleagues, so that we can get a bill through this session of the Congress. Senators know that this bill will no doubt go to conference, and we shall have there the duty of reconciling our differences with the House of Representatives. We started with the idea that we would get a bill to which the Senate would agree, just as we got a bill to which the committee unanimously agreed and reported to the Senate in the hope that we could get something done in this session of Congress toward raising minimum wages.

Mr. ELLENDER. At whose instance was the Committee on Labor and Public Welfare called together this morning?

Mr. PEPPER. It was called by the distinguished chairman. I suggested it, because I was chairman of the subcommittee. Before the discussion of the bill should proceed, it was my suggestion to the distinguished chairman that it would be well for our committee to get together again and consider all the amendments submitted by our colleagues. To the best of our information and belief, we considered this morning every amendment which had been offered by any of our colleagues in the Senate.

Mr. ELLENDER. Am I to understand that all Senators who offered amendments to the pending bill were notified of the meeting?

Mr. PEPPER. No; there was no notification beforehand. I have mentioned to Senators whom I saw afterward that we tried to accommodate ourselves to their amendments, but there was no hearing. We did not invite other Senators to be present. It was simply a committee discussion of the amendments which we were informed were pending in the Senate.

Mr. ELLENDER. And to which the committee gave its sanction.

Mr. PEPPER. To most of which we gave the sanction of the committee.

Mr. President, let me add a few words in justification of the principal purpose of the bill. The principal purpose of the bill is the increase in the minimum wage. In 1938 the rate provided only $832 a year for full-time employees, but the lowest emergency budget figure established by the WPA study was $928.

The Committee on Education and Labor acknowledged in 1938 that the 40-cent rate "does not give a sufficient wage to maintain what we would like to regard as the minimum American standard of living." Since 1938 per capita income payments more than doubled—from $539 to $1,410 in 1948. Income of employees has tripled, from $44,700,000,000 to $140,300,000,000 in 1948. Farm income has quadrupled, from $4,400,000,000 to $18,400,000,000 in 1948. Income of unincorporated business and professional enterprises more than quadrupled, from $6,100,000,000 in 1938 to $24,900,000,000 in 1948. Corporate profits before taxes increased more than 10 times, from $6,100,000,000 in 1938 to $24,900,000,000 in 1948. That was before taxes. Corporate profits after taxes increased more than nine times between the passage of the Fair Labor Standards Act of 1938 and the year immediately past, 1948. Average hourly earnings of manufacturing employees have more than doubled, from 64 cents an hour to $1.37 an hour in July 1949. In those areas where the lowest wages prevail, the southeast and southwest regions, the percentage increase in per capita income has been substantially greater than the increase for the country as a whole.

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

Mr. PEPPER. I yield.

Mr. ELLENDER. I invite the Senator's attention to the fact that should this bill be enacted it would raise the minimum 87½ percent, from the present minimum of 40 cents. That is a greater sum, percentagewise, than what the Senator is reciting.

Mr. PEPPER. It is only the legal level which is being raised. We have figures, brought out at the hearings, to show that about half the wages which will be increased by this bill are already 65 cents an hour or above, and only about half of the one and a quarter million, say, who will be benefited by this law make less than 65 cents an hour at the present time. In other words, instead of raising the real wages from 40 cents an hour abruptly to 75 cents an hour, which would probably be too abrupt an increase, what we are actually doing is raising real wages by law from 65 to 75 cents, from 70 to 75 cents, from 60 to 75 cents, from 55 to 75 cents, and from 50 to 75 cents; but there are very few wages that go below 50 or 55 cents an hour. It is the law which has lagged behind the facts. Now we are trying to improve the wage situation of that segment of our citizens who, we believe, are getting less than they should receive. If the Senator will permit me, I have the figures here.

In all industries, of the 22,601,000 who are estimated to be covered by the present Fair Labor Standards Act, it is estimated that about 590,000, or 2.6 percent, make less than 65 cents an hour, and 1,500,000, or 6.6 percent, make less than 75 cents an hour. That is for all industries. In manufacturing industries, of the 22,601,000 covered, we estimate that 14,612,000 are engaged in manufacturing industries, and that 430,000 of those, or 2.9 percent of all those engaged in manufacturing industries, make less than 65 cents an hour, and only 1,000,000, or 6.8 percent of those engaged in manufacturing industries make less than 75 cents an hour.

In nonmanufacturing industries the Secretary of Labor estimates that there are 7,989,000. Of these, 160,000, or 2 percent, make less than 65 cents an hour at the present time and 500,000, or 6.3 percent, make less than 75 cents an hour at the present time.

Mr. ELLENDER. Is it not a fact that most of the wages to which the Senator refers have been fixed through collective bargaining?

Mr. PEPPER. No; that is not true. One of the real necessities for this legislation is that so many of the people at the bottom of the economic ladder are not unionized and do not have the benefit of collective bargaining. If collective bargaining were applicable to all the workers of the country, it might not be necessary to have any legislation of this character at all; but the Senator well knows that the people who need public help, who need the aid of their Government, are the people who are not united one with another, and cannot individually stand up adequately to protect their economic rights. Consequently the necessity for legislation previously, and even now, in the several States in their field, and in the case of the Federal Government in its field.

Mr. ELLENDER. Has the committee gone into the problem of trying to determine why it is that the wage did not reach the maximum fixed in the law before 1943?

Mr. PEPPER. That matter certainly was gone into in the hearings. We heard considerable testimony on it. One reason or another was cited as being responsible for that situation. But the point is that the minimum wage did move steadily upward, and did reach the 40-cents-an-hour minimum by 1943. Of course, that was the average.

Mr. ELLENDER. Was not it shown that if the wage had been increased to the full 40 cents, it would have caused unemployment?

Mr. PEPPER. Of course, that is a matter of opinion. If we were today talking of raising minimum wages abruptly from 40 cents an hour to 75 cents an hour, of course, that would be a most abrupt change. But we are simply talking of increasing the wage 5, 10, or 15 cents an hour, not an abrupt elevation from 40 to 75 cents an hour.

Mr. President, all major groups have participated in this upward movement of the worker's income. The cost-of-living index has increased from 101 in 1938 to 170 as of June 1949. Forty cents will now buy what 24 cents bought in 1938. An increase in the minimum wage to 67 cents an hour would be required merely to provide a real minimum wage equivalent to 40 cents in 1938. In other words, without making any progress whatever in respect to giving a larger share of the products of our economy to the workers who are not able to maintain themselves as American families and individuals should be maintained, if we were to do nothing but take into account the rise in the cost of living, we would have to fix the figure at 67 cents an hour. But certainly when we were setting our goal in 1938 we never thought that would be the ultimate Congress ever would provide.

On the contrary, in my opening statement at that time I stated that the Committee on Education and Labor, as it was known in those days, stated, when it reported to the Senate the Fair Labor Standards Act of 1938, that the wage fixed in that proposed statute "does not give a wage sufficient to maintain what we would like to regard as the minimum American standard of living."

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

Mr. PEPPER. I yield.

Mr. TAFT. I wish to point out also that the wages of all nonagricultural workers, I think, have increased approximately 110 percent since 1939, as compared to the 87½ percent represented by the difference between 40 cents and 75 cents. So, as a matter of fact, even with 75 cents as the minimum, agricultural workers get a smaller share of the national income than they got under the 1939 set-up, because they are not keeping up with the general rise in the standard of living.

Mr. PEPPER. I thank the Senator from Ohio very much for emphasizing that fact.

Mr. President, the total annual direct cost of this bill to the employers of the country would be about $325,000,000, or about one-half of 1 percent of the total wage bill for all covered employees of, roughly, $60,000,000,000 for the country as a whole. That is approximately equal to 3 percent of the increase in wages made voluntarily during the past calendar year. In 1948 the Nation's total wage bill was increased by $12,000,000,000. So we feel that the two purposes of the 1938 act, namely, first, to give the worker the wage he is entitled to enjoy, and, second, to give the worker a wage that will make it possible for him to maintain a decent standard of living, should still be the aims of the Congress and of the country, and that, therefore, we should raise the minimum wage under the Fair Labor Standards Act to 75 cents an hour.

Mr. President, in a general way, I think that covers what the committee proposes to the Senate.

As I have said, we have made many concessions to contrary points of view, and we have reported a bill on which we hope we can have substantial agreement, and which we hope can be enacted at this session of Congress.

VOTING RECORDS ON ECONOMY PROPOSALS

Mr. WHERRY. Mr. President, I may say for the benefit of the majority that I shall now read into the RECORD the record of the majority leader and the record of the junior Senator from Nebraska regarding their economy votes, which I was foreclosed earlier today from placing in the RECORD, when I asked recognition to speak in favor of the motion for rescission. At that time the majority leader objected to my citing the record. I shall quote his statement at that point:

Mr. LUCAS. I will take 30 minutes of that time.

Mr. PEPPER. Mr. President——

Mr. WHERRY. Mr. President, I prefer not to yield until I conclude.

Mr. PEPPER. I wonder whether the Senator will defer until the majority leader has a chance to reach the floor.

Mr. WHERRY. That is why I have just announced that I would take up this subject matter. After I have read this material into the RECORD, I shall be happy to yield to any Senator. In fact, it is very unusual for any Senator to be denied the right by unanimous consent to insert a statement, either in the Appendix of the RECORD or in the body of the RECORD, when request for that purpose is made from the floor.

I am reading the statement made today by the majority leader when he addressed the Senate in the 31 minutes allowed to him on the rescission motion. I am reading from the RECORD. I wish to be sure that this is absolutely accurate.

I read further:

A moment ago when the distinguished Senator from Nebraska [Mr. WHERRY] asked unanimous consent to insert in the RECORD my voting record, I objected to it, primarily because of the fact that after listening to the Senator from Nebraska last night on the radio, and knowing of all the mistakes he made in that address, I was a little afraid to trust him with my voting record at that particular time without having an opportunity to look at it before it went into the RECORD. I shall have more to say about that subject before the day is over.

That is taken from the record of the remarks of the Senator from Illinois before the Senate today.

Mr. President, that procedure forces me to give to the Senate the speech I made over the radio. I had intended to ask unanimous consent to have it placed in the RECORD. I suppose some Senators would rather not have to listen to it. Inasmuch as the Senator from Illinois objected to my placing in the RECORD his voting record, which I had prepared from the RECORD relative to his votes on economy measures and questions, I suppose I should not ask unanimous consent to insert this radio speech in the RECORD because of the errors the Senator from Illinois alleges I made in the speech. So here is my radio speech:

My fellow Americans, some of you, no doubt, are amazed that I appear on the Drew Pearson program, for we are as far apart as the poles on many public questions.

Certainly there is no mistake about that.

I read further:

Time and again this Washington correspondent has attacked me on this program and in his column—

And I suppose he will do it next week when he returns. There is no mistake about that.

I read further:

but I shall not use this precious time he has so graciously given me to take off his hide. I shall use it more profitably by presenting to his radio audience my views on domestic and foreign issues that vitally affect every one of you.

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

Mr. WHERRY. I prefer not to yield until I have concluded these remarks. Then I shall be glad to yield to any Senator who wishes me to yield.

Mr. ELLENDER. I was wondering how the Senator from Nebraska got the invitation.

Mr. WHERRY. I shall be glad to answer that question when I conclude this speech. It was unusual and I shall answer that question when I have concluded my remarks.

I read further:

Your freedoms; your jobs, your plants, your mines, your factories, mills, and farms, your lifetime savings, are all at stake because the Eighty-first Congress is drifting like a ship without a rudder. It is being buffeted by the administration lobbyists and pressure groups, all demanding their pay-off—all reaching for the Public Treasury.

Mutiny has broken out among the Democrat crew. The President first lashes them, then he purges them, then he abuses them, then he invites them back to the fold.

Certainly there is no mistake about that.

I read further:

What can you expect when the pilot of the ship of state is so confused and confounded?

So the big question in Washington today is: When will Congress ever adjourn? The answer is: No one knows—not even Drew Pearson.

Certainly there is no mistake about that.

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

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from Nebraska prefers not to yield until he has concluded.

Mr. WHERRY. I further said:

Last Sunday on this program, the Senate majority leader said the session might last until Thanksgiving; 3 days later he told the Senate it might run until Christmas; and in response to a question I asked him last Wednesday the majority leader said he had no program, he had decided to let nature take its course.

The Senator from Illinois has said I am inaccurate. I cite the CONGRESSIONAL RECORD, page 12141, which shows there was quite a discourse. At the very end of the observations made by the majority leader, he said:

and that we must let nature take its course in the Senate, and that is what I expect to do from now on until we finish the session.

That observation is not in error. On a nearby page of the RECORD, page 12143, there appears the following colloquy:

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

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. May I ask the distinguished majority leader this question: Does the Senator have any adjournment date in mind at all?

Mr. LUCAS. I have no adjournment date in mind whatever.

Mr. WHERRY. Between now and January 1?

Mr. LUCAS. I have not. I did say the other night when speaking on the radio, that Congress might get away from here by Thanksgiving.

Mr. WHERRY. So we can plan on Thanksgiving as the date?

Mr. LUCAS. No.

Certainly there is no mistake about that. At the end of that three hours of colloquy which was engaged in by the majority leader, the minority leader, the Senator from Indiana [Mr. CAPEHART] and several other Senators—I think we all remember it—the Senator from Illinois made an observation, in response to which I rose to address the Chair. I shall read a part of the colloquy which ensued:

Mr. WHERRY. Mr. President, would the distinguished majority leader be willing to ask unanimous consent that it be the sense of the Senate that we authorize the majority leader and the minority leader of the Senate to consult with the majority and minority leaders of the House with the idea of at least working toward a goal for adjournment and submitting a program to

both the Senate and the House to carry out the objectives?

Mr. LUCAS. After the appropriation bills are out of the way, if we can ever get them out of the way, I will sit down with the Senator and discuss the subject. I should like to take that proposal up with our own policy committee

I hope the Senator feels that I am serious in connection with the subject of adjournment. If night sessions are the answer, as proposed by the Senator from Indiana, we shall have night sessions.

Mr. WHERRY. Would the Senator from Illinois object if I made that unanimous request?

Mr. LUCAS. I would not want it proposed now.

Mr. WHERRY. Would the Senator object if I made the request?

Mr. LUCAS. After all, only a few Members are present.

Mr. HAYDEN. Mr. President, I will object, because I want to get on with the Interior Department appropriation bill.

Mr. WHERRY. Would the Senator from Illinois object if I were to make the request? I should like very much to cooperate.

Mr. President, that proffer of a unanimous-consent request on my part stands today. I should like very much indeed to cooperate. I should like, if it is possible, to have a proposal of this kind go to the House. They have recessed until September 21. I should like to go to the House in company with the distinguished majority leader and try to work out an arrangement to serve as a goal concerning an adjournment date for the first session of the Eighty-first Congress, and also to bring back to Members of the Senate a program which might be considered during the time between now and such adjournment date. But certainly the observations I made were taken accurately from the RECORD, which is self-explanatory. They are not inaccurate; they are true:

For 8 months, one of the longest continuous sessions of Congress in history, the record of the Eighty-first Congress is failure.

That may be debatable. But I say to Senators, examine the RECORD.

The President blames it on a Republican filibuster—

He admits it; he says it is a Republican filibuster which is blocking his program—

but a compilation by the Library of Congress—

I did not make it. I tried to insert these records in the CONGRESSIONAL RECORD the other day. I asked the majority leader whether he would yield, but he would not yield at that time, so I placed them before the American people. They are now in this speech. This information is from the Library of Congress. I did not assemble the figures but—

a compilation by the Library of Congress shows that from January 3 to August 15, the Republican Senators used 1,563 pages of the CONGRESSIONAL RECORD while the Democrats used 1,612 pages.

Now, Mr. President, who is filibustering?

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

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. WHERRY. Not at this time.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. WHERRY. I continue:

This Congress can adjourn within 30 days.

Perhaps that is an erroneous statement. I think it can. I think we should get together and adjourn in 30 days, if we really tried to do so, and I have offered to do that. In fact, I voted for the resolution to adjourn September 30, and to work out with the House before then, if it recessed, a program of adjournment.

The longer it stays in session the more of your money it will spend.

There can be no doubt about that.

Congress should pass only absolutely necessary legislation, then order a 10 percent cut in appropriations and go home.

That is not bad advice. Of course, it probably will not be taken, but it is good advice, and I think the American people would like to see it done. I read the next part of the speech:

The American people have not received all those rosy things the President and his left-wing campaigners promised last November. Instead they have gotten—

Perhaps the Senator quarrels with the adjectives used, but I want to say the word "turbulent" was used by the new chairman of the Democratic National Committee, in his acceptance speech, in which he said the Democratic Party was a turbulent party. I used the equivalent of his word. I got it from that speech, in which the adjective "turbulent" appeared. To anyone who thinks that is not correct, I say, go back and ask him about it. He used the word, so I have used something like it. I take no pride of authorship. He said "turbulent." I said:

Instead they have gotten a warring, quarreling, snarling Democratic majority in Congress. The majority leadership is in the hands of the President's lieutenants, and they cannot escape their responsibility by blaming others.

They are simply prolonging this session of Congress to squeeze through some part of the President's socialistic welfare state that was promised the pressure groups who helped elect him.

Unkept promises made by the administration to pressure groups, are only a part of the bill of particulars.

Trials of Communist spies who have run through our Government like water through a sieve are becoming commonplace.

One of the achievements of the Drew Pearson program has been the exposure of 5-percenters.

"Five percenter" has become a byword. On the part of some it is a vehicle for jokes and jests.

There is no doubt of that.

But for others it is a mark of loss of confidence and deep humiliation. It is a brand that will stick to this administration. It cannot be erased. And when morality flies out the window in the offices of government, good government goes with it.

The first thing Members of Congress will learn when they go home is that the people are sick and tired of the Eighty-first Congress and the weakness of this administration. So, in keeping with the style of the program, I now make a prediction.

A Republican Congress will be elected in 1950 to stop this multibillion give-away show, the biggest give-away show on earth.

The Truman administration has presented measures that would threaten the solvency of our Government, destroy competitive enterprise, and carry the United States deeper into the swamps of socialism.

The President has submitted requests under the label of social welfare, costing over a period of 50 years, $1,250,000,000,000.

That much money in silver dollars would make seven stacks reaching to the moon, with enough left over to pay off the present national debt of over a quarter trillion dollars.

If anyone wishes to differ with those figures, let me say that they were compiled by the Baltimore Sun. I have called attention to them dozens of times, and no one has ever questioned them.

Fantastic? Yes, but it is true.

You businessmen, you working men and women, and you housewives, who do most of the buying for your families, all of you know that such a program would bankrupt the country. And yet, those recommendations have been officially made to your Congress by the President of the United States.

He had Congressman SPENCE introduce a bill to give him, the President, one man, absolute power to build and operate any kind of factory or mill he chooses; think of it, in competition with free enterprise and free labor.

If anyone doubts that observation, let him get the bill, read it, and analyze it.

That is the big stick, the club the President asks for, to be held over the owners of industry and the working men and women. To the businessmen, "Comply with my orders or I will put the Government in direct competition with you." And to the working men and women, "I'll tell you when and where you can work."

And there are administration bills to give him, the President, one man, absolute power to put ceilings over prices and wages, and floors under prices and wages; bills for free education, free medicine, free hospitals, free everything, a life of ease and abundance without work. He, the President, promises the Government will take care of us from the cradle to the grave.

But you know these things are not free. They have to be paid for out of direct taxes and the cost of living. These proposals of free bread and circuses were taken from the decadent days of the Roman Empire. They did not work then, and they will not work now.

Mr. President, I should like to digress long enough to call attention to Germany and Italy, two nations who went clear to the left, and which are now trying to work their way back toward the right. That is a good example for us in connection with the suggestion of furnishing money for a continuation of Socialist government in Europe.

And the worst of all of the socialistic schemes is the so-called Brannan farm plan. It is an economic monstrosity, a brazen attempt to buy the farmers' votes and their liberty of free enterprise, out of the Public Treasury; and, at the same time, buy the votes of urban citizens, by subsidizing their food bills out of the Public Treasury.

It may be that that is a mistake. But I asked the distinguished Senator from Illinois if he agreed with the Brannan farm plan, and he did not answer. Perhaps I have gone too far in my impression of how much socialism is involved therein. But read the original bill, not the amended bill, or bills introduced here and there, or modified ones—read the original Brannan farm bill. It provides

for complete control of the farmers of the United States.

The solution of farm surpluses is utilization, not destruction.

I think America must come to that sooner or later, for whether we are Republicans or Democrats, a way must be found whereby every surplus farm product can be utilized so that there may come from each farm product a source of revenue and a profit for those who produce.

Grain and other starchy commodities when coverted to alcohol and used as a blend with gasoline, make a premium grade of motor fuel that can be sold competitively.

Mr. President, I got that statement from the Department of Agriculture. I am told that alcohol as an injector furnishes a kind of gasoline of higher octane than is produced even by tetra-lead. I know it is being used across the water. In automobiles, airplanes, and in other varieties of gasoline motors alcohol can be used competitively. I am quite satisfied that after the evidence is examined by those who now would like to mix it with a low-grade motor fuel, it will be found that it can be done competitively. With the price of corn at $1 a bushel, 500,000,000 bushels of corn made into alcohol and so used would rid us of our surplus of agricultural production and we would not have to worry about support prices, Brannan plans, Aiken plans, or any other plans. The problem would solve itself, and once again the farmer would be on a free competitive enterprise basis.

And there are many other opportunities for utilization of farm surpluses. But until full utilization of crops is carried forward our farmers are entitled to the protection of the present 90 percent parity law. National prosperity depends upon a prosperous agriculture.

The Truman administration, in foreign affairs, is guided by the same alien ideology it seeks to impose upon our own people—a policy in which aid and comfort have been given to the Russian-directed Communist Army in conquering China, and a policy which supports Socialist governments in Europe. Both are of the same cloth; both wind up in dictatorship.

Since the end of the war, you taxpayers have poured $32,000,000,000 in cash and goods into Europe. But the Economic Cooperation Administration has failed to solve the basic economic problems for which it was established. Elimination of trade barriers and establishment of free convertibility of currencies by ECA countries have not been accomplished. These are their domestic problems and failure to solve them defeats the very purposes of ECA.

Certainly there can be no question about that statement. I questioned Administrator Hoffman about it, and he said he agreed that the purpose of ECA would have to be accomplished, namely, the elimination of trade barriers and the establishment of convertibility of currencies, or he doubted whether it could continue successfully after 1952.

And, now, on the eve of the British-Canadian-American conference on more aid to Great Britain, it should be understood by all participants, including our own, that there must be no more bypassing of Congress, and no more commitments bartering away protections for American industry, agriculture, and labor.

Until we have full utilization of farm crops in this country our farmers are entitled to the protection of the present 90-percent parity law. I am one who has to get a part of his living from a farm, and I agree that national prosperity depends upon a prosperous agriculture.

With ECA failing to accomplish its purpose, demands are now made for an appropriation of $1,500,000,000 for military establishments in North Atlantic Treaty countries. This aid is sought even though the Security Council provided for in the treaty has not yet even been created.

We were told that the North Atlantic Treaty would be implemented by arms, and the arms would come under a program recommended by the Security Council.

Before the United States embarks upon piecemeal scattering of arms and armaments among treaty countries, Congress should have the recommendations of the Security Council. Unless reasonable time is given the Council after its formation, we will get figures that have been hatched by the State Department and planted with the Council, in a frantic effort to manufacture propaganda, in support of an immediate billion-and-a-half arms appropriation for Europe.

Mr. President, that is sound. If we are to take the action recommended by the proponents of the North Atlantic Treaty, we must pin our faith to the recommendations of the Security Council. Until those recommendations are made, and made in good faith, and presented to the different committees—certainly they should be referred to the Appropriations Committee—there can be no justification of appropriations. We should not act to save face, or because of moral commitments, or anything else, until we have the recommendations of the Security Council in behalf of the appropriations.

Fellow Americans, there can be no lasting peace in the world until the sins of Teheran, Yalta, and Potsdam are washed away; until there is reestablished a forthright foreign policy dedicated to preservation of a free America in a free world of free men.

There can be no lasting prosperity, happiness and security for our own people under the threat of the Truman Democrats to destroy our historic way of life through socialism, spendthrift government, and unbearable taxes.

One or the other will be destroyed. There is no room for compromise. America cannot survive half slave and half free.

We Republicans accept President Truman's challenge to take his philosophy of bigger and bigger Government—

We have the largest peacetime appropriations ever known in the history of the American Government, and if Congress remains here much longer, they will be much larger than they are. I repeat:

We Republican's accept President Truman's challenge to take his philosophy of bigger and bigger Government and more and more socialism to the people in the congressional campaigns already under way.

I said "we," and I hope I was expressing the thoughts of all Republicans.

We shall defend and champion the principles of our Republic, those principles upon which America has become great and strong, and the bulwark of liberty—supremely confident of the decisions of the people.

For the American people are peace-loving, tolerant of the rights of others, and determined to make representative republican government work under the guidance of Almighty God.

Mr. President, that is the end of the speech. I appeal to those who heard it to say with me that it is the truth, that our republican form of government, representative government, is on trial; that America is at the crossroads, and we must not continue to go further and cross over the line into socialism, but must preserve the freedoms our people have had for over 160 years, and which I hope they can enjoy for generations to come.

Mr. LUCAS. Mr. President——

Mr. WHERRY. Mr. President, I am not through.

Mr. LUCAS. I am sorry. I thought the Senator had concluded.

Mr. WHERRY. I shall be glad to yield when I have concluded my remarks.

The PRESIDING OFFICER. The Senator from Nebraska declines to yield.

Mr. WHERRY. Mr. President, the reason I made that speech was that the Senate majority leader said that he objected to the record I am about to read into the CONGRESSIONAL RECORD relative to his votes on the appropriations. He said at the beginning of his remarks that I had made mistakes, implying at least that my statements were inaccurate. I leave that decision to the American people when they read that speech.

Getting down now to the subject matter at hand, which is the record of the majority leader, I want to read the statement he made. I am reading it from the Wall Street Journal of August 27, 1949. I shall read every word of it. The Senator from Oklahoma [Mr. THOMAS] was trying to get credit for cutting appropriation figures in the Appropriations Committee; the President wanted all the credit at the White House, and Secretary Johnson wanted some of the credit to go to the Pentagon. Then along comes the majority leader and makes a statement. I read from the Wall Street Journal:

Meanwhile Senate Majority Leader SCOTT LUCAS, of Illinois, put out another statement boasting about the budget cuts the Senate has voted with his blessing.

"The budget cuts the Senate has voted with his blessing." Perhaps I cannot understand the English language, but that certainly covers the water front. That is the whole book. That covers every vote the Senator has cast, whether in favor of a committee amendment or against a committee amendment. I read that again:

Meanwhile Senate Majority Leader SCOTT LUCAS, of Illinois, put out another statement boasting about the budget cuts the Senate has voted with his blessing. Mr. LUCAS estimated the Senate has already pared $800,000,000 from the budget for fiscal 1949-50 and he predicted—

Senators will notice that he predicts, too, as I also have made predictions on the Drew Pearson program. This is what he said:

"We can reasonably expect a final total reduction of approximately $1,800,000,000."

"As majority leader," the Illinois lawmaker stated—

That particular language is not in quotation marks.

"I have advocated every reduction in Federal expenditures recommended in reports of the Senate Committee on Appropriations."

I want Senators to note that.

"I have advocated every reduction in Federal expenditures recommended in reports of the Senate Committee on Appropriations. I am fully aware that the people of Illinois, as well as the people from every State in the Union, are seeking reductions in the cost of government."

This statement seemed to put Senator LUCAS somewhat at odds with his White House Chieftain. In his midyear economic report to the Congress last month, the President warned lawmakers against cutting funds for essential Government fuctions. He claimed the huge volume of spending by Federal and local governments is itself an element of great stability in the national economy.

Mr. President, I called attention to that statement when I made my remarks in behalf of the rescission motion. I said, "What about the record of the majority leader?"

Let me read again:

"As majority leader," the Illinois lawmaker stated, "I have advocated every reduction in Federal expenditures recommended in reports of the Senate Committee on Appropriations."

We have just passed the Interior Department appropriation bill. That is something fresh in our minds. The committee amendments on Southwestern Power were four in number.

The first was to reduce by $2,383,885 funds for electric power to be available until expended.

The second was to reduce by $195,000 funds available in the current fiscal year.

Another was to reduce by $2,742,095 the amount of obligations authorized.

The next was to set up continuing fund for power transmission facilities in the Southwestern Power Administration.

Those four committee amendments were voted on en bloc. That amendment comes within the bracket of the observations made by the majority leader. How did he vote? There were 38 yeas and 45 nays, and the Senator from Illinois is recorded as voting "nay."

I now take up the vote on foreign aid. I shall speak of the vote on the committee amendment. I was a member of that committee. The committee amendment proposed a cut-back of $74,000,000 in the $1,074,000,000 for the last quarter of the fiscal year 1949. That amendment was rejected. It was a committee amendment and was rejected. The vote was yeas 37, nays 41. The Senator from Illinois is recorded as voting in the negative.

So there are two instances that come within the bracket of the last observation made by the Senator from Illinois.

I am scanning through the various measures which have been acted upon, and the votes cast upon them. I come now to State, Justice, and Judiciary, 1950. The Flanders amendment to increase the Voice of America funds $3,656,100 over the amount recommended by the committee, was presented on the floor. The vote on that amendment was 33 yeas and 45 nays. The Senator from Illinois voted "aye."

Now let us go back to the first observation made by the Senator from Illinois in his release:

Meanwhile, Senate majority leader SCOTT LUCAS of Illinois put out another statement boasting about the budget cuts the Senate has voted with his blessing.

Well, here they are, I wanted to insert these matters in the RECORD, but the majority leader refused to have the matters inserted, so I will have to read them. The statement I have in my hand gives many votes by the Senator from Illinois on various measures. I cannot let the statement I have just read from the release put out by the Senator from Illinois go by unchallenged. To let that language stand unchallenged would mean that there is no question that the Senator from Illinois has been in support of all proposed reductions. That is the way I would interpret the language, and I believe anyone who understands the English language cannot interpret it in any other way.

I could give more examples, but I am simply glancing through the list to give a few. I think those I have cited give a pretty good idea about what the majority leader's record is respecting economy.

I now refer to ECA extension. The Wherry amendment to cut the authorization by 15 percent would have meant a reduction of $814,500,000. The vote on that amendment was had on April 1. It was rejected 14 yeas, 68 nays. The majority leader voted "nay."

The second amendment on ECA extension was the Taft-Russell amendment to reduce the authorization by 10 percent, a reduction of $543,000,000. That was voted on on April 1. It was rejected 23 yeas, 54 nays, and the Senator from Illinois voted "nay."

On the first deficiency appropriation, 1949, the Bridges amendment to strike out funds for a new steam plant was voted on on April 13. It was rejected, 30 yeas, 55 nays, the Senator from Illinois voting "nay."

Mr. President, that is one amendment on which I voted to increase an appropriation. It is the only vote I have cast for increasing an appropriation which Senators can find in the books. I did so because the law authorized the steam plant. For us to sabotage the authorization by not appropriating the money seemed to me to go directly in contradiction to the will of Congress.

The Senator from Illinois turns around and does not seem to agree with me.

I have another case to cite. That is the ECA measure. No one worked any harder than I did to block the authorization of ECA, and that is exactly what I would have done respecting the steam plant if that plant had come up for authorization. I have taken the position since I have been in Congress that once an authorization is made, it is simply a question of justification for appropriations. I have done my level best to maintain that position in the two votes relating to such matters.

The Labor-Federal Security appropriation, 1950. There were amendments voted on on April 27 and 28. The first was for an increase of funds for cancer research. The second was for increase of funds for mental health. The third was the Bridges-Ferguson amendment to suspend the rule and direct the Secretary of Labor to reduce expenditures by 5 percent. The fourth was the Taft motion to recommit with instructions to reduce by 5 percent.

I wish to say for the benefit of the majority leader that he did not vote on any of these amendments. I do not say that every Member of the Senate can always be present to vote. I am not criticizing him, although I feel that the people back home want us to vote on these issues. I have taken the position since I have been in the Senate that I should be present to vote. On one or two occasions I have been officially excused, once in connection with the investigation of the atrocities in the political camps in Germany, and once when I returned to Nebraska in connection with the Kearney Air Base, and probably one or two other times. Aside from those occasions, I have been present in the Senate and have voted these questions up or down. If I had known about it, I would never have consented to a pair when I was across the water. I think the people want to know how we stand on every issue that comes up in the Senate. I do not say that I have been right, but I pray God that I was right. I am trying to do my level best to give the kind of representation that I think is becoming a United States Senator.

Take the Green motion to reconsider the vote on recommittal of the bill which I just mentioned. The vote was 43 yeas and 41 nays. The Senator from Illinois voted "yea."

On the Ferguson substitute motion to the Taft motion to recommit the bill with instructions to cut 5 percent after all committee amendments were adopted, the motion was rejected. The vote was 41 yeas and 44 nays. The Senator from Illinois voted "nay."

On the Taft motion to recommit, the second vote, the motion was rejected by a vote of 41 yeas to 43 nays. That was a close vote. If we had done that, we would have done exactly what the Secretary of Defense is doing right now in the Department of Defense. On that vote the Senator from Illinois voted "nay."

In connection with the Treasury-Post Office bill for 1950, the Ferguson-Bridges motion to suspend the rule so as to permit a 5-percent reduction, on May 11, the vote was 37 yeas and 45 nays. The Senator from Illinois voted "nay." The motion was rejected.

On the Knowland amendment limiting to 95 percent the funds to be expended, on May 11, the amendment was rejected by a vote of 33 yeas and 45 nays. The Senator from Illinois voted "nay."

On the Bridges motion to recommit the 5-percent reduction, May 11, the motion was rejected by a vote of 38 yeas and 44 nays. The Senator from Illinois voted "nay."

On the Long amendment to increase school-lunch funds, which was rejected, the vote was 14 yeas and 60 nays. On that vote the Senator from Illinois voted "nay."

On the Bridges-Ferguson amendment to suspend the rule in connection with a

5-percent reduction, on May 19, the amendment was rejected by a vote of 32 yeas and 52 nays. The Senator from Illinois voted "nay."

On the Bridges-Ferguson motion to recommit, in connection with a proposed 5-percent reduction, on May 19, the motion was rejected by a vote of 32 yeas and 50 nays. The Senator from Illinois voted "nay."

On the Butler motion to lay on the table the Douglas substitute motion providing for a 40-percent reduction in civil-functions appropriations, on May 20, the motion was agreed to by a vote of 59 yeas and 15 nays. The Senator from Illinois voted "nay" on that motion. Of course, everyone knows that a 40-percent reduction in civil-functions appropriations would practically destroy much of the construction programs under that particular bill. I voted against the reduction of 40 percent, but I did support a 10-percent reduction in the civil-functions appropriations. I thought that was just. I thought we could make that kind of a cut and continue most of the construction.

On the Bridges-Ferguson motion to recommit the civil-functions bill, in connection with a proposed 10-percent reduction, on May 20, the motion was rejected by a vote of 29 yeas and 48 nays. The Senator from Illinois voted "nay."

On the Wherry motion to recommit, in connection with a 5-percent reduction, I tried to get at least half of the 10-percent reduction. On May 20 that motion was rejected by a vote of 33 yeas and 44 nays. The Senator from Illinois voted "nay."

On the Ferguson motion to reconsider the vote by which the amendment of the Senator from Oklahoma [Mr. THOMAS] was agreed to, in connection with a project costing $10,460,000, on May 20 the motion was rejected by a vote of 36 yeas and 39 nays. The Senator from Illinois voted "nay."

I have already mentioned the State-Justice Department appropriations.

In connection with the legislative branch appropriations, on the Bridges amendment to appropriate $9,000,000 for the new Senate Office Building, on June 15, the vote was 29 yeas and 52 nays. The Senator from Illinois voted "nay."

I have already mentioned foreign aid and the proposed cut-back of $74,000,000.

The committee amendment to increase the amount under "Bureau of the Budget, salaries and expenses" from $2,983,050 to $3,314,500 was agreed to on July 27 by a vote of 51 yeas and 33 nays. The Senator from Illinois voted "yea."

On the committee amendment to increase the amount under "Council of Economic Advisers, salaries and expenses," from $300,000 to $340,000, on July 27, the Senator from Illinois voted "yea." The vote was 40 yeas and 39 nays.

On the committee amendment to increase the amount under "Civil Service Commission, salaries and expenses" from $14,000,000 to $16,250,000, on July 27, the amendment was rejected by a vote of 38 yeas and 41 nays. The Senator from Illinois voted "yea."

On the Gillette-Malone motion to reconsider the vote by which the committee amendment was rejected, the motion was agreed to on August 2 by a vote of 46 yeas and 44 nays. The Senator from Illinois voted "yea."

On the second vote on this committee amendment, on August 2, it was agreed to by a vote of 51 yeas and 40 nays. The Senator from Illinois voted "yea."

On the committee amendment to increase the amount under "Federal Communications Commission—Salaries and expenses," from $6,525,000 to $6,333,000, on July 27, the amendment was agreed to by a vote of 40 yeas and 39 nays. The Senator from Ilinois voted "yea."

On the committee amendment to increase the amount under "Public Buildings Administration—Salaries and expenses in the District of Columbia" from $31,140,000 to $32,750,000 on July 28 the amendment was rejected by a vote of 41 yeas and 46 nays. The Senator from Illinois voted "yea."

On the committee amendment to increase the amount under "Public Buildings Administration—Salaries and expenses, public buildings in the District of Columbia" on July 28 the amendment was rejected by a vote of 39 yeas and 48 nays. The Senator from Illinois voted "yea."

On the committee amendment to increase the amount under "Public Buildings Administration—Salaries and expenses outside of the District of Columbia" from $23,968,800 to $24,968,800, on July 28 the amendment was rejected by a vote of 38 yeas and 49 nays. The Senator from Illinois voted "yea."

On the committee amendment to increase the amount under "Public Roads Administration—Federal aid to postwar highways", from $225,000,000 to $241,509,000, on July 28, the amendment was agreed to by a vote of 61 yeas and 20 nays. The Senator from Illinois voted "yea."

On the Bridges amendment to the committee amendment under "Office of Housing Expediter—Salaries and expenses," the Senator from New Hampshire [Mr. BRIDGES] sought to reduce the committee figure of $24,075,000 to $21,667,500. On July 29 the amendment was agreed to by a vote of 45 yeas and 42 nays. The Senator from Illinois voted "nay."

On the committee amendment to increase the amount under "Interstate Commerce Commission—General Expenses," from $9,321,000 to $9,621,000, on July 29 the amendment was agreed to by a vote of 45 yeas and 40 nays. The Senator from Illinois voted "yea."

On the Williams amendment to reduce the committee figure under "United States Maritime Commission—Salaries and expenses" from $63,054,424 to $59,901,703, on August 1, the amendment was rejected by a vote of 30 yeas and 56 nays. The Senator from Illinois voted "nay."

On the committee amendment to increase the amount under "United States Maritime Commission—Salaries and expenses" from $62,380,424 to $63,054,424, on August 1, the amendment was agreed to by a vote of 45 yeas and 43 nays. The Senator from Illinois voted "yea."

On the Saltonstall amendment to increase the amount allowed by the committee under "United States Maritime Commission—Maritime training," on August 1, the amendment was agreed to by a vote of 33 yeas and 31 nays. The Senator from Illinois voted "nay."

On the Ives motion to lay on the table the Saltonstall motion to reconsider the vote by which the previous amendment, regarding maritime training, was agreed to, on August 1, the motion was agreed to by a vote of 35 yeas and 30 nays. The Senator from Illinois voted "nay."

I have already referred to the Interior Department bill.

Mr. President, the record speaks for itself. I have cited one or two votes with respect to which the majority leader should be given credit; but I have mentioned the record as I found it, relative to his votes, in support of the statement I made, that some people talk economy, but they do not vote economy. If there have been any erroneous statements made, certainly the RECORD shows the answer to the second part of his statement. The RECORD, with the exception of possibly three or four votes, shows where the Senator from Illinois stands with regard to the appropriations which we attempted to reduce on the floor of the Senate. The RECORD stands.

Mr. President, I also attempted to get into the RECORD a few remarks and statistics relative to the junior Senator from Minnesota [Mr. HUMPHREY]. He was present a moment ago. I had hoped that he would remain in the Chamber. I shall not say anything unfair about him, but I should like to have him present. I announced when I started what my purpose would be.

The PRESIDING OFFICER. The Chair is advised that the junior Senator from Minnesota is on his way back to the Chamber.

Mr. WHERRY. I hope so.

First, I stated that he had supported a great many legislative authorizations which I thought would increase the appropriations, if authorized, in the neighborhood of $30,000,000,000. I may be in error about the $30,000,000,000. We can hardly tell when we project some of these schemes just how much they will cost the people of the United States. However, my experience is that once a thing is authorized it never grows smaller. It always grows larger. Once a bureau in created, in my opinion there is no chance ever to abolish it. The record is pretty clear in that respect.

Let us examine the RECORD to see what legislation the junior Senator from Minnesota has introduced, sponsored, or spoken in behalf of. He has given his blessing to a number of bills. I am not quarreling with the merits of the bills. Every Senator has a perfect right, according to his own fundamental belief, to introduce any bill he cares to introduce.

Senate bill 110, providing for the Labor Extension Service, is estimated to involve an increase of $2,500,000 for Federal aid for adult education. The program is to run for 10 years. I think it would involve an expense of $115,000,000.

Senate bill 522, the Local Public Health Units Act of 1949, involves an estimated cost of $15,000,000.

In connection with Senate bill 653, the minimum wage bill, I think there is no

increase in cost, although I am not certain as to that.

With regard to Senate bill 831, social-security extension to State employees, no estimate is available. No one can tell what that program might cost. Again let me say that I am not arguing the merits of these bills. I am not for this particular bill, even with all the merits which the Senator has advanced.

With regard to Senate bill 881, price support for milk, no cost estimate is available.

In connection with Senate bill 1066, aid to the physically handicapped, no estimate is available. The President's Commission got $75,000 this year.

Next comes the Missouri Valley Authority bill, Senate bill 1160. I have heard the cost of that bill estimated as low as $6,000,000,000. I have heard others put a figure on it as high as $9,000,000,000. I do not know what the cost would be. It is represented that it would be paid back to the United States Government.

Mr. President, I have been in the Senate for 7 years. I have been a member of the Appropriations Committee. I should like to ask now how much money has ever been paid back from TVA to the Public Treasury. I am not quarreling with TVA, which has been authorized by Congress. But I ask the question. My opinion is that once the Missouri Valley Authority is authorized our experience with that will be similar to our experience with TVA. Once the bureaus get the money in their hands, with the absolute authority they have, we will not even get an accounting. I tried to get an accounting through the Comptroller General's Office. Because of the authority of the TVA, it is pretty difficult to get an accounting of any kind.

With regard to Senate bill 1404, the antilynching bill, I am with the Senator on that bill, strongly. I believe in it. There is no cost involved in connection with that bill. If there is any cost, it will be nominal.

In connection with Senate bill 1453, education of professional health personnel, the estimated cost is $30,000,000.

There is the bill for aid to schools with war-incurred enrollments. I do not know how much the cost of that program will be, no matter how worthy its cause; but it is estimated to cost many million dollars.

Mr. HUMPHREY. Mr. President, if the Senator will permit me to interrupt, let me say that as the bill was passed by the Senate last Saturday, its cost is to be $67,260,000.

Mr. WHERRY. Very well; I accept the amendment—that the cost will be $67,260,000.

Then there is the Indian tribal funds bill. We have no cost estimate for that. I know it is difficult to arrive at a cost estimate.

Then there is the Columbia Valley Administration bill. I do not know what the cost of that will be; but a conservative estimate shows that the cost will run not less than $6,000,000,000, and my judgment is that it will take much more. I have listened to pages and pages of testimony in the Appropriations Committee about these Authorities; and from the hearings we get some idea not only of how exhaustive and extensive such Authorities are in regard to the authority they want, but also in regard to the money they handle.

Then there is the aid-to-education bill for 1950, plus 5 years more. I do not know what the cost of that will be. I think the cost for the first year was estimated to be $300,000,000, but I have seen estimates all the way up to $3,000,000,000 for the 5-year period. I am not saying that figure is correct, but it is an estimate. Of course, it is difficult to estimate the total cost.

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

Mr. WHERRY. I yield.

Mr. HUMPHREY. I was not privileged to be a cosponsor of that legislation. I protested that I was not privileged to be a cosponsor. But I am glad to state that I am in favor of it, and I want the folks in Minnesota to know that I wanted to be a cosponsor of that legislation. Even if it should cost a billion dollars, I would favor it.

Mr. WHERRY. Mr. President, at least I have enabled my colleague, the Senator from Minnesota, to bring that to the attention of the people of Minnesota.

Mr. HUMPHREY. Yes, and I appreciate it.

Mr. WHERRY. Mr. President, we can go down the list and can cite five or six more measures involving large sums of money.

Here is one, the bill for aid to elementary and secondary education, costing perhaps $300,000,000.

Then here is the one of which the Senator from Minnesota [Mr. HUMPHREY] is also a cosponsor—I am sure that is correct—the Economic Expansion Act of 1949, the so-called Murray bill—in other words, the socialized medicine bill. No one knows what it will cost.

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

Mr. WHERRY. I prefer not to yield.

Mr. HUMPHREY. I should like to say a word on a point of clarification.

Mr. WHERRY. Very well. I yield.

Mr. HUMPHREY. Surely the Senator from Nebraska knows that the Economic Expansion Act of 1949 is not the socialized medicine bill. I would not want him to confuse the two bills.

Mr. WHERRY. I withdraw that statement. Perhaps I have grouped the two of them together. The Senator from Minnesota is in favor of the Murray-Dingell bill.

Mr. HUMPHREY. No; I am for the administration's health bill .

Mr. WHERRY. Well, it is the same thing, with a new name. If we take both of them together, Mr. President, there is no living man who can predict what their cost will be.

Once again I submit the figures of the Baltimore Sun about all of these socialistic programs: that extended over a period of 50 years, they will cost the people of the United States $1,250,000,000,000—one trillion two hundred and fifty billion dollars. No Senator has disputed those figures, so far as I know, on the floor of the Senate since they have been offered.

Mr. President, let me say in conclusion that I also had made a request of the distinguished junior Senator from Minnesota for the printing of certain material in the RECORD; but he objected to the introduction of the material in my speech, which was in support of the McClellan resolution. That material was on the independent offices appropriation bill. The Senator from Minnesota came before the Senate and endorsed the minority views, and in his speech of endorsement he said that the Congress could save $2,000,000,000 in ECA funds, in the funds for the arms bill, and in the funds for the independent offices appropriation bill, I believe I am correct about that; I am speaking now offhand.

Let us see what the record of the Senator from Minnesota is on the independent offices appropriation bill as it came before the Senate. By the way, Mr. President, he picked the one bill, of all bills, to my way of thinking, on which it is very difficult to make a saving. That is the reason why I support the proposal for having economies made in the whole Government establishment. I think all these agencies should do what Secretary Johnson did. Some agencies can go further than others in that respect; but certainly the heads of the Government agencies know where the least impact on essential services will be when cuts are made.

But the distinguished junior Senator from Minnesota said, in effect, "Let us take the independent offices appropriation bill." As I have said, Mr. President, of all bills he could have chosen, that is the one bill which seems to me to be the most impractical for that purpose.

I should like very much to ask consent to have inserted in the RECORD a statement of the position of the Senator from Minnesota regarding amendments to that bill involving appropriations amounting to millions of dollars. However, since I am afraid objection might be made, I shall read this material into the RECORD.

The full amount of that bill is $8,051,000,000. Of course, that entire amount could be saved if a 100-percent reduction were made in the appropriations. The fixed amounts total $5,817,000,000, which is 72 percent of the total. The reducible amounts total $2,234,000,000, which is 28 percent of the total carried in the bill. So it seems to me that of all the bills which could have been selected for the purpose of making a reduction in appropriations, this one would be the most difficult. But as to the independent offices appropriation bill, in reference to which the Senator from Minnesota said he would like to give the country an example of how cuts could be made—and I should like to give the statement as it appears in the CONGRESSIONAL RECORD—we find in that bill an amendment to increase the funds for the Bureau of the Budget to the extent of $331,450. That amendment was adopted on July 27, 1949.

Then there is an amendment increasing by $40,000 the funds for the Council of Economic Advisers. That amendment was adopted on July 27, 1949.

The Senator from Minnesota is not recorded as voting on either of those items.

I believe he was away on official business. I do not wish in any way to disparage his record, for he has been a very faithful Member of the Senate. But he was somewhere else.

On the amendment increasing the funds for the Civil Service Commission by $2,250,000, which amendment was rejected on July 27, 1949, the Senator from Minnesota is not recorded as voting. All these amendments were to the independent offices appropriation bill.

Pardon me, Mr. President, I notice that the Senator from Minnesota was recorded as "not voting" on all those items. It was stated, in connection with the announcement of his pair with the Senator from New Jersey [Mr. SMITH], that the junior Senator from Minnesota [Mr. HUMPHREY] would have voted "yea."

On the amendment for increasing the funds for the Federal Communications Commission by $108,000, which amendment was adopted on July 27, 1949, the junior Senator from Minnesota [Mr. HUMPHREY] is recorded as not voting, but it was announced, in connection with his pair with the Senator from New Jersey [Mr. SMITH], that he would have voted "yea." So there was no decrease in appropriations there.

On the amendment increasing by $16,509,000 the funds for Federal-aid post war highways, which amendment was adopted on July 28, 1949, the junior Senator from Minnesota voted "yea."

On the amendment increasing by $1,000,000 funds for maintenance of public buildings and grounds outside the District of Columbia, which amendment was rejected on July 28, 1949, the junior Senator from Minnesota voted "yea."

On the amendment adopted July 29, 1949, increasing by $300,000 the funds for the Interstate Commerce Commission, the junior Senator from Minnesota voted "yea."

On the amendment adopted August 1, 1949, increasing funds for the United States Maritime Commission the junior Senator from Minnesota voted "yea."

On the amendment adopted August 2, 1949, increasing funds for the Civil Service Commission by $2,250,000, the junior Senator from Minnesota voted "yea."

Mr. President, that is clear evidence to me—and it is in the RECORD—that those who now come before the Senate saying they are willing to cut appropriations $1,800,000,000 or $2,000,000,000 have not been voting the will of the Senate Appropriations Committee entirely, and certainly have not gone along with the Members of the Senate who have tried so judiciously, if you please, to cut the appropriations on the floor of the Senate. I am not bragging about my own record. It is not in question. But if anyone wants to pick on it, I say to him, go ahead and pick on it. To anyone who wants to look at that record, I say, look at it. Perhaps I am wrong. I have been told at times that I am, that I ought to agree to these things, that I ought to do his, that, and the other; but, believe me, Mr. President, it has been my conviction from the very beginning that the thing to do in the Eighty-first Congress was to balance the budget. Perhaps it would require more taxes, but I believe it would produce confidence on the part of business. I think business has lost confidence in the past 6 months. The idea of increasing the income-tax brackets does not mean anything unless there are good business conditions. There must be confidence on the part of the businessmen of the country; there must be confidence on the part of all segments of the country, if we are to raise more taxes instead of less. We have got to do that, Mr. President, because the expenditure budget is away higher than it has ever been in any other peacetime year in the life of the Republic. Of course there are those who say, "Deficit spending is justified." If it is justified, then, as I said this morning, why not make a real budget? Why not make it $100,000,000,000? What is the use playing with $42,000,000,000, $45,000,000,000, or $50,000,000,000? To me, that is the answer to that problem.

Mr. President, the time is here when we cannot have everything. The time is here when every Government agency must do exactly what has been done by the Military Establishment. If it is possible to make a cut in military expenditures, it is possible to cut expenditures in every other branch of the service, in every other Government institution. There can be no doubt about that. Yes, Mr. President, there will be attacks made against me, and this and that will be said; but remember the RECORD will show that the junior Senator from Nebraska said, if Secretary Johnson could cut military expenditures, as he has done, it is possible for every other department of the Government to cut expenditures.

Mr. President, I did not intend to take all this time to read these things into the body of the RECORD, regarding my distinguished colleagues, the majority leader from Illinois and the junior Senator from Minnesota, but they both objected to the insertions when I offered them, when I was limited to 12, 13, or 14 minutes in my support of the rescission amendment. I deeply appreciate the fact that the junior Senator from Minnesota offered to permit me, by unanimous consent, to introduce the last record to which I have referred. I think that is the proper attitude, and I appreciate the Senator's courtesy. I have spoken with no intention of hurting or harming anyone. But I say the record speaks for itself. It is emblazoned in the CONGRESSIONAL RECORD. But I say my criticism is still correct, that it is impossible to authorize everything on earth without paying for it. The cost of government cannot be cut, unless appropriations are reduced. That is what I have attempted to do. It is my feeling that when we look at the record, it has not been done by some of those who now say, "Oh, yes, I am for economy." I now yield to the Senator from North Dakota.

Mr. LUCAS. Mr. President——

Mr. WHERRY. Just a moment. The Senator from North Dakota asked me a moment ago if I would yield. That is why I yielded to him.

Mr. LANGER. No, Mr. President, I want the floor in my own right.

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

Mr. WHERRY. I yield.

Mr. ELLENDER. Will the Senator kindly tell us how he came to get the spotlight on the Drew Pearson program?

Mr. WHERRY. I am glad to tell the Senator. I had been told Drew Pearson had four open dates on the program; that the Senator from Ohio [Mr. TAFT] had been asked to take one; that the majority leader of the Senate, and I believe the majority leader of the House, or someone else, had taken either one or two of the other programs; and I was asked whether I would like to take the final one. At first, I may say, I felt I should decline, because I knew I would be asked, as a Senator asked me this morning, "What has happened to you? Why are you on that program?" I thought about it a long time. That is why, in the introductory paragraph, I said, "Some of you will be amazed." They were amazed. I have been asked, "Why did you appear on this program?" This man has attacked me on the air, I do not know how many times, and my first impulse was to say, "I will simply take the hide off of you, Drew Pearson." Years before I met the majority leader, long before I knew of his great prowess, when I was a member of the State legislature, I was told by one of the smartest Nebraska Democrats I think I have ever known, when I read him an editorial written by a Democratic friend of mine in the State legislature, when these things really got under my hide, "You will never get anywhere answering adverse publicity." They hurt me then, but one becomes accustomed to them in the Senate. It is difficult to get good men to accept public office because of attacks made upon men in such positions, and it is regrettable that it is so. I went home on one occasion and found my daughter crying about the things a certain editor had said about me. I said, "Don't worry." I went to see this Democrat, who was then governor. I had befriended him. After he read it, he said, "Kenneth, do not worry about it. You did not commit murder. Your name was correctly spelled. Believe me, get publicity, even if it is adverse publicity. Let them say anything they want to." [Laughter.]

Mr. President, I am sorry to detain Senators. I shall be glad to answer any questions. I merely want to say I thought it over. I thought, "What is the use of spending my valuable time saying anything about Drew Pearson? His friends would not believe it anyway, and my friends know how I feel about the matter." I said to myself, "He has one of the largest radio audiences in the country. I am going to use it profitably. I am going to take this golden opportunity to talk to his radio audience about the things I have mentioned this afternoon." I would just talk my heart out to try to defend this great country of ours.

Perhaps I am wrong; perhaps we are going socialistic; perhaps some of us will not be reelected because we do not vote for these proposals. This is my answer to the pressure groups. Let me say, Mr. President, I shall finish in the Senate in 5 years. I shall tell my grandchildren—and they will be able to say to their children—the junior Senator from Nebraska

never once sold his country down the river to socialism; he always did his level best to protect the free-enterprise system of America. I would rather go down to defeat than to do otherwise. Oh, yes; the majority leader said, "You do not very often vote with the majority, not even on your side." My answer is, "I would rather go down to defeat, having tried to save America and the free-enterprise system, than to vote with the majority and plunge the country into socialism." That is my answer. That is why I went on the Drew Pearson program. Incidentally, I must have done a pretty good job. I got under the hide of the majority leader. I got under the hides of a good many people. That is the reason I read this matter in the RECORD.

I conclude with this humble statement. In 7 years I have never made a request on this floor to insert something in the RECORD that was turned down until this afternoon. I do not like to read these things into the RECORD any more than Senators like to have them read. I cannot understand why the majority leader should have refused my request. If there was anything wrong with the record I presented, he had a perfect right to correct it. The objection did not do him any good. I have offered to cooperate with the majority leader. Time and time again I have helped him on unanimous-consent requests. Even after the colloquy the other day, in all sincerity, I assured him I would help if he would only ask unanimous consent to try to make an arrangement whereby the House would agree to a legislative program and to an adjournment date. I meant it from the bottom of my heart, and I mean it now. I shall be very glad to do that.

I hope the next time I present a unanimous-consent request to place something in the RECORD, the Senator will not object, because after all, there is a certain fellowship here; there is a friendly feeling. I do not have a thing in the world against the junior Senator from Minnesota. He knows that if he asked a favor of me, I would certainly do my best to grant it. I do not have anything in the world against the majority leader, and he knows it. If he does not know it, I shall try to demonstrate it, if there is anything he wants me to do that I have not done.

Mr. President, I shall try to protect the interests on the minority side, but I should like to cooperate with the majority, expedite the program, and vote legislative measures up or down and go home. I hope I said the right thing when I made my speech. I hope it is not erroneous.

Mr. LUCAS. Mr. President, when the Senator from Nebraska, the very distinguished minority leader, said a moment ago that a newspaperman in Nebraska told him that regardless of what kind of publicity one receives, whether it be adverse or otherwise, it is still publicity, and do not worry about it, I knew why the Senator made the radio speech on Drew Pearson's time last night, in spite of his hatred for Drew Pearson, and I know why he repeated it on the floor of the Senate today.

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

Mr. LUCAS. I shall not yield. Please do not ask me to, because I want to finish my speech.

I know why the Senator made the same speech on the floor of the Senate today. In all my experience in the United States Senate, this is the first time I ever knew of a Senator to speak on the radio one night and then deliver the same speech the next day on the floor of the Senate.

It reminds me a little of the story of the colored lady who was keeping company with a very fine colored gentleman. The mother of the girl asked her one night how she was getting along with her beau, and the girl replied, "Pretty well, but he sure do recommend himself awful highly."

The Senator from Nebraska hopes that, as a result of his speech last night on the radio and as the result of the repetition of his speech today on the floor of the Senate, someone will pick up something as a result of what he said, and will use it for publicity purposes.

I shall demonstrate to the Senator from Nebraska that I had good reason when I objected to the Senator's request to put quite a lot of material into the RECORD because of an error or two which the distinguished Senator from Nebraska made last night on the radio.

The Senator a few moments ago made a rather remarkable statement which I cannot permit to pass without comment. He said that business has lost confidence in the country. It is the hope of the reactionary Republicans of this country, that business will lose confidence. But that is not the fact. So long as there are 60,000,000 persons employed, so long as there are 30,000,000 farmers, with money in the bank and bonds and securities, so long as we have men and women in communities of 4,000 people such as the one in which I live, whose business is better now that it ever has been at any period in peacetime, no one can tell me that business is losing confidence in this great America of ours, under the free-enterprise system about which the Senator talks.

Mr. President, the "socialism" arguments that we hear on the floor of the Senate are a lot of political poppycock. When Mr. Roosevelt ran for the Presidency in 1932, we heard about "inexperience." In 1936 we heard from the same people the charge of "regimentation" and "dictatorship." In 1940 the Republicans came along with the battle cry of regimentation, dictatorship, third term, and a Roosevelt dynasty. In 1944 what did we hear? Communism was the big issue in that campaign. The Senator from Nebraska says Communists and spies are working all through the Government, as if the Government were honeycombed from top to bottom with Communists, when the Senator knows that this Government today is the one outstanding champion of democracy in the world standing between communism and freedom for every individual in America and all the other democracies.

If we had followed the advice and the philosophy of the Senator from Nebraska in our votes on the floor of the Senate with respect to the foreign policy of this Nation, communism today might very well be triumphant in France and Italy and perhaps England. The Senator would not be crying about the socialistic government of England; he might be crying about the communistic government there, if we had followed the philosophy of the isolationist doctrine which he has preached ever since he has been a Member of the United States Senate.

The Senator speaks of Truman Democrats who are trying to ruin the country. Yet the Senator from Nebraska, on this very day, pleaded with the Senate to give the President of the United States—that so-called socialistic President—unbridled power to use appropriations amounting to billions of dollars as he should see fit.

Then he condemns the Truman Democrats for being socialistic and left-wing campaigners. I do not know to whom the Senator was referring when he used the expression "left-wing campaigners." I am one of the campaigners for Harry Truman. I went on the hustings last fall for him and was happy to do it. The American people responded to the honest, sincere, and factual campaign of Harry Truman. But, now, whoever campaigned for him, whether they were left-wingers, right-wingers, one-wingers, or two-wingers, are subjected to a smear for having supported Harry Truman. The Senator from Illinois is not in the left-wing camp, nor in the Wallace camp. But the Senator from Nebraska and Henry Wallace and his group are on the same platform, so far as the foreign policy of this Nation is concerned. I do not say that they are on the same platform for the same reason at all, but, nevertheless, they are all on the same side of the question in their opposition to our foreign policy.

I happened to listen to the broadcast made last night by the distinguished Senator from Nebraska. I just happened to turn the radio on and when I turned it on, of course, the dulcet voice of the Senator really got to me; I had to stay there; I just could not leave that magnetic appeal which he made to the American people. He announced that he would express his views on a number of subjects, and what an excellent and far-reaching platform he made for the Republicans. I listened, hoping that he would at some point in his remarks offer some constructive suggestions which might be of value to us and of benefit to America. When the Senator reached the end of his broadcast, I felt very sad because there was one of the leaders of the Republican Party speaking with an authoritative voice on behalf of the Republican minority, and yet he did not have a single constructive idea to offer to the American people.

There was not as single thing in his speech but criticism. Mr. Senator from Nebraska, many of you gentlemen in the Republican Party have followed that old trail ever since 1932, the course of destruction; you have damned and criticised and raised hell about everything the Democratic administrations have done, but never have you offered the people of America a single constructive suggestion. As a result, you have lost every

election, and you will continue to lose until you offer a constructive program to the American people. You cannot go on the radio and make these trillion and billion dollar statements, as you did last night, and expect the people to pay any attention to you.

Mr. President, I believe the two-party system is essential to the growth and development of our democracy. I believe that vigorous competition between representatives of the two great parties gives health and vitality to American political life. But how can there be the healthy competition necessary for America when one party has a program and the other has none? How can we advance, when a notable leader of one party spends his time in raking over the ashes of the past and hurling dust in the eyes of the people?

He declared that the majority leader of the Senate had informed him that the majority leader had no program—and he made that statement, Mr. President, in the face of the fact that I reluctantly took some of the Senate's time last week to go over, point by point, the comprehensive legislative program of the majority.

Of course the opposition would like to have me say that we are going to get out of here in 15 days, or 20 days. They would like to see that happen, and then filibuster upon a couple of bills in order to prevent us from enacting the legislative program that was adopted in the Democratic platform at the Philadelphia convention last year—a program which we propose to carry through. I say to the Senator from Nebraska, whether he likes it or not, we are going to try to do it.

Mr. President, we have a great deal of work to do, and I do not intend to analyze all of the mistakes in the radio broadcast of the Senator from Nebraska. But I cannot allow one of his statements to stand uncorrected, because it involves a splendid institution upon which we all depend for accurate and impartial information. I refer to the Library of Congress.

He told the American people—and I quote from his exact words—"a compilation by the Library of Congress shows that from January 3 to August 15, the Republican Senators used 1,363 pages of the CONGRESSIONAL RECORD while the Democrats used 1,612 pages." He gave these figures to support his charge that the Democratic majority is responsible for the length of this session.

Mr. President, he quoted those figures last night with all the glee of one who had won a great victory, and he repeated them upon the floor of the Senate today in a futile attempt to convince the American people that the Democrats in Congress have been responsible for the slow-down in legislative action in the Senate which has been apparent during all these months we have been attempting to enact a constructive program of legislation.

These figures are the same as those cited by the junior Senator from Michigan [Mr. FERGUSON] in the debate here in the Senate last week. The Senator from Michigan undoubtedly made the figures available to his colleague from Nebraska. The Senator from Michigan also asserted, according to the CONGRESSIONAL RECORD for August 24, 1949, pages 12147–12148, that the figures were prepared by the Library of Congress.

I made inquiry of the Library of Congress, Mr. President, and I learned that the Library did not supply the figures placed in the RECORD by the Senator from Michigan. The distinguished minority leader, the Senator from Nebraska, used the same figures in his radio speech apparently without checking to make certain that the figures had come from the Library.

He fell into the same type of error all through his speech, taking a statement from the Wall Street Journal, some statement from the Baltimore Sun, some statement from the CONGRESSIONAL RECORD which somebody else had made, without checking the figures himself. And he went to the thinking people of this country with that sort of information.

When I made my inquiry, the Library informed me that a survey was being made on this subject of space consumed in the CONGRESSIONAL RECORD, and agreed to give me the results when the survey had been completed.

In a letter dated August 26, 1949, the Assistant Director of the Legislative Reference Service of the Library of Congress, Mr. W. C. Gilbert, has given me the computations made by the Library staff. The figures in Mr. Gilbert's letter are in direct contradiction to the figures cited by the minority leader and by the junior Senator from Michigan.

As a matter of fact, Mr. President, the results of the Library of Congress survey prove beyond any doubt that the Republican Members of the Senate are largely responsible for the delays which have kept us in session so long this year. When we eliminate the 3 weeks of filibuster, the percentage of difference is marked and significant with respect to which party has taken so much time here on the floor of the Senate. The figures I cite include all speeches which have been made by Members of the Senate, and all the time consumed by Democrats as well as by Republicans.

I wish to call the attention of the Senate to these very significant figures, prepared by experts of the Library of Congress. Republican Senators filled 2,779 columns, or 926 pages of the RECORD, in the period through August 15, excluding routine matters, the Appendix and insertions of statements. On the same basis, Democratic Senators filled 2,434 columns, or 811 pages.

It is just the opposite of what the Senator has been telling the American people, what he told them over the radio last night during this big program about which he talks, on time which was given to him by Drew Pearson. Of course he had a large audience.

The percentages in the Library of Congress survey and in my own survey were almost identical. Both studies revealed that Republican Members of the Senate occupied more than 53 percent of the speaking space in the RECORD. Democratic Members took a little less than 47 percent of the space.

Let us remember, Mr. President, that during most of this period there were 54 Members of the majority and only 42 Members of the minority. The Republican Members averaged more than 22 pages apiece in the RECORD, judging by the Library of Congress survey. The Democratic Senators average 15 pages. On the basis of individual averages, each Republican Senator spoke nearly 50 percent more than each Democratic Senator.

Mr. President, I wish to read the letter I received from the Library of Congress. It is very brief. It reads as follows:

Hon. SCOTT W. LUCAS,
United States Senate,
Washington, D. C.

DEAR SENATOR: You asked for, and Dr. Griffith agreed to send you, the results of an examination of the CONGRESSIONAL RECORD, January 3 through August 15, with respect to the speaking space taken up by the Senators of the two parties.

That was exactly the same period the Senator from Michigan [Mr. FERGUSON] used in his speech when quoting these erroneous figures and exactly the same period used by the Senator from Nebraska in his radio address. The letter continues:

Our computation was made in terms of a half column or more, excluding Appendix and insertions in the body of the RECORD. Original calculations have not been rechecked, but were done carefully.

Democratic Senators: 2,434 columns, or 811 pages.

Republican Senators: 2,779 columns, or 926 pages.

Very truly yours,
W. C. GILBERT,
Assistant Director,
Legislative Reference Service.

Mr. President, in view of these glaring inaccuracies, does anyone wonder why I objected to the Senator from Nebraska putting my voting record into the CONGRESSIONAL RECORD? Is it not understandable when one realizes that he spoke to the American people last night using figures which were absolutely wrong, telling them that he had the information from the Library of Congress, which is completely contradicted by the letter from Dr. Gilbert of the Legislative Reference Service I have just quoted?

Mr. President, I believe that Members on both sides of the aisle have indulged too often in exhaustive debates, and I have pleaded again and again for voluntary limitations on speeches. I have advocated a rule of relevancy, in order to enable the Senate to conduct its business with the efficiency desired by the American people.

Just as certainly as I stand before the Senate today, Mr. President, in order to handle all the controversial and important problems the American Government must solve from this time on, in the role of world leadership which we acquired in World War II, the rule of relevancy and germaneness must come into existence in the United States Senate. Such a rule is necessary if we are to expedite the business of the Government in the efficient manner the people

of the Nation expect us to handle their affairs. It is high time we break away from the lethargy which has been displayed here and from the doctrines of the past and adopt some rules in the Senate that will really give us an opportunity to transact some business.

I did not intend to bring up this question of responsibility for the length of the session, because I felt that we had discussed it very fully last week. But the distinguished minority leader has made an issue of it, and he has given to the Nation figures which are wholly incorrect and which do not agree at all with the figures actually obtained by the Library of Congress survey.

Mr. President, I believe I have clearly demonstrated that there were some major inaccuracies in the speech made last night by the Senator from Nebraska.

I will leave it to his colleagues on the other side of the aisle, to the great senior Senator from Michigan, and the renowned junior Senator from New York, to answer the attacks of the minority leader against the bipartisan foreign policy which has done so much to strengthen and promote America's world leadership in a time of peril.

As the whole world knows, the senior Senator from Michigan and the junior Senator from New York have been among the principal architects of our foreign policy, that far-sighted policy which has united the free people of the earth and halted the bloody march of communism.

Mr. President, as far as my record on the economy issue is concerned, I am flattered that the Senator from Nebraska has seen fit to spend so much time to talk about me as he has. I must be very careful, or I shall begin to think that I am quite important as a result of the time he devoted to me on a coast-to-coast radio program last night; and again by the way he challenged me in the Senate today with the figures he has placed in the RECORD.

But he is not fooling me or anyone else, Mr. President. I know that if I am a candidate for reelection next year those figures will be used in Illinois. That is perfectly all right with me. I hope the Senator from Nebraska will come to Illinois next year with those figures if I am a candidate for reelection, and when that time comes I will discuss them and my record with the people of my State, people who will understand and act on the facts in 1950, just as they did in 1948. I am not ashamed of my record at all. My record can stand just as it is.

I went along with the distinguished chairman of the Appropriations Committee on the cuts that came out of that committee with the exception of the $74,000,000 cut the Senator from Nebraska mentioned. I did not go along with the power cuts because of what was involved in those cuts. It was not a question of the relatively small amount of appropriations one way or another. What was involved was a great principle, the question of public power of this Nation. I can well understand how the Senator from Nebraska feels after being defeated on that issue, as he has on practically every other issue he has raised in the Senate since I have been majority leader. The question involved was public power versus the private utilities. Everyone knows that. The amount of dollars spent or saved was not the issue at all. It was not a question of economy as some Senators would like to make it appear to the American people. The question involved was that of giving to the public utilities of the Nation power they should not have.

Mr. President, I thank the Senator from Nebraska for his references to me on the radio last night in his speech to the Nation. I want to thank him for repeating that same speech today on the floor of the United States Senate. I am sure the few Senators who have remained here have greatly enjoyed his speech. At least the Senator from Illinois is extremely happy and contented to know that as a result of the repetition he will receive some publicity in Illinois tomorrow, whether that publicity is good or otherwise. As the Senator from Nebraska said, it is still publicity.

I yield the floor.

Mr. HUMPHREY. Mr. President, after the very splendid remarks made by our great majority leader, the only purpose for which I rise is to make a correction in the RECORD. This is necessary in view of the polite but pointed remarks of the distinguished minority leader.

Mr. President, I might say that the issue raised by the minority leader is not exactly a new one, and I am so pleased and so honored to know that an issue raised in the State of Minnesota has reached the floor of the United States Senate. Members of the Senate will be interested in some of the background of this issue.

There happens to be an Old Guard Republican Party newspaper in Minnesota, still campaigning for McKinley, which somehow or other made a compilation of the legislative items in which the junior Senator from Minnesota had been interested, or concerning which he had made proposals. I should also like to say that this newspaper wound itself up into great knots and contortions in the most recent election in the State of Minnesota, and was not even successful in delivering the vote of its own home town for its own selected candidate.

This particular newspaper in the State of Minnesota made a compilation of the items in which the junior Senator from Minnesota had interested himself. The compilation totaled up to, as I remember, about $14,000,000,000. The editorial the newspaper prepared with a very interesting one, and I felt highly complimented by it, since I come from a relatively poor family, not having been born with a silver spoon in my mouth. The editorial was entitled "The Million Dollar Baby." That is pretty good for one who was born in South Dakota, who was privileged to grow up and mature somewhat in Minnesota, and then came down finally to the rugged existence of Washington.

Some time later the junior Senator from Minnesota noticed that he was getting more publicity respecting his sponsorship of legislation. None other than the great oracle of misinformation, Fulton Lewis, Jr., commented in a similar vein on the radio. Not many pay very much attention to what he says on the radio, and only a few ever believe what he has to say—but Fulton Lewis, Jr., not to be outdone by the great sponsor of the McKinley administration in our State, determined that he would raise the figures. He finally got his figures up to around $23,000,000,000—and, with no new legislation introduced.

Now the minority leader has apparently been caught up in his own criticisms of the New Deal philosophy, and has grown exuberant in his statements. Today on the floor of the Senate, he said that the junior Senator from Minnesota is the sponsor or cosponsor of legislation running up to $30,000,000,000. I wish that the campaigners for McKinley in my State, Fulton Lewis, Jr., the great distorter of fact and fiction; and the distinguished minority leader, would all get together and decide whether the figures amount to $14,000,000,000, $23,000,000,000, or $30,000,000,000, so that when the time comes when I again face the electorate of my State I can go to them and say that there has been agreement between these great apostles of progress.

Having been privileged to have done a little research work in my time, I determined that the best thing to do was to have an accurate computation made, in order to answer those who are the unsuspecting doubters, those who may have been led astray by this propaganda, and to present the accurate figures to those who otherwise would not get the truth. I have prepared an analysis of the legislation proposed by me in the Eighty-first Congress.

There is a key to the analysis. "A" deals with the first fiscal year annual cost. "B" is the fiscal cost at peak year. I have gone down the entire list of legislation presented by the Senator from Nebraska, starting right out with the first bill he mentioned, to establish a labor education extension service. I heard the Senator from Nebraska say that would cost something like two and one half billion dollars. But according to the best information the junior Senator from Minnesota has been able to get, it will cost $25,000,000, at the maximum.

Another piece of legislation to which the Senator from Nebraska referred was that dealing with the Inland Waterways Corporation. The distinguished minority leader and the junior Senator from Minnesota are cosponsoring that legislation to increase the capital stock of the Inland Waterways Corporation.

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

Mr. HUMPHREY. I yield.

Mr. WHERRY. The reason I cosponsored it was because I was identified with that legislation last year and the year before. I feel that the thing to do is to get the Inland Waterways Corporation into the hands of private investors, and that this is the way to do it.

The PRESIDING OFFICER. (Mr. WITHERS in the chair). The Chair does not believe that Senators can settle political questions by speaking back and forth to each other. The Senator from Minnesota can yield only for a question.

Mr. HUMPHREY. I am glad to yield for a question.

Mr. WHERRY. Is it not true that the Senator from Nebraska has not only sponsored this legislation this year, but was a cosponsor with the late Senator Overton of Louisiana, the theory being that this appropriation, if it goes through, will help to stabilize the Inland Waterways Corporation and permit it to operate until private enterprise can completely take over?

Mr. HUMPHREY. Increasing the capitalization of the Inland Waterways Commission means a great deal to our section of the country.

The junior Senator from Minnesota joined with the Senator from West Virginia [Mr. KILGORE] and other Senators to remove illiteracy by adult education. There are 5,000,000 illiterates in the country. The only regret I have is that the program is not extensive enough. Illiteracy is the most expensive waste in the country. The maximum total cost will be $15,000,000. The United States Chamber of Commerce has said that for every dollar spent for adult education we get a $4 return. So it would be well for us to deduct from the items of the junior Senator from Minnesota $60,000,000, because an investment of $15,000,000 will yield at least $60,000,000.

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

Mr. HUMPHREY. I yield.

Mr. PEPPER. I think I recall that Mr. Hoover stated at one time that the national crime bill of the country was about $15,000,000,000 a year.

The PRESIDING OFFICER. The Senator from Minnesota cannot yield for a speech. He can yield only for a question.

Mr. PEPPER. Does not the Senator believe that a great many contributions to that criminal cost come from the ranks of illiterates?

Mr. HUMPHREY. According to the best evidence we have from famous criminologists, the Federal Bureau of Investigation, and educators, crime and illiteracy go hand in hand. I am very grateful for the observation of the Senator from Florida.

The next bill which the Senator from Nebraska mentioned was Senate bill 522, to provide for local public health units. The junior Senator from Minnesota joined in sponsoring that bill. I asked for the privilege of cosponsoring that legislation, because it is an honor and a real privilege to work for the improvement of public health facilities and the general health of the American people.

The next bill to which the junior Senator from Minnesota attached his name was a bill to include State and local government employees in old-age and survivors insurance benefits. That bill was mentioned by the Senator from Nebraska, who said that no estimate of cost was available.

The next item is milk parity. Yes, indeed, I believe in parity for the dairy farmers. If the Senator from Nebraska does not believe in parity for the dairy farmers, let him say so. The junior Senator from Minnesota stands squarely for a fair deal and a Fair Deal—capital "F" and capital "D"—for the American dairy farmer, the American cereal-crop farmer, or any other farmer.

The next bill which was mentioned by the Senator from Nebraska was a bill to provide aid to the physically handicapped. If we ever reach the point where this great rich country of ours cannot take care of the physically handicapped, we shall have lost all claim to human decency. Our bill would cost a little money—perhaps $5,000,000. If we aid the physically handicapped, they will produce a hundredfold. Today they are a liability because they are nonproductive. With assistance, the physically handicapped can become productive citizens.

The next bill mentioned by the Senator from Nebraska is the bill to establish a Missouri Valley Authority. The distinguished Senator from Nebraska estimates the cost at between $6,000,000,000 and $9,000,000,000. Let us get the record clear. The program for the Missouri Valley development has already been authorized by Congress. The Seventy-ninth and Eightieth Congresses both took action on the authorization of the Missouri Valley development—something for which we in the Midwest have fought for years. The Missouri Valley Authority bill does not include one dollar of authorization or appropriation. All it does is to take over the Missouri Valley development plans already authorized.

What we are doing is proposing a different type of administration, which the Hoover Commission says will save millions of dollars. Those who are great advocates of the Hoover Commission and admirers of the great engineer—and he is indeed a great engineer—should be impressed by what the Hoover Commission has to say.

What does Mr. Hoover have to say about the present Pick-Sloan plan? What has he to say about development of the Columbia and Missouri Valleys under the Pick-Sloan plan? I will tell the Senate what he says. He says that it is wanton extravagance, waste, and inefficiency. So it is not in order to talk about appropriations. I submit that unless we do something about revising the river valley developments we are going to have real waste. Do not take my word for it. I am not an expert. Look at the Hoover Commission's report.

The Senator from Nebraska estimates the cost at between $6,000,000,000 and $9,000,000,000. I say to the Republican policy committee, which has helped to compile these statistics, according to the Scripps-Howard newspapers: Shame on you. When you are looking for facts, get the facts, and do not go on an ethereal fishing expedition and fish something out of the Milky Way and bring it to the floor of the Senate and say that the cost is estimated at between $6,000,000,000 and $9,000,000,000.

Then there is the Federal antilynching bill. I thank the distinguished minority leader for agreeing with me about it. We do believe exactly the same way on that.

Mr. WHERRY. And the anti-poll-tax bill.

Mr. HUMPHREY. There will be some expense for those bills.

Then there is the school health service bill. That bill was voted unanimously on the floor of the Senate. It calls for the expenditure of $35,000,000. Am I in favor of it? Mr. President, when this country cannot afford to spend $1.50 a child for school health services, then I say this country has lost all claim to saying it is a democracy. Any Senator who does not want to favor school health services should stand up and be counted. I am for it; I simply feel that $35,000,000 is not enough—to be penny pinching at the expense of the American children.

Then there is the bill for medical education. Yes, indeed, Mr. President; I favor that. That will provide medical education in areas where doctors are scarce. Of course I favor medical education, and so does the distinguished leader of the Republican Party, the Senator from Ohio [Mr. TAFT]. In fact, he has been for a good many of these measures.

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

Mr. HUMPHREY. I yield.

Mr. LUCAS. I have said before, I say to the Senator——

The PRESIDING OFFICER. Speeches cannot be made by a Senator who is yielded to, for a Senator may be yielded to only to ask a question, following which there perhaps will be an answer.

Mr. LUCAS. Does not the Senator from Minnesota agree that the Senator from Ohio has been for practically everything we Democrats have favored, except for the last item, the so-called socialized medicine bill?

Mr. HUMPHREY. Absolutely; and when we reach the point of discussing that, I wish to observe just who is the Socialist.

Then there is the bill for aid to schools because of war-incurred added responsibilities for education. We voted on that bill just last Saturday. Is it not remarkable, Mr. President, that the Senate passed that bill? All I wish to say is that if all I am ever condemned for in my public life is that I want to give a child a chance to go to school, I will be a very honored man.

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

Mr. HUMPHREY. I yield.

Mr. LUCAS. Do I correctly understand that the distinguished minority leader let that go by without objecting to it?

Mr. HUMPHREY. I must say that he did, even though it involves an appropriation of $7,000,000.

Mr. LUCAS. Terrible.

Mr. HUMPHREY. Yes, indeed; such a waste of public funds. Why, Mr. President, we could save several millions of dollars by not having those children go to school at all. But I will never be a party to that.

I suppose we do not have to fight about the bill for aid to the Indian tribes.

Now we come to the Columbia Valley Authority bill. This bill, introduced by 18 Senators, does not call for any increased appropriations. It simply reorganizes the present Army engineers, Bureau of Reclamation, and Bonneville projects into a well-knit and well-organized over-all plan which in fact would

reduce administrative costs and would increase the efficiency of operations. Two hundred and thirty-three million dollars is now being spent in the Columbia Valley, and these expenditures are increasing annually. It is vital that we begin to spend this amount efficiently and intelligently. It is time we spent our money with intelligence, Mr. President. Let Senators examine the Hoover Commission report, and they will find that the junior Senator from Minnesota is doing very well.

The Mississippi River Parkway bill simply authorized a survey to determine the feasibility of a national Mississippi parkway. This would be of great help to our area. Yes; I am guilty of favoring that bill.

Then there is the bill for the appropriation of $5,000,000 for school-construction surveys and an authorization for school construction in emergency areas. Who objected on the floor of the Senate when that bill was before the Senate last Saturday? I want this vote to go into the RECORD in indelible ink. What Member of the Senate objected last Saturday to having the Federal Government provide for the construction of schools in emergency areas? The distinguished Senator from Ohio did.

Mr. President, I am in favor of the emergency school construction; and I say without fear of successful contradiction that every dollar that is put into schools and public education will yield fourfold, at a minimum. Some persons can call such things expenditures if they wish to call them that, but I call them investments. The Metropolitan Life Insurance Co. builds a large housing project, but does anyone in the business world say, "Just look at what the Metropolitan Life Insurance Co. is doing. It is spending money. Look at all that waste"? Oh, no, Mr. President. It is considered an "investment."

Others invest in education. I have heard Members talk on the floor of the Senate about their investment in education. It seems to me that school education is an investment.

Any country that can build race tracks, night clubs, new bank buildings, and new clubs for those who like to sit around and smoke their big cigars and talk about the good old days of the Republican Party can afford to build a few schools, and the people who sit around the clubs can afford to pay for them, too.

The junior Senator from Minnesota is next taken to task for the national health program, comprising seven titles. Six of the titles are agreed to by both the majority and the minority of the committee. The only title that is in controversy is the insurance title. I wish to say that I would hate to believe the accuracy of the Baltimore Sun's figures on the cost of the national health-service program used by the minority leader. I participated in a radio program last Saturday with the distinguished leader of the Republican Party, the Senator from Ohio [Mr. TAFT]. He said the national health-insurance program would cost $6,000,000,000. I agree; I think that is a correct estimate. It would be raised by the payment of pay-roll taxes, by which the American people would pay for their health care, and they would not be on the gravy train, where the Republican Party would have them, because the program of the Republican Party for health would be paid out of the Federal Treasury. But the Democratic Party believes in free enterprise and free initiative, and we say a man should pay for his health care.

I should like to see the distinguished Senator from Ohio and the Baltimore Sun get together in regard to their estimates of the cost of the health program. I have great respect for the Baltimore Sun. It is a fine newspaper; it has a fine sports section; not only that, but I like its Sunday comics, and I have respect for some of its news articles.

But I am becoming upset in my confidence in the honest, well-informed, highly respected leadership of the Republican Party.

Mr. WHERRY. Mr. President, would the Senator like to yield?

Mr. HUMPHREY. I yield for a question.

Mr. WHERRY. I ask the Senator if he did not hear me say earlier today that the Baltimore Sun has projected the cost of all the welfare plans of President Truman, and has figured the total cost over a period of 50 years; and over a 50-year period the total cost is estimated to amount to one trillion, two hundred and fifty billion dollars. I also said that no one on the floor of the Senate had ever disputed that figure. But now the junior Senator from Minnesota comes forward and says that the Baltimore Sun is fine for its comics and sports news, but not for anything else.

Mr. HUMPHREY. Mr. President, I dispute the authenticity of a 50-year prognostication on the part of the Baltimore Sun or on the part of anybody. Who can talk with accuracy about conditions 50 years from now? I still dispute the authenticity of the comments of the distinguished junior Senator from Nebraska or of anyone else who may wish to project himself into the future that far. Why, Mr. President, 50 years in the future, if the Republican Party keeps on with what it is doing, we shall not have a Republican Party. Fifty years in the future, Mr. President, if the Baltimore Sun continues its present editorial policy, we shall not have a Baltimore Sun. The American people are catching up with all that.

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

Mr. HUMPHREY. I yield.

Mr. WHERRY. Does not the Senator from Minnesota think that if his party can keep on giving away as it has started to do, we shall not have any Republic at all in 50 years?

Mr. HUMPHREY. Mr. President, I am very glad the Senator from Nebraska mentioned that.

Mr. WHERRY. Certainly.

Mr. HUMPHREY. Because, you know, when we had a balanced budget and a sound Government program and "confidence" in business, and when we had a Government with "good, substantial, conservative, hard-headed people" in power, what did they do to this country? We did not have "planners"; we did not have "fancy, light-headed New Dealers," or idealistic Fair Dealers. But we had the distinguished President Harding, the distinguished President Coolidge, the distinguished President Hoover. Let me tell you what they did.

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

Mr. HUMPHREY. Not now, Mr. President.

Let me tell you what they did to the farmers. President Hoover vetoed the McNary-Haugen bill twice. The Republicans at that time helped the farmer so much that they put him into debt to the extent of about $15,000,000,000 in mortgages, paying a high rate of interest. They permitted the farmer's income to go down 60 percent from 1919 to 1929. They had the great Andrew Mellon as Secretary of the Treasury; and the only accomplishment of which he could boast in that respect was a tax refund of about $3,000,000. They had the Smoot-Hawley tariff.

At that time, I was a boy, a young chap, going to the University of Minnesota. I remember that the National City Bank of New York—after declaring a dividend and getting their slice of the melon—"What we need is to breed confidence."

The Republican Party won the election in 1928. They had a balanced budget. But what did the farmers have? Did they have electricity or farm price supports? No; but they had to pay 8 percent interest. Did they have Farm Security or a Farm Credit Administration or old-age pensions or social security?

In contrast, Mr. President, what have the Democrats done for the country? They took this country from a $32,000,000,000 national income up to a $250,000,000,000 national income, last year; and the Senator from Nebraska and the Senator from Minnesota and all their relatives have done better under this administration and under 16 years of democracy than could have been done in all the prior years of this country's history.

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

Mr. HUMPHREY. I yield.

Mr. WHERRY. And you give-awayers have run up a public debt of $255,000,000,000.

Mr. HUMPHREY. Well——

Mr. WHERRY. And let me say——

Mr. HUMPHREY. I do not yield now.

Mr. WHERRY. Let me ask the Senator this question——

Mr. HUMPHREY. Not now. I have the floor; do I not, Mr. President? I believe I have.

The PRESIDING OFFICER. The Senator from Minnesota has the floor. No other Senator is authorized to speak or to interrupt the Senator who is speaking, except to ask a question, if yielded to for that purpose.

Mr. HUMPHREY. Let me say that that $250,000,000,000 public debt stands as a monument on the part of the American people who are living; that war debts

shows what the American people have done to preserve their country. I remember when the Republican Party said, "If we ever get a public debt of over $45,000,000,000, the country will have gone to the dogs." That was only a few years ago, Mr. President. They had political palsy; they were quaking from the top to the bottom.

How did we get this debt? We got it because during the war we had to spend from $90,000,000,000 to $100,000,000,000 a year. The American people went to a deficit-financing program during the war. It was a deliberate matter of public policy.

The war debt piled up.

Let us talk a little about that debt. The Seventy-ninth Congress levied a tax program that in 1948 yielded a $8,400,000,000 surplus. At that time we were starting to pay off the debt.

The Eightieth Republican Congress surely helped the tax program. Republican Senators have talked a great deal this afternoon about the McClellan resolution. I say that it was simply a cover-up for the mismanagement and the ill-conceived tax policy of the Eightieth Congress.

What was the tax bill of the Eightieth Congress? It was a rich man's tax bill. What did that bill do? In 1948 there was a surplus of $8,400,000,000. In 1949 there was a deficit of $1,500 000,000. In 1950, Mr. President, the deficit will be anywhere from $3,000,000 000 to $5,000,000,000 or possibly $6,000,000,000. Why? I will tell you why. It is because the author of H. R. 1—and by the way, he is back in Minnesota, running a small-town newspaper now, and has been replaced by a very distinguished Member of the House of Representatives, a farmer who was not in favor of House bill 1, nor were the people of his district in favor of House bill 1.

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

Mr. HUMPHREY. Not at this point.

Mr. President, what did House bill 1 do? That bill was sold to the American people as the great tax-relief bill. I shall show the Senate what it did. I shall talk now about married couples. I am interested in married couples with dependents, for I am a family man. I like to think of folks having children if they possibly can. So let us consider net income before personal exemptions. What is the percentage increase in income after taxes under that law, for a family with an income of $1,500 a year? The figures I shall give come from a United States Treasury Department bulletin.

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

Mr. HUMPHREY. I yield.

Mr. WHERRY. Did not President Truman have a tax bill which was practically the same?

Mr. HUMPHREY. No.

Mr. WHERRY. Yes, he did—the same thing, only under a different name.

The PRESIDING OFFICER. The Senate will be in order.

Mr. WHERRY. Mr. President, I ask the Senator, Is it not a fact that he did?

Mr. HUMPHREY. No; it is not a fact. The fact is that President Truman vetoed this bill.

Mr. WHERRY. His own bill?

Mr. HUMPHREY. His own bill never came here. Let us not talk about something which never happened. Let us talk about something which happened. The point I made is, the Republican Party passed this bill. If the Senator wants to defend the bill as being equitable, I shall give him the privilege, for I shall yield the floor in a few moments. I want to point out what happened as a result of that tax bill.

The PRESIDING OFFICER. The Chair will advise Senators that the rules of procedure must be followed. The rules have been prescribed by the Senate, and they should be observed. They do not permit running colloquy between Senators.

Mr. HUMPHREY. Mr. President, as I understand, I have the floor. Is that correct?

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

Mr. HUMPHREY. I thank the Presiding Officer.

What did the tax bill provide? It provided that if one had a net income, before exemptions, of $5,000, he would get a 4-percent increase in his take-home pay. If he had a $10,000 income before personal exemptions, he got a 7.2-percent increase in take-home pay. If he had a $25,000 yearly income before personal exemptions, he got a 20.1-percent increase in take-home pay. If he had a $50,000 net income before personal exemptions, he got a 30.1-percent increase in income after taxes, or what we may call take-home money, or what a man has that he can spend. If he had a $100,000 income, he got an increase in take-home money of 45.1 percent. If he had a $250,000 net personal income before exemptions, he got an increase in take-home pay of 59.1 percent. That is a matter of record. And if he had an income greater than that, the percentages went on up.

That is the tax bill which was passed. I say now, the Treasury would not be having a deficit, we would not be having this trouble, we would not have to have the McClellan amendment and all these economy speeches, if the tax bill which was passed by the Republican Eightieth Congress had never been put on the statute books.

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

Mr. HUMPHREY. I wanted to make that clear, because it is my considered judgment.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. HUMPHREY. I yield for a question.

Mr. WHERRY. Is it not a fact that the tax bill which the Republican Congress passed took 7,000,000 people completely off the tax rolls?

Mr. HUMPHREY. I should say it was 6,000,000.

Mr. WHERRY. Was it 6,700,000?

Mr. HUMPHREY. That is correct.

Mr. WHERRY. I say it was about 7,000,000. Mr. President, will the Senator yield for a further question?

Mr. HUMPHREY. Mr. President, I may say it took 6,000,000 people off the tax roll, who had incomes of $600 a year. So we were great benefactors. Is it not wonderful to give people who have an income of $600 a year all these opportunities? Just consider the magnanimous spirit. If a man has an income of $600 a year, he is privileged never to pay any Federal income taxes.

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

Mr. HUMPHREY. If the Senator wants to defend that——

Mr. WHERRY. I should like to ask one more question in connection with the matter of taxes.

Mr. HUMPHREY. I yield for a question.

Mr. WHERRY. Is it not true that 71 percent of the tax benefit went to people having an income of $5,000 or less?

Mr. HUMPHREY. If the Senator means, is it not true that 71 percent of the people who were benefited by the tax law had incomes of less than $5,000 a year—to be sure; to be sure. But what the junior Senator from Minnesota says is that the percentage of take-home pay under that tax bill favored the rich. There is not a shadow of doubt as to who got the money, not a shadow of doubt. Senators know what is said about figures. It is perfectly true the vast majority of the American people have incomes of less than $5,000 a year.

Let us go a little further. The minority leader has pointed out to me very graphically all the bills I have helped to sponsor. I have them listed. I wanted to clear up the Baltimore Sun's argument on this question. The Senator from Ohio [Mr. TAFT] referred to the subject. I want to get that cleared up. It is fascinating to me, and I know it is to some of my colleagues.

I sponsored a bill to incorporate the American Veterans Committee. I was for the bill for the relief of the Winona Machine & Foundry Co., and so was my predecessor, and I think that company should be given relief. They had a legitimate war claim against the Government for $7,148. I was for the bill to authorize the Federal Government to lease Sandstone Prison to Minnesota, which my distinguished colleague was fortunate enough to have passed in the present Congress, and which will mean a great deal to the State of Minnesota. He is to be commended for his very active support of the bill and for his success in having it passed.

I am for veterans' preference; certainly I am. Then there is the National Commission on Intergovernmental Relations. I introduced a resolution for an FBI investigation of the Victor Reuther shooting.

I am for a Leif Erickson Memorial. I am for a Near East Survey Commission, and I am for the St. Lawrence seaway, too. I am for vocational rehabilitation; and, with the distinguished Senator from North Dakota [Mr. LANGER], in the case of the Department of Agriculture appropriation bill I favored the appropriation of more money for the REA's. The latter project is listed in the compilation of the Republican policy committee as an expenditure. Yet in fact it is nothing

more nor less than a loan which pays 2 percent interest.

Mr. President, in order that there may be complete accuracy, I submit for the RECORD, the complete analysis and statement of legislation proposed by the junior Senator from Minnesota in the Eighty-first Congress.

The PRESIDING OFFICER. Is there objection?

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

LEGISLATION PROPOSED BY SENATOR HUBERT H. HUMPHREY, OF MINNESOTA, IN THE EIGHTY-FIRST CONGRESS

(Key: A, first fiscal year's annual cost; B, fiscal cost at peak year)

S. 110: To establish a Labor Education Extension Service.

A—$1,000,000 (maximum).

B—$25,000,000 (estimate).

In this bill I joined with Senators MORSE, THOMAS, AIKEN, THYE, and DOUGLAS to provide for college extension education work for wage earners on a basis similar to that which now exists for farmers through agricultural extension. Since very few of the universities are sufficiently well organized now, my estimate is $1,000,000 cost for the first year. At its peak, serving all 48 States and 40,000,000 wage earners, my estimated annual cost is $25,000,000, as compared with $65,000,000 for agricultural extension, $33,000,000 of which is the Federal contribution.

S. 211: Inland Waterways Commission.

A—None.

B—None.

This bill would increase the capitalization of the Inland Waterways Corporation by a Federal loan of $18,000,000 which would be self-liquidating. The Inland Waterways Corporation provides over-all common carrier water service to both large and small shippers, and through its Federal barge lines insures low competitive rates. This is an important service for Minnesota agriculture and commerce. I am joined by 15 Senators in sponsoring this legislation.

S. 320: To remove illiteracy by adult education.

A—$5,000,000.

B—$15,000,000.

According to the 1940 census 10,000,000 citizens had less than 5 years of school and were illiterate. I joined with Senators KILGORE, MAGNUSON, and MORSE to aid the States to maintain adult education programs for basic elementary school education.

S. 522: To provide for local public health units.

A—$250,000.

B—$50,000,000 (estimate).

More than 40,000,000 Americans are living in areas not served by local public-health units, mostly because their communities cannot afford to provide the staff and equipment necessary for these projects. I joined with 12 Senators in sponsoring this Federal grant program to States to provide public-health services. It is difficult to estimate the cost to the Federal Government, since that will depend on the need and extent of State participation.

S. 831: To include State and local government employees in old age and survivors insurance.

A—None.

B—None.

This bill will allow a State or any political subdivision if it so wishes to allow its employees to be subject to the old age and survivors insurance program.

S. 881: Milk parity.

A—None.

B—None.

I introduced this bill to direct Secretary of Agriculture to announce the parity price of milk and milk products. This was crucial to the preservation of our dairy industry.

S. 1066: Aid to the physically handicapped.

A—$5,250,000.

B—$5,250,000.

Seventeen Senators are joined with me in this bill to provide medical services, education, vocational guidance, employment opportunities, and other assistance to the blind, deaf, and other physically handicapped. The bill also provides for a rehabilitation program and for assistance to the States in grants of $60 per month to those so physically handicapped that they are unable to be rehabilitated for employment.

S. 1160: To establish a Missouri Valley Authority.

A—None.

B—None.

Sixteen Senators are joined in this bill to replace the present plans now in operation in the Missouri River Basin sponsored by the Army engineers and the Bureau of Reclamation (Pick-Sloan plan). An MVA would create an over-all authority and will result in a net saving to the American people. The MVA bill would not mean any increased appropriation over what would be spent for developing a Missouri Valley Basin. Rather it is estimated that a MVA will reduce the total cost by one-third or more. The Pick-Sloan plan now plans to expend more than $1,000,000,000 annually. That amount could be reduced so that at its peak only $400,000,000 would be required under MVA.

S. 1404: Federal antilynching bill.

A—None.

B—None.

This is a measure designed to carry out the President's civil rights program by making lynching a Federal crime.

S. 1411: School health service.

A—$35,000,000.

B—$35,000,000.

This bill received the unanimous support of all members of the Senate Labor and Public Welfare Committee, Democrats and Republicans. It provides assistance to the States for health services for school children in order to develop programs of disease prevention, diagnosis, and treatment.

S. 1453: Medical education.

A—$47,000,000.

B—$72,000,000.

This bill has the unanimous support of the Senate Committee on Labor and Public Welfare. Evidence presented by college presidents and medical experts was overwhelming for the need of more doctors, dentists, and nurses, particularly in rural areas, small towns, and veterans' hospitals. This bill provides for scholarship assistance to alleviate the shortage of a 5-year emergency period. Every dollar spent here is a great saving in human lives and suffering.

S. 1515: War emergency school assistance.

A—None.

B—None.

The Federal Government is already providing assistance to local school facilities overburdened by war activities. This bill would not authorize further funds but would liberalize administrative provisions.

S. 1633. Aid to Indian tribes.

A—None.

B—None.

S. 1645: Columbia Valley Authority.

A—None.

B—None.

This bill, introduced by 18 Senators, does not call for any increased appropriations. It simply reorganizes the present Army Engineers, Bureau of Reclamation, and Bonneville project into a well knit and well organized over-all plan which in fact would reduce administrative costs and increase the efficiency of operations. Two hundred and thirty-three million dollars is now being spent in the Columbia Valley and those expenditures are increasing annually. It is vital that we begin to spend this amount efficiently and intelligently.

S. 1649: Mississippi River Parkway.

A, B—$250,000.

This bill simply authorized a survey to determine the feasibility of a national Mississippi parkway. This would be of great help to our area.

S. 1670, S. 2317: School construction.

A—$5,000,000.

B—$100,000,000.

Educators are all agreed that Federal assistance to States to build schools is essential if our children are not to suffer increasingly from improper and poor education. I was chairman of the Senate subcommittee to study this problem and the evidence was unanimous. S. 2317 which I have introduced is a substitute for S. 1670, and provides for a survey of the whole problem for the first year with emergency assistance as quickly as possible. It is difficult to estimate the total cost of the project as that would depend on the school population and the need.

S. 1679: National health program.

A—$10,000,000.

B—$6,000,000,000 (estimate).

It is very difficult to estimate the cost of health legislation. Any such estimate, however, must take into account the fact that the American people now spend more than $6,000,000,000 on medical bills. The medical cost for the Nation as a whole is estimated at $27,000,000,000 in wages and productivity lost. To place health care on an insurance basis would make health cost a financial reality for the American people, a vast number of whom cannot now afford medical services. This means a saving to Americans, not only financially, but in terms of lives and human suffering.

S. 1734: A Commission on Civil Rights.

A—None.

B—None.

This bill carries out the provisions of the President's civil rights program by establishing a Commission on Civil Rights.

S. 1772: To provide certain benefits for certain employees in the postal field service.

A—None.

B—None.

This bill provides for additional benefits to certain postmasters and employees in the postal field service with respect to annual and sick leave, longevity pay, and promotion.

S. 1805: Cooperative health.

A—$25,000,000 (includes loans).

B—$25,000,000 (includes loans).

The $25,000,000 to be appropriated under the terms of this bill is to be used primarily for funds which are to be repaid with interest. The purpose of this bill is to aid rural and other areas to obtain the best of medical services by permitting loans and grants to cooperatives and nonprofit associations so that they can acquire, construct, and equip health centers.

S. 1839: Incorporate the American Veterans Committee.

A—None.

B—None.

S. 1904: For the relief of the Winona Machine & Foundry Co.

A, B—$7,148.

This is to settle a legitimate war claim.

S. 1936: To authorize the Federal Government to lease Sandstone prison to Minnesota.

A—None.

B—None.

This bill authorizes the Attorney General to lease to the State of Minnesota the Federal correctional institution at Sandstone should it no longer be needed by the Department of Justice.

S. 1937: Veterans' preference.

A—None.

B—None.

This bill provides special assistance to veterans with service-connected disabilities of 60 percent or more.

S. 1934: National Commission on Intergovernmental Relations.

A—None.

B—None.

I was one of 29 Senators who introduced this bill to make a comprehensive survey of the relationships between the national, State, and local governments of the United States.

Senate Resolution 113: Air coach lines.

A—None.

B—None.

Senate Resolution 120: Victor Reuther.

A—None.

B—None.

This resolution urges the Department of Justice to investigate the attempted assassination of Mr. Reuther.

Senate Joint Resolution 44: Leif Erickson.

A, B—$20,000 (maximum).

Senate Joint Resolution 98: Near East Survey Commission.

A—None.

B—None.

This resolution provides for a comprehensive inquiry to aid the United States and the United Nations in deciding on plans with regard to the economic development of the Near East.

Senate Joint Resolution 99: St. Lawrence seaway.

A—None.

B—None.

This year's budget provides for an expenditure of $20,000,000 which will be completely self-liquidating. All the funds appropriated will be self-liquidating. Its purpose is to approve an agreement between the United States and Canada for the development of the Great Lakes-St. Lawrence Basin which will open up the Great Lakes to ocean low-cost shipping, as well as expend the water power of the St. Lawrence. This will be of great assistance to our area.

H. R. 2023: Oleomargarine.

A—None.

B—None.

I was one of 26 Senators to introduce this bill to repeal the oleo tax and regulate the sale of oleo. This bill has the approval of all farm and dairy groups.

H. R. 3333: Vocational rehabilitation.

A—None.

B—None.

My amendment in connection with this legislation does not provide for additional funds. It is simply to earmark out of already appropriated funds $250,000 for vocational rehabilitation centers and facilities.

H. R. 3997: Department of Agriculture appropriation.

A—None.

B—None.

My amendments to the agricultural appropriations bill are all in the form of expanding the local facilities of the Department by $151,000,000 for REA loans to farmers and for particular assistance so that farmers could borrow money for telephone facilities on an REA basis.

Mr. HUMPHREY. Mr. President, just one or two other items. I have another note here which I want to bring to the attention of my colleagues, after which I shall yield the floor. I have heard, as the majority leader pointed out, much said about welfare states, socialism, and other things of similar character. I heard it stated that the junior Senator from Minnesota had said perhaps we could cut from the budget about $2,000,000,000. I may say that with $450,000,000 taken from the budget estimate on ECA; with about $1,250,000,000 taken from the budget estimate for the armed services appropriation, we have come pretty close to cutting from the budget what the junior Senator from Minnesota said he thought could be cut from it. I pointed out I was going to support the committee, and 99 percent of the votes of the junior Senator from Minnesota have been in support of the Appropriations Committee, because I have confidence in the committee. I think the Appropriations Committee is equipped by personnel and by a staff to know what they are doing. There have been one or two times when I have voted for increases above the recommendations of the Appropriations Committee, but it has been after full debate on the floor of the Senate.

The junior Senator from Minnesota has voted for appropriations. I voted for them because I thought they were important. I voted for appropriations to pay for the interest on the national debt. I believe in the monetary system, and in our free-enterprise system. I voted for appropriations for ECA, for foreign aid, and I voted for appropriations for veterans' benefits. I voted for appropriations for national defense.

I should like to remind the distinguished minority leader of a fact which I think has escaped the attention of some persons. The war is not over. Some people think we can turn off the spigot of war and turn on the spigot of peace; but the war is far from being over. We are still paying the price of war, and we shall be paying it for years to come. There may be those around us who do not think we ought to have deficit financing. But I submit to the Senators, we cannot renege on our obligations. We have made a commitment in the North Atlantic Pact that if there is aggression in Europe, we shall go to war. I ask the budget balancers, are we going to balance the budget then, too?

I suppose we shall have to have an economy argument before we put into effect the North Atlantic Pact.

The Senator from Minnesota voted for national defense appropriations, because he remembered the bitter debates regarding those who failed to vote for the fortification of Guam. I remember the bitter arguments about those who failed to vote the money that should have been voted for Pearl Harbor. I think, as one young man, I have learned a lesson, and I am not going to be a party to any penny-pinching economy. I know that there is a war menace loose in the world, and I do not expect the United States of America to be defended by the New York Police Department.

I will say the same thing about ECA as I said in the early hours of this debate. When we have the Communist menace on the run, when we are able to cause trouble for Stalin in Europe, when we are able to help those nations back on their feet, when we are able to save what remnants of democracy there may be left in Europe, do Senators think it is economy to start penny pinching? We paid an average of $100,000,000,000 a year to fight World War II. That was a cheap war as compared with a world war III. So long as we have the forces of reaction on the run we should put on the pressure. Now is the time to keep on going.

What does the Republican Party stand for? We know they are not for socialism. They have said that. They are not for communism. I do not know whether they are for the Liberty League. They have not renounced it. I am sure they are not for the program they stood for in 1932. We can criticize the days of the New Deal, but the only criticism the Republican Party has is to say "Me too." Everything we have put up the Republican Party has eventually come around to. They are strong supporters of social security, but in 1936 they fought it as undermining the Republic.

We stood for social security, old-age pensions, help for the aged and blind, children and mothers, and the Republican Party fought against them as if they were the socialism about which we are hearing today. I am grateful that the Republican Party has been impressed by the value of the New Deal and Fair Deal objectives. I am grateful that now, 10 years later, or 8 years later, they have taken those programs into their bosoms.

To what program is the minority opposed? Here is the program of the Fair Deal: We believe in FHA. There were people who did not believe in it, in the past. Big loan companies testified against it.

We believe in REA. There were forces of reaction which did not believe in that, either.

We believe in Federal deposit insurance. All of those things changed the pattern of America. We believe in social security, old-age pensions, aid to the blind, aid to mothers and children; we believe in unemployment compensation and we think it should be somewhat adjusted with the cost of living.

We believe in price supports for American farmers, and in cheap farm credit.

We believe in public health, soil conservation, better educational systems, in the regulation of the stock market, and in public power and federally owned transmission lines.

The State of Nebraska has public power. If there is any one State which is really socialistic, it is the State of Nebraska. Socialism means the public ownership of the means of production and distribution. It means the ownership by the State of the means of production and distribution. No State in the Union has a finer system of public power than has the State of Nebraska.

We believe in the Tennessee Valley Authority. We believe in higher wages. We want them to be at least 75 cents an hour. We believe in a fair labor law based upon the Wagner Act.

Those are the essential objectives of our program. If anyone wants to call that socialism, the people of America have never been frightened by calling names. The Republican Party has earned credit for being the greatest name-calling organization in politics. It has called more names and received fewer votes and has won fewer elections than any other political party.

The Republican Party has 95 percent of the newspapers on its side, but the American people have a good, calm sense of judgment, and they went right to the ballot box, where people do not put in dollars; we do not win elections by putting dollar bills into ballot boxes. They

put pieces of paper in the ballot boxes, with little "X's" marked on them. The American people have repudiated the scarecrow leadership of the Republican Party since 1932. The American people have repudiated the misleading information of some of the commentators and editorial writers of the vast majority of American newspapers, and the American people have gone ahead to increase their families, to improve their homes, to improve America. Their sons and daughters won a war, and they are willing to pay their fair share of the cost.

Never did I feel more confident about the election in 1950 than at this moment, because, so far as the Republican Party is concerned, it will hang up its political scarecrow, and the American people will send back to the Senate a new group of fighting freshman Senators, and to the House an overwhelming group of fighting Representatives. American progress will be on the move.

I yield the floor.

Mr. WHERRY. Mr. President, I want to congratulate the Senator for coming back to his real philosophy before he closed. He started out on an economy drive with $2,000,000,000 and wound up with the big give-away show about which I have been talking—the Brannan plan. He is for socialized medicine, Federal aid to education, and controlling the curriculums of the schools. I am opposed to that kind of a program, and I shall fight it to the last. Pleas are being made for more aid, for more funds. The American people are not asking for the Brannan plan; they are not asking for socialized medicine, or the Murray-Wagner-Dingell bill. They are not asking for the kind of socialism advocated by the junior Senator from Minnesota. I hope the American people will speak. They will not speak with dollars. They are going to speak with ballots, come November next year, and they will not vote for those who plunged this country further into debt to a point where it can never liquidate. Chief Justice Vinson has said that when taxes take more than 25 cents out of each dollar, the saturation point has been reached. Today each and every one of us is paying 33 cents out of every dollar for Federal, State, and local taxes.

Mr. President, I say that this country cannot long exist if we are to continue to follow the New Dealers, give everything away on earth, and increase the debt from $250,000,000,000 by billions upon billions, as they are seeking to do at this very moment. It will not be the Republican Party that will fade out of the picture, it will be the Republic itself.

The junior Senator from Minnesota can stand up for all the socialism he wants to, he can breathe it into the ears of young Americans, and he can go just as far as he pleases. That is his business. But I for one still believe in the free enterprise system in the United States. If being opposed to socialism means that I believe in the ideology of McKinley, very well, I will accept the challenge. What we need today is a few more honest-to-goodness Americans who believe in that, instead of the ideology that is being preached and the ideology that is being practiced in western Europe, and being practiced here and there throughout the United States of America. It never has worked, it will not work now, but it will destroy the fundamental principles upon which this Government has been founded. The Senator can have it, he can have all the socialism he wants, and when he gets through he will be in a dictatorship, and we will lose the very freedom of which the junior Senator has been boasting this afternoon.

That is what you are doing to the young people of this country, that is what you are doing in Minnesota, that is what you are doing in the United States. Believe me, I am going to fight to the last ditch to oppose socialism. It is said I have not a program. That is the best program anyone can stand on today, it is the most constructive program—to defend America, the freedoms of America. That is the most liberal program one can stand on today.

Mr. HUMPHREY. Will the Senator yield?

Mr. WHERRY. I will not yield now. That is the most liberal program anyone can follow, to preserve for the boys and girls of America the freedoms we have known for 160 years.

Mr. President, this country did not become great on the foundations of socialism this man is teaching and preaching to the young people of this country. This country grew great because of the free-enterprise system, because of the freedom of opportunity and the junior Senator from Minnesota is hamstringing it.

Mr. HUMPHREY. Will the Senator yield?

Mr. WHERRY. He is going to make a dictatorship out of this country. That is the end of socialism, that is the history of socialism, and that is exactly what we can expect.

Mr. President, I am not going to yield until I finish. The majority leader made all of his speech on the statement that the CONGRESSIONAL RECORD did not reveal the number of pages which were used by the Republicans and the Democrats. I wish to submit some figures for the record. I do not like to make the request in the absence of the majority leader, but if I can have fair play on the part of the Senator who is now the acting majority leader, I should like to present figures as to the space occupied by individual Senators in the CONGRESSIONAL RECORD in the way of speeches, the record having been compiled by the Senate Library. It does not include insertions in the RECORD. This is further evidence that the statement I made over the radio and on the floor this afternoon was absolutely authentic. I should like to place the figures in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

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

Republicans

	January											February										March													
	3	5	6	10	13	17	18	20	24	27	31	3	7	8	10	14	17	21	22	25	28	1	2	3	4	5	7	8	9	10	11	12	14	15	16
Aiken											1/6			3/6																					
Baldwin							1 1/6			1 1/3	3 1/3			1 1/6						2									1/3		2/3	9			1 2/6
Brewster					2								1/6				1/6			4/6					2			1/3	1 1/3						1/6
Bricker											2									2/3									1/3						
Bridges	1/6									1/3	1 2/3		5/6		5/6														9 1/3						
Butler		1/6				1/3					1/3			1/3			1/6																		
Cain				1/6	2/3						3 1/6							2/6										33 2/3	1/6						
Capehart					7/6		1 1/6							1/3			1																		
Cordon					1/6						1				1/3																2				
Donnell	1/6				5		1 1/6			1			5/6	2 1/3		3 1/6											1/3				6 1/3			1/6		2
Ecton																																			
Ferguson					1/6	2/3	1/6								2														1		2 1/3				1/6
Flanders					1 7/6						1/3			2/3																					1/3
Gurney										1/6																									
Hendrickson																																			
Hickenlooper					1/6		1			1/6	1/6			1/3														1/6			1 2/3				
Ives							1/6			1/6			1/6				1/3													2/3	2/3				1 1/3
Jenner							2/3																							1					
Kem							2/3																		1/6										
Knowland				1/3	1/3	1/6				1	1/3		2 1/3	2/6		2/3	1/6				1/6	1		3		2/3					1 1/3		1		1 1/6
Langer		1/6	1/6	1/6	2 2/3		1/6		1 1/3	2/3	2	1/3		2 1/3	3	2/3	10				2										2/3			1/6	1 2/3
Lodge		2/6	1/6	1/6		1/6	1/3						2/6			1/6	2/3															2/3			
McCarthy							1/6					1/3													1 1/6										
Malone																												2/3							
Martin							1/3																				1/6								
Millikin		1/6			1/3	1/6	1/6																												
Morse	1/6	1 7/6		7 1/3	2		2		2/3	2 1/3			2 5/6	1 1/6		5/6				3		1 2/3			1/3			1		14					4 2/3
Mundt																																			
Reed				1/6	2																														

Republicans—Continued

	January											February										March														
	3	5	6	10	13	17	18	20	24	27	31	3	7	8	10	14	17	21	22	25	28	1	2	3	4	5	7	8	9	10	11	12	14	15	16
Saltonstall		½				1				½	½	½	½		½		½				½	½		½	½		½					1			1
Schoeppel																																			
Smith (New Jersey)		½	1		½	½							½																		½				
Smith (Maine)																																			
Taft		½	½	½			½			1½				1			½			½		½												
Thye										½	½				½									½											½
Tobey	½				½		½						1½	½											½							½			
Vandenberg	½	½				1		½						½		½				½											2½				
Watkins				1½	½					½														1	8½			8½							
Wherry	½	½			½		1½						6½	1½	2½	½					6½	½					½		½		½	½	2½		2
Wiley		½	½	½	½	1	½		½	½	½	1½																			½		1		
Williams					1½										1½								1												
Young															½																				
Total	½	4	2	10½	22	3½	10½		2½	9½	15	2½	14½	12½	11½	6	12½	½		6½	8½	3½	1	4½	12½	½	1½	44½	12½	15½	17½	11½	3½	½	15½

	March—Continued											April																				May		
	17	18	21	22	23	24	25	28	29	30	31	1	2	4	5	6	7	8	11	12	13	14	18	19	20	21	22	25	26	27	28	29	2	3	4
Aiken		½		½		½	½		½						½					½															
Baldwin	½		½		1½	½		½			½			3½	1½						1½						½					½	1½	½	4½
Brewster	1½	1							6		½					1½		½				½			4½	½	½	2½							
Bricker			1	3½	2½				2½																	1½					1				
Bridges		½					½	½								2½	½	2½	½	1½		½		½		1½			½	1½	1½				
Butler																			½								½	½							
Cain			1½						1				7½			1			½		1½			½	2½	2½		1							½
Capehart	½			3	1½		6½			1	½	2½						1½							½	1½		½							
Cordon					½										½													½							
Donnell	7½	½	3½		½		5½	½	½	1½	½	2½	½		1½	1	½	½		½	½						2½	½		½			½		½
Ecton																												½							
Ferguson	½		½	½	½		½		½			½					½		1	2½	1½			½	½		½	½	½	½	2½	½	½		½
Flanders				½	½											½				½	2		1		½	½									½
Gurney		½																	½								½	½		½				½	
Hendrickson	1							½			½	2½							½							½						½			
Hickenlooper		½		½	1½			½	½					½	½		1									½	1	1½		½			½	½	½
Ives					½				½						½		½								½	½			½		½	½	½	1½	1½
Jenner	½				½	1½	½	6½			½	1	½		1½		½											½							
Kem		½				½					½	1½	½	1		½	1½	½													½				
Knowland	3½	2½		½	1	½	½		½	1½			1						½	½		1½		½	½	1	½			1½	2½	½		½	
Langer	½				1½						½				7½				½	½				2½	½	½		½	8½	1	1½		½		
Lodge		½					½	1½			½	1		½			½															8	1½	2½	½
McCarthy					½				1½					½	3½		½		½		½	½		½	2½	1½			½						½
Malone		½			1				½	1½	10½	1½		½		5½	½	2½		1½						1									
Martin				½	½																	½										½	½		1½
Millikin				1											½		½																	½	
Morse	1½	4½						½					7			5½	½	1½	½			7		½		½		½				½		3	1½
Mundt																						2½													
Reed																						½													
Saltonstall			½			½		½		½			½	½								½				1		½	½	1½	½	½	½	½	½
Schoeppel		½	½																½											½				½	½
Smith (New Jersey)								7½																											
Smith (Maine)	1																																		
Taft	2½		1½		1	½		½	½	5			3½		½	½	½								½	8½				½	1½	½	7½		2½
Thye	1														½					1					½		2½	½				½	½		
Tobey	½	½	½		1																					½									
Vandenberg			1			3½	½					3½			½	½		½							½	½									
Watkins			3	½		½	½	1½	6½										½																
Wherry	3½	½	½	1	½		1½	1½			½	1	½	½	½	½		1½	½	½		½		½	½	1			½	1½	½	½	½	2½	½
Wiley				½			½			3½							2								½			½	4½	½	½	½	½	½	
Williams		½				1	1		½												½						7½	½	1½				½		
Young															½												½	½					½		
Total	24½	10½	12½	12	14½	6½	16½	20½	19½	13½	20	27½	9½	6½	19½	19	9	9½	3½	6½	7½	11½	1	4½	12	23½	16½	7½	15½	8½	12½	12½	16½	12½	15½

	May—Continued																			June																
	5	6	9	10	11	12	13	16	17	18	19	20	23	24	25	26	27	31	1	2	6	7	8	9	10	13	14	15	16	17	20	21	22	23	24
Aiken	1½	½		½	½				½			½	½	½	1½			½		½		½				1½			½		1½		½		
Baldwin		½	½	2½	½									1½																		½		½	
Brewster		½		1½	½	½					½	½																				1½		½	5½
Bricker										½												½	½												
Bridges				½	½						½	½				½				½					½			½			1½	½			½
Butler						½							½										½			1									
Cain	½			½	½	6½	½		½		½		1½			½																			
Capehart								½	1½										½										½	½				½	
Cordon					½				½	½		½													½								½		
Donnell	10										½	1½																2½	½	7	2½		½	4½	
Dulles																																			
Ecton		½																		½															
Ferguson	½			½	2½	½		½	3½	1½	2½	3½			½	½	1			½						½			½		½	3½		1½	
Flanders	½		½			1½		½					½	½	1½	½		½		½		1½						½							
Gurney											½	½																							
Hendrickson		1½					½						½		½			½								½	½				½	½	1½		
Hickenlooper							½	½																								½			
Ives				½					½														½					½	½	½	½		1½	½	
Jenner		½								4½																									
Kem									1				½	½	½	1½																			
Knowland				1½	2				½		½	½				½	½										½								½
Langer	3½	½	½	½	2½		5½	½		3½		½	½		½		1½	2½	7½	½	½	1½				1½			½					½	5½
Lodge								½					1½	1½	½	½				½						½			½						
McCarthy		½		1½				½								½										3½					½	3½			
Malone								½						1			½		½	1½									½			½	4½		

Republicans—Continued

	May—Continued																		June																
	5	6	9	10	11	12	13	16	17	18	19	20	23	24	25	26	27	31	1	2	6	7	8	9	10	13	14	15	16	17	20	21	22	23	24
Martin				⅔					⅔					⅙							2							⅙							
Millikin					⅙																													⅙	
Morse						7⅚	⅞	5⅓					⅚	4⅚	1⅙	1⅔		6⅓					2	5				4⅚	2⅚		9⅞	⅙	3⅞	1	
Mundt															⅙							3⅚													
Reed										⅚	⅓	⅙									⅙														
Saltonstall	⅚	⅙		⅚	1⅙	⅚	⅔	⅞	⅚		1		⅚	⅙	⅙	⅚	⅚		⅚	1⅚	⅙	1	⅙	⅙	⅙		⅙	⅙	⅙	⅙					
Schoeppel		⅚	⅚								⅙						⅚			⅚												1⅓			
Smith (N.J.)																																			
Smith (Maine)			⅚										⅓				⅙					⅙													
Taft	1	⅚			1		⅔				1⅚						1						8⅙	1⅔		⅓		⅔	8⅙	4⅚		⅔	⅓		2	⅚
Thye	⅙							⅙					⅚							⅙							⅚		⅓					⅚	⅙	
Tobey																			⅙	⅙									⅓			⅚	⅚	⅙	
Vandenburg					⅙			2				⅙	⅙			⅚						⅙				⅔				⅙					1⅚
Watkins																			5⅙																
Wherry		3⅓	⅚	1⅙	2⅚	⅞	⅚		3	⅙	1⅙	⅚	1⅙			4⅚	2⅙		⅙	⅚	⅚					⅙						3⅓	⅔		
Wiley	⅚	⅙			⅚	⅓	⅚	⅙	2				⅓			⅓	⅚	⅙	⅙		⅙	⅞		⅔		⅙			⅙	3⅓	2⅚				
Williams		⅙		⅚								⅙			6⅙	1				⅙				1				⅙				⅞			
Young													⅚																						
Total	19⅚	6⅚	1⅙	12	15⅙	18⅚	8⅚	9⅙	13⅚	9⅙	8	7⅙	7⅚	15⅙	12⅙	12	7⅚	9	14⅙	7⅚	2⅞	8⅚	1⅙	8⅚	1⅚	10⅞	2	11⅚	10	13⅞	18⅚	15	15⅚	8⅚	13⅓

	June—Con.				July																				August										
	27	28	29	30	1	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	1	2	3	4	5	8	9	10	11	12	15
Aiken		⅓	⅔															⅔	1		⅔		⅔	⅔	1⅚	⅚										
Baldwin		⅓	1⅙	⅓					1		⅓		⅓				5⅙				5⅚				⅔	⅙		⅔							
Brewster																					⅔	⅙			⅔			1⅔	⅙			⅔			
Bricker	⅓		⅓	1⅓																			⅓	⅙											
Bridges				⅓								⅙								⅔		⅔		⅞				⅔	⅔						
Butler	⅙		⅓	⅓				⅔													⅙									⅚					⅙
Cain				⅓	6		2⅓							⅔	3								1	⅚							⅚			⅚	⅔
Capehart			⅙	⅔																	⅙		⅙			⅓						1⅓	⅓	⅚	
Cordon																						⅓			⅚		⅓	⅙							⅙
Donnell	2⅙	⅔	2⅓	1		5⅔		10	1⅔	3	4⅔	2⅔		1⅞	19		1	5⅙			1			⅙		⅓	⅚	1⅓							⅙
Dulles											8						⅙											⅙	⅚							
Ecton																																			
Ferguson		⅞							1			5			⅙				⅙	⅚	1⅚	2	1⅚	⅙	⅚	2				1⅚		⅚			
Flanders								5				1						1⅔					⅙										2⅚	⅚	
Gurney													⅙										⅙												
Hendrickson	⅙						1⅚					4⅓									⅓										⅔				
Hickenlooper										⅙				⅓						⅙						⅞		⅙							
Ives		⅔	⅞	⅚						⅓									⅔						1⅔										
Jenner								⅓		⅓				11																⅚					
Kem								⅓			⅓		⅔		⅓		⅙		1	4⅔									2⅙	1⅞			⅓		
Knowland	⅙	⅓	2⅔			2	1	1		⅔										1⅞			⅙	⅓	⅚		⅙		⅓	2⅙	⅙				
Langer			1		1							4	11		⅙				9		1⅙			2⅙						2	⅙				
Lodge		1⅓		3⅔					3								⅓	⅓			⅙		⅔				⅔		⅙	⅔					
McCarthy					⅓					1			1⅓								7⅚							⅔				⅙			
Malone	1		4					4⅔	2		8							1		⅙			⅙			1⅚		1⅓		1⅞					
Martin			⅚												1⅚					⅓															
Millikin							1					⅙																			⅓				
Morse	2	2⅚		⅓			1⅓	2			⅔	⅙	⅔	9					6		⅓		1⅓	⅚		2⅙					⅚		3⅚		
Mundt				⅓				⅔					5		⅙				⅙											⅔					
Reed																																			
Saltonstall	⅙	⅚	⅙	⅙											2⅚	⅙			⅓	⅓	⅙	⅚	⅚	⅙	1⅙	⅚	⅙	⅓			⅔				
Schoeppel																					⅙										⅓				
Smith (N.J.)				⅔				⅙		⅚					⅓			⅔											⅚						
Smith (Maine)																						⅙											⅙		
Taft	2	3⅙	4⅔	2⅓						5	⅓							1⅓				⅚	1⅓	⅚				⅙			⅙				1⅙
Thye		⅓																		⅚									⅙			⅙			⅙
Tobey			⅚			⅓		⅙																⅙		⅙					⅚	⅚			
Vandenberg		1⅓					7	⅓		1	⅙	⅓		⅓	⅙	⅙	⅙	2	⅓	⅓	⅓		⅚				⅚	⅚	⅚						⅙
Watkins							⅚		10⅓		⅔						8⅓	5⅙			⅙									⅓					
Wherry	⅙	⅙	⅙	⅔		⅙	1⅙	1	3	⅔	1⅓	⅓	⅔	3	⅔	⅙	⅓	5⅚	⅙	1⅚	1	⅚	⅙	2⅙		⅓	2	⅚	1	2⅚	⅙	6⅚	⅚	4	⅙
Wiley				⅓						⅙	⅙						⅙	⅚			⅙		⅓												⅙
Williams				⅔			⅓														⅙		1⅚	⅚	⅚	⅔			⅙		⅙				
Young																											⅙								⅙
Total	8⅔	12⅔	18⅚	14	7⅓	8⅙	15⅚	25⅞	21⅔	14⅔	16⅚	18	19⅞	25⅙	27⅚	⅓	15⅚	24⅙	18⅓	10⅞	19⅚	12⅔	9⅞	8⅚	7⅔	8⅞	5⅙	7⅓	6⅚	13⅚	3⅔	3⅚	7⅙	5⅔	2⅚

Democrats

	January											February										March													
	3	5	6	10	13	17	18	20	24	27	31	3	7	8	10	14	17	21	22	25	28	1	2	3	4	5	7	8	9	10	11	12	14	15	16
Anderson						⅙									⅚																				
Byrd																																			
Chapman																																			
Chavez					⅙	⅙				1																							1⅓		
Connally					⅔	⅚	1⅙			⅔	1			⅚		1⅔						4						⅓	⅓						
Douglas																																			
Downey																																			
Eastland																					⅓			⅙	⅔				1			3⅔	⅔	⅓	
Ellender		⅙		⅙																													53⅔		
Frear																																			
Fulbright		1					⅙				2⅔									1⅓	⅙	⅓			13⅓	18										
George					⅚		1				⅔			⅔							2⅓									⅔	1⅓				⅙
Gillette																							3												
Graham																																			
Green				⅔																															
Hayden	⅙	⅙			⅔					⅙		1⅔	1				⅔	⅓			3⅙														1⅔
Hill						⅔			⅙								⅙								⅙	⅔			⅔			2⅓	⅙	⅚	

Democrats—Continued

	January											February										March													
	3	5	6	10	13	17	18	20	24	27	31	3	7	8	10	14	17	21	22	25	28	1	2	3	4	5	7	8	9	10	11	12	14	15	16
Hoey							½					⅔											5				1							½	
Holland					⅔						2				⅔									29											½
Humphrey																							3								½		2⅔	⅔	8
Hunt																																			
Johnson (Colo.)		½					⅔			⅔																									
Johnson (Tex.)																													5⅔						
Johnston (S. C.)					½								½	⅔						½														14	
Kefauver										½																	½				3				
Kerr																																			
Kilgore					⅔				½																							⅔			
Long																						⅔	4	½	½	½		1½	⅔	⅔	½		1	½	½
Lucas	½	½	½		2½	½	⅚		½	⅔	½		4⅔	2½			⅚			1⅔	⅔			½	⅚	⅚		⅔		2⅔	2½	2½	2½	½	9½
McCarran		½		½		1⅚	⅔		½	⅔																									
McClellan						½																½	½			⅔			20						
McFarland																														½					
McGrath					½																												1		
McKellar	½									½			1½		½					1½			½								5				
McMahon																																			
Magnuson					½		½										⅚												½						
Maybank		⅔					½		½	½	1⅙		⅚	4½						⅔			½	½					⅔			1½		⅔	
Miller																																			
Murray																							4												
Myers		⅔			½				½				2½			⅔	½				⅔					⅔				3½			½		
Neely																																			
O'Conor					2⅔	½			½			1		⅔													½								
O'Mahoney					½					⅔	½			½								½									5				
Pepper			½	½			½			1⅔	1⅔		½	3			1⅔			4½		½		½	⅔	⅔				11½	5½				⅚
Robertson		½					½			½				1								½	½										⅔	⅔	26	
Russell	½	½			½	½				1		½		½							3	3½	⅔	½		½			⅔	6½			½	⅔	½	3½
Sparkman					½					½	1⅔													⅔				½							½	⅔
Stennis													½									5		⅔						½		1		⅚	
Taylor						½	1½			⅔																									
Thomas (Utah)			⅔		½					1½		⅔													½										
Thomas (Okla.)										⅔				⅔																					
Tydings		½			½					⅚	⅚	½			½													½			½	3⅔			
Wagner																																			
Withers																																			
Barkley	⅔	2½	½	1½	½	⅔	⅔		2																										
Total	1½	5⅔	1⅔	2½	8	4½	6⅔		3½	8⅔	11⅚	3½	10⅚	13⅚	1⅚	1⅚	3⅚	½		8⅔	9⅚	13⅔	19⅚	30⅚	15⅚	21½	1⅔	2⅚	29⅔	25⅔	22⅚	16	62⅔	43⅔	23⅚

	March—Continued											April																				May		
	17	18	21	22	23	24	25	28	29	30	31	1	2	4	5	6	7	8	11	12	13	14	18	19	20	21	22	25	26	27	28	29	2	3	4
Anderson		7			1				½						½				½								2⅔	1⅔							
Byrd																											1½		⅔				⅔		
Chapman																																			
Chavez																			½									½	⅔	1⅚	1⅔				
Connally			1⅔			8	2½	1½	½	½		5½	⅔		3½	1⅔	⅔	½		⅔		1½		½			½		⅔			½			½
Douglas	3⅔		1⅔	⅚	2			⅔	½		½												6½			2⅔						2⅔		½	
Downey																			½																
Eastland																												5½	⅔	½					
Ellender						⅔		½		½			13⅔	2	½							3⅚													
Frear																							⅚				⅚								
Fulbright				⅚		½		1	⅔	11½					6	½		½																	2
George	⅔					1⅔	½		2						⅚				⅔																
Gillette	1½																	½													½	⅚			
Graham																																			
Green						⅔										½				⅔													½		
Hayden	1⅔	½																				½											½		
Hill																			½	1½	⅔								⅚			4⅔	½		⅔
Hoey				⅔	1½																												½		
Holland	½		½	1⅔															½								3½	⅚			1	1			
Humphrey	½			⅔													6½							7⅚	⅚	½			⅚		½	⅚	½	7⅚	
Hunt																																			
Johnson (Colo.)	⅔																								8½									½	½
Johnson (Tex.)																																			
Johnston (S. C.)																										½	½		½		½				
Kefauver		⅔																		⅚	⅔									½	⅔			⅔	⅔
Kerr																																			
Kilgore																									⅔					½		½			
Long		½	½																						½							½	½	½	½
Lucas	1		1	½	⅔		⅔	½	½		½	1½	½	½	⅔	⅔			⅔	½	½	1½													
McCarran		½												½				½	1									2⅚	1	½	½		½		
McClellan				⅔	⅚				⅔															½	⅚				⅔						
McFarland																												½							
McGrath									4							½					½														
McKellar																			⅔	½	1⅔									2⅚					
McMahon	⅔				⅔		⅔	1				⅔					2						⅔						⅔				½	⅔	
Magnuson		½		⅔	1										1⅔	⅔			⅚	½	½			5	½		½			2½			½		
Maybank	1		4½	1⅚				⅔				⅔			1½		⅔		½			2½		⅔	½	1		½	½	½		⅔	½		
Miller																				½															
Murray																								1			⅔								
Myers	½		½	⅔	1½												½								⅔	2⅚		⅔	⅔	⅚	⅔	⅚	½	⅚	
Neely			1																							½				⅔					
O'Conor																															½	½		½	1½
O'Mahoney				⅔	½										½	½			1⅔						½						2⅔	⅚	½		
Pepper	6½			½	⅔	½				⅔					⅔	2½		1½								½	⅔		½	2⅔	½			⅔	1
Robertson				⅚		½						3							½	½	10⅔				⅚										½

Democrats—Continued

	March—Continued											April																				May		
	17	18	21	22	23	24	25	28	29	30	31	1	2	4	5	6	7	8	11	12	13	14	18	19	20	21	22	25	26	27	28	29	2	3	4
Russell	2½											1½						½								1½									
Sparkman		⅔	13⅔	1⅙	3⅚			1	3⅔											½		7⅔	⅔	1	1	3⅚									
Stennis																																			
Taylor																		1						½		⅚					⅔				
Thomas (Utah)							4						½																½			⅔	4⅚	2½	1½
Thomas (Okla.)														½			⅔		½								4⅚	3½	½				½		
Tydings				⅔			1	½				9				½	½		⅚		⅞	½			⅔	½			⅔	⅔	⅞		1⅞	3½	
Wagner																																			
Withers									½																										½
Barkley																																			
Total	18	11½	23½	10⅚	14	9⅔	7⅚	5⅞	12½	12⅔	⅚	20⅚	14½	2⅚	14⅞	5⅚	9⅚	3½	5⅞	3⅔	15⅚	16½	7½	15⅚	12½	15	12	12	5⅚	11½	7½	11⅚	8⅚	16⅚	7⅔

	May—Continued																		June																
	5	6	9	10	11	12	13	16	17	18	19	20	23	24	25	26	27	31	1	2	6	7	8	9	10	13	14	15	16	17	20	21	22	23	24
Anderson											½		⅚		2⅚	3⅞	½			1½															
Byrd	3	2⅔						½						½		1⅔																			
Chapman																																			
Chavez		1⅔		½								½				½							½					⅚			1½				½
Connally		⅔	½	⅔								⅚	½			½																⅔			⅔
Douglas		½		6½							½	2½		½	⅔	⅚	½						⅚	9⅔			½	½	4	½	½	½		⅔	
Downey							½					⅔	½																						
Eastland																	½	2⅞																	
Ellender		½					⅔				½	⅔		3														⅔							
Frear	½						½	½																								⅔			
Fulbright		1½						⅔														4½										½			
George					⅚																											⅔	½		
Gillette	½	½					½	½								4										½			½						
Graham																																			
Green				⅔																								½							½
Hayden				⅔	⅚													½															½		
Hill	⅚	½	½					½				1½		½										½				⅚				⅔			
Hoey						½							½																						
Holland						½		½				⅔	⅔			⅔	2½	1½										1⅔	½		½	½		4	⅚
Humphrey		⅔			½	1½	½					⅚		3⅚		⅔			⅚	1⅚	⅔		1⅔		19		14⅔	1⅞	5⅞	2⅚	½			4½	
Hunt		½	5			1	⅞																												
Johnson (Colorado)	½	1⅚											½				⅔			½										½		⅔			
Johnson (Texas)						½							½																			⅔			
Johnston (S. C.)		⅚	6⅚	⅚	1⅔	1⅔	5	1⅚																								⅔	½		
Kefauver																⅔	5½	⅞							⅞										
Kerr																																			
Kilgore	½				½		⅔						⅚																						
Long	⅔	⅚	½	½		⅔	⅔					½							⅚			½			½	⅔	⅔		½	½	½				
Lucas			⅔	½	1½	⅔	⅞	⅚			1⅔		1⅞		½	⅚	⅚	½	½	⅚	⅔		½	½		⅚	½	⅚	½	½	⅔	1⅚	⅚	2⅚	⅔
McCarran	½	1⅚	½	2			⅔	½				½	1⅚							⅔	1	6⅚										⅚		1	⅔
McClellan						1⅚	⅔	6⅔				2⅚	⅚			½				⅔									⅔	½					
McFarland																																			
McGrath			1½	½		⅞	2⅞	3⅔					1½							1½		½										½		⅔	
McKellar	⅔			½	⅞			½			½	2⅚	⅔				⅔			2											1½	⅚			
McMahon	2½				⅚						⅔								½																
Magnuson		½																		1⅚											⅔	½		½	½
Maybank	⅔	⅔	⅔	4½	2						⅚	½								⅚	½										⅔	1½	½		
Miller																																			
Murray						½	½					⅔															7⅔	½							
Myers	⅚	⅚			⅞	½		⅔			⅚	½		½	½	½		⅔	½	½	⅔	½	⅔		½					½					
Neely	1⅔		½		½	½	2½																					½				½	1½	½	
O'Conor	½	⅔					½	½			½		⅔		½			4	⅚				½		½										
O'Mahoney		1		½	1⅚	⅔								⅔			½	½	3½				½		½		½					⅔			
Pepper				½	1⅚	⅔	½						⅔					⅔		½		1	13⅚	⅔					½	2	⅔	½		3	
Robertson	⅔			⅚	⅔			2			⅔	1	1	½					⅔	⅚		⅚									½		½		
Russell		½															½			½															⅔
Sparkman															½						½														
Stennis																	½	½																	
Taylor																½						½										⅔			
Thomas of Utah	⅚						½										2⅚		½		17½			1½				½	½	2⅔			⅔	½	
Thomas of Oklahoma								½				⅞			⅚					⅔					½										
Tydings						⅔					2⅔		7⅚		⅚	3	2⅞			½									½	⅔		1⅞	½		
Withers																								2⅚				½							
Total	9⅞	12⅔	13⅞	17½	11	6⅚	14⅚	16⅚			10⅞	11⅚	16⅔	3⅚	5⅚	15½	13⅚	10½	6⅚	12	19⅔	12⅚	15⅚	14⅚	20⅞	9⅔	22⅚	5⅚	11⅔	8⅔	8⅔	9⅞	4	16⅚	4⅚

	June—Con.				July																				August										
	27	28	29	30	1	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	1	2	3	4	5	8	9	10	11	12	15
Anderson							⅔															½				⅚	2				⅔				
Byrd			1										1								½			⅚											
Chapman																																			
Chavez							1	1												½	½		½					1⅚	⅚		⅔				⅚
Connally	½					9	½					½	1		⅔	½		2⅞			½	1	⅚			½			⅚						
Douglas		⅔	½	½																			½								⅚	4⅔	⅔	5½	
Downey				1														⅔			½										½				
Eastland																				4															
Ellender																					5						½		⅔		⅔			1⅚	
Frear																														2½					
Fulbright														7				½			⅔	½									½				½
George																	½	1			½	⅔	⅔	½		1½		⅚						½	½

Democrats—Continued

	June—Con.				July																					August										
	27	28	29	30	1	5	6	7	8	11	12	13	14	15	18	19	20	21	22	25	26	27	28	29	1	2	3	4	5	8	9	10	11	12	15
Gillette							½			5																			1½						
Graham																	8																		
Green						1½			½											½															
Hayden				⅚													½				½			⅔			½	⅚	⅚				½	1⅔	⅞
Hill																									⅚							⅔	4½		2⅚
Hoey		1½	½																																
Holland	8½	1½	⅚	1							⅔											½	⅚		½				½		⅔				
Humphrey	½	1⅔		8								⅔					2									1⅔					½			1⅔	
Hunt																					⅚		½									½			
Johnson (Colorado)			⅚				½	½			⅚										½										⅔	⅚	⅚	⅞	
Johnson (Texas)	½																																		
Johnston (S. C.)							½										⅚				⅚										½				
Kefauver	½									4½		⅚									⅞		⅚			1			⅚			1	4⅞	1½	
Kerr																																			3⅚
Kilgore														½							½					½									
Long									3½	⅚											⅚	⅔						½			12⅚	⅚	2⅚	
Lucas	½	1½	1⅚	½		⅔	⅞	½	½	⅔			½	2	½		½	⅞	½	1⅚	½	1	½	½		⅚	1⅚	1	⅚			½	1	½	½
McCarran	1⅞						1⅔	½	½	½		½		½	½		⅞			1	⅚	½						1⅚	½	1⅔	1	½		1⅚	
McClellan		7½	½	½					½	½	½				½		½	3½	½	½		½		⅞			5⅚	1⅚	1½	2⅚				1⅚	½
McFarland																																			
McGrath	2⅚					½	1		½									½			½					½									
McKellar				½															⅔	½	1⅚		½	⅚			2⅞	½	½						⅔
McMahon																	2½	⅚			⅚	½		½		1⅔									
Magnuson		½							1⅔				4½								⅔	½	⅚	½	3⅚		⅚				½			½	
Maybank		⅔	⅚	⅔				½	½										⅚		½		½			½						½			
Miller																																			
Murray					2	½								7									½						½					⅔	⅔
Myers												½				½	½		½		½		½			⅔			1½			1⅚			
Neely		⅔		1														1		⅔															
O'Conor																					½						⅔	⅔			½			⅚	
O'Mahoney					1		⅔		⅔						½			½			½	1½	6⅚	2⅚	3½	5⅚		½			⅞	⅚	⅔	1½	½
Pepper		2		1			1½						⅔	12				½			⅚	1	½	⅔	2⅚	1½				½	½			⅞	
Robertson																			4½	½	½	⅚		⅔											
Russell																				½	½	1⅔		½				2⅚	1⅚						
Sparkman									3		2⅔												½	2				½						2	
Stennis										½	2											½													
Taylor							½										8				½	½			⅔	½					⅔				
Thomas of Utah	1	1	1½	½		½	5					½						⅔																	
Thomas of Oklahoma	½																		⅔										⅔	⅔				½	6½
Tydings	⅔	⅔								½			1		½								6					½					1⅚	½	
Withers		⅔		½																															
Total	15½	13⅚	5⅚	6⅔	31	1⅞	13⅚	1⅚	13½	10⅞	5⅔	2⅚	8½	28⅔	⅞	⅚	21⅚	8⅚	6⅚	8	13⅚	8⅔	17½	9½	11⅚	15½	12⅚	10½	7⅚	7⅚	5⅚	22⅚	13½	16⅔	14½

Mr. WHERRY. Mr. President, when I spoke on the Senate floor, while the majority leader was making his remarks, I did say that I thought the people of this country had lost confidence. In what? I said in the administration. I said 6 months ago they began to lose confidence, and I am satisfied that is true. If it is not, what was all this difficulty about wanting to stop the wheels of Government—wanting to stop the recession, as it is called?

Mr. President, I say that the thing for the Congress to do is to pass only the necessary legislation, and certainly that is not socialism; that is not advocating the principles of the welfare state, which the Senator from Minnesota champions; and I am not saying he has not a right to do that.

We should go home before there can be passed some of the legislation proposed—legislation increasing the debt and the taxes upon the American people—which will become unbearable, and which will wreck this country financially and politically.

Oh, yes; some on the other side are laughing, but they will see the day when the American people, especially the workingman, will once again plead for the principles of free enterprise and freedom which they have had under the greatest government on the face of the earth, which has been anything but socialism. I say that with sincerity in my heart.

I wish we could get this man from Minnesota to plead for free enterprise and the competitive system, and offer legislation, instead of talking about this thing and that thing, and this particular group and that one, and then going to England with large numbers of our young people and breathing into their ears the theories of socialism. It is all right for them to know about it, but the fundamental thing we should do is to continue the great free-enterprise system and pay off all the debt we can, cut the costs of Government, as the junior Senator from Minnesota was attempting to do when he started out to cut $2,000,000,000 from the appropriations, but wound up by telling me we were going to have to spend billions in the foreign countries and give them everything they wanted.

Personally, I am just one man from Nebraska.

Mr. HUMPHREY. Will the Senator yield?

Mr. WHERRY. In a moment. Perhaps I do not have all the following in the United States Senate I should have. More than once this afternoon the junior Senator from Minnesota with delight mentioned the senior Senator from Ohio as the great leader of the Republican Party. That is fine. I know he appreciates the compliment. But let me tell the Senator that the junior Senator from Nebraska is not asking for any honor or glory, but he has the courage to vote against socialism and these appropriations, and I am going to continue to do so as long as I am in the Senate.

Now I yield.

Mr. HUMPHREY. Mr. President, I should like to ask the distinguished minority leader, since he has expressed his great interest in and affection for free enterprise and the competitive system, how he voted upon the motion to reconsider Senate bill 1008, which is known as the basing-point legislation.

Mr. WHERRY. Mr. President, there is no use going into another debate on S. 1008.

Mr. HUMPHREY. I merely wanted to know how the Senator voted.

Mr. WHERRY. I was not the one who moved to bring forward that bill, but I tell the Senator from Minnesota that one who wants cement in Minnesota today cannot get it as cheaply as he could have gotten it if he had let the bill go through and let the cement manufacturers send cement into his State. He is just pushing the people back 150 miles and saying, "That is as far as you can go." The decision made by the Supreme Court is one of the decisions which have done more to impede free enterprise than anything else, and unless we can change it and bring some stability out of the confusion in which we now find ourselves, I tell the Senator that the free enterprise system is in serious danger. Men in Minnesota have pleaded with me to assist in getting legislation to permit the steel companies of Pittsburgh to absorb the freight so that they could ship and sell their products to the people of that area. Unless they can get it done, they will have to move defense plants now located there. It is foolish for a man to stand on the floor and say that S. 1008

in any way would restrict private enterprise.

I say on this floor that I will do as much as will the Senator from Minnesota in getting legislation, if he wants to go into that matter, to prevent monopoly, and I have a record of 7 years of working for the small-business men of this country, and I will stake my case on what I have done in those 7 years. I say now that the failure to secure action on the particular bill the Senator is talking about is a disgrace. A conference should have been had on it. We should have agreed to the report, and put at rest the confusion in which we now find ourselves, which is making an issue of absorption of freight, resulting in constriction of territory in which business cannot continue to exist.

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

Mr. WHERRY. I yield.

Mr. HUMPHREY. Does the Senator support the Carroll amendment to House bill 1008? I ask the question on the basis that all the small-business organizations of America, including such organizations as the National Association of Retail Druggists, are in support of the Carroll amendment. I wonder how the Senator stands on the Carroll amendment.

Mr. WHERRY. I will tell the Senator exactly how I stand on it. I would go along with the distinguished Senator from Minnesota and completely eliminate section 3, which has to do mostly with what the Senator is talking about. But on the question of freight absorption, I think the Carroll amendment nullifies the Kefauver amendment, and if adopted, it will nullify the provision entirely so we will not know where we are.

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

Mr. WHERRY. Wait a minute. Let me finish.

The PRESIDING OFFICER. The Senator from Nebraska declines to yield.

Mr. WHERRY. No; I am not going to refuse to yield, but I should like to finish my statement, if I may. The Senator wants to put words in my mouth. I certainly am not for the Carroll amendment as an amendment to the Kefauver amendment in the second section of the bill, because if that amendment is adopted, it will leave us just where we now are. Does the Senator from Minnesota agree with that statement?

Mr. HUMPHREY. The Senator from Minnesota would merely say to the Senator from Nebraska that he is for the Carroll amendments as they are written.

The PRESIDING OFFICER. The Chair will be obliged to declare Senators out of order if they do not abide by the rules.

Mr. WHERRY. Mr. President, the Senator from Minnesota refuses to answer my question. So I shall now endeavor to conclude once again.

The PRESIDING OFFICER. The Senator from Nebraska has no right to ask the Senator from Minnesota a question.

Mr. WHERRY. That is correct, Mr. President. I do not want to breach the rules. The Senator from Kentucky has been an excellent Presiding Officer.

The PRESIDING OFFICER. The Chair is merely trying to keep Senators within the rules.

Mr. WHERRY. Mr. President, I want to conclude with this final statement: There are those who talk about economy who do not vote their convictions. That certainly has been demonstrated by the record of the majority leader and that of the junior Senator from Minnesota.

Mr. President, I yield the floor.

Mr. HUMPHREY. Mr. President, I desire to make a comment on the Senator's statement before we conclude the session. I feel it is only a matter of personal privilege for the junior Senator from Minnesota to try to set at ease the mind of the distinguished minority leader by saying that his political faith is that of a Democrat and not that of a Socialist. His economic philosophy is that of a free enterpriser, and not that of a monopolist. I do not speak only on the basis of theory, but I speak from experience. I am sure many of my distinguished colleagues are participants in the business community. I have always pointed with pride to the fact that my business experience has been in a corner drugstore, in which business I am a partner.

I stand in defense of American liberties. I stand for the defense of true free enterprise in this country, free from monopolies. That is my faith.

Mr. WHERRY rose.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nebraska?

Mr. WHERRY. No, Mr. President, I wish to speak after the Senator shall have concluded.

RECESS

Mr. HUMPHREY. Since the business of the Senate is pretty well concluded for today, in the absence of the majority leader, I, as acting majority leader now move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. WHERRY. I do not object.

The PRESIDING OFFICER. The question is on the motion of the Senator from Minnesota.

The motion was agreed to, and (at 7 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, August 30, 1949, at 12 o'clock meridian.

SENATE

TUESDAY, AUGUST 30, 1949

(Legislative day of Thursday, June 2, 1949)

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

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, in this moment of sacred communion we are praying for ourselves and for one another, seeking together those blessings which none can ever find or enjoy alone.

May we daily live among our fellow men as the messengers and mediators of helpfulness and hopefulness. May our character and conduct be to others a source of strength and encouragement.

Grant that we may have more of the mind and mood of the Master which alone can bridge the chasms that divide the members of the human family.

We live in one world; make us one in spirit. Show us how our declarations of interdependence and oneness with all mankind may become a blessed reality.

In Christ's name we bring our petitions. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, August 29, 1949, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On August 27, 1949:

S. 259. An act to discontinue divisions of the court in the district of Kansas.

On August 29, 1949:

S. 1962. An act to amend the cotton and wheat marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; and

S. 2391. An act to authorize the construction, operation, and maintenance of the Weber Basin reclamation project, Utah.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 936. An act to provide for the care and custody of insane persons charged with or convicted of offenses against the United States, and for other purposes;

S. 973. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia;

S. 1250. An act extending the Institute of Inter-American Affairs;

S. 1859. An act to transfer from the Administrator of Veterans' Affairs to the Attorney General of the United States for the use of the Bureau of Prisons, a certain tract of land located at Chillicothe, Ohio;

S. 2146. An act to provide certain additional rehabilitation assistance for certain seriously disabled veterans in order to remove an existing inequality;

S. 2298. An act to authorize the Administrator of Veterans' Affairs to convey certain lands and to lease certain other land to Milwaukee County, Wis.;

H. R. 225. An act to repeal section 460 of the act of March 3, 1899 (30 Stat. 1336), as amended, providing for certain license taxes in the Territory of Alaska;

H. R. 632. An act for the relief of John E. Burns;

H. R. 807. An act for the relief of Chattooga County, Ga.;

H. R. 1065. An act for the relief of the estate of James Lander Thomas;

H. R. 1132. An act for the relief of Mabel H. Slocum;

H. R. 1446. An act for the relief of Conrad L. Wirth;