to the Committee on Post Office and Civil Service.

2167. By the SPEAKER: Petition of L. O. Robertson and others, Everett Townsend Club, No. 1, Everett, Mass., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2168. Also, petition of Rev. J. A. Logan and others, Townsend National Recovery Plan, Inc., of Florida, Geneva, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

SENATE

THURSDAY, MAY 25, 1950

(Legislative day of Wednesday, March 29, 1950)

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

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

God of all mercies, in a world swept by violent forces with which, in our own strength, we cannot cope, Thou only art the rock of our salvation. Through all the mystery of life Thy strong arm alone can lead us to its mastery. In a time when the world's hopes depend on personal character, may there be found in those who are here called to serve the Republic those spiritual values which alone can bring order out of chaos and peace out of strife. As those into whose unworthy hands in this day of peril has been placed the crying needs of stricken humanity, may the thoughts of our minds and the sympathies of our hearts, the words of our lips, and the decisions of our deliberations be acceptable in Thy sight, O Lord, our strength and our Redeemer. Amen.

THE JOURNAL

On request of Mr. CONNALLY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 24, 1950, was dispensed with.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. YOUNG was excused from attendance on the sessions of the Senate today and tomorrow.

On request of Mr. WILEY, and by unanimous consent, Mr. MCCARTHY was excused from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. ANDERSON was excused from attendance on the sessions of the Senate for an indefinite period.

On his own request, and by unanimous consent, Mr. JOHNSON of Texas was excused from attendance on the sessions of the Senate for an indefinite period.

On his own request, and by unanimous consent, Mr. BUTLER was excused from attendance on the sessions of the Senate tomorrow and Monday, May 29, 1950.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. CONNALLY, and by unanimous consent, the Committee on Public Works, a subcommittee of the Committee on the Judiciary, a subcommittee of the Committee on Foreign Relations, and a subcommittee of the Committee on Labor and Public Welfare were authorized to meet during the sessions of the Senate today.

FOREIGN ECONOMIC ASSISTANCE ACT OF 1950—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7797) to provide foreign economic assistance.

The PRESIDENT pro tempore. Under the unanimous-consent agreement entered into yesterday the time between now and 4:30 is divided 2½ hours for the proponents and 3 hours for the opponents of the conference report.

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

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. I should like to ask the distinguished acting majority leader if he intends to have a quorum call.

Mr. CONNALLY. I make the point that there is not a quorum present, to satisfy the Senator. It is agreeable to me to have a quorum call.

Mr. WHERRY. With the time to be charged equally to both sides?

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

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONNALLY. Mr. President, I ask unanimous consent that the quorum call be vacated.

The VICE PRESIDENT. Without objection, the order for a quorum will be rescinded, and the further proceedings under the call will be suspended.

Under the unanimous-consent agreement the time is to be controlled by the Senator from Texas [Mr. CONNALLY] in favor of the conference report, and by the Senator from Colorado [Mr. MILLIKIN] in opposition. The opponents have 3 hours, and the proponents two hours and a half. The Chair assumes that the time taken in the quorum call will be equally divided between the two sides.

Mr. MILLIKIN. Mr. President, the main business before the Senate is to legislate the extension of the ECA program with a view to its ultimate demise. Intruded into this important concern is the inclusion, by oblique and backdoor strategies, of the so-called point 4 carry-on program, which is limitless in scope and duration, indefinite in purpose, and which contains the strong possibilities of harmful results to our country.

No effort was made to achieve wide areas of agreement on both sides of the aisle for the support of this program as it left the Senate, or as it comes to us in its expanded form from the conferees. There were no adequate preliminary studies similar to those which preceded the comparably important ECA program, and which were conducted by the Harriman, the Krug, and Herter committees.

This off-the-cuff approach to foreign policies of incalculable impact upon the welfare of this Nation and of the world flies in the face of commonly accepted precepts for sound legislative procedure, and rebukes the sound advice of a statesman such as the senior Senator from Michigan [Mr. VANDENBERG], urging careful preliminary study.

This radically changed point 4 program affronts the due process of the Senate. Coming to us for the first time from conference, we have no alternative but to take or to leave it in its entirety. That which we are asked to take bears only submicroscopic relationship to that which was approved by this body.

A reading of the conference report and a comparison of the report with the bill which left the Senate shows complete surrender to the House version of a bill which met with one form or another of condemnation by every member of the Senate Foreign Relations Committee attending the 2 days of hearings to which I have referred. These abbreviated hearings did not scratch the surface of the subject because it was made clear by the committee that it did not intend to approve a measure of the type now before us.

The magnitude of the surrender of our conferees is measured by their acceptance in conference of 401.5 of the total of 417 of the lines of the House version of point 4, and of 14 or 15 minor changes in wordage.

The Senate version, as amended, with a cut-off 5-year term and with explicit provisions of the Russell amendment making certain that there were no obligations beyond simple and limited technical assistance, was surrendered by our conferees, and now we face——

Mr. CONNALLY. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Texas?

Mr. MILLIKIN. Certainly.

Mr. CONNALLY. I challenge the last statement of the Senator. The conferees did not surrender. The language was changed because we adopted the House language, but the purposes of the clauses in the bill are the same as those indicated in the so-called Russell amendment.

Mr. MILLIKIN. I suggest that there is a vast difference between the changes incorporated in the conference report and the Russell amendment, and that will be developed. I hope also to develop substantive changes between the Senate and the House versions.

Now we face the full implications of the point 4 program of technical assistance and foreign investments without defined limits of scope or duration.

The relatively mild Senate version of point 4 met with intense resistance because it was considered by many Senators as an ill-timed and inadequately considered preliminary to the full point 4 program which is now revealed to us by conference legislation. The Senate version passed by a vote of 37 to 36. I believe that many of those who voted for the Senate version did so because of its allegedly limited character—limited to simple technical assistance and exchange of knowledge, for which we have the precedent of existing legislation such

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as the Smith-Mundt and Fulbright Acts. The limited term of 5 years stilled many doubts. Those who voted for and against it are now met with something infinitely more questionable or infinitely more objectionable.

There is no emergent need for this point 4 legislation. It has no place in the ECA extension legislation. It should be considered separately and extensively by separate procedures. This conference report should be rejected. It should be sent back to conference with instructions to our conferees to stand fast for the elimination of the point 4 program and for a bill limited to the extension of the ECA program.

Section 402 of the bill contains what is described as a finding by Congress. It is not a finding of fact because, as I shall show, it is full of untruths. In the main, these findings are a lot of senseless gibberish which I suggest can serve no purpose except to obscure the real meanings of the bill and possibly to further a hope that they will exercise a hypnotic effect upon those who are more interested in mellifluous words of noble purpose than in the substance of things. It certainly is to the credit of our own conferees that they have no appetite for this gobbledygook and accepted it most reluctantly.

Let us, for example, consider section 402, subparagraph (a):

(a) The peoples of the United States and other nations have a common interest in the freedom and in the economic and social progress of all peoples. Such progress can further the secure growth of democratic ways of life, the expansion of mutually beneficial commerce, the development of international understanding and good will, and the maintenance of world peace.

Sounds pretty good, does it not? Well, let us see. In the first place to give any validity to this finding the United States and the other nations referred to must define and accept the definition of the word "freedom" and the words "the economic and social progress of all peoples," and the words "democratic ways of life," and the words "the expansion of mutually beneficial commerce, the development of international understanding and good will, and the maintenance of world peace."

We have our own concepts governing the meaning of these words, but do the other nations referred to?

Do the authoritarian governments such as Turkey and Portugal and Russia and socialist Great Britain and the nations governed by tribal or feudal chiefs have a common interest in these desirable objectives as we see them?

Is this an accurate finding by Congress?

Do these countries think of the freedom of the citizens as we think of it, do they think of economic progress as we think of it? Do they think of democratic ways of life as we think of them?

How many times are we going to stumblebum ourselves and the world into tragedy by the loose use of words? Remember what has followed the imbecilic notion that Russia was a promoter of the democratic way of life. I suggest that we get rid of these pre-Yalta ghost writers.

What do countries with planned internal and external economies contribute to mutually beneficial commerce? Do the 300 or more bilateral western European trade agreements further the expansion of mutually beneficial commerce? Is this type of commerce advanced by the monetary controls, the quotas, the licenses, the intense nationalistic practices, the exclusionary tariffs of these other nations? Do their conflicting economic, political, ideological systems develop international understanding and good will and promote the maintenance of world peace?

No more than a moment's reflection reduces the whole paragraph to pompous nonsense and remember, please, that it is presented and it might be made into law as a finding by Congress.

Now we come to section 402 (b):

(b) The efforts of the peoples living in economically underdeveloped areas of the world to realize their full capabilities and to develop the resources of the lands in which they live can be furthered through the cooperative endeavor of all nations to exchange technical knowledge and skills and to encourage the flow of investment capital.

This provision assumes that the peoples living in those underdeveloped areas have reached a consciousness of their full capabilities and are making efforts to reach them. There is no supporting evidence.

In some of these underdeveloped regions there are leaders with ambitions which they, for tin-cup passing purposes and in some instances with genuine conviction, attribute to their people but which are absent en masse. Under the feudal systems which prevail in many underdeveloped regions, there may be unrest but we may suspect that the goals of the restless are to depose their greedy leaders or get rid of oppressor master nations, but otherwise they are unknown or too vague to supply a basis for programs of the type here envisaged.

Now it is proposed that these efforts and the realization of these full capabilities are to be helped by the cooperative endeavors of all nations in exchanging technical knowledge and skill and to encourage the flow of investment capital.

I cannot think of anything worse than to deluge those underprivileged people with the conflicting views of all nations as to what is best for them. And to encourage the flow of investment capital might be the final catastrophic blow.

The history of transplanting technical skills, of trying to lift underprivileged people into better standards of living by outside effort, can be illuminated by study of former colonial and dependent countries now seething with revolt because in part they wearied of that kind of solicitude.

We do not make an industrial nation by sending in money or factories. Long periods of training and conditioning are required. We began with a wilderness more than 300 years ago. Combinations of resources, transportation, potential markets, climate, aptitudes and many other factors must be present.

This provision is also a loose and meaningless generality and yet it is to be given the dignity of a congressional finding.

Now we come to section 402 (c):

(c) Technical assistance and capital investment can make maximum contribution to economic development only where there is understanding of the mutual advantages of such assistance and investment and where there is confidence of fair and reasonable treatment and due respect for the legitimate interests of the peoples of the countries to which the assistance is given and in which the investment is made and of the countries from which the assistance and investments are derived. In the case of investment this involves confidence on the part of the people of the underdeveloped areas that investors will conserve as well as develop local resources, will bear a fair share of local taxes and observe local laws, and will provide adequate wages and working conditions for local labor. It involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation; that they will be given reasonable opportunity to remit their earnings and withdraw their capital; that they will have reasonable freedom to manage, operate, and control their enterprises; that they will enjoy security in the protection of their persons and property, including industrial and intellectual property, and nondiscriminatory treatment in taxation and in the conduct of their business affairs.

Note again the reiteration of the thought that capital investment is linked with technical assistance. This is mentioned now, it has been mentioned before, and it will be mentioned in later connections, to dispose of the notion which might be advanced that we are still dealing with a limited, technical assistance measure.

This provision contains an attractive gloss of balanced reasonableness. There must be mutual understanding of mutual advantages. There must be confidence, there must be due respect for legitimate interests of the borrower and of the lender, there must be willingness by the lender to accept a fair share of local taxes, to obey local laws, and to provide adequate wages and working conditions for local labor. The investors property shall not be taken without prompt, adequate, and effective compensation.

There must be reasonable opportunity for the investor to remit his earnings and to withdraw his capital and reasonable freedom to manage his business, and so forth.

But who determines the fair share of taxes, who determines what are adequate wages and working conditions, who determines what is prompt, adequate, and effective compensation, who determines what is reasonable freedom in the management of one's business.

If these matters are subject to local control, subject to local hazards, subject to all of the difficulties encountered by the local competitor of the foreign investor, then the language is more or less meaningless so far as creating an attractive climate for foreign investment is concerned.

Is it not apparent that whether by treaty, agreement, or otherwise, if the outsider who comes in with his technical assistance and his investments gets better treatment than does the local citizen, we are not promoting good will,

but, instead, we are promoting jealousies, irritations, and enmities?

If the American businessman operating in a foreign country is allowed to convert soft local moneys into dollars, is allowed to pull out his capital and convert it into dollars, is it not clear that he has an unfair advantage over his native competitor who would like the same privilege?

The great American department store, for example, will be competing with the little businesses of the native merchants. They would like the privilege of turning their earnings into dollars, of turning their capital into dollars; but they are not permitted to do so. They must cling to the unstable values of their local money. Will that help our foreign relations or will it encourage movements for the confiscation of American capital and earnings and ultimately for kicking us out of foreign countries as disruptive nuisances?

Mr. TAFT. Mr. President, will the Senator yield; does he care to yield at this point?

Mr. MILLIKIN. I am glad to yield.

Mr. TAFT. I wish to call the Senator's attention to the fact that the House report which deals with this measure discusses the entire question of the encouragement of the investment of capital and the creation of a favorable climate. That discussion appears on page 10 of the House report. So the House in drawing up this language distinctly had in mind going into the question of the investment of capital, did it not?

Mr. MILLIKIN. I think so.

Mr. TAFT. In other words, except perhaps as to the $35,000,000 authorization, the House never did have in mind confining this measure to technical assistance. Does the Senator agree?

Mr. MILLIKIN. That is correct, and that was the interpretation put on the bill in the Senate hearings. The Senate Foreign Relations Committee refused, at least in the first instance, to accept the expanded purposes of the House bill.

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

Mr. MILLIKIN. I yield.

Mr. CONNALLY. Are we to vote on the House bill or on the conference report?

Mr. MILLIKIN. We are to vote on the conference report; but I assume that we are entitled to talk about the House bill or the Senate bill or any other matter.

Mr. CONNALLY. Yes; but the Senator makes a big point about something the House rejected and which is not in the conference report.

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

Mr. MILLIKIN. I yield.

Mr. TAFT. All that the conferees on the part of the House did was to take the whole House bill, with the exception of one paragraph which deals with reciprocal trade agreements or something of that kind.

Mr. MILLIKIN. Yes; they threw out 15½ lines, and kept in 401½ lines.

Mr. TAFT. I think the Senator is approximately correct.

Mr. MILLIKIN. I counted the lines; I am exactly correct.

Mr. TAFT. I compared the conference report with the House report, and the two are substantially identical.

Mr. MILLIKIN. Yes.

I respectfully suggest that we cannot assure American investors any advantages abroad which are not paid for by the American taxpayer. I respectfully suggest that we do not have the right to subject the money of our taxpayers to business risks which our businessmen are unwilling to assume with their own money. I respectfully suggest that preferential treatment to American businessmen in foreign countries guaranteed by our taxpayer's money will weaken the will of those countries to do those things necessary to put themselves into sound fiscal condition and to adopt standards of business and conduct which will attract investment capital without guaranties of any kind.

I repeat that those American businessmen who want a sure thing abroad by the guaranty or any other governmental route are setting up precedents which will plague them here at home. It takes but a slight change in thinking to produce the demand that our domestic capital and earnings be guaranteed; that annual wages be guaranteed; that agricultural income be guaranteed; that professional income be guaranteed, and so forth. So I pass from these solemn congressional findings of untruth, bad policy, and nonsense to authorizations which are supposed to implement them.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I yield gladly.

Mr. SMITH of New Jersey. The Senator from Colorado has used the expression "guaranty." For my own information, I shall appreciate it if the Senator can point out anything in title IV of the conference report which has to do with a guaranty.

Mr. MILLIKIN. It seems to me that the conference report, for the reasons suggested by the Senator from Ohio, and which I shall suggest later, contemplates programs of American investments in these foreign countries, and that the record of the hearings and everything else shows that we intend to work up an insurance system or some kind of a guarantee system for those investments.

Mr. SMITH of New Jersey. In answer, I may say that was one thing which the conferees on the part of the Senate fought to the bitter end to keep out of the conference report, and it is the one thing which we kept out of the conference report. We got that out.

Mr. MILLIKIN. Mr. President, I suggest that as we go along we shall find that we are giving the President a blank check to inaugurate executive programs which can cover the ends the Senator is suggesting, as well as almost anything else having to do with technical assistance and also foreign investments. I suggest that as we go along it will be established that all that will be left, so far as the point 4 program is concerned, is to go before the Appropriations Committee and try to obtain covering money. We shall find find the Congress will have surrendered its complete control over the subject, except as it provides appropriations for things already done which it must provide or be accused of breaking the heart of the world.

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

Mr. MILLIKIN. I yield.

Mr. FERGUSON. I wonder whether the Senator feels that if this conference report is agreed to without the guaranty as indicated by the Senator from New Jersey, if private capital does not flow into these backward areas, the next step will be the guaranty.

Mr. MILLIKIN. Mr. President, what is the point if that is not the case? Private investment is not flowing into those countries. So, under the views of the proponents it must be stimulated by guaranties or by other governmental assistance.

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

Mr. MILLIKIN. I yield gladly.

Mr. DONNELL. Is not that very strongly indicated by the fact that in subdivision (b) of section 402 of the conference report it is found solemnly by Congress that—

> The efforts of the peoples living in economically underdeveloped areas of the world * * * can be furthered through the cooperative endeavor of all nations to exchange technical knowledge and skills and to encourage the flow of investment capital.

Then in subdivision (c), we find set forth as obviously one of the means of encouraging such investments, the creation of confidence on the part of investors "through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation."

Mr. MILLIKIN. That is one of the reasons why I emphasize the provisions of section 402. These are solemn findings, solemn declarations of policy; and they specifically provide for investment.

Mr. DONNELL. And the most logical method of encouraging investment is—to use the language of the conference report—"to encourage the flow of investment capital" by "intergovernmental agreement or otherwise" that investors "will not be deprived of their property without prompt, adequate, and effective compensation."

Mr. MILLIKIN. I quite agree.

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

Mr. MILLIKIN. I yield.

Mr. TAFT. I wonder whether the Senator would mind my reading the only lines of the House bill which appear to have been cut out in drawing up the conference report.

Mr. MILLIKIN. Not at all; I am glad to have the Senator do so.

Mr. TAFT. They constitute subsection (d) on page 15:

> (d) Greater production and higher standards of living in the economically underdeveloped areas and international trade between these areas and the economically advanced areas of the world can be promoted through agreements, negotiated through the United Nations and its specialized agencies

or otherwise, to establish fair-labor standards of wages and working conditions, including the encouragement of collective bargaining between management and labor.

So all that was eliminated was an express authority to make labor agreements.

Mr. MILLIKIN. That is correct.

Mr. TAFT. In other respects, the House bill was in no way changed by the conference report.

Mr. MILLIKIN. But I invite the Senator's attention to the fact that they still have retained the provision with respect to adequate wages and working conditions, which can lead to similar agreements.

Mr. TAFT. Yes; in other parts of the bill that was retained.

Mr. MILLIKIN. In other parts of the bill. I think it should be added that there were—I counted them—I think 12 or 15 minor changes in wording, which are also different from the House version.

What is the special virtue of foreign investment by American citizens that should cause them to be given guaranties which are not available to the people who live in this country and who do their business in this country?

It is not long before we come to provisions with startling implications. I read from section 403 (b):

(b) It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes—

Remember, we are talking about public and private sources of such aid—

shall take into consideration (1) whether the assistance applied for is an appropriate part of a program reasonably designed to contribute to the balanced and integrated development of the country or area concerned; (2) whether any works or facilities which may be projected are actually needed in view of similar facilities existing in the area and are otherwise economically sound; and (3) with respect to projects for which capital is requested, whether private capital is available either in the country or elsewhere upon reasonable terms and in sufficient amounts to finance such projects.

The effect of this provision may well be to channel all private foreign investment through agencies of the United States Government. It will be noted that the language specifically includes private resources "which are or may be available for aid in the development of economically undeveloped areas * * *." It will be noted that it is contemplated that foreign governments shall ask our Government for private aid, which means that private parties in the foreign countries must channel their requests through those countries. There is nothing startling about that, because it is routine in the Socialist and semi-Socialist and totalitarian governments of the world.

But it is not routine for the private investors of the United States to put themselves in the hands of "agencies of the United States Government" which will determine whether a contemplated foreign investment fits their over-all purposes, whether there is need for the investment, whether it is economically sound. I doubt whether this expansion of interest and power of the Federal Government in our private investment field would meet with the wholehearted support of the thoughtful segments of the business community. If it is intended that an American enterpriser may, despite the adverse findings of these agencies, make his investment in a foreign country, will he be deprived of the protections which the bill talks about?

Sections 404, 405, 406, and 407 are as follows:

SEC. 404. (a) In order to accomplish the purposes of this title, the United States is authorized to participate in multilateral technical cooperation programs carried on by the United Nations, the Organization of American States, and their related organizations, and by other international organizations, wherever practicable.

(b) Within the limits of appropriations made available to carry out the purposes of this title, the President is authorized to make contributions to the United Nations for technical cooperation programs carried on by it and its related organizations which will contribute to accomplishing the purposes of this title as effectively as would participation in comparable programs on a bilateral basis. The President is further authorized to make contributions for technical cooperation programs carried on by the Organization of Ameircan States, its related organizations, and by other international organizations.

(c) Agencies of the United States Government on request of international organizations are authorized, upon approval by the President, to furnish services and such facilities as may be necessary in connection therewith, on an advance of funds or reimbursement basis, for such organizations in connection with their technical cooperation programs. Amounts received as reimbursements from such organizations shall be credited, at the option of the appropriate agency, either to the appropriation, fund, or account utilized in incurring the obligation, or to an appropriate appropriation, fund, or account currently available for the purposes for which expenditures were made.

SEC. 405. The President is authorized to plan, undertake, administer, and execute bilateral technical cooperation programs carried on by any United States Government agency and, in so doing—

(a) To coordinate and direct existing and new technical cooperation programs.

(b) To assist other interested governments in the formulation of programs for the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas.

(c) To receive, consider, and review reports of joint commissions set up as provided in section 410 of this title.

(d) To make, within appropriations made available for the purpose, advances and grants in aid of technical cooperation programs to any person, corporation, or other body of persons, or to any foreign government or foreign government agency.

(e) To make and perform contracts or agreements in respect of technical cooperation programs on behalf of the United States Government with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency: *Provided*, That with respect to contracts or agreements which entail commitments for the expenditure of funds appropriated pursuant to the authority of this title, such contracts or agreements, within the limits of appropriations or contract authorizations hereafter made available may, subject to any future action of the Congress, run for not to exceed 3 years in any one case.

(f) To provide for printing and binding outside the continental limits of the United States, without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111).

(g) To provide for the publication of information made available by the joint commissions referred to in section 410, and from other sources, regarding resources, opportunities for private investment capital, and the need for technical knowledge and skill in each participating country.

SEC. 406. Agreements made by the United States under the authority of this title with other governments and with international organizations shall be registered with the Secretariat of the United Nations in accordance with the provisions of article 102 of the United Nations Charter.

SEC. 407. In carrying out the programs authorized in section 405 of this title—

(a) The participation of private agencies and persons shall be sought to the greatest extent practicable.

(b) Due regard shall be given, in reviewing requests for assistance, to the possibilities of achieving satisfactory results from such assistance as evidenced by the desire of the country requesting it (1) to take steps necessary to make effective use of the assistance made available, including the encouragement of the flow of productive local and foreign investment capital where needed for development; and (2) to endeavor to facilitate the development of the colonies, possessions, dependencies, and non-self-governing territories administered by such requesting country so that such areas may make adequate contribution to the effectiveness of the assistance requested.

(c) Assistance shall be made available only where the President determines that the country being assisted—

(1) Pays a fair share of the cost of the program.

(2) Provides all necessary information concerning such program and gives the program full publicity.

(3) Seeks to the maximum extent possible full coordination and integration of technical cooperation programs being carried on in that country.

(4) Endeavors to make effective use of the results of the program.

(5) Cooperates with other countries participating in the program in the mutual exchange of technical knowledge and skills.

SEC. 408. The President is authorized to prescribe such rules and regulations as may be necessary and proper to carry out the provisions of this title.

It will be noted from the language of these sections that the multitudinous powers granted the President are set forth in explicit terms of authorization. If this bill should become law, from that time on the policy involved in those programs will be determined exclusively by the President. All he will have to do is to present the results of his work to the Appropriations Committees and ask for covering funds. The Appropriations Committees and the Congress will be limited to judgments after the fact, to judgments on faits accompli. These programs might be fateful trouble breeders, and we may well rue the day when we abdicated our power to require specific authorizations.

I mention in this connection that during the hearings on the United Nations

Charter, the intention was developed that these various economic programs involving the United Nations and originating with it should come to the Congress for prior approval.

But here the President is authorized to participate in unspecified multilateral technical cooperation programs, is authorized to make contributions to the United Nations, to the programs carried on by the Organization of American States and its related organizations. The agencies of the United States Government are to furnish services and facilities as may be necessary, on approval of the President. The President is authorized to plan, undertake, and execute bilateral technical cooperation programs.

Let me invite attention specially to section 405 (b), which authorizes the President in connection with bilateral technical cooperation programs "to assist other interested governments in the formulation of programs for the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas."

In other words, the President can spend the taxpayers' money to assist the British Empire, the Dutch Empire, and the French Empire with programs for developing their economically underdeveloped areas.

I suggest that this takes in too much territory. I suggest that we are getting too big for our britches. I suggest that it will help our foreign affairs if we keep our noses out of the internal governmental affairs of the great empires of this earth, if we let those empires know that we expect them to assume fully the duties which go with their privileges and pretensions.

The grant of authority in section 405 for publication of information has staggering implications. We have all been appalled at the magnitude of the propaganda and the useless printed matter that comes out of our Government agencies. But wait until the joint committees, which I shall describe in a moment, get the printing presses running on the resources, the opportunities for private-investment capital, and the need for technical knowledge and skill in each participating country. That will be something beyond anything that we have ever encountered. The task is endless and limitless.

The United States Government itself does not have adequate knowledge of its own resources. Heretofore we have allowed private enterprise to dig out its private investment opportunities. We have never had a comprehensive official survey of the whole subject. Imagine the magnitude of the task of getting that kind of stuff together for all of the underdeveloped areas of the world.

It will be noted that the Executive agreements authorized become official international documents without the specific prior approval of the Congress.

Then, in section 408, the President is authorized to prescribe rules and regulations, and it is easy to imagine the proliferation of bureau-made law for plaguing our American citizens deriving from this soft-spoken grant of power.

Now we come to the pork in the bill. Let us look at section 409:

SEC. 409. The President shall create an advisory board, hereinafter referred to as the "board," which shall advise and consult with the President or such other officer as he may designate to administer the program herein authorized, with respect to general or basic policy matters arising in connection with operation of the program. The board shall consist of not more than 13 members to be appointed by the President, one of whom, by and with the advice and consent of the Senate, shall be appointed by him as chairman. The members of the board shall be broadly representative of voluntary agencies and other groups interested in the program, including business, labor, agriculture, public health, and education. All members of the board shall be citizens of the United States; none except the chairman shall be an officer or an employee of the United States (including any agency or instrumentality of the United States) who as such regularly receives compensation for current services. Members of the board, other than the chairman if he is an officer of the United States Government, shall receive out of funds made available for the purposes of this title a per diem allowance of $50 for each day spent away from their homes or regular places of business for the purpose of attendance at meetings of the board or at conferences held upon the call of the chairman, and in necessary travel, and while so engaged they may be paid actual travel expenses and not to exceed $10 per diem in lieu of subsistence and other expenses. The President may appoint such committees in special fields of activity as he may determine to be necessary or desirable to effectuate the purposes of this title. The members of such committees shall receive the same compensation as that provided for members of the board.

This is only one of the boards and special commissions to which I shall later invite attention.

Here we have an advisory board which shall advise and consult with the President, or with any other person designated by the President, consisting of not more than 13 members but only one of whom, the Chairman, shall be appointed by the President, with the advice and consent of the Senate.

It is easy to see that membership on this board with its plenary powers might be coveted by representatives of selfish special-interest groups and assorted strange characters. We are not without experience in these appointment matters, and the advice and consent of the Senate for each member of that board should be required.

Notice, please, that under section 409 "the President may appoint such committees in special fields of activity as he may determine may be necessary or desirable to effectuate the purposes of this title." And note, also, that the members of such committees shall receive the same compensation as that provided for members of the board, to wit, $50 per day when away from home or from regular places of business.

The special fields of activity under this bill are limited only by the limits of imagination. The masters of the President's patronage must be drooling over the possibilities.

Section 410 reads:

SEC. 410. (a) At the request of a foreign country, there may be established a joint commission for economic development to be composed of persons named by the President and persons to be named by the requesting country, and may include representatives of international organizations mutually agreed upon.

(b) The duties of each such joint commission shall be mutually agreed upon, and may include, among other things, examination of the following:

(1) The requesting country's requirements with respect to technical assistance.

(2) The requesting country's resources and potentialities, including mutually advantageous opportunities for utilization of foreign technical knowledge and skills and investment.

(3) Policies which will remove deterrents to and otherwise encourage the introduction, local development, and application of technical skills and the creation and effective utilization of capital, both domestic and foreign; and the implementation of such policies by appropriate measures on the part of the requesting country and the United States, and of other countries, when appropriate, and after consultation with them.

(c) Such joint commissions shall prepare studies and reports which they shall transmit to the appropriate authorities of the United States and of the requesting countries. In such reports the joint commissions may include recommendations as to any specific projects which they conclude would contribute to the economic development of the requesting countries.

(d) The costs of each joint commission shall be borne by the United States and the requesting country in the proportion that may be agreed upon between the President and that country.

Once more please note that the American members of this joint commission are not to be confirmed by the Senate. Inept American members could disturb our international relations. These commissions will do the recommending, both as to skills and capital. The quality of the membership will have important effect on the economy of this country and of the beneficiary countries. Yet the Senate, which is supposed to have an important voice in our foreign affairs, has no voice in the membership of these joint commissions. We should retain the power to make our own tests of the character, ability, patriotism, and general suitability of these appointees.

Section 412 provides:

The President may exercise any power or authority conferred on him by this title through the Secretary of State or through any other officer or employee of the United States Government.

It is the intention to delegate the powers and authorities conferred by this bill to the Secretary of State. The active man will be Mr. Thorp. Mr. Thorp is the man who said that the extension of the Reciprocal Trade Agreements Extension Act without the peril-point safeguarding provision gives the State Department a clear mandate to guide the economy as a whole into the most productive lines possible.

Mr. Thorp was referring to our domestic economy. Now we propose to give the State Department and Mr. Thorp additional mandates to guide our domestic economy as a whole and to guide the economy of the world as a whole.

I wonder if it is not about time to exercise a little restraint in granting powers to the State Department. There is a serious question as to whether our for-

eign trade and economic relations should be completely subjugated to the vagaries of the diplomatic policies of that agency.

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

Mr. MILLIKIN. I am glad to yield.

Mr. TAFT. As I understand, it is proposed to take the work which has been done in this general line and put all of it under the State Department. While the powers are given to the President, it was clearly stated in the hearings that he proposes to set up an administrator in the State Department to run the whole show. Is that correct?

Mr. MILLIKIN. That is correct. He will also be aided by this special advisory council. He will be aided by the special commissions which are to be set up. He will be aided by the joint commissions of the participating nations.

But we have not finished with the jobs which will be ladled out under this bill. Section 413 reads:

SEC. 413. In order to carry out the purposes of this title—

(a) The President shall appoint, by and with the advice and consent of the Senate, a person who, under the direction of the President or such other officer as he may designate pursuant to section 412 hereof to exercise the powers conferred upon him by this title, shall be responsible for planning, implementing, and managing the programs authorized in this title. He shall be compensated at a rate fixed by the President without regard to the Classification Act of 1949 but not in excess of $15,000 per annum.

(b) Officers, employees, agents, and attorneys may be employed for duty within the continental limits of the United States in accordance with the provisions of the civil-service laws and the Classification Act of 1949.

(c) Persons employed for duty outside the continental limits of the United States and officers and employees of the United States Government assigned for such duty, may receive compensation at any of the rates provided for the Foreign Service Reserve and Staff by the Foreign Service Act of 1946 (60 Stat. 999), as amended, may receive allowances and benefits not in excess of those established thereunder, and may be appointed to any class in the Foreign Service Reserve or Staff in accordance with the provisions of such act.

(d) Alien clerks and employees employed for the purpose of performing functions under this title shall be employed in accordance with the provisions of the Foreign Service Act of 1946, as amended.

(e) Officers and employees of the United States Government may be detailed to offices or positions to which no compensation is attached with any foreign government or foreign government agency or with any international organization: *Provided*, That while so detailed any such person shall be considered, for the purpose of preserving his privileges, rights, seniority, or other benefits, an officer or employee of the United States Government and of the United States Government agency from which detailed and shall receive therefrom his regular compensation, which shall be reimbursed to such agency from funds available under this title: *Provided further*, That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

(f) Experts and consultants or organizations thereof may be employed as authorized by section 15 of the act of August 2, 1946 (5. U. S. C. 55a), and individuals so employed may be compensated at a rate not in excess of $75 per diem.

(g) Such additional civilian personnel may be employed without regard to subsection (a) of section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219), as amended, as may be necessary to carry out the policies and purposes of this title.

When this thing really gets going we might as well give up any hope of achieving any reduction in our Federal payrolls. There will be the technicians and all of the employees necessary to sustain their efforts, here and abroad. There will be the advisory counsel with all of its attendant staff. There will be this numberless number of special commissions with their staffs. There will be the joint committees and their staffs. There will be the additional staff required by the State Department. There will be the officers, employees, agents, and attorneys, to which reference has just been made. There will be alien clerks and employees. Officers and employees now in other agencies will be taken out of their jobs and put on this job, which means that in the end, the jobs from which they have been transferred will have to be filled. There will be experts and consultants, and their staffs, ad nauseam.

I venture to say that all the ingenuity of the most expert payroll padders has been employed in dreaming up this weird concoction of patronage intrusion and imperialism.

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

Mr. MILLIKIN. I am glad to yield.

Mr. THYE. Is there any provision in any act which provides for a per diem of $75 to be paid to any Federal employee or anyone employed by the Federal Government?

Mr. MILLIKIN. I wish I could answer the Senator's question from my own knowledge; but I am unable to do so.

Mr. THYE. I notice that there are two provisions in the bill. One is for $50 a day and the other for $75 a day.

Mr. MILLIKIN. The Senator is correct.

Section 418 says:

SEC. 418. As used in this title—

(a) The term "technical cooperation programs" means programs for the international interchange of technical knowledge and skills designed to contribute to the balance and integrated development of the economic resources and the productive capacities of economically underdeveloped areas. Such activities may include, but need not be limited to—

"May include, but need not be limited to"—

economic, engineering, medical, educational, agricultural, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources and productive capacities of underdeveloped areas. The term "technical cooperation programs" does not include such activities authorized by the United States Information and Educational Exchange Act of 1948 (62 Stat. 6)—

That is the Smith-Mundt bill—

as are not primarily related to economic development—

And so forth. The use of the double negative at the beginning of the latter part of this provision obscures its meaning. I do not know whether they are taking the Smith-Mundt bill out of this pattern, whether they are incorporating it, or whether they are limiting it. I should be glad to have information on that point.

I invite attention to the open-end authorization so far as technical cooperation programs are concerned:

Such activities may include, but need not be limited to, economic, engineering, medical, educational, agricultural, fishery, mineral, and fiscal surveys, demonstration, training, and similar projects that serve the purpose of promoting the development of economic resources and productive capacities of undeveloped areas.

I believe this analysis of the bill shows very clearly that no adequate study has been made either of its terms or its implications.

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

Mr. MILLIKIN. I yield.

Mr. WILEY. Does the Senator bear in mind the interpretation placed upon the term "technical cooperation programs" as defined in section 418? The term is defined as meaning "programs for the international interchange of technical knowledge and skills designed to contribute to the balanced and integrated development of the economic resources and productive capacities of economically underdeveloped areas."

My question is: Does not this definition clearly limit the whole program to an interchange of technical knowledge and skills?

Mr. MILLIKIN. I say definitely it does not. I say that the interchange to which the Senator has referred and the remainder of the language in that section, and under the language of the whole bill, which I have analyzed in some detail, is the point 4 program with all its implications, and the President has a full range of authorizations to make agreements of limitless scope and limitless duration for carrying out the point 4 program. I suggest again that the Senate disapprove this conference report and that it be sent back with instructions to eliminate the point 4 program.

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

Mr. MILLIKIN. I yield.

Mr. MARTIN. In the Senator's study of these provisions, has he found anywhere any curtailment on the power of the President of the United States to make any arrangements or agreements he may wish to make?

Mr. MILLIKIN. Offhand, I do not think of a single one. I have taken pains in my discussion to read the exact language, to point out the limitless scope of the power which we are giving to the President, and which we may never be able to get back, because we are giving him authorizations. He then will be in position to make contracts of every kind within the general purpose of the bill, to make agreements which must be registered with the United Nations, to send them to the Appropriations Committees, and the Appropriations Committees will

then be under the duress of either accepting what he hands them and providing the money coverage for what he hands to the committee, or of breaking the heart of the world.

Mr. MARTIN. Mr. President, will the Senator yield again?

Mr. MILLIKIN. I yield.

Mr. MARTIN. Is there any precedent for this much power being given to the President of the United States during peacetime?

Mr. MILLIKIN. I would have difficulty in answering that question, but I cannot think of a more unlimited grant of peacetime power on a subject which is within the primary jurisdiction of the Congress.

Mr. MARTIN. Is it not most difficult for the Congress to turn down a request for an appropriation based upon international arrangements made either by the President or by members of his Cabinet?

Mr. MILLIKIN. It is most difficult; it is almost impossible when our agents have gone to foreign countries, entered into agreements, and made all sorts of promises. We might repudiate promises which have been made domestically, but when we repudiate promises by the State Department or by the President to foreign countries, we are apt to do very provocative things. We are apt to do things which make for hard feelings, which cause foreign countries to feel that we do not keep our word, and are letting them down.

Mr. MARTIN. Is there any limitation in case there might be a conflict with our domestic economy? For example, the coal industry is having great difficulty in employing all its men, and there are other instances of that kind. Are there any provisions to limit the bill if action under it might be detrimental to a part of our local economy?

Mr. MILLIKIN. None whatsoever.

Mr. KNOWLAND. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. I yield to the Senator from California.

Mr. KNOWLAND. I would not want the record to remain as I think it is now, to the effect that the passage of an authorization bill, in effect, at least, gives a blank check for the appropriation of funds. I do not know how the vote will go today with regard to sending back the conference report, but it is quite possible that it will not be sent back to conference.

Speaking as a member of the Committee on Appropriations, I think that the State Department would be very derelict in its duty if its negotiators in any of these countries entered into an agreement unless it was clearly understood by those countries that the final action depended upon the appropriating power of the Congress of the United States.

Certainly, as one Member of the Senate and as one member of the Senate Committee on Appropriations, I desire to make it perfectly clear that, regardless of the fact that this conference report may be adopted today, I do not feel that it is a blank check written upon the Treasury of the United States.

Mr. MILLIKIN. I may say to the distinguished Senator that the junior Senator from Georgia [Mr. RUSSELL], who is also a member of the Committee on Appropriations, pointed out yesterday the great pressures which come upon the Committee on Appropriations when it has to work against these faits accomplis. I agree entirely that the Committee on Appropriations theoretically retains all its liberties, but the junior Senator from Georgia pointed out just yesterday, as I have said, the difficulty involved in turning down authorizations, particularly when they affect foreign affairs.

Mr. KNOWLAND. The Senator will agree with me, will he not, that in the field of public works, in the field of flood control and reclamation many hundreds of millions, in fact, many billions of dollars of authorizations are standing on the statute books, for which Congress has not appropriated funds?

Mr. MILLIKIN. Certainly.

Mr. KNOWLAND. I simply do not want anyone elsewhere to get the impression that the passage of the pending bill in itself is going to be automatically followed by any "X" number of dollars.

Mr. MILLIKIN. I invite the Senator's attention also to the fact, if I may, that the authorizations to which he has just called attention are subjected to hearings before the appropriate committees of the Congress, whereas in this case we are asked to give the President power to come forward with his own authorizations.

Mr. KNOWLAND. If the Senator will yield once more on that point, I think that is all the more reason why it would be the duty of the Congress and the duty of the Appropriations Committee to give very close scrutiny to any requests for funds under the pending measure, so that the congressional arm of the Government could participate, as of necessity it must participate when a matter relates to the expenditure of public funds.

Mr. MILLIKIN. The Senator has stated a very fine Spartan code for the government of the Appropriations Committee, but, as I have said, the junior Senator from Georgia pointed out yesterday the pressures on the Appropriations Committee to go along with programs of the President in foreign affairs.

Mr. SALTONSTALL. Mr. President, will the Senator from Colorado yield?

Mr. MILLIKIN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I agree entirely with what the Senator from Colorado has said. I am not certain that I remember the specific words of the question of the Senator from Pennsylvania, but I would point out, if I may, with the consent of the Senator from Colorado, that the Senate Committee on Foreign Relations unanimously reported favorably a treaty of friendship, commerce, and economic development with the Republic of Uruguay on May 22, 1950. I read the principal purpose of the treaty from the report of the Committee on Foreign Relations:

> This treaty with Uruguay, which is similar to some 14 other treaties of friendship, commerce, and navigation that have gone into effect since the end of World War I, sets forth the basic legal framework within which Americans may carry on business in Uruguay, and Uruguayans may do business in the United States. In addition to covering the usual matters such as trade, shipping, and the protection of persons, the treaty contains increased emphasis on provisions that will be helpful to American private capital in Uruguay.

The fifth article of the treaty states, quoting again from the report:

> Article V, paragraph 1, which, from the standpoint of assuring the rights of aliens to engage in economic activities may, together with article VI, be considered the heart of the treaty, provides that each country shall accord to the citizens and companies of the other the same rights it accords to its own citizens and companies with regard to engaging in commercial, manufacturing, processing, financial, construction, publishing, scientific, education, religious, philanthropic, and professional activities.

I also call to the attention of the Senator from Colorado an act, with which I know he is familiar, because he quoted it in his speech, namely, the United States Information and Exchange Act of 1948, which is the so-called Smith-Mundt Act. In that act section 802, subparagraph 2, reads:

> The Secretary, the Department, and the other governmental agencies—

The Secretary being the Secretary of State and the Department being the Department of State—

> are authorized—

> To make contracts, including contracts with governmental agencies, foreign or domestic—

I skip a little, and read this—

> and intergovernmental organizations of which the United States is a member, and, with respect to contracts entered into in foreign countries, without regard to section 3741 of the Revised Statutes.

I also call to the attention of the Senator from Colorado another point.

Mr. MILLIKIN. I wonder if the Senator would mind bringing these up one at a time, and letting me answer them one at a time.

Mr. SALTONSTALL. Certainly not.

Mr. MILLIKIN. I am in hearty agreement of the wisdom of making treaties with these countries. But I still wonder how we are to implement the treaties. The history of treaties of that kind is one of almost unbroken bad faith. So we will have to get something more than a treaty. The treaty is an expression of a noble purpose which, standing by itself, may produce nothing.

Mr. SALTONSTALL. I agree.

Mr. MILLIKIN. Now let us take the next point. What was the Senator's second point?

Mr. SALTONSTALL. As for the second point I was trying to make, perhaps by way of a supplementary or a little different answer to the Senator from Pennsylvania, I merely called attention to the Smith-Mundt Act, which now permits the President, as I see it, to do substantially the same thing he could do under the bill we are considering.

Mr. MILLIKIN. The Smith-Mundt Act is admittedly an act of limited scope, clearly not intended to proliferate into vast foreign investment programs, and therefore it is entirely reasonable to say that we can delegate those powers with-

out binding ourselves to delegate the powers included in the different kinds of measure before the Senate.

Mr. SALTONSTALL. My third point I would say to the Senator from Colorado, is that, so far as I know, aside from the provisions with relation to the ECA, there is contained in the bill no guaranty of private investment in any way, shape, form, or manner. So far as I know, it contains no language that would necessarily intimate that there will be a guaranty of private investments. I point out, however, that there is a bill on the calendar dealing with guaranties by the Export-Import Bank for convertibility and exappropriation, but that is not now before the Senate.

I am highly in accord with the Senator from Colorado in believing that the Congress should proceed slowly and carefully. I am not a member of the committee, but I understand that the guarantees in the ECA provisions have been limited to what they were in previous years.

Mr. MILLIKIN. If there are no provisions, if there is nothing in the bill that really has to do with investments, if the bill before us does not provide the open door to an investment program, then it serves no purpose, because the same result could be accomplished by enlarging the provisions of the Smith-Mundt bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. MILLIKIN. I yield.

Mr. SALTONSTALL. As I see it, the bill would open the door, if the Senator wishes to use that term, to investigation of the possibility of private investments abroad. It does not provide for any guaranty of investments. If the bill provided for guaranties of private investments, unless such guaranties were extremely limited, I, for one, would have nothing to do with such a provision.

Mr. MILLIKIN. It would be a distinctly futile and harmful thing to go into the various countries and operate technical services, make surveys and studies, set up pilot plants and demonstration units, and then say, "Well, boys, we have shown you what to do. Now we have lost all interest. We are not going to help do it."

The Senator yesterday said that it was preliminary to the full point 4 program.

Mr. SALTONSTALL. Is the Senator from Colorado cognizant of what is going on in South America through the Inter-American Affairs Organization and the Rockefeller Foundation?

Mr. MILLIKIN. I am cognizant of that. Technical assistance is being furnished by dozens of organizations, by the British Empire, by Belgium, by the Dutch Empire, and by the French Empire.

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

Mr. MILLIKIN. I yield.

Mr. CONNALLY. The Senator from Pennsylvania asked some questions to which I wish to advert. The Senator from Colorado has made repeated references to the great powers which are proposed to be given to the President. There is a $35,000,000 limitation in the bill. The purposes of the bill are limited to particular things; to technological assistance and advice. There is not a sentence in the bill, there is not a line in it, there is not a phrase in it, there is not a clause in it anywhere that guarantees to American citizens foreign investments made by them.

Mr. MILLIKIN. But I respectfully suggest to the Senator from Texas that the bill is full of grants of authority to the President to make agreements, and to send them here under the general authorizations that are given for appropriations.

Mr. CONNALLY. I dispute that. If an appropriation should be requested we have a Senate Committee on Appropriations. We have a Senate. The Senator from Colorado is a Member of the Senate. Does he mean to say that he wants to negate the power of the Senate to make an appropriation for some particular purpose which has been authorized?

Mr. MILLIKIN. Oh, no. Of course——

Mr. CONNALLY. Just a moment. I beg the Senator's pardon. I am subject to the Senator.

Mr. MILLIKIN. I yield.

Mr. CONNALLY. I forgot that the sword of Damocles hangs above me and may cut off my head at any moment the Senator from Colorado may desire.

Mr. MILLIKIN. The distinguished Senator from Texas is always a kind taskmaster to me. I want to reciprocate.

Mr. CONNALLY. I thank the Senator. The Senator from Colorado is always a kind taskmaster until it comes to facts and arguments on the Senate floor. The Senator contends that this is such a tremen-n-n-n-dous grant of power.

Mr. MILLIKIN. Oh, I made it bigger than that.

Mr. CONNALLY. What?

Mr. MILLIKIN. I made it bigger than that.

Mr. CONNALLY. Well, the Senator made it as big as he could.

Mr. MILLIKIN. No, not as big as I could, but I made it bigger than that.

Mr. CONNALLY. If the Senator could make it any bigger than he made it here on the floor, he would have to explode.

Mr. MILLIKIN. I am not going to explode.

Mr. CONNALLY. Let me ask—why in the world did the Senator vote to pass this bill when it was before the Senate?

Mr. MILLIKIN. I did not vote to pass this bill. I voted against this bill.

Mr. CONNALLY. The Senator from Colorado voted against point 4, but he voted to pass the ECA bill with these terrible powers in it, did he not?

Mr. MILLIKIN. The Senator from Texas is talking about the ECA bill?

Mr. CONNALLY. Yes; I am talking about the ECA bill.

Mr. MILLIKIN. Yes; I voted for the ECA bill.

Mr. CONNALLY. What the Senator is discussing is a part of the ECA bill. The Senator is pointing out that if the bill contains the provisions about which he complains the Republic will go on the rocks, will be destroyed, because under them the President is going to be given tremendous powers, and that we cannot recall them. Yet the Senator voted for them. They were in the ECA bill. That is where they are now. We are now considering a conference report so as to bring about agreement on the ECA bill, and the Senator voted for the ECA bill with the provisions in it about which he complains. How can the Senator sleep at night? [Laughter.]

Mr. MILLIKIN. Let me tell the Senator from Texas how I sleep at night. I go to bed and go to sleep. So far as the ECA program is concerned, it is a dying institution—I hope. What we are talking about now represents an intrusion into it of an entirely different program.

Mr. CONNALLY. The Senator says it is a "dying institution."

Mr. MILLIKIN. I hope it is.

Mr. CONNALLY. If it is a dying institution, that should limit it.

Mr. MILLIKIN. There is no time limit to point 4.

Mr. CONNALLY. The time limit is here in the Senate. Whenever the Senate gets ready to terminate this thing, it can terminate it. The Senator knows that.

Mr. MILLIKIN. We will be so involved in it that we will never be able to terminate it. We will have such big payrolls, so many vested interests, so many clerks, so many lawyers, so many consultants, so many commissions, so many joint commissions, that there will be no way in God's world of getting rid of it. The Senator knows that. [Laughter.]

The VICE PRESIDENT. The Senate will be in order. Occupants of the galleries will refrain from demonstrations.

Mr. CONNALLY. That does not apply to Senators, does it? I hope it does not apply to the Senator from Colorado, because his physical exertions here are so attractive as to obliterate completely his intellectual achievements.

Now, Mr. President, if the Senator from Colorado, with all his learning and experience and legal ability, can explain how $35,000,000, which is all that would be provided by the authorization, will pay for all the members of the staffs and all the clerks and all the boards and all the commissions and all the other things he referred to—in which case there would be nothing at all left to carry on the technological assistance contemplated in the bill—if the Senator can explain that, we can solve all the Government's troubles by simply referring the employment of clerks to this little $35,000,000 fund which, if it is appropriated, is, according to the Senator, going to destroy the Government.

I repeat, the Senator from Colorado, with his eyes open and his ears attending, voted for the ECA bill, with this damnable provision in it.

Mr. MILLIKIN. I repeat to the Senator that I did not vote for the ECA bill with this damnable provision in it. I would vote for the Senate version of the ECA bill with the 5-year limitation, and with the other very sensible provisions, relatively speaking, which were in that bill. But the conferees brought back something entirely different. The conferees brought back something which they had admitted they did not like and

which they wanted to change. Every conferee on the part of the Senate voiced his discontent with the very bill they brought back to the Senate.

Mr. CONNALLY. No; the Senator is incorrect. There were features of the bill which the Senate conferees did not like. If we had liked them, we would not have had any conference.

Mr. MILLIKIN. The distinguished Senator said yesterday that he did not like point 4.

Mr. CONNALLY. I did not like all aspects of it, and it was amended in conference.

The Senate conferees stripped point 4 down to the bare bones—only technological assistance. I challenge the Senator from Colorado, or any other Senator on his side of this issue, to show where anything other than technological assistance is authorized. There is not a dollar of guaranty for any business enterprise, not a dollar to build roads, not a dollar to build bridges, not a dollar to build any public improvements.

The purpose of point 4 is to let the people in these foreign areas have our advice and our assistance, so that they will learn how to do these things—not that we are going to do them. We do not need any law to authorize us to go abroad and do these things, if we make an agreement or treaty to do them. However, we want the people of these foreign countries to do them. We want them to learn how to develop their own country and the resources of their own country, because we believe that if a country is developed and if it develops its own skills and knowledge and prosperity, it is more amenable to peace and harmony and prosperity in the world than would be the case among a number of ignorant, undeveloped peoples with resources which were all about them, but which they had not learned how to utilize. Such an environment is fertile soil for communism, fertile soil for totalitarianism, fertile soil for such arguments as those which are being advanced by the Senator from Colorado. [Laughter.]

Mr. MILLIKIN. Mr. President, the distinguished senior Senator from Texas and the distinguished chairman of the Foreign Relations Committee is telling us now that this measure is a simple technical assistance bill, that it will not extend into investments and the full point 4 program.

In other words, the Senator's method of encouraging peace in the world is to send to the poor people he is talking about our technicians, our doctors, and our consultants, and then do what? Are we going to do them any good? No; we are not. We are going to say to them, "Here is the prescription, you poor devil. Now go to your own drug store and get yourself cured."

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

Mr. MILLIKIN. I yield.

Mr. TAFT. The Senator referred recently, I think, to the attitude of the Senator from Texas in the committee. I wonder whether the Senator remembers the exact words the Senator from Texas then used?

Mr. MILLIKIN. I do. I read that in detail here the other day.

Mr. TAFT. May I read it to the Senator now?

Mr. MILLIKIN. I wish the Senator from Ohio would do so.

Mr. TAFT. I read now from the hearings on March 30, where the chairman of the committee, the Senator from Texas [Mr. CONNALLY], was speaking:

> The CHAIRMAN. A good many people are apprehensive of this program, that while we are only appropriating $35,000,000 at the beginning, it is just sort of getting a foot in the door, and the expenses of this thing will grow from year to year and, just as Secretary Thorp mentioned a while ago, they will come up with a project, and some country will say "Oh, now you have sent these experts over here and they have smelled around and we have a big project for $100,000,000 and we want you to carry out your promises now and give us the $100,000,000."

Those are the words the Senator from Texas used regarding this program, are they not?

Mr. MILLIKIN. Those are his exact words. There are three or four similar expressions by the distinguished Senator which gave all of us hope that nothing at all would come out of the committee on the proposed point 4 program, and certainly that nothing resembling the conference report.

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

Mr. MILLIKIN. I yield.

Mr. TAFT. Question has been raised as to the authority which the conference report may give from the point of view of authorizations for which appropriations may be made. The Senator has emphasized section 402, which declares findings. However, I wish to point out that section 403 declares a policy on the part of the Government, which is a policy to encourage "the flow of investment capital to countries which provide conditions," and so forth, favorable to that point of view.

Then the conference report says:

> It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public—

In other words, our money; that is a declaration of policy which, it seems to me, is an authorization for the spending of our money—

> which are or may be available for aid—

How? By the Appropriations Committee at some time—

> in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes—

That is, for the flow of Government capital.

So it seems to me that section 403 is a direct authorization for Government loans for investments.

Whether the technical gadget of guaranties may require additional legislation, I am not certain; but it seems to me that section 403, which was not in the Senate bill, and was eliminated from the bill the conferees were considering, is a direct authorization to spend money in any amount, because the $35,000,000 is confined purely to providing technical assistance in various fields, such as medicine, and so forth.

Mr. MILLIKIN. I agree entirely with the distinguished Senator.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I yield.

Mr. SMITH of New Jersey. Does the Senator from Colorado agree with me that the purpose of ECA was to try to help the countries of Western Europe recover and rehabilitate themselves and get back on their own feet; and that over the period of 3 years during which we have been operating the ECA, successful progress has been made toward increasing the productivity of the ECA countries, and now we want to bring to an end further grants or loans at our taxpayers' expense? I think the Senator probably will agree generally with that statement. I am entirely in accord with that view.

Mr. MILLIKIN. I believe I agree with everything the Senator now says.

Mr. SMITH of New Jersey. The contemplation of the House group in the past 2 years since the inauguration of ECA was, so they explained to us in the conference, to try to bring about such a condition that the United States could cease using the taxpayers' money to help these endeavors abroad; and if the foreign countries needed additional assistance to take care of the dollar gap program, that assistance might conceivably be brought about by the investment of private capital.

In our early ECA legislation we tried to include provisions which would be helpful to private capital, so that private capital would carry a part of the load. However, that was not successful, because there were fears about this, that, and the other thing.

The attempt was made, in the early ECA legislation, to provide some limited guaranties, which still are retained in this measure, with regard to convertibility of foreign currencies into dollars in case our industrialists were willing to take the risk of making investments. We found that was not adequate to encourage the program to any great extent.

Members of the other House have been studying for 2 years, now, whether there is any way by which we could encourage—not guarantee—American investors to develop a foreign investment policy with the backing and approval of the Government, so that a part of the load could be taken over by private investors, and our taxpayers could be relieved. That was the motivation. The original Senate version limited the aid to technical skills, but in the conference report we included encouragement to investors. We also included the original Senate-approved technical skills provisions, and I point out that a good many of the technical skills provisions which the Senator from Colorado has been criticizing today are ones for which he has previously voted. However, I pass over that point.

All the conferees did was to include provisions which definitely have no guaranties of any kind in them, but are only aimed at seeing whether we can induce private investors, with reasonable

protection by bilateral agreements with foreign countries, to make investments in foreign countries, and thereby relieve our taxpayers.

Mr. MILLIKIN. I see nothing in the conference report that provides the detailed mechanics for a guaranty program. But I say that, by the entire bill, the President is given such broad powers that he can proceed to act by executive agreements, which will escape the requirement of further authorizations.

Mr. SMITH of New Jersey. I understand the Senator's argument, but, so far as the conferees are concerned, they agreed to no such guaranty. I should like merely to ask the Senator one question further, then I shall be through for the moment. I may speak a little later, but I desire to ask the Senator this question: Do I correctly gather from the Senator's very able argument and very able analysis—and he makes many points of criticism of this proposed legislation with which I agree—that he thinks we should abstain entirely from entering into these areas anywhere in the world and from seeking to assist and help in the development of underdeveloped areas, and to encourage the people who are trying to find their freedom, countries such as Indonesia and others?

Mr. MILLIKIN. I think I have made it very clear. I believe I voted for the Smith-Mundt Act. That act is the prototype of that sort of assistance. So far as the exchange of information and knowledge is concerned, the Fulbright Act is a prototype. I am entirely agreeable to that.

Mr. SMITH of New Jersey. I am glad to hear the Senator say that, because it seems to me we must develop a positive approach to these questions.

Mr. MILLIKIN. Because we agree on that, we do not have to agree on everything that springs from it.

Mr. SMITH of New Jersey. That is true.

Mr. MILLIKIN. Or to any change that might be proposed. That is what I am objecting to. I have said repeatedly that it would have been possible to take the Smith-Mundt Act—I think the Senator developed this idea in committee—and expand it, and accomplish the purpose of special technical assistance. The other program, the stuff embodied in point 4, is unnecessary.

Mr. SMITH of New Jersey. Of course, in the Smith-Mundt Act, there was no idea of encouraging the investment of private capital abroad.

Mr. MILLIKIN. No.

Mr. SMITH of New Jersey. The House committee had been studying that for 2 years, and they insisted upon it in the conference report. We yielded to that, because, in exchange for accepting what they call the development of a favorable climate for foreign investment, they gave up certain guaranties on which they had insisted in the ECA bill, and which we said we would not go along with under any conditions, since, as a group, we were definitely opposed to the guaranty feature.

Mr. MILLIKIN. I remind the distinguished Senator that he was especially insistent that what we should do, along this line in this ECA Extension Act, should be limited simply to technical assistance, and that he himself was responsible, I believe, for putting the 5-year limit on the program.

Mr. SMITH of New Jersey. That is true.

Mr. MILLIKIN. That gave heart to many of us.

Mr. SMITH of New Jersey. I think that is true.

Mr. MILLIKIN. And that really was the intent of the Senate action. We now have no limit.

Mr. SMITH of New Jersey. I shall speak a little later on that.

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

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Nevada?

Mr. MILLIKIN. I yield for a question.

Mr. MALONE. The first question is, Does the point 4 program, in the opinion of the distinguished junior Senator from Colorado, have a place in legislation of this kind, at this time? That is the first question. The second question is: Is there any limitation of time as to how far the point 4 program may be applied, if the conference report is adopted, and is there any limit as to the area in which it may be applied? Those are the two questions.

Mr. MILLIKIN. In answer to the first question, I have stated repeatedly that I think the instrusion of point 4 is a very bad thing in what I hope is this dying ECA program. I have stated repeatedly that I think the point 4 program contains so many implications that it should be treated separately, that it should be preceded by the most thorough study, the most thorough hearings, and that it has not had any of those things. I say again that the point 4 program which has been intruded into this ECA legislation has no limit in time, and that it has no limit in geography. It may be an extreme picture, but under the authority of this bill, technical assistance could be given to countries behind the iron curtain. Technical assistance could be given to Russia, if desired. I mention that extreme illustration in order to illustrate the full scope of the thing.

Mr. MALONE. Mr. President, will the Senator yield for one further question?

The VICE PRESIDENT. Does the Senator from Colorado yield further?

Mr. MILLIKIN. I yield.

Mr. MALONE. For the past 3½ years at least that the junior Senator from Nevada has been present, whenever a vote is needed and a foundation has been laid and a precedent established for certain types of legislation and appropriation, has it been the custom for the great, powerful propaganda machine of the State Department to soften up the taxpayer and to soften up the Senate for the next blow by way of an increased appropriation?

Mr. MILLIKIN. I do not think there is any question of that. Those who sponsored the Smith-Mundt bill have complained of the smallness of the appropriations. The Senator from Arkansas [Mr. FULBRIGHT] has been much disappointed with the meager approach to his program. But, step by step, the appropriations increase until at the present time we are talking about $35,000,000.

Mr. MALONE. Then, Mr. President, what actually happens is, if the precedent is once set, we then go to one type of appropriation after another, in order to give the taxpayer the idea that each certain one is going to end all the problems. But nothing ever ends. Is that about right?

Mr. MILLIKIN. That is the way it looks to me. If the Senator will take a look again at the boards, the commissions, the joint commissions, the special commissions, the office of special assistant to the President, and all the other patronage that is provided for in this bill—the clerks, the consultants, the foreign exports—when he looks over that whole array, he will reach the conclusion that this will never grow less, but that it will expand mightily. There is too much pork in it to permit its neglect.

Mr. MALONE. I thank the distinguished Senator from Colorado.

The VICE PRESIDENT. Does the Senator from Colorado yield the floor?

Mr. MILLIKIN. I yield the floor for the time being. I still have some unexpended time.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5473. An act to promote the rehabilitation of the Gros Ventre and Assiniboine Tribes of Indians of the Fort Belknap Reservation, Mont., and for other purposes;

H. R. 5570. An act to promote the rehabilitation of the Chippewa Cree Tribe of Indians of the Rocky Boy's Reservation, Mont., and for other purposes;

H. R. 6063. An act to authorize the Secretary of the Interior to carry out a research and development program with respect to natural sponges;

H. R. 6152. An act to promote the rehabilitation of the Devils Lake Sioux Tribe of Indians of the Devils Lake Reservation, N. Dak., and for other purposes; and

H. R. 7262. An act to promote the rehabilitation of the Turtle Mountain Band of Chippewa Indians of the Turtle Mountain Reservation, N. Dak., and for other purposes.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bill and joint resolutions, and they were signed by the Vice President:

H. R. 7635. An act to amend the Armed Forces Leave Act of 1946, as amended, to provide graduation leave upon appointment as commissioned officers in the Regular components of the armed forces of graduates of the United States Military, Naval, or Coast Guard Academies;

S. J. Res. 183. Joint resolution to suspend the application of certain Federal laws with respect to attorneys and assistants employed by the Subcommittee on Reconstruction Finance Corporation of the Banking and Currency Committee of the Senate in connection with the study ordered by Senate Resolution 219, Eighty-first Congress, second session; and

H. J. Res. 476. Joint resolution making temporary appropriations for the fiscal year 1950, and for other purposes.

CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2440) to authorize certain construction at military and naval installations, and for other purposes, which was, to strike out all after the enacting clause and insert:

TITLE I

SEC. 101. The Secretary of the Army, under the direction of the Secretary of Defense, is hereby authorized to establish or develop military installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Aberdeen Proving Ground, Md.: Climatic testing facilities, air-to-ground rocket-firing research facilities, high-explosives loading and disassembly facilities, and compressor building for supersonic wind tunnel, $2,930,000.

Arlington Hall, Va.: Extension between wings 1 and 2, building No. 450, extension of wing No. 1, building No. 450, $94,000.

Army Medical Center, District of Columbia: Reconstruction of heating plant, $350,000.

Army-Navy General Hospital, Arkansas: Ground-storage water reservoir, $65,000.

Army Chemical Center, Maryland: Process laboratory, radiological cold laboratory, low-temperature test chambers, experimental loading and filling building, test chamber for aerosols, radiological hot laboratory, protective equipment laboratory, explosion test chamber, collective protector and air-filter laboratory, facilities for assembly of clusters and fire bombs, high-pressure laboratory, storage building for radiological equipment laboratory for radiological defense school, $2,861,000.

Army receiving station, La Plata, Md.: Barracks, receiving building, powerhouse, and garage, $535,000.

Army transmitting station, District of Columbia area: Improve roads, land acquisition, power facilities, powerhouse and garage, telephone facilities, transmitter building, barracks, and utilities, $1,186,500.

Fort Belvoir, Va.: Communications building, $118,000.

Benicia Arsenal, Calif.: Improvements to water system, $243,800.

Fort Benning, Ga.: Repair shops, magazines, storage facilities, administration building, gasoline station and pumphouse, central heating plant, lavatory building, target house, $210,000.

Black Hills Ordnance Depot, S. Dak.: Improvements to water system, $150,000.

Brooklyn Army Base, N. Y.: Fire protection of piers, $150,000.

California Institute of Technology, California: Test cells, hazardous propellant storage, construction, modification, and relocation of facilities, $685,000.

Deseret Chemical Depot, Utah: Barracks, $266,700.

Camp Detrick, Md.: Civilian dormitory, decontamination facilities, munitions building, aerobiological building, basic science building, meteorological building, pilot plant for crop studies, surveillance building, storage facilities, maintenance shops, research and development laboratory, central boiler plant, plant science building, bacteriological development laboratory, agent control laboratory, animal breeding facilities, animal barn and corral, medical-veterinary laboratory, soils preparation building, $5,822,500.

Dugway Proving Ground, Utah: Technical, administrative, and community facilities, bachelor officers' quarters, barracks, and utilities, $8,695,300.

Sault Ste. Marie, Mich.: Housing, administrative, operational and community facilities, $1,000,000.

Camp Hood, Tex.: Battalion motor park, highway bridge, improvements to water system, $718,000.

Fort Lewis, Wash.: Removal of structures and relocation of post office and finance building, telephone exchange building, $272,000.

Lima Ordnance Depot, Ohio: Connection with city water supply and utilities, $90,000.

Malta Test Station, New York: Additional garage space, additions to electrical distribution system; Quonset huts and platforms; fencing, drainage, roads, fire lanes and clearings, vehicle storage sheds, well, pump and water distributing system, addition to test structure No. 6, chemical test structure and test cells, oxygen pump and turbine test buildings, extension of nitrogen and oxygen gas lines to pits 1 and 2 and chemical pit, fire-alarm system, increase storage for new type fuels, stockroom addition, extension engineering and laboratory building, water pipe wall for pits 3 and 4, addition to ram jet structure, $840,000.

Marion Engineer Depot, Ohio: Sprinkler system, special storage facilities, $533,000.

Middletown, Calif.: Receiver, relay center, and utility buildings, access roads, clearing and grading, fencing, utilities and land acquisition, $760,000.

Midwest Chemical Depot, Arkansas: Storage sheds, $551,000.

Muroc Air Force Base, Calif.: Improvement to range bombing facilities, $144,000.

Navajo Ordnance Depot, Ariz.: Utilities for Navajo Village, $225,000.

Picatinny Arsenal, N. J.: Construction of facilities for rocket development and test purposes and utilities (Loki project), $260,000.

Redstone Arsenal (Huntsville), Ala.: Chemical laboratory and administration-engineer buildings and rocket motor test stands; engineer building, administration building, laboratory buildings; four rocket motor test stands; storage facilities; flight test range; nitroglycerin plant; two temperature conditioning buildings; modification of eight buildings; modification of one building for machine shop; expansion and modification of utilities, roads, and fences; $4,250,000.

Fort Riley, Kans.: Underground magazines, $44,000.

Rossford Ordnance Depot, Ohio: Fireproofing of warehouses, $500,000.

St. Louis Medical Depot, Mo.: Modification of medical laboratory building, $125,000.

Schenectady General Depot, N. Y.: Base maintenance shop building facilities and utilities, $749,000.

Sharpe General Depot, Calif.: Equipment processing building, $184,900.

Hanford, Wash.: Administrative, supply, community, operational and tactical facilities, site development, and utilities, $6,551,343.

Fort Sheridan, Ill.: Beach-erosion protection, $150,000.

White Sands Proving Ground, N. Mex.: Barracks, extension of field instrumentation, automotive maintenance shops, fuel stations, improvements to airfield facilities, meteorological station, refrigeration and ice plant, utilities shops, storage facilities, extension of water supply system and electric power system and bachelor officers' quarters, $2,460,400.

SPECIAL WEAPONS PROJECT

Construction at classified installations, $2,258,800.

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Communications station, including housing, technical, administrative, operational, supply and community facilities, site development, and utilities, $7,873,700.

Eielson Air Force Base, Alaska: Petroleum terminal storage, clearing and site preparation, outside utilities, barracks, organizational maintenance shop, special maintenance shop, ordnance shop, roads, streets and walks, gasoline dispensing station, warehouse, parking areas, oil and grease storage, family quarters, ammunition storage, fire reporting telephone system, battalion headquarters and storage building, $13,746,000.

Ladd Air Force Base, Alaska: Clearing and site preparation, outside utilities, roads, streets and walks, barracks including mess facilities, organizational maintenance shops, post exchange, gasoline dispensing facility, service club, battalion headquarters and supply building, infirmary, $12,590,200.

Fort Richardson, Alaska: Petroleum terminal storage and dock, water supply warehouses, heat and power plant, bachelor officers' quarters, family housing and utilities, outside utilities, organizational maintenance shops, barracks, engineer shops, roads, streets and walks, officers' mess, $36,882,845.

Whittier, Alaska: Central heat and power plant, composite bachelor housing, service and recreation building, $3,131,000.

Okinawa: General depot facilities, laundry, barracks, bachelor officers' quarters, family quarters and utilities, operations building, emergency power building and direction finder building, $13,071,480.

Helemano, Oahu, T. H.: land acquisition, $6,000.

TITLE II

The Secretary of the Navy, under the direction of the Secretary of Defense, is hereby authorized to establish or develop naval installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities as follows:

CONTINENTAL UNITED STATES

Naval Air Station, Alameda, Calif.: Jet overhaul building and accessories, $950,000.

Naval Research Laboratory, Anacostia, D. C.: Research laboratory building and accessories, correction of deficiencies to existing facilities, $1,570,000.

Naval Engineering Experiment Station, Annapolis, Md.: Submarine propulsion test facility, $2,000,000.

Naval Ammunition Depot, Bangor, Wash.: Mine assembly facilities, including buildings and accessory construction, $1,000,000.

Naval Command Operations Center, Training Center, First Naval District: Alterations for command operations center equipment, $151,000.

Naval training schools, Massachusetts Institute of Technology, Cambridge, Mass.: Combustion test and development facility, $682,000.

David Taylor Model Basin, Carderock, Md.: Alter 24-inch variable pressure water tunnel, wind tunnel and associated facilities, completion of 3-meter wind tunnel, free surface test facility, $2,344,000.

Naval Proving Ground, Dahlgren, Va.: Interior ballistics measurements building, $410,000.

Marine Corps depot of supplies, eastern United States: Depot facilities at a location to be determined, $25,000,000.

Naval Ordnance Aerophysics Laboratory, Daingerfield, Tex.: Addition to test chamber to increase capacity of wind tunnel and additional laboratory facilities, $864,500.

Fleet Air Defense Training Center, Dam Neck, Va.: Expansion of present facilities, including roads, walks, generators, transformers, utilities, collateral equipment, auxiliary construction and facilities for administration, command operations center and radar, command operations center instruction, dispensary, barracks, galley and mess hall, bachelor officers' quarters, storage, public works operations, garage, laundry, incinerator, sewage disposal, recreation, chapel, fire hou : and community services, $18,541,719.

Naval Ammunition Depot, Earle, N. J.: Mine assembly facilities, including buildings and accessory construction, $1,100,000.

Naval Training Center, Great Lakes, Ill.: Addition to main power plant, including boilers and accessory construction, $650,000.

Naval Ammunition Depot, Hawthorne, Nev.: Additional water storage facilities, $320,000.

Naval Ordnance Test Station, Inyokern, Calif.: Morris Dam underwater test facilities, static firing facilities for liquid fuels, aerodynamics ballistic track range, ballistic ground ranges and additional instrumentation for and modification of guided missile range, ballistics-range facilities, $9,160,000.

Naval Air Station, Jacksonville, Fla.: Aircraft carrier berthing, turning basin and approach channel, Mayport, Fla., $4,920,000.

Naval fuel storage facility, Jacksonville, Fla.: Acquisition and expansion of residual terminal facility, including tankage, pipelines, and accessory construction, $3,175,000.

Naval Air Development Station, Johnsville, Pa.: Extension of runways for jet operations, acquisition of navigation easements in runway approach zone, development and test facilities, $5,253,500.

Naval Station, Key West, Fla.: Dredging at submarine basin, $739,000.

Naval Aeronautical Rocket Laboratory, Lake Denmark, N. J.: Rocket test and development facilities, $7,500,000.

Camp Lejeune, N. C.: Construction of railroad spur from Camp Lejeune to Cherry Point, N. C., $3,000,000.

Naval Auxiliary Air Station, Miramar, Calif.: Aircraft maintenance hangar, parking utilities, services, and gasoline storage, $2,230,000.

Naval Postgraduate School, Monterey, Calif.: Facilities, including buildings, utilities, and accessory construction (second increment), $11,000,000.

Naval Submarine Base, New London, Conn.: Hydrogen peroxide storage facilities, $60,000.

Naval Base, Newport, R. I.: Acquisition of land on Conanicut Island for small-boat landings, $9,000.

Naval Base, Newport, R. I.: Sewage facilities, $1,243,000.

Naval Air Station, Norfolk, Va.: Test cells for turbine engines, $485,000.

Headquarters, Commander in Chief, Atlantic Fleet, Norfolk, Va.: Combined antisubmarine warfare plot and administration building, $650,000.

Naval Communication Station, Norfolk, Va.: Communication facilities for Headquarters, Commander in Chief, Atlantic Fleet, $11,650,000.

Naval Air-Test Center, Patuxent River, Md.: Installation of slotted cylinder catapult and arresting gear, $1,110,000.

Naval Air Station, Pensacola, Fla.: Improvement of power plant and electrical distribution system, $3,960,000.

Naval Electronics Laboratory, Point Loma, Calif.: Laboratory supply and utility buildings, including services and accessories, $3,450,000.

Naval Civil Engineering and Evaluation Laboratory, Naval Construction Battalion Center, Port Hueneme, Calif.: Laboratory building and associated facilities, $450,000.

Naval Air Station, Quonset Point, R. I.: Completion of two-engine test cells, $300,000.

Naval Air Station, San Diego, Calif.: Turbo prop engine test cells, $530,000.

Special Devices Center, Sands Point, Long Island, N. Y.: Acquisition of land and buildings, $350,000.

Naval Shipyard, San Francisco, Calif.: Conversion of building numbered 351 for radiological laboratory, $1,000,000.

Thirteenth Naval District: Radio direction finder facilities for supplementary communication requirements, $211,000.

Twelfth Naval District: Vacuum system housing at naval ordnance activity, $85,000.

Naval Air Station, Whidbey Island, Wash.: Acquisition of rocket target range (three hundred and fourteen and sixty-two one-hundredths acres), $35,800.

Naval Ordnance Laboratory, White Oak, Md.: Model test tank, ballistics laboratory, $1,450,000.

Navy communication station, Winter Harbor, Maine: Addition to radio operating building, permanent remote control high frequency direction-finder facilities, $410,000.

Fort Lauderdale, Fla.: Advanced undersea warfare school, $275,000.

Various locations: Additional aviation fuel storage to support jet operations, $5,000,000. Extension of runways for jet operations at naval air station, Alameda, Calif.; Marine Corps air station, Cherry Point, N. C.; Marine Corps air station, El Toro, Calif.; naval air station, Norfolk, Va.; naval auxiliary air station, Oceana, Va.; and/or at such stations as changes in strategic dispositions indicate, $6,190,000.

OUTSIDE CONTINENTAL UNITED STATES

Fourteenth Naval District: Communication control links, including equipment and land, $527,000.

Navy communication supplementary activity, Guam: Permanent facilities for communication supplementary activities, interim operating building and accessory construction, $8,870,000.

Naval supply center, Guam: Additional petroleum storage facilities, $14,200,000.

Agana Naval Air Station, Guam: Water, electric, and sanitary systems, $1,850,000.

Naval operating base, Guam: Extension of power generation, transmission, and distribution system; water supply and distribution system; family housing and completion of civil-service bachelor quarters, $21,936,000.

Oahu, Hawaii: Acquisition of part of Oahu Railroad, $1.

Naval operating base, Kwajalein: Water supply and distribution, power plant and water distillation, refrigerated storage, sewage-disposal system, barracks, mess and galley, $5,958,000.

Argentia, Newfoundland: Permanent communication facility, family quarters and utilities (conversion) $3,193,000.

Pacific: Naval government facilities in Trust Territories, $1,000,000.

Roosevelt Roads, P. R.: Acquisition of land (4,170 acres), $330,000.

Naval station, Tutuila Island, Samoa: Acquisition of land (11 acres), $3,500.

Construction at classified installations, $23,316,000.

Various: Additional communications facilities, $1,000,000. Aviation gas storage (190,000 barrels), $3,350,000.

TITLE III

The Secretary of the Air Force, under the direction of the Secretary of Defense, is hereby authorized to establish or develop installations and facilities by the construction, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Bakersfield, Calif.: Purchase and rehabilitation of Mohawk Oil Co. plant, including land, $141,000.

Barksdale Air Force Base, Shreveport, La.: Jet-fuel storage and dispensing facilities, $1,500,000.

Biggs Air Force Base, El Paso, Tex.: Additional aviation fuel storage and airfield pavements, and water wells, $3,203,000.

Campbell Air Force Base, Hopkinsville, Ky.: Control tower and security fence, $100,000.

Castle Air Force Base, Merced, Calif.: Airfield pavements, land for runway extension and aviation fuel storage facilities, $4,587,000.

Air Force Base, Savannah, Ga.: Facilities, barracks, quarters and utilities, pavements and storage, $1,275,000.

Eglin Air Force Base, Fla.: Construction of armament center and related facilities including engineering building, hangar, warehouse, armament facilities, ramps, roads and taxiways, modification and improvements of range and ammunition area, ammunition and inspection plant, and addition to measurement and analysis building, and railroad, $9,399,250.

Ellington Air Force Base, Houston, Tex.: Celestial navigation training buildings, $57,000.

Great Falls Air Force Base, Great Falls, Mont.: Aviation fuel storage facility and airfield pavements, barracks, $4,361,000.

Hamilton Air Force Base, San Rafael, Calif.: Aviation fuel storage facilities, $1,000,000.

Holloman Air Force Base, Alamogordo, N. Mex.: Instrumentation building, telephone circuits to instrumentation sites, utilities, conversion of electrical distribution system, water supply and storage facilities, missile assembly buildings, photo laboratory, commissary, sales store and warehouse, tracking device (telemetering and radar), access trails in range area, technical building, upper atmosphere research station, $3,719,725.

Hood Air Force Base, Temple, Tex.: Operation building, control tower, and fire-crash station, night lighting, transformer building, fuel storage, oil storage, electrical distribution system, gas mains, water mains, sewage-disposal facilities, grading and seeding, roads and parking areas, gate house, obstruction lighting, airfield pavement, $1,913,467.

Kelly Air Force Base, San Antonio, Tex.: Addition to sewage-disposal plant, $255,170.

Kirtland Air Force Base, Albuquerque, N. Mex.: Utilities and barracks, $1,270,000.

Lackland Air Force Base, San Antonio, Tex.: Water well, $77,000.

Langley Air Force Base, Hampton, Va.: Jet fuel storage and dispensing facilities, $486,000.

Limestone Air Force Base, Limestone, Maine: Barracks, aviation fuel storage facilities, heating plant and extension to existing heating facilities, warehouses, maintenance shops, fire and crash station, bomb handling and storage facilities, airfield pavements, oil storage facilities, commissary, nose hangars, training-school building, utilities, roads and parking areas, administrative telephone system, communications and electronic facilities, railroad, refrigeration plant, recreation facility, school, motor pool, $24,631,200.

MacDill Air Force Base, Tampa, Fla.: Aviation fuel storage facilities and airfield pavements, $2,828,000.

McChord Air Force Base, Tacoma, Wash.: Jet fuel storage and dispensing facilities, runway extension and taxiway, $573,337.

McGuire Air Force Base, Trenton, N. J.: Jet fuel storage and dispensing facilities, $300,000.

Moses Lake Air Force Base, Moses Lake, Wash.: Barracks, hospital, bachelor officers' quarters, operations building and control tower, crash fire station, $4,195,000.

Mount Washington Weather Station, N. H.: Climatic projects laboratory, $363,600.

Muroc Air Force Base, California: Quartermaster warehouse, electrical system, land for base expansion, unconventional fuel storage, water system, radar and telemetering station, hangars, pavements, runway and taxiway, warehouses and railroad spur, hangar shop and warehouse, rocket static test facilities, barracks, family quarters and utilities, $28,042,280.

Norwalk, Calif.: Rehabilitation and provision of additional operating facilities, purchase of Wilshire and Sunset Oil Co. plants, $767,000.

Offutt Air Force Base, Omaha, Nebr.: Reconstruction of barracks for troop housing, $300,000.

Otis Air Force Base, Falmouth, Mass.: Aviation fuel storage facilities and hangar, $1,150,000.

Panama City, Fla.: Purchase and rehabilitation of Panama City Oil Co. plant, $537,-339.

Rapid City Air Force Base, Rapid City, S. Dak.: High-speed refueling system, airfield night lighting and hazard removal, $1,576,-100.

Selfridge Air Force Base, Mount Clemens, Mich.: Aviation fuel storage facilities and airfield pavements, $600,000.

Spokane Air Force Base, Spokane, Wash.: Purchase of land, airfield pavements, aviation fuel storage facilities, and barracks, $6,645,000.

St. Louis. Mo.: Renovation of building for aeronautical chart service and moving of equipment, $1,500,000.

Tacoma, Wash.: Purchase and rehabilitation of General Petroleum Corp. terminal No. 2 facilities, $200,000.

Walker Air Force Base, Roswell, N. Mex.: Aviation fuel storage facilities, airfield pavements, $3,504,000.

Wright-Patterson Air Force Base, Dayton, Ohio: Structure branch storage, addition to electrical distribution system for engineering laboratory building, modification to shop and office (wind tunnel building 24C), addition to film-storage building, compass test building, modification of wind tunnel (building 24B), addition to radar-test building, high-powered electric whirlrig, extension to electric system, coal-handling facilities (area C), extension to engineer shops, vibration-test building, $3,340,010.

Location to be determined: Additional strategic bulk petroleum storage facilities, $14,200,000; facilities for storage and repair of rocket motors, including storage facilities for unconventional fuels, $1,000,000; facilities for Air Force Security Service, $5,802,900; classified facilities, $580,000.

Various locations: Conversion of engine overhaul and test facilities, $7,890,000; airways navigational aids and communications facilities, $11,627,415; repair and replacement of airfield lighting, $1,000,000; facilities for storage and dispensing of unconventional fuels, $2,000,000.

OUTSIDE CONTINENTAL UNITED STATES

Alaska: Warm-up shelters for aircraft, $700,000.

Eielson Air Force Base, Alaska: Utilities, utilidor and tie-in to new power plant, power and steam plant, family quarters and utilities, aviation gasoline storage and dispensing facilities, airfield pavements, $11,-213,320.

Elmendorf Air Force Base, Fort Richardson, Alaska: Outside utilities, warm storage for vehicles, $1,191,746.

Ladd Air Force Base, Fairbanks, Alaska: Family quarters and utilities, barracks and outside utilities, $11,283,000.

Lagens Field, Azores: Fuel unloading facilities, water supply and distribution facilities, $2,332,000.

Kindley Air Force Base, Bermuda: Completion of bridge, $600,000.

Johnston Island Air Force Base: Petroleum storage facilities, salt water flushing system, fresh-water supply system, airfield lighting, dock repair and replacement, electrical distribution system, electric-power plant, communications facilities, $2,031,000.

Goose Bay Airport, Labrador: Aviation gasoline storage and dispensing facilities, high-speed refueling facilities, $3,050,000.

Wheelus Field, Libya: Water supply and distribution facilities, $325,000.

Dhahran Air Transport Station, Saudi Arabia: Additional facilities, $4,500,000.

Various locations: Weather broadcast and point-to-point communications facilities, $1,701,613; northeast Loran chain, $2,850,-000; ground-control-approach facilities, $433,760; air/ground radio stations, $2,076,-592; three multichannel single-side-band stations, $4,180,131; radar set facilities, $381,-000; demountable or low-cost family housing, $4,800,000; instrument landing system, $150,000; facilities for Air Force Security Service, $1,670,000; classified facilities, $1,000,000.

TITLE IV

GENERAL PROVISIONS

SEC. 401. To accomplish the above-authorized construction the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, under the direction of the Secretary of Defense, are authorized to acquire lands and rights pertaining thereto, or other interests therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended. When necessary, the Secretary of the Army, under the direction of the Secretary of Defense, is authorized to commence construction authorized in title I hereof for a single special weapons project prior to approval of title to such lands by the Attorney General as required by section 355, Revised Statutes, as amended.

SEC. 402. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States and otherwise appropriated, such sums of money as may be necessary for the purposes of this act, but not to exceed:

(1) For public works authorized by title I: Inside continental United States, $34,623,-363; outside continental United States, $87,-301,225; special weapons project, $2,258,800.

(2) For public works authorized by title II: Inside continental United States, $143,-554,519; outside continental United States, $85,533,501.

(3) For public works authorized by title III: Inside continental United States, $200,-140,593; outside continental United States, $56,469,162.

SEC. 403. The approximate cost of each project enumerated and authorized by titles I, II, and III of this act may, in the discretion of the Secretary concerned, be varied upward 5 percent, but the total cost of work for each title as authorized in section 402 shall not be exceeded.

SEC. 404. (a) Nothing contained in this act shall be construed to authorize the construction of family quarters or the conversion of existing structures to family quarters at any of the localities mentioned in titles I, II, and III of this act under the heading "Continental United States."

(b) No family quarters shall be constructed under the authority of this act outside continental United States which are in excess of a net floor area of 1,080 square feet per unit.

SEC. 405. When family quarters are constructed outside continental United States, or in Alaska, unit cost and average cost thereof for construction, including kitchen range, refrigerator, telephone, site development and outside utilities, architectural and engineering services, and all contingencies shall be limited to $33,000 and $29,500, respectively.

SEC. 406. Appropriations made to carry out the purposes of this act shall be available for expenses incident to construction, including administration, overhead planning and surveys, and shall be available until expended when specifically provided in the appropriation act.

SEC. 407. Any projects authorized herein may be prosecuted under direct appropriations, or authority to enter into contracts in lieu of such appropriations.

SEC. 408. (a) There is hereby rescinded, as of December 31, 1949, any authority conferred by any act of Congress enacted prior to the beginning of the Eightieth Congress to proceed with any project or projects for the establishment or development of military, naval, or air-force installations and facilities by the construction, installation, or equipment of temporary or permanent public works, unless funds to be used for the exercise of such authority have been appropriated on or before December 31, 1949.

(b) The Secretary of Defense is authorized and directed to make a report to the Congress at the beginning of the first session of the Eighty-second Congress, and at the beginning of the first session of each succeeding Congress, listing all projects for the establishment or development of military, naval, or air-force installations and facilities by the construction, installation, or equipment of temporary or permanent public works which have been authorized by this Congress subsequent to the beginning of the Eightieth Congress and for which adequate funds for the completion thereof have not been appropriated. The report shall include any recommendations which the Secretary of Defense deems appropriate with respect to the rescission of all, or any portion, of the authority to proceed with any such project.

(c) Nothing in subsections (a) and (b) of this section shall be deemed to relate to any project authorized to be prosecuted by the Department of the Army in the exercise of the civilian functions of the Corps of Engineers.

Mr. TYDINGS. I move that the Senate insist upon its amendment, request 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. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. BRIDGES, and Mr. SALTONSTALL conferees on the part of the Senate.

CONFIRMATION OF NOMINATIONS IN THE NAVY AND NAVAL RESERVE

Mr. TYDINGS. Mr. President, as in executive session from the Committee on Armed Services I report certain routine promotions in the Navy and in the Naval Reserve, which come unanimously from the committee. I ask unanimous consent that the nominations be confirmed and that the President be notified.

The VICE PRESIDENT. Without objection, the nominations are confirmed, and without objection the President will be immediately notified.

Mr. TAFT. Mr. President, may I have the attention of the Senator from Maryland a moment? No notice was given of this request for the confirmations, and I understand there may be certain Senators on this side of the aisle who might be interested and who might wish to be heard. I do not know what the facts are, but will the Senator state them?

Mr. TYDINGS. Mr. President, if the Senator will yield, none of these promotions, as I recall, cover a higher rank than commander in the Navy. They deal with ensigns, and so on. They come from the committee unanimously, and I am sure there is no objection that could possibly be raised. They have been on the calendar of the committee for more than a week. None of them are promotions in the higher grades.

Mr. TAFT. I am told that the Senator from Missouri [Mr. DONNELL] objects to the adoption of any routine practice that the President be immediately notified. If the Senator will withdraw that request, it will make only a day's difference.

Mr. TYDINGS. I shall be delighted to do that. The only reason I made that request was that these young men are going on a cruise shortly.

Mr. TAFT. One day, I think, will not make much difference.

Mr. TYDINGS. It may make some difference as to the time they receive their commissions. They may not reach them until they come back from the cruise. I know that in many cases men have lost their number because they have not qualified, by reason of absence from the country, although on the same plane of promotion as men in the country who were simultaneously promoted. For that reason, in order to keep the files uniform, it is quite necessary that the President be notified and that all the commissions go out simultaneously.

Mr. TAFT. I understand the failure immediately to notify the President would delay the matter only 1 day. All the commissions could be prepared.

Mr. TYDINGS. I think notification to the President should be made, but I shall not object.

The VICE PRESIDENT. The motion immediately to notify the President is withdrawn.

FOREIGN ECONOMIC ASSISTANCE ACT OF 1950—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7797) to provide foreign economic assistance.

Mr. CONNALLY. Mr. President, I yield such time as may be required to the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. Mr. President, I shall speak very briefly in favor of the conference report. I say very frankly, at the outset, that men may differ perfectly sincerely on the principle involved in title IV, which is under discussion. As I listened to the Senator from Colorado I gathered that that title in the conference report is the only one at issue and as to which there is any disagreement.

I am in favor of title IV, selfishly, because I believe it helps the national security. The only justification we have for many of the measures we have enacted in the past few years, during which I have been a Member of the Senate, is to strengthen our security and afford a greater opportunity to bring about peace on earth.

How does title IV help the national security? As I see it, it gives other nations an understanding of the standard we expect of them if they want to do business with us. I have heard a very derogatory statement from the distinguished Senator from Colorado, in words which he can employ with great ability, regarding the language which is used in the declaration of policy in section 402 of title IV.

I agree with him that the language may be superfluous in many respects; I agree with him that it may be very broad in some of its implications; but, as I see it, one of the purposes of that language which has not been brought out in the debate, so far as I know, is to give to other nations an understanding of the basis on which we shall be willing to do business with them. In other words, they must reach certain standards; they must be willing to do certain things; they must be willing to understand that we are insisting on these standards before we will do business with them.

In the second place, as I understand, the purpose of the language is to help us negotiate treaties. The Senator from Colorado spoke at length about agreements and bilateral understandings without using the word "treaty." We have pending a treaty of friendship, commerce, and economic development with Uruguay, which has just been reported favorably by the Foreign Relations Committee. There is now pending in the Committee on Foreign Relations a treaty of friendship and mutual understanding with Ireland. I understand other treaties are being negotiated. These are all efforts to encourage mutual business relations between the private citizens of the various nations involved.

There is reason, it seems to me, why it would help the national security. I may say first, however, that we must keep our eyes on the purpose of title IV; we must keep our attention focused on what we are trying to do, namely, to get greater security for ourselves and greater peace in the world. Another reason why it promotes our security is that it helps us to be economically stronger by potentially increasing our markets through the building up of other peoples as possible purchasers.

In the appropriations subcommittee I listened with a great deal of interest to what was said about the work of the Institute of Inter-American Affairs in South America. I read their report, not only as a member of the Committee on Appropriations, but as a Senator of the United States, because the whole subject was of great interest to me. That is one example of cooperation. In South America, where the Institute of Inter-American Affairs operates, it has helped to improve agricultural practices and to bring about better methods in mining and in other industries, but I think it is concentrating mostly on health and agriculture as a beginning. That, as I understand, is the meaning of technical cooperation.

The Senator from Texas [Mr. CONNALLY] rightly says that the limit of technical cooperation in the bill is $35,000,000. There is definitely no commitment beyond that amount. As the Senator from California [Mr. KNOWLAND] pointed out in his discussion with the Senator from Colorado [Mr. MILLIKIN], any further commitment by the President or any further authorization by the President will have to come before the Congress for appropriations.

In addition to the Institute of Inter-American Affairs, we have, as has already been cited, the Fulbright program and the Smith-Mundt Act. The Smith-Mundt Act does much in a more limited way, perhaps, than would be done by the understandings which may come from the pending measure, which would increase our security by stimulating the interest of private citizens in investing funds abroad.

I say, Mr. President, as emphatically as I can, that so far as I know, in title IV there is no guaranty of funds invested by private citizens in any other country in the world, nor is there any obligation on the part of our Government.

There is now pending on the calendar of the Senate a bill from the Committee on Banking and Currency concerning greater powers of the Export-Import Bank. There is in the House another bill which has been introduced on the same subject. I believe these bills should be given the most careful scrutiny. I entirely agree with the Senator from Colorado that we do not want to guarantee, except in a very limited way, the investment of private funds going into other countries. Unlike the Senator from Colorado, I do not think it is a mere gesture on our part to pass this bill if there is no guaranty included.

Mr. President, this is a long-range program. It has to be. If Senators will read the work of the Rockefeller group and the work of the Institute of Inter-American Affairs they will find it requires a long time to develop——

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

Mr. SALTONSTALL. I yield to the Senator from Colorado.

Mr. MILLIKIN. The Senator says it is a long-range program, and I do not deny it would be a long-range program under the conference report. But the Senate expressed itself as favoring a short-range program, to wit, a 5-year program.

Mr. SALTONSTALL. I would say in reply to the Senator from Colorado that the Senate program was a short-range program with relation to technical cooperation under the ECA act. With that I am in entire accord. I will go even further than does the Senator from Colorado and say the amount for technical cooperation could be cut down to $10,000,000 or $15,000,000. My interest and my belief in the point 4 program are not concerned with the amounts which the Government spends for technical cooperation. That program gives encouragement to private investors to go into other countries with some assurance that they may succeed in their efforts as private investors in those countries.

I should like to quote one paragraph from the hearings held by the Committee on Foreign Affairs of the House on House bill 5615. I read from page 101 of that document, from a report by the Foreign Trade Council, as follows:

PRIVATE ENTERPRISE AND THE POINT 4 PROGRAM—GENERAL CONSIDERATIONS—TIME AND SCOPE

A foreign economic development program must be thought of in terms of an ever-continuing effort rather than one of any determinable period. Emphasis should be placed on setting up the program on a sound basis with assurance of continuity rather than undue haste in its initiation.

I believe that is the principle on which we should work in considering title IV. As I have stated, the technical cooperation of our Government is limited, so far as this bill is concerned, to an authorization of $35,000,000, and in this and any future situation it is limited by congressional appropriation. As I read the bill, there are no guaranties given to private investment outside the limited guaranties under the ECA program.

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

Mr. SALTONSTALL. I yield.

Mr. TAFT. How can the Senator possibly read section 403 without seeing that the Senate would commit itself to the policy of appropriating public money, if necessary, or taking other action to provide the flow of investment capital into these countries? Whether the authorization question arises or not, section 403 commits us to that policy beyond a shadow of a doubt. It seems to me that this is the main change which was made in the Senate bill by the conferees.

Mr. SALTONSTALL. I do not understand that it commits the Senate to provide investments in these countries beyond stimulating investigatory processes and establishing a foundation on which to go ahead. I say again, I hope the final determinations will be in the form of treaties which will come before the Senate. That is the theory, at least, on which I believe this bill should be passed.

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

Mr. SALTONSTALL. I yield.

Mr. TAFT. The Senator is familiar with what the State Department has done with the authority to make reciprocal trade agreements. Into that authority, which permits them to make agreements requiring no ratification by Congress, they have incorporated all kinds of provisions, including all kinds of quotas. They have expanded the power until under this so-called gap they have almost written ITO into agreements which they have based on that theory. Here we give them power to make other agreements which would not have to be submitted to Congress. They are not treaties. Under section 405 we give them the power to make and perform contracts or agreements in respect of technical cooperation programs on behalf of the United States Government "with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign government agency." Exactly what a technical cooperation program is, I do not know. However, it seems clear to me that, in view of the way the State Department has stretched its powers in respect to reciprocal trade agreements to cover anything, it could outline all kinds of agreements and projects, to be financed by us, with no treaty whatever, and then have come to the Congress for money. They could say, "Here is an agreement we made under your authority. We made this agreement with Iran under your authority. We are going to develop Mesopotamia. We made this agreement. Are you going to back out on the agreement, after you authorized us to make it?"

We can say, "We did not authorize it." To which they can reply, "We understood the language to mean we had the authority, and we claim that authority." We have an extremely open declaration of policy, which clearly includes financing with Government money, as well as private money, economic development projects in these countries.

Mr. SALTONSTALL. I would reply to the Senator from Ohio that I do not agree with his definition of economic development.

Mr. TAFT. Let me read what it says in section 403 (b):

> It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes—

What purposes? One of the purposes is the flow of investment capital to these countries—

> with respect to projects for which capital is requested—

Does not that language contemplate that these governments will ask us for money?—

> whether private capital is available either in the country or elsewhere upon reasonable terms—

For what purpose? To determine whether we should put up public money. It seems to me that we have here a wide-open policy to use all the resources of the United States in the economic development of all countries throughout the entire world. It is something far beyond our power, and it is something far beyond anything which Congress has the power to declare as a policy of the Government of the United States.

Mr. SALTONSTALL. I agree with the Senator from Ohio that our Government should not put funds into those countries for those purposes. I would not support this title for one moment if I thought that was the fact. It is my understanding that this title is a background for treaties similar to the Uruguay treaty, which does not contemplate any such thing. The technical cooperation programs are defined in section 418. The section is reasonably clear. It is much clearer, in my humble judgment than the Senator from Colorado [Mr. MILLIKIN] so aptly and ably pointed out in some of the objections he made to it. The Senator from Ohio says that we are going to help develop Morocco, or some other country. What country did the Senator refer to a moment ago?

Mr. TAFT. Mesopotamia.

Mr. SALTONSTALL. Let us take Mesopotamia. How are we going to develop Mesopotamia unless we make it possible for private investors to go there and find suitable ground for investment?

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

Mr. SALTONSTALL. I yield.

Mr. TAFT. The project with relation to the canals between the Tigris and Euphrates Rivers has been urged as a suitable project. The project of taking all the Arabs out of Palestine and putting them in Iraq and Mesopotamia has also been urged. That cannot be done by private capital. I think the head of TVA, whose name escapes me for the moment, made a study of that project, and he said it was too expensive. It would cost too many millions of dollars. The proposal was that we use Government money for that purpose, not private capital.

Mr. SALTONSTALL. I hope the Senator from Ohio knows the Senator from Massachusetts well enough to realize that he would put Government money into the deepening of the channel in Boston Harbor rather than pay it out for the widening of the Tigris River in Mesopotamia.

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

Mr. SALTONSTALL. I yield.

Mr. LUCAS. It strikes me that the argument made by the very able Senator from Ohio is a complete exaggeration of what point 4 really is. I read from section 416 (b), which says:

> Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries, or to any international organization.

Mr. President, if I understand the English language, that is a complete answer to what the Senator from Ohio has been trying to tell the Senate with respect to what the point 4 program is going to do. This is a specific limitation upon what can be done under it. After all, point 4 is not a big program. It calls for only $35,000,000. It does not involve $35,000,000,000. Judging by some of the arguments we have heard here, one would think that $35,000,000,000 were involved.

Mr. SALTONSTALL. I would say to the Senator from Illinois, the Senator from Ohio and the Senator from Colorado that, so far as the technical cooperation program is concerned, I would just as soon have it call for $15,000,000, rather than $35,000,000, because I do not think that program is the basis of which we must ultimately go ahead if we are to be successful in carrying out the theory and ideals which interest me.

Mr. TAFT. Madam President——

The PRESIDING OFFICER (Mrs. SMITH of Maine in the chair). Does the Senator from Massachusetts yield to the Senator from Ohio?

Mr. SALTONSTALL. I yield.

Mr. TAFT. The particular provision read by the Senator from Illinois is pretty weak. It says:

> Nothing in this title is intended nor shall it be construed as an expressed or implied commitment.

It does not say that the agreements made by the President under the title shall not be at least moral commitment and that is what moral commitment into. Once the President is given power to make an ageement with a foreign nation, we are through, because there is a moral commitment.

Furthermore, the suggestion that it is a little thing, involving only $35,000,000, is certainly disputed by the fact that section 403 lays the basis for a measure providing $250,000,000, now pending on the Senate Calendar, to carry out these particular provisions in a particular way, namely, by guaranteeing foreign investors. This is the basis for that program. It seem to me that without further authorization bills, the Government, under section 403, can go ahead and advance unlimited sums, if the

Committee on Appropriations will give them.

Mr. SALTONSTALL. Most respectfully I disagree with the Senator from Ohio in that interpretation. Certainly it was not a possible interpretation I thought would be put upon the provision.

Madam President (Mrs. SMITH of Maine in the chair), I shall close by simply saying that it seems to me the issue, so far as it concerns title IV, comes down to a very simple matter. The Senators who are opposing the conference report are just as sincere, I hope, as I am in supporting it. I believe there is merely a difference of opinion as to how we are going forward in this country in our relations with other countries so far as our own security is concerned, and so far as the peace of the world is concerned.

It is my conception that we are going to be more secure, that there is going to be greater opportunity for peace, if we make it possible to develop some of the underdeveloped nations of the world. But I want to see it done with private capital, with Government cooperation, and without undue governmental spending.

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

Mr. SALTONSTALL. I yield to the Senator from Texas.

Mr. CONNALLY. In connection with what the Senator was just observing, we mean to aid the nations by making it possible for them to aid themselves. Is that not the purpose of the whole bill?

Mr. SALTONSTALL. That is certainly a fundamental purpose of the bill. If they aid themselves, and build themselves up, they become greater purchasers of our goods, and certainly if we are to keep growing economically in this country, we have to spread outside its boarders. If we do that, we are going to keep ourselves strong, we are going to keep our industrial machine working on higher levels.

Madam President, I am in favor of title IV of the bill because I believe it provides a method by which we can work with the peoples of other nations of the world, for our own selfish benefit, as it will afford us security, will contribute to our economic progress, through greater purchases from the other countries, and, moreover, will tend to prevent a further spread of communism. That will be done by building up nations by understanding, as set forth in the first two sections of this title. They will be able to know what we stand for and what we want the other nations to do if they are going to undertake to do business with us.

Madam President, as I see it, that is the issue. As I have said, it is subject to a very fundamental difference of opinion, and men can be just as sincere on both sides. I happen to be one of those who think this country has to go forward in the way provided, and that the individuals of this country have to have a greater understanding of these subjects, and make it possible for us as individual citizens to have a greater knowledge of and to do more business in the other countries of the world. For these reasons I shall vote to back up the conference committee.

I may add that I introduced one of the bills which has been referred to the Committee on Foreign Relations, and I hope the committee will have a hearing on it. I believe it should be very carefully studied. The House committee did give it a substantial amount of consideration. The matter is now before us, and we have to go forward.

Mr. SMITH of New Jersey. Mr. President——

The PRESIDING OFFICER (Mr. CAIN in the chair). Does the Senator from Massachusetts yield to the Senator from New Jersey?

Mr. SALTONSTALL. I yield.

Mr. SMITH of New Jersey. There are two things involved in the debate. One is technical assistance, some of which we have been giving heretofore, which the House and Senate both agreed some plan should be made to continue. That is one part of the program. The other part, and one that seems to be disturbing the distinguished Senator from Colorado primarily, is the question of a climate for investment capital.

I admit that we did not give much time to any hearings on that subject, because most of us thought, when we suggested our form of the bill limiting it to technical assistance, that that need not be developed yet, but that it might be a part of the post-ECA program. For approximately a year the House committee has been holding hearings on the subject, and the Senator himself has been in conference with me and others about it. It has been the purpose of the House to see if there was some way by which American taxpayers, who have been paying money for grants under ECA, might be relieved of that burden, by interesting foreign capital to go into these projects.

Mr. SALTONSTALL. Mr. President, that is the reason why the Senator from Massachusetts first interested himself in this program—the desire to eliminate and gradually do away with the dollar gap that will still be substantial after the ECA aid is terminated.

The Senator knows that there are a substantial number of business organizations and other types of organizations, such as foreign trade organizations, which are interested in this proposal. I hesitate to put their names in the RECORD because some of them have qualified their approval in one way or another. One of the two organizations which are against it, and the only two that are on record against it, is one of which Mr. Paul Robeson is the president, and it seems to me perfectly obvious why he should be opposing it. That is simply an indication of what he or his organization feels this proposal may be able to accomplish.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. MILLIKIN. Mr. President, I yield 15 minutes to the junior Senator from Nebraska [Mr. WHERRY].

The PRESIDING OFFICER. The junior Senator from Nebraska is recognized for 15 minutes.

Mr. WHERRY. Mr. President, as other Members of the Senate have shown on the floor of the Senate in the past few days, the ECA conference report we are being asked to accept is not the bill which was passed by the Senate on May 5. I am speaking today as the junior Senator from Nebraska to call attention to some of the arguments and observations I made during the discussion of the ECA authorization. As one who voted against the authorization, I feel that it is quite proper for me to point out some of the deviations, some of the newly included matter, and also to express an earnest desire that the Senate may vote against accepting the conference report and may recommit it to the conference committee, to the end that point 4 may be either greatly or entirely stricken from conference reports on the ECA bill.

To say that the conference report bill is a compromise seems to me to be an exaggeration. No one appreciates more than does the junior Senator from Nebraska that compromises must often be made in conferences. That is what conference committees are for, to adjust the differences between the House and the Senate as expressed in the amendments which may be adopted by either House. But, after all, it is the function of the confereees of the Senate to fight for the Senate version of a bill in conference, so that, if possible, the bill as passed by this legislative branch may be finally enacted.

But in the instance of the conference report before us, I submit that it resembles the bill passed by the Senate only as one skeleton might resemble another. It contains a vast amount of superstructure, which I believe the Senate has every right to suspect, to question, and to reject.

Mr. President, I have in my hand a copy of the conference report, marked in blue pencil in those sections that are changed; where important deletions have been made; and where numerous new sections have been added.

Paragraph after paragraph has been changed and page after page added. Approximately one-third of the wording is the same or similar to the bill which was passed by the Senate; the remaining two-thirds consists of wording and proposals upon which the Senate has never acted, either in committee or upon the floor—and much that the Senate has never heard of before.

I am not sure but that a point of order against the conference report, because of the new matter contained in the report, would be sustained.

For example, it contains a complete change of the so-called point 4 proposition—which in the Senate legislation was an amendment presented by the chairman of the Foreign Relations Committee—and even with its very limited provisions for technical assistance only, passed the Senate by a bare margin of one vote.

That vote alone certainly indicates that the Senate had very definite doubts about accepting a technical-assistance program at all.

The Senate certainly had no idea of expanding technical assistance to include the sponsoring of capital investment, which the State Department has had in mind all along, a global WPA, a boondoggle that will be administered by the State Department, not the ECA Administrator, and has never belonged in the ECA-Marshall Plan Extension Act at all. At least, that is my feeling about it.

I wish to point out that the capital-investment feature contained in the point 4 program is entirely new. It goes beyond what we have ever intended to do in the United States Senate. It provides for credits and guaranties. I believe it will do what the distinguished Senator from Massachusetts, under his interpretation of the measure, said would be done, which is to provide assistance throughout the world. Perhaps it is a good way in which to establish friendship and good feeling throughout the world. If so, we are already establishing a great deal of it. I am not so sure, however, that good will can be bought, either in the United States or abroad. It seems to me that anything we do should be done on a sound basis. I repeat, it was not the intention of the Senate to attempt a world-wide capital-investment program. All the Senate ever intended to do was to give technical assistance where such technical assistance could be provided without further obligation.

Rejection of the broader aspects of the point 4 proposals has been most clearly brought out in the hearings on point 4 before the Senate Foreign Relations Committee.

Mr. Acheson and Mr. Thorp, his Assistant Secretary for Economic Affairs, tried manfully to inject into the Senate committee's consideration the broader proposals—those contained in the House version which are now in the conference report—which, as has been so amusingly discussed on the floor of the Senate in the past several days, proposes some vague creation of a favorable climatic condition for the further investment of American dollars in far-flung projects in every corner of the world.

Obviously, if American dollars have not ventured already into those areas, it was because of the hazard and the expense of such projects which it is now proposed the United States Government sponsor in one way or another. If heretofore such investments were good, why were they not made? Why is it now necessary to make investments with what can be called venture capital or risk capital?

There are a few quotations from the Foreign Relations Committee hearings on the so-called point 4 proposals, which clearly demonstrate the doubt and the rejection of the broader proposals by committee members. Even the hearings on that feature were far from being adequate.

On page 18 of the hearings on March 3, 1950, Secretary Acheson stated:

> What this bill deals with (referring to the point 4 amendment to S. 3304) is the skills and techniques. It hopes that, having created that knowledge—it deals purely with knowledge—in these underdeveloped areas; then the private investors, the entrepreneurs, the investors, the managerial skill, and all that, will follow.

Mr. President, had I been there I would have asked the Secretary what he meant by "all that." That is where the new proposal comes in.

The junior Senator from Massachusetts replied to the Secretary in these words:

> You know, there is a great deal of misapprehension about this whole subject. You, in part, with these great big global phrases, contribute to it. I think if we could pinpoint these things and get into sharp focus exactly what you mean, and not have these big global titles, it would be much easier to get it accepted.

A little further along in the hearings, the doubts of the chairman of the Senate Foreign Relations Committee are expressed in these words:

> The CHAIRMAN. A good many people are apprehensive of this program, that while we are only appropriating $35,000,000 at the beginning, it is just sort of getting a foot in the door, and the expenses of this thing will grow from year to year, and just as Secretary Thorp mentioned a while ago there, they will come up with a project, some country will say, "Oh, now you have sent these experts over here, and they have smelled around and we have a big project for $100,000,000 and we want you to carry out your promises now and give us the $100,000,000."

That is exactly how projects are started. Recommendations are made, surveys are provided for, then authorizations are made, after which the projects themselves are begun and from time to time enlarged. It all begins with surveys only. A few hundred thousand dollars may be provided, but a project may finally turn out to be, as the chairman of the Committee on Foreign Relations suggested, a $100,000,000 project.

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

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. WHERRY. I yield.

Mr. MILLIKIN. Is there any sense in the conference report at all unless it leads to projects?

Mr. WHERRY. That is what it will lead to. It is the beginning of projects. The way the foot is placed in the door so that Congress may be induced to furnish money to carry on projects.

Mr. MILLIKIN. If the conference report is not related to projects then we can get along with a simple extension of the Smith-Mundt Act, can we not?

Mr. WHERRY. There can be no doubt about that. I shall come to that point further on in my remarks. I agree entirely with the Senator's statement. I shall place in the RECORD a quotation which the Senator from Colorado has probably already read into the RECORD. I do not know whether he did or not, because I did not hear all his address.

Here we find the chairman of the Foreign Relations Committee himself making a statement which anticipated what others are now saying.

After Secretary Acheson denied that point 4 was a "big money" proposal, the chairman remarked again:

> The CHAIRMAN. Of course, that is your purpose now, and that is your objective now, but as time goes on I can feel the pressure already coming in through the windows there on us to do this, and do that, and do the other.

Mr. President, it is not necessary for the junior Senator from Nebraska to proceed further along that line, because the Senator from Colorado in his speech previously made the point I am now making with respect to the authorization bill. One of the reasons I opposed the authorization was because it contained the provision relating to the point 4 program. Once the foot is in the door commitments will be made, surveys will be made, and then the advocates of the point 4 program can come to Congress and say, "You must authorize the money necessary for thus and so to be done." Then money will be appropriated and projects will be carried out. We will then throughout the world witness the same kind of thing we often see in the United States—the United States engaged in carrying out projects resulting from appropriations, resulting from authorizations, resulting from recommendations and surveys. Projects which began as insignificant projects, as the chairman of the Foreign Relations Committee suggested in the statement from which I just read, develop and spread till they may involve as much as a hundred million dollars. No more forthright and stronger illustration of what may happen could have been presented than that statement by the chairman of the Committee on Foreign Relations.

Mr. President, I could go on to quote other passages from the hearings that show a complete rejection of anything about point 4, beyond very limited "technical assistance," and it was stated over and over again that such proposals should be considered in separate legislation and not in the ECA bill.

Mr. President, I concur in those views.

The outcome of the Senate Foreign Relations Committee hearings on point 4 was the amendment of the Senator from Texas [Mr. CONNALLY] to the Senate bill 3304, known as title V, which has been changed, weakened, and a whole new premise developed in the conference report we are considering.

Mr. President, I find it difficult to read or to understand the gobbledygook which has been added to the conference report, with respect to the so-called point 4 program or in other respects. I do not think my abilities of perception are any more or less keen than those of any other Members of the Senate who have studied the conference report.

The complete title IV of the conference report, which was title V, in part, of the Senate bill, contains expansion and enlargement of the very proposals which the Senate explicitly limited. It contains commitments which I do not understand, and, from what I have heard of the presentations on the conference report, other Members of the Senate do not understand either.

For instance, I shall read from the new title IV, section 402 (c), on page 8 of the conference report. I suppose the distinguished Senator from Colorado read it in the course of his speech, but let me read it now:

(c) Technical assistance and capital investment can make maximum contribution to economic development only where there is understanding of the mutual advantages of such assistance and investment and where there is confidence of fair and reasonable treatment and due respect for the legitimate interests of the peoples of the countries to which the assistance is given and in which the investment is made and of the countries from which the assistance and investments are derived. In the case of investment this involves confidence on the part of the people of the underdeveloped areas that investors will conserve as well as develop local resources, will bear a fair share of local taxes and observe local laws, and will provide adequate wages and working conditions for local labor. It involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation; that they will be given reasonable opportunity to remit their earnings and withdraw their capital; that they will have reasonable freedom to manage, operate, and control their enterprises; that they will enjoy security in the protection of their persons and property, including industrial and intellectual property, and nondiscriminatory treatment in taxation and in the conduct of their business affairs.

Now I read from the following paragraph, section 403 (a):

SEC. 403. (a) It is declared to be the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity, and expanding purchasing power.

Mr. President, I think that covers "everything in the book." I do not see how anyone could even attempt to deny that this conference report goes away beyond technical assistance. It goes clear through to where we invite the authorization of these projects. It will take years and years to complete them, and they will take billions of dollars of taxpayers' money, and it will be spent in backward areas where today venture capital has refused to go because of the risks involved.

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

Mr. WHERRY. I yield, although, of course, I have only 15 minutes altogether.

The PRESIDING OFFICER. The Chair must advise the Senator from Nebraska that the Chair is informed by the Parliamentarian that the Senator from Nebraska has less than 1 minute of his time remaining.

Mr. WHERRY. I thank the Chair for giving me that information. Nevertheless I am glad to yield to the Senator from Washington.

Mr. CAIN. I thank the Senator.

Will the Senator advise me whether the point 4 program, as covered in the conference report, is identical with the point 4 program as designed and approved by the House, or is it in fact a combination of the point 4 programs of the House and the Senate?

Mr. WHERRY. I did not go into every detail of the House proposal; but my comparison and analysis lead me to believe that the conference report adopts the House version, so far the enlarged scope of the point 4 program is concerned.

I should like to ask the distinguished Senator from Colorado as to that.

Mr. CAIN. I think the answer will be of interest to others of our colleagues.

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

Mr. WHERRY. I yield.

Mr. MILLIKIN. I may be incorrect by one or two lines in what I am about to say; but my present recollection is that the conferees adopted 401, as I recall, of the 417 lines of the House bill.

Mr. CAIN. I should like to ask another question, if I may.

Mr. WHERRY. I yield.

Mr. CAIN. In other words, the conference committee has adopted what the Senate concretely and completely disagreed to, during the consideration of this measure in the Senate, as shown by the record of the debates in the Senate on that question. Is that correct?

Mr. MILLIKIN. That is entirely correct.

Mr. WHERRY. Mr. President, I pointed that out at the beginning of my remarks.

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

Mr. WHERRY. Mr. President, will the Senator from Colorado yield me further time?

Mr. MILLIKIN. Mr. President, I yield 2 minutes more to the Senator from Nebraska.

Mr. WHERRY. I thank the Senator.

Mr. President, it has been my impression that the conference report contains about one-third of the Senate version and about two-thirds of the House version of the entire ECA legislation. The Senator from Washington asked me whether the conference report contains the exact language of the House version of the point 4 program. I believed there were a few differences; but now my understanding is that the House version and the conference report are practically identical, so far as point 4 is concerned.

Mr. President, I do not need to take up the time of the Senate to tell, in any more detail, what I think of both the "technical assistance" program and the broader aspects of the point 4 global WPA.

Anyone who is interested can read the authentic figures from my remarks in the RECORD on May 4, which show how much money the American taxpayer has tossed down the rathole in every nation under the sun—not just in the ECA western European countries but in South America, eastern Europe, Africa, Asia, the Far East, and the Near East—to the tune of $58,000,000,000 in the past 10 years alone, exclusive of lend-lease during the war years, much of which was in the nature of relief.

If lend-lease were added, although not one dime of lend-lease funds is added to these figures, but if it were, it would bring the total of our foreign aid to the staggering sum of $104,000,000,000 in the past 10 years, exclusive of ECA.

We have programs of technical assistance already in progress in practically every country in the world, already authorized by legislation.

So, Mr. President, what does the new technical-assistance program protend at this particular time? I am talking only about the technical assistance. That is one of the reasons why I previously objected to the authorization. However, the program now proposed goes away beyond that one, and now it is proposed that we accept this expanded program without giving careful study to it at all. That is admitted in the hearings of the Foreign Relations Committee and it is admitted by those who are presenting this legislative proposal. A careful study has not been made of the point 4 program in its broader aspects.

Mr. President, I have brought out on the floor of the Senate most of the colloquy which occurred between the chairman of the committee and the chief witness, Mr. Acheson, on those points.

Mr. President, what will come of "establishing economic development of underdeveloped areas for the first time as a national policy," as Secretary Acheson said before the Senate Foreign Relations Committee?

Why have the safeguards and amendments added on the floor of the Senate, with the hope of protecting the American taxpayer from any expansion of the so-called technical-assistance idea, been removed from the conference report?

I refer to the amendment introduced by my esteemed friend the junior Senator from Georgia [Mr. RUSSELL], which has been eliminated from the conference report.

The Russell amendment specifically stated that the technical assistance offered under title V of the Senate bill did not obligate the Government to make loans or grants for the execution or construction of any project or for the completion of any program devised under this title.

Why, Mr. President, was the time limitation in the Senate bill, setting June 30, 1955, as the end of the technical-assistance program, eliminated from the conference report?

Mr. President, I think our world planners and world "do-gooders" have shown their cloven hoof a little too soon.

Not satisfied with the small amount which was passed grudgingly by means of the Senate bill, they are trying to cram the whole hog down our throats—under the very transparent covering of meaningless words and unqualified statements.

We shall be accessories after the fact if we do not scan every work and every commitment we make in any ECA legislation. We will be failing in our duty if we do not recommit a conference report that does not reflect the purposes and

intentions approved by the Senate Foreign Relations Committee and passed by the United States Senate.

Mr. President, as an example of how little we know about the intents and purposes of the ECA legislation, and how real purposes may be covered up, not brought to light, I have before me a memorandum which was furnished my office by the Senate Foreign Relations Committee. It was furnished in answer to a question regarding a sum of $85,000,000, noted, not in the bill as reported to the Senate, but only in a brief breakdown of how the ECA funds are proposed to be used, as shown in the committee report, No. 1371.

The report refers to the $85,000,000 as a special fund—part of the blank check for the Administrator. For, in truth, we have no real check upon the expenditures by ECA, beyond that Mr. Hoffman chooses to give us.

In one brief paragraph on page 9 and two equally brief paragraphs on page 11, the report states that the special fund of $85,000,000 is to be reserved for thermal and hydroelectric power projects between the ECA countries and for the development of projects in overseas territories of the ERP countries.

Guess where these overseas projects are to be located?

Mr. President, a list of the proposed projects was handed to me with a notation that it was given in executive session in the Senate Foreign Relations Committee, and was not to be made public, since the projects are still under detailed negotiation with the countries concerned.

Since when, Mr. President, should we keep secret projects in ECA countries—which are for their improvement, it is presumed—and for which 85,000,000 American dollars are to be spent. In other words, must we still move in the dark because we are negotiating with foreign nations, to give them some more money?

Mr. President, I submit for the RECORD a heretofore unpublished list of the proposed projects for which a special, earmarked fund of $85,000,000 out of the ECA appropriation is proposed to be spent. Let me read some of the items appearing on the list:

Jamaica irrigation project	$175,000
Mauritius food development project	38,880
Gold Coast road development project	301,200
Cyprus agricultural project	100,550
Northern Rhodesia road project	695,700
North Borneo road project	449,000
British Honduras road project	288,400

That is marked "confidential."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WHERRY. May I have a few minutes more?

Mr. MILLIKIN. I yield to the Senator from Nebraska 15 minutes more.

Mr. WHERRY. Mr. President, I ask unanimous consent that all these projects which are supposed to be surveyed and started under ECA appropriations of the $85,000,000 special fund be inserted in the RECORD at this point in my remarks.

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

ECA overseas development projects approved or under active consideration as of May 1, 1950, out of the special fund

UNITED KINGDOM

	Estimated cost (tentative)
Jamaica irrigation project	$175,000
Mauritius food development project	38,880
Gold Coast road development project	301,200
Cyprus agricultural project	100,550
Northern Rhodesia road project	695,700
North Borneo road project	449,000
British Honduras road project	288,400
Sarawak road project	75,002
Uganda food production project	24,300
Tanganyika mechanical cultivation of rice project	176,660
Tanganyika cotton and food development project	324,610
Tanganyika soil conservation project	38,930
Tanganyika water development project	336,840
Tanganyika road development project	546,000
Uganda cottonseed project	12,000
Uganda road project (new)	64,000
Nigeria road project	160,000
Total	3,807,072

FRANCE

French West Africa road development project	1,245,000
Conakry iron ore project	1,743,000
Algeria soil erosion project	525,000
Morocco rice cultivation project	267,000
Cameroons road development project	71,300
French equatorial Africa road project	97,632
Total	3,948,932

BELGIUM

Belgian Congo soil conservation project	1,000,000
Navigation aids on Belgian Congo project	650,000–3,000,000
Belgian Congo road projct	1,698,000
Total	3,348,000–5,698,000

NETHERLANDS

Surinam land reclamation project	1,200,000
Surinam land reclamation project	800,000
Total	2,000,000

Mr. WHERRY. Mr. President, I specifically call the attention of Members of the Senate to the fact that this is an unpublished report, that this is the first time to my knowledge we have ever known what the fund of $85,000,000 is for. If we can go all over the world building road projects and irrigation projects and power projects, we can start the projects here contemplated in the conference report; and so I ask the distinguished Senator from Colorado, if we start them, will we not be called upon to finish the projects?

I think every Senator before voting on this measure ought to contact the Economic Cooperation Administration to find out all he can about this $85,000,000, not merely the $35,000,000, asked in the point 4 authorization, which, as the distinguished Senator from Texas has already pointed out in his report, represents merely getting the foot in the door. This is to survey these projects. But, once they are authorized—and they will be authorized if we keep faith with these countries that we are inviting to take this money—then we will not only have to build them year after year, but we will have to complete the projects.

Mr. President, I ask that the remainder of my remarks, consisting of but a page and a half, be included in the RECORD at this point, since the time allotted me by the distinguished Senator from Colorado has been completely used up.

Mr. MILLIKIN. Mr. President, I am glad to yield further time to the Senator from Nebraska for the purpose of concluding his remarks.

Mr. WHERRY. I thank the Senator from Colorado.

I should like also to place in the RECORD a memorandum I received from the Senate Foreign Relations Committee staff telling about the purposes of these projects, why they are planned, what they expect to do with them. I think the Members of the Senate should have had this knowledge before they ever authorized ECA legislation, because I believe Senators ought to know the extent of what we are going to do when we start out on this project.

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

ECA COUNTRY FUNDS TO BE RESERVED FOR OVERSEAS DEVELOPMENT

The ECA expects during the forthcoming year to withhold $45,000,000 from country-aid funds. The purpose in withholding these dollars temporarily is to encourage participating countries to plan developments in their overseas territories which will make it easier for them (1) to produce and sell commodities that will relieve their need for dollars, and (2) to produce and sell commodities which are in demand in hard-currency areas, thus decreasing their need for American aid.

The dollar aid is not to cover the full cost of such projects, but only that part of the cost which must be paid for in dollars. For example, if a road-building project is approved because it would make tropical products from the interior of Africa available at the seacoast where they could be shipped to the United States, the ECA might provide the dollars necessary to purchase specialized road-building equipment available only in the United States. It would not provide funds for paying local labor or purchasing local materials.

On the basis of requests for this type of assistance thus far received, it looks as though the ECA will need to finance only about 10 percent of the total cost of such projects. For example, in one list of projects received from the United Kingdom, the dollar costs were estimated at $7,500,000 and additional sterling costs at about $76,000,000. On this basis, the ECA's proposed contribution of $45,000,000 during next year would be the key component of some $450,000,000 of developments in overseas territories—developments that will be approved only if they give promise of dollar earnings or savings.

The ECA believes that by the time ECA aid ends in 1952 the ability of the participating countries to make their own way will be

greatly facilitated if they have resources within their own territories on which the participating countries can draw and if they have an enlarged market in the overseas territories for their industrial products.

During the current fiscal year the ECA has set aside about $20,000,000 for such projects. There is attached a list of projects which have been approved or are now under active consideration; it is likely that most of them will be approved before the end of the current fiscal year. During the last 2 months a notable acceleration in the finalization of requests to the ECA has taken place. The $45,000,000 which it is expected will be set aside for overseas developments during next year will undoubtedly be similar to the list which is attached.

The ECA has asked that the information contained in the attachment not be made public since the projects are still under detailed negotiation with the countries concerned.

Mr. WHERRY. It will be remembered, Mr. President, that we have been told that the point 4 program was necessary for technical assistance to those countries which are not included in the ECA plan. I think that statement is ridiculous.

As I have shown the Senate, inside and outside of ECA funds, we are already giving help to every country in the world, or to almost all the countries of the world, in the way of technical assistance. There is no need for this authorization.

And not only ECA counterpart funds, to the extent of over $5,000,000,000, are being used for every manner of rehabilitation and expansion in the 16 ECA countries and their overseas territories—but, as the list above shows, the ECA proposes to make direct payments—not matched-fund payments—as is often done, but we are going to make direct payments for the development of what are certainly point 4 projects in colonies and dependencies of ECA countries throughout the world.

Mr. President, I for one do not have the unqualified confidence in the administration of such fantastic programs as ECA and the added State Department world-betterment proposals—by one man—and the continuing tendency to write a blank check for an administrator.

During the war years we were forced to depend upon administration by men instead of by law, and we have seen the authorities of the legislative branch of our Government weakened and debased.

We do not have to do that today. In the national financial situation in which we find ourselves, it is national irresponsibility and suicide to do so.

There is certainly no compulsion upon us to continue in this very weak and vacillating habit of saying, "Oh, the Administrator—or whoever it is—is an honorable man. We can have complete confidence that he will administer our laws, according to the very vague wording of this conference report, for example.

Mr. President, Brutus was an honorable man, too, as Mark Antony remarked over the grave of Caesar. No doubt Brutus thought he was justified in murdering Caesar.

Mr. President, even if other Members of the Senate cannot view with such doubt and suspicion, as I do, the present conference report—from a coldly analytical view, it cannot be accepted as the legislation that passed the Senate, either specifically or as being in accord with the intention of the Senate.

I urge the Senate to refuse to accept the conference report, and to make every effort possible, if it is recommitted to conference, to take out of the bill the point 4 program with the broad and general provisions now contained in the conference report.

Mr. CONNALLY. Mr. President, I yield to the Senator from California [Mr. KNOWLAND] such time as he may require.

Mr. KNOWLAND. I thank the Senator from Texas.

Mr. President, I do not intend to take much of the time of the Senate today in discussing this bill. I intend to vote to agree to the conference report, not that I do not completely understand that the language of the point 4 amendment may not be precisely as some of us in the Senate would like to have it. I believe, however, as I pointed out in some of my questions to the Senator from Colorado earlier in the day, that the Congress of the United States still has control of the situation, through the control of the purse strings. I, for one, am not willing to admit that the passage of this authorization bill, or any other authorization bill, gives a blank check to any governmental agency, be it the State Department or any domestic agency, or to any foreign country to fill in the amount. I still believe that the Congress has full control over the situation.

Mr. President, I think the ECA program has been a constructive program. I believe that the world situation is in a critical state at the present time. As one Member of the Senate I have had great confidence in the administrative ability of Mr. Paul Hoffman. When the program was inaugurated, it was with the general point of view that it would be continued for a period of 5 years. During the period the ECA program has been in operation under the administration of Mr. Hoffman the amount of the authorizations and the amount of the expenditures have decreased approximately $1,000,000,000 each year. To be sure, this cannot be said to be an economy in the full sense of the word, because it was generally understood that the program would be a tapering-off program.

Nevertheless, Mr. President, I believe that the administration of the act has been good. I believe that the act has carried out the general intent of the Congress of the United States. I believe it has tended to stabilize conditions in Europe. I believe that it has helped to bring the productivity in Europe up to a point where actually it is greater in a number of instances than it was in the prewar period.

Mr. President, if I felt that point 4 were a vital matter, I should not hesitate to vote against the conference report and send it back to conference.

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

Mr. KNOWLAND. I yield to the Senator from Ohio.

Mr. TAFT. With respect to the question of the management of ECA, the Senator will remember with what care the distinguished Senator from Michigan and others insisted that when the ECA was set up it should be under a businessman, be operated on business principles, and not be under the Department of State. There now comes along a program which is simply turned over to the President, to be administered by the Department of State, which will run it the way it runs all our other affairs throughout the world, with very little regard to business principles or the welfare of American business. Does it not concern the Senator that we should now abandon the policy undertaken in the ECA in connection with foreign economic matters, and turn the whole business back to the Department of State?

Mr. KNOWLAND. As I tried to point out, I may say to the Senator from Ohio, at the beginning of my brief remarks, I am fully appreciative of the reasons why the Senator from Ohio and other Senators are opposing the conference report. I think there is a great deal of merit in the contention they have made. In my opinion, the administration would have been better advised, had the language of the bill as it passed the Senate been more nearly followed. As a matter of fact, the Senator from Ohio will recall that on the floor of the Senate I supported the amendment which was offered by the Senator from Colorado [Mr. MILLIKIN] and the Senator from Massachusetts [Mr. SALTONSTALL], because I felt at that time the administration would have been better advised to have a thorough study made of this whole situation. Nevertheless, Mr. President, I cannot feel that there is necessity for sending the entire report back to conference, with some of the implications that will go out to the world by such action, based on the point 4 program alone.

As the Senator from Texas has pointed out, the amount of the authorization is definitely limited. I firmly believe the Congress has control, even within the narrow limits and scope of the authorization itself. We have control through the Appropriations Committees of the Senate and the House of Representatives, and through floor action in each House of Congress.

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

Mr. KNOWLAND. I yield.

Mr. CONNALLY. Is it not a fact that however broad the authorization may be, when the Committee on Appropriations comes to consider it, it can limit it, delimit it, trim it, and cut it down within the narrow compass that is allowed?

Mr. KNOWLAND. I agree with the Senator, and I say that I am not so naive as to ignore the fact that there are times when the Appropriations Committee may feel that, Congress having authorized something, the committee would at least be required to give close attention to the recommendations. Nevertheless, I do not believe that the committee's hands are tied. I do not believe that the Congress of the United States should

abdicate its responsibility in connection with the control of the Nation's purse strings. I think if we are so weak that we feel the necessity of abdicating in that field, we shall have abdicated our responsibilities as a Congress of the United States and as representatives of the people. I, for one, have no intention of so abdicating.

Mr. CONNALLY. I thoroughly agree with the statement of the Senator from California. I think, very definitely, that if an authorization requires that the Appropriations Committee make an appropriation, there is no sense in having an Appropriations Committee. We could have an authorization, and let it go at that.

Mr. KNOWLAND. As the able Senator from Texas knows, there are actually on the statute books authorizations on public works amounting to several billion dollars which, in some cases, have been there for 5 or 10 years. But the fact that there has been an authorization has not been an automatic requirement on the Appropriations Committee to appropriate up to the full amount of the authorization.

Mr. CONNALLY. I thoroughly agree with the Senator. The reason for the creation of the Appropriations Committee was that even after the authorization is made we want the wisdom, the experience, and the judgment of the members of that committee that the appropriations should be made. Otherwise, there is no sense in having an Appropriations Committee. I have great respect for the Appropriations Committee. I think it is a great committee. I think it brings to the consideration of its problems intelligence, patriotism, and good judgment. I am glad that two hurdles must be surmounted before money can be taken out of the Treasury. I am glad that appropriations must first be authorized and, after that, must be screened in the Appropriations Committee. I shall never vote to delimit the authority of the Appropriations Committee or make it into a rubber-stamp committee which means nothing. Never shall I so vote.

Mr. KNOWLAND. I say to the Senator from Texas that this morning, as a matter of fact, the Appropriations Committee met with Mr. Paul Hoffman, of the ECA. I have no doubt the committee is going very thoroughly into the question, and, despite the fact that the able Administrator may have quite fully in his testimony before the Foreign Relations Committee of the Senate indicated what he believed should be the amount of money necessary to carry on the program over an additional year, the Appropriations Committee, of its own volition, is going to scrutinize very closely the request for funds and will perhaps make some material adjustments in the authorization bill which is before the Senate.

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

Mr. KNOWLAND. I yield.

Mr. TAFT. The Senator certainly realizes that the Appropriations Committee has been told over and over again, when it did not want to appropriate any money for a certain purpose, "But Congress has declared the policy. You cannot dispute that policy. You can dispute the amount, but you cannot dispute the policy." I have heard that argument very often.

Of course, the committee has a most important function, but the fact that Congress states the purpose of the authorization, the purpose of the declaration of policy, is to say to the Appropriations Committee, "This is the policy of the Government and you have got to follow it." When an authorized project comes before the Appropriations Committee, the committee is practically morally bound to support it because Congress has declared the policy. That is the very purpose of authorization bills. The Appropriations Committee has a right such as Senator has stated, but surely the Senator must recognize that to a large extent the hands of the committee are tied. It cannot dispute a policy declared by Congress.

Mr. KNOWLAND. I would not dispute the statement of the Senator from Ohio that authorization bills do establish policies and principles, but I do not believe they are binding, as the Senator himself points out, upon the Appropriations Committee. There is a degree of control which still exists and which I think should remain. In the meantime, the Congress of the United States, as to some future piece of legislation, either as an amendment or otherwise, would be in position to limit the scope of point 4 even to a greater extent than it has been limited. So the hands of Congress are not necessarily tied legislativewise. The point about which I am concerned is that many people in other nations of the world may place an improper construction upon the rejection of this conference report. For instance, in Berlin at this time a crisis may be developing. Pressures are being put on in other areas. Throughout the world today, if word goes out that the Senate of the United States has sent back to the conference committee the ECA authorization bill, implications may be put upon it which are not desirable at this time.

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

Mr. KNOWLAND. I yield.

Mr. TAFT. Is not the Senator affirming what the Senator from Colorado and I have said, that once we undertake a foreign obligation our hands are practically tied and we have to carry it out? That is exactly my objection to assuming a brand-new obligation. I am not referring to the ECA obligation. The defeat of this particular conference report is no reflection on ECA. No Senator would say that it is a reflection on ECA, and no reputable newspaper reporter would say so. They might say it is a refusal to go ahead with point 4. That is the only possibility. The administration is not going to lie down because the report has been sent back to conference. Certainly the conferees will report a bill, and, I hope, one in better shape than is this one. But no one can say we are repudiating ECA. Yet, the Senator from California says that because of foreign implications we must go ahead with it.

Mr. KNOWLAND. I do not say that is the only reason; I say that is one of the factors in the situation which the Senate should consider.

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

Mr. KNOWLAND. I yield.

Mr. CONNALLY. The Senator from Ohio says this is not a fight against ECA. We cannot merely send back to conference point 4; we have got to send all of it back, or none of it. So it is, in that respect, a fight against ECA.

The Senator says it declares a policy of the United States. If a policy does not get any money out of the Treasury, it does not go very far as a policy. It is a mere declaration. It cannot get any money out of the Treasury until the Appropriations Committee recommends the money necessary for the purpose.

Mr. KNOWLAND. I will say to the Senator from Texas that is why I was anxious earlier in the debate in propounding the question to the Senator from Colorado, to say that I felt that many of us who will vote for the conference report want to serve notice on the State Department that in dealing with foreign countries, who may not be familiar with the American congressional procedure, they should make it very clear to them that until the Congress of the United States has acted on the appropriations there is not such a blank-check arrangement as the Senator from Colorado has been fearful might develop, by reason of which they would feel they had been more or less betrayed if the money were not forthcoming. I think every American negotiator and every person who is selected by the State Department to go to any foreign country should make it perfectly clear that final implementation depends upon the action of the American Congress. So far as I can make a contribution toward that end, I want this legislative history to be clear in that regard.

Mr. CONNALLY. I thoroughly agree with what the Senator from California has said. Foreign countries in dealing with us ought to know that a treaty is not a treaty until it is ratified by the Senate. They ought to know that any promises about appropriations are subject not only to authorization but to appropriation.

The Senator from Ohio also said that we should not assume any other obligations. We are not assuming any other obligations, except to the limit set forth in this bill. The limit is $35,000,000. Even that is subject to veto by the Committee on Appropriations when the appropriation comes before the committee. There are no obligations except those which are specifically set forth in the legislation, and they are subject to O. K. by the Committee on Appropriations. I thank the Senator from California very much. He has contributed to the debate and to the information of some very stubborn opponents.

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

Mr. KNOWLAND. I yield.

Mr. MILLIKIN. During the course of the hearings before the Senate Committee on Foreign Relations the following question was asked. What I am about

to read bears on the pressures we discussed a short time ago under which the Committee on Appropriations finds itself. The distinguished chairman of the Committee on Appropriations asked Ambassador Jessup the following question:

Isn't there the danger of a let-down, too, if we do not go over there and spend a lot of money on projects? They will say, "The United States told us all about sending these experts and they are going to revive and reestablish our economy and all that." When we do not do that won't they say, "Well, now, there you are?"

Mr. KNOWLAND. I think it is a very pertinent question to be asked by either the Senator from Texas, the chairman of the committee, or anyone else. I think that is what we have been discussing here today. This thing ought to be clear, so that no one will get any misconception of what this action entails.

Mr. MILLIKIN. I wonder if the Senator is familiar with the following comment by the distinguished chairman of the Committee on Foreign Relations at the hearing held by it:

A good many people are apprehensive of this program, that while we are only appropriating $35,000,000 at the beginning, it is just getting a foot in the door and the expenses of this thing will go from year to year, and just as Secretary Thorp mentioned a while ago there, they will come up with a project, some country will say "Oh, now you have sent these experts over here and they have smelled around, we have a big project for $100,000,000 and we want you to carry out your promises now and give us the $100,000,000."

Mr. KNOWLAND. I do not quite agree with the Senator on that point. It seems to me that, in view of the tremendous technical advance we have had in the United States, we can make available some technical assistance to other countries, and thereby increase the living standards of their people, without ourselves financing the developments which might be undertaken.

Personally, and speaking only as an individual Senator, I hope that we can get away as soon as we can from the government-to-government relationship. I do not think that ultimately it is good for other nations, and I do not think it is good for us. Therefore, if we can open up the field of investment for private capital in the other countries, and develop power projects, agricultural projects, and so forth, which would raise the living standards of the people, and do that with private capital, I think that would be far better than doing it on a government-to-government basis.

The able Senator from Colorado, who comes from the West, as I do, will recall, if not personally, at least in history, how even this country was developed by the sending of private capital from Great Britain and other nations to build our railroads and some of our great industries. They probably would not have done so if it had not been that we had established a system of law and order and were cognizant of the importance of protecting both life and property. Otherwise, there would not have existed a favorable atmosphere for private investment.

It seems to me that in this regard, certainly without underwriting the profits or without guaranteeing profits, which I do not read into this bill, we can nevertheless create an atmosphere of encouragement for the investment of private capital. I think that is advantageous and, speaking as one Senator, I should like to see us enter upon that field and get away from the government-to-government basis, which I think ultimately would lead to socialism if continued over an extended period of time.

Mr. MILLIKIN. Will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MILLIKIN. It is impossible to put foreign venture capital into foreign countries which are socialistic or semisocialistic without going through their governments. All the people who are conducting business enterprises in such countries have to go through their central banks and control agencies if they want to do any business at all. That is one of the great difficulties.

Mr. KNOWLAND. I think it is one of the great difficulties.

Mr. MILLIKIN. I agree with the distinguished Senator that we must get away from dealings between governments because if there is a default, a political question arises, which can be sloughed off and dealt away in other negotiations but without making a collection, which is an essential part of a private deal.

Mr. KNOWLAND. One of the great difficulties with capitalism in Europe is that it bears very little resemblance to American free-enterprise capitalism. It has not for a long period of years, if ever. They have had their cartels. They do not like competition. They do not want competition. They control prices and limit competition. As a result, it is my personal judgment that the European style of capitalism has built the gallows for its own execution. If they are to survive and get out from under the control of government, Socialist or Communist, or other similar type of control, what they need to do is to take a leaf from American free enterprise and encourage a competitive situation. Instead of having profits held in the hands of a few, they should be distributed in better wages and in a more widely held portfolio of investments in the hands of the people, as is the case in the United States. Unless they get away from cartel systems, their so-called capitalism will not survive in Europe.

Mr. MILLIKIN. With reference to a government-to-government deal, in the case of feudal countries and semifeudal countries which are run by tribal chiefs, or the equivalent of tribal chiefs, when money is sent to the tribal chiefs, they line their pockets with it. They do not distribute the money to the public. I assume these programs are intended for the benefit of the large mass of people.

I am in agreement with everything the Senator has been saying lately. The transporting of skills and money from one country to another may or may not work. It worked in the United States. However, England later poured enormous sums of money and technical skills into India. There is competent opinion which holds that the net result was to injure India rather than to help her, because the resources, the sociological conditions, and the ideologies of India were not fitted for that type of aid. There is a considerable body of opinion which holds that that finally was one of the reasons why India went against Great Britain and insisted upon her freedom. So I do not think we can generalize on these things.

Mr. KNOWLAND. I agree with the Senator that different conditions, of course, require different treatment.

Mr. President, I have taken more time than I had intended to take when the able Senator from Texas yielded to me. But I wish to say that, in viewing the whole situation I have come to the conclusion that, so far as I am concerned, I shall vote for the conference report, again emphasizing that I believe that the Committee on Appropriations, as has been agreed by the chairman of the Committee on Foreign Relations, the Senator from Texas [Mr. CONNALLY], who is handling the conference report on the floor of the Senate, not only has the right, but it has the obligation, carefully to scrutinize any of the programs adopted, and to use its best judgment as to what will be in the interest not only of the program, but in the interest of the United States of America.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. The Senator recalls, does he not, that in the authorization bills for the ECA the first 2 years, we included a ceiling, and that in both Houses, with Mr. Hoffman's full cooperation, as he appeared before the Appropriations Committees, the appropriation was substantially less. I put those figures into the RECORD at the time of the debate on the ECA bill, but I do not have them before me at this time. We seem to have lost track of the policy we have followed in connection with these European-aid appropriations. The amount in this instance is an over-all ceiling of $35,000,000, but I think $10,000,000 should be taken from that, because $10,000,000 is earmarked for the Institute of Inter-American Affairs. So there is really a ceiling of $25,000,000, and when it comes to the committee it can decide to allow $10,000,000, or $5,000,000, or whatever it may choose.

Mr. KNOWLAND. The Senator is correct, and if the committee determines that the over-all necessities of our national obligations, or national economy, requires that there be no appropriations, it is my judgment that the committee, if it is supported by the Congress, would have the right to recommend no appropriations.

Mr. SMITH of New Jersey. That is correct.

Mr. KNOWLAND. I believe the Congress still controls to the *n*th degree the power of appropriating money, and if we ever lose that power, I believe Congress will have abdicated a major part of its responsibility to the Nation.

Mr. SMITH of New Jersey. That is, the power to protect us from the alleged abuses which the distinguished Senator from Colorado and others have pointed out might be perpetrated.

Mr. KNOWLAND. I believe that the able Senator from Colorado and the able Senator from Ohio have performed a great service.

Mr. SMITH of New Jersey. I join in that thought.

Mr. KNOWLAND. I believe they have brought out a point of view which needs to be discussed, at least setting up signals for some of the dangers which do exist in this situation. I say frankly that the language as brought back by the conference committee is not as I personally would have liked to see it written, but it is a part of an over-all situation, and when all the facts are taken together, at least I come to the conclusion that I shall support the conference committee report.

Mr. CONNALLY. Mr. President, I yield to the Senator from New Jersey [Mr. SMITH] such time as he may require.

Mr. SMITH of New Jersey. Mr. President, I intend to address myself in the first instance to replying to questions which have been put to me by a number of persons, and criticisms made of the conference committee and inquiries as to why we permitted certain provisions to get into the conference report.

Mr. President, I wish to say perfectly frankly that when the point 4 proposal first appeared before the Committee on Foreign Relations it was in the form of a bill which had wider implications than the bill which appeared in the House of Representatives. I do not want to speak for anyone else, but I can say with perfect assurance that a number of the committee members felt it was a bill too wide in scope to be considered in connection with the ECA bill.

I took the position, as the Senator from Colorado has pointed out, that I wanted to see the ECA bill, which was a short-term bill, to continue in effect for 1 year, supported by itself, without anything in addition in the way of the so-called point 4 program, because it seemed to me that might be a long-range vision, and that it would be more profitable to consider it in connection with the question, "Where do we go from here?" when the ECA was finished.

It was brought to our attention, however, by the members of the United Nations, that our representatives in the United Nations, including our distinguished former colleague, John Cooper, had been engaged in conversations with regard to technical assistance. John Cooper came to me personally, before he went abroad on his recent trip, and said he hoped I would support what seemed to him to be a limited program of technical assistance which we had undertaken to inaugurate.

I supported that view in the committee, and, as a matter of fact, in the Senate, and we supported it. I voted thorization with a ceiling of $45,000,000. That came back in our report to the Senate, and we supported it. I voted for that figure in the committee, because Mr. Cooper and others who have been working for this object in the United Nations had been working for some sort of formula for the underdeveloped areas. It was not a project for the United States alone, but it was wider than that, and we had had a hand in supporting it in the United Nations picture.

Frankly, I am amazed that the Senator from Ohio and the Senator from Colorado seem to be opposed to any sort of program of that kind. I cannot get over it. It seems to me they are taking a position against the spirit of the United Nations, the purposes and principles of the United Nations, the spirit with which we went into it, with the idea of international cooperation, to try to get an orderly world, and preserve the peace.

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

Mr. SMITH of New Jersey. I yield.

Mr. MILLIKIN. I wish to say again that I have no objection whatever to a limited, simple, technical-assistance program. I am under the impression that I voted for the Smith-Mundt bill, and if the matter came up again, I would again vote for it. I continue to believe that the Smith-Mundt bill, perhaps reinforced with additional appropriations, would have met every objective which the distinguished senior Senator from New Jersey has in his mind.

I object to the mutilation of the concepts that were in the Senate ECA bill, the mutilation having occurred in conference. I object to being confronted with new legislation, legislation not even considered by the Committee on Foreign Relations of the Senate, originating from a conference committee, and especially when that legislation is of the fateful character contemplated by the point 4 program.

Mr. SMITH of New Jersey. I am glad to have the Senator make that statement, because I was quite disturbed to feel he would be opposed to even the technical-assistance program.

Mr. TAFT. Mr. President, I cannot see how the Senator from New Jersey can be astounded, because by a vote of 37 to 36 the Senate refused to strike out the whole provision. So certainly the conferees had every warning that the Senate was not favorable even to the technical-assistance program at this time. It is a vitally important question, because we are now committed to $5,000,000,000 in foreign programs. We have had a vast ECA program, which will not be finished until next year. We are going to be asked to appropriate at least another billion dollars, if not a billion and a half, for arms for various foreign countries. The question is, how can anyone be astounded that one should say that, having undertaken those obligations, this is no time to add a vast third obligation to the entire world. It seems to me the ones who should be astounded are those of us who listen to the Senator advocate the addition of such a foreign program to what we already have.

Mr. SMITH of New Jersey. Of course, those of us who are thinking in terms of this plan for international collaboration, to assist the undeveloped areas of the world, have felt it was one of the means of preventing excessive appropriations for armaments, and that in the long run, unless we move in this direction, there is going to be more and more arming and more and more danger of international wars. Because we have that approach, because we feel that the spirit of the United Nations is involved, and that we should seek to bring nations together and try to help them with their problems we have supported proposals looking to that end.

In the committee I took the position that the extra language contained in the provision was more than was needed. I took the position, with others in the committee—not in the conference, but in the Committee on Foreign Relations—that we should limit the language so as to provide for a technical assistance program, and, as the Senator from Colorado said this morning, I did offer the suggestion that we limit it to the life of the ECA. I felt it was an ECA program, and that it should stop with that program. We gave it a couple of years' leeway for cleaning up. That was the theory on which we worked.

When we entered upon the conference with the House conferees I discovered for the first time that while we in the Senate had been studying the matter for the past year or two, the House of Representatives had also been studying it very seriously on the theory that if it was possible to induce private investors to enter the international investment field it would relieve our taxpayers to that extent, since we were faced with the dilemma of possible economic collapse in various countries, or making further grants to them. Therefore the House Members had worked out a program in which they were very much interested. They had asked some members of the Senate conference committee to collaborate with them. Both Senators from Massachusetts had collaborated with them. The junior Senator from Massachusetts [Mr. LODGE] defended the House provision in the Senate committee before the measure was brought to the floor. The committee did not sustain his view, because, as I have said, it was felt we should restrict the bill to a limited technical assistance program. By the time the bill came to the floor of the Senate we found that this was one of the points on which the House was adamant. The House had gone even further than any of us felt we could go. They added certain further guaranties with which we simply declined to go along.

Finally we got into a discussion as to whether there was not some middle ground; whether the House Members would not be willing to eliminate the guaranties to which all Senate conferees objected, and permit the insertion of language which would contain no guaranty of any kind, and which would contain the so-called Russell amendment. We were deadlocked, as I recall, for 2 days, because we declined to go along with what the House Members demanded, and the House Members were not willing to recede. We had actually come to the point of whether we should report a disagreement; but we decided it was more important to see to it at this time that the ECA program went ahead, and that Mr. Hoffman was given a green light to go on with the commitments he had already made, and which we had authorized him to make, rather

than to hold to our position and stop the whole program.

I studied the House language carefully. We had not done so before. I read every word of it. I think the language is open to the kind of criticism the distinguished Senator from Colorado made of it. It is not my language. It is the language which the House Members had been working over, which they had had their advisers working over, and which they had invited many businessmen to discuss with them, in order to ascertain the kind of legislation which might induce business to interest itself in foreign countries. The result was we came to the conclusion there were no serious dangers in the language, though it was broader than what we would like to have in the bill. We felt it was wiser for us to accept this approach, even though many of us would prefer to postpone the matter for further study, and not to deal with it at all until ECA is coming to an end. We decided, however, to go along with it, with the idea that it might be taken advantage of by some industries, if it was possible for the United States, in dealing with other countries, to work out some form of agreements which would permit American investors to use their funds in this way, with the distinct understanding that there would be no guaranty of any kind or description contained in the bill.

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

Mr. SMITH of New Jersey. I yield.

Mr. MILLIKIN. May I ask the distinguished Senator whether it is true that the bill which the conferees have brought to the Senate contains 401 of the 417 lines of the bill which originally came to the Senate Foreign Relations Committee from the House, which was considered by the Foreign Relations Committee, which was junked by the Foreign Relations Committee, and for which its own substitute was provided?

Mr. SMITH of New Jersey. No. I can say "No."

Mr. MILLIKIN. The Senator says "No"?

Mr. SMITH of New Jersey. Because the bill the Foreign Relations Committee received was a bill submitted by the Department of State. We did have called to our attention the bill as it was passed by the House. We did not deal with it. We dealt with the other legislation in framing our legislation. But after we got into conference, I will admit—and I think that is what the Senator is really referring to—what came back from conference is the number of lines he recites that were in the House version, as distinct from our version.

Mr. MILLIKIN. Yes. The House version was before the Senate Foreign Relations Committee.

Mr. SMITH of New Jersey. In conference.

Mr. MILLIKIN. Was before the Senate Foreign Relations Committee in hearings?

Mr. SMITH of New Jersey. No; I think the Senator is mistaken in that, because we were dealing with our own legislation. I do not think we were dealing with the House bill at all. I think we were dealing with our own legislation.

Mr. MILLIKIN. I think the hearing makes it clear that the House bill was before the committee.

Mr. SMITH of New Jersey. I may be mistaken about that. I do not recall the details. That may be important to the discussion. However, I do not know whether it is.

Mr. MILLIKIN. Am I not correct in this statement that every member of the Senate Foreign Relations Committee participating in that hearing was critical in one way or another of moving a point 4 program of the type we now have before us into the ECA program.

Mr. SMITH of New Jersey. I do not want to misquote any absent Senator——

Mr. MILLIKIN. I am not quoting. I am using general language.

Mr. SMITH of New Jersey. No, it is not entirely correct because, I will say to the Senator from Colorado, we had quite a debate on the subject, inasmuch as the Senator from Massachusetts [Mr. LODGE], one of the members of the committee, was interested in our accepting this approach.

Mr. MILLIKIN. Let me read, if I may, to the Senator from New Jersey what the Senator from Massachusetts [Mr. LODGE] had to say.

Mr. SMITH of New Jersey. I do not think that minutes of the Foreign Relations Committee were kept of that discussion.

Mr. MILLIKIN. I am talking about the public hearings.

Mr. SMITH of New Jersey. I am not talking about the public hearings. I am talking about the executive sessions when we considered what we were to write into the bill.

Mr. MILLIKIN. My question is directed solely to the public hearings of the Foreign Relations Committee on the matter now before us, on the House bill, on any suggestions that the State Department may have made, and finally whatever hearings there were in executive session on the modified bill which came to the Senate from the committee. Does not the Senator recall the criticism of the Senator from Massachusetts [Mr. LODGE] of the bill which was before the Foreign Relations Committee?

Mr. SMITH of New Jersey. We all criticized it.

Mr. MILLIKIN. Yes; that is what I intended to develop.

Mr. SMITH of New Jersey. The Senator from Massachusetts [Mr. LODGE] was in favor of a measure of this sort being incorporated in the bill, containing the investment principle, because he had been in conversation with Representative HERTER, of Massachusetts, and the senior Senator from Massachusetts [Mr. SALTONSTALL], and others who had been working in the House on developing the investment phase of the subject. I speak not of the technical-assistance phase but the investment phase. That is what he wanted to see incorporated in the Senate bill.

Mr. MILLIKIN. Is it not also correct that the Senator from Wisconsin [Mr. WILEY] was critical?

Mr. SMITH of New Jersey. And the senior Senator from New Jersey was critical.

Mr. MILLIKIN. And the senior Senator from New Jersey was critical.

Mr. SMITH of New Jersey. Yes.

Mr. MILLIKIN. And does the Senator say that the Senator from Massachusetts [Mr. LODGE] was not critical?

Mr. SMITH of New Jersey. No; I think the junior Senator from Massachusetts was critical, but he did favor the inclusion of the principle of the House bill and of the legislation set out in the Senate report.

Mr. MILLIKIN. Was not the junior Senator from Massachusetts especially critical of the powers which were granted in the House bill which the committee had under consideration?

Mr. SMITH of New Jersey. I would not want to quote the junior Senator from Massachusetts, of course, in his absence and from memory. Perhaps the Senator from Colorado has something in the RECORD which shows what the junior Senator from Massachusetts said.

Mr. MILLIKIN. And was not the chairman of the committee, the Senator from Texas [Mr. CONNALLY], perhaps more critical than anyone else of the bill that was before the committee in those hearings?

Mr. SMITH of New Jersey. I would not say more critical, but he was critical.

Mr. MILLIKIN. He was quite critical.

Mr. SMITH of New Jersey. There is no doubt about that. I have never questioned that. We were opposed to incorporating that language at this time. I supported the resolution submitted by the distinguished Senator from Colorado [Mr. MILLIKIN] and the distinguished Senator from Massachusetts, in which it was proposed that a commission be set up to study the matter. It seemed to me to be desirable to have that done. I thought the setting up of that kind of commission, in connection with the technical-assistance program we placed in our bill, represented the right way to deal with the subject. However, that proposal was defeated.

Mr. MILLIKIN. If I may say so most respectfully, the mystifying thing to many of us here is that after all the expressions of discontent by the members of the Foreign Relations Committee who attended the hearings, after the vote here in the Senate on the technical assistance program which came out of the committee, the close vote—the amendment having been passed by one vote—the thing that is so mystifying to us is, how could the Senate conferees bring themselves into a state of mind where they threw over their own version of the right kind of program and brought back this entire stranger to the Senate.

Mr. SMITH of New Jersey. The Senator has, I think, a total misconception of our mentality. I speak only for myself. Every other member of the conference committee should speak for himself. On the face of it, it looks to be a terrible thing. It looks as if we had surrendered all our principles and had gone right down in the negative attitude that we are licked. It was no such thing. There were two principles involved in

the matter. One was technical assistance, and one was the question of whether we should encourage the making of investments in foreign countries.

We had thrown out the proposal about investments, doing so on the ground that it was a matter which required long-range treatment. That was our first report.

When we returned to the conference, we found that the House conferees were insistent upon that proposal. I always believed in the principle of that proposal; I was only dissatisfied with the way it was set out.

Then I considered the dangers. At first I thought it was quite dangerous. However, after reading the language—and I say frankly that I do not approve of the language; I think it is very verbose and unnecessary—I do not find in it a single thing with regard to having us insure investments or make guaranties or anything else of that sort. So I think we are justified in going along with the conference report.

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

The PRESIDING OFFICER (Mr. CHAPMAN in the chair). Does the Senator from New Jersey yield to the Senator from Colorado?

Mr. SMITH of New Jersey. I am glad to yield. Let me say that I think the Senator from Colorado is making a most desirable contribution, and I welcome it, even though I do not always agree with him. Nevertheless, I am sure he is doing his best to be constructive in the matter.

Mr. MILLIKIN. Of course, I would be less than candid if I did not say that I was trying to do that very thing.

Mr. SMITH of New Jersey. Certainly.

Mr. MILLIKIN. I still do not understand how the Senate conferees assumed what I think is the power to legislate for the United States Senate. We in the Senate never saw the bill that has come back to us in the form of the conference report. It is a total stranger to the Senate.

Now I understand, if I correctly understand what the Senator from New Jersey has said, that it was a stranger to the Foreign Relations Committee.

I ask the Senator, How can we legislate that way?

Mr. SMITH of New Jersey. Mr. President, I do not think that is quite a correct way to state the matter. The Senator from Colorado knows perfectly well that when the two Houses legislate on the same subject and when one presents one approach and the other House presents another approach, then it is necessary to have a conference, and at the conference the conferees have to deal with the two approaches which are presented to the conference. The Senator from Colorado has had that experience time and time again, of course.

Mr. MILLIKIN. I realize that.

Mr. SMITH of New Jersey. In the conference we considered the two versions as the limits within which we could draw up proposed legislation. We have to take the material which is submitted to the conference.

Mr. MILLIKIN. I respectfully suggest that what I indicated is exactly what was done. I repeat that the measure which has come back to us in the form of a conference report was not what was considered by the Foreign Relations Committee. According to the Senator from New Jersey, the members of the Foreign Relations Committee were considering something which the Department of State handed to them. Clearly it is not something which was ever considered by the Senate. So it comes to us as a total stranger, so far as the Senate is concerned.

Mr. SMITH of New Jersey. I do not agree with the Senator from Colorado as to that.

Mr. MILLIKIN. I say that in substance it amounts to legislation by conferees.

Mr. SMITH of New Jersey. I said we had this bill from the Secretary of State; and we considered the House language, of course, in considering the entire matter.

I think the Senator from Massachusetts [Mr. LODGE] probably made a distinction between the House language and the version we got from another source.

We told our staff, "We cannot include this wide proposal. You draft a simple bill based on the technical-assistance principle."

That is what we originally brought in. It was debated here, because I think when we reported it we brought out that the wider approach had been suggested, but we felt it inadvisable at the moment to go into it.

However, I thought the Senator himself anticipated, in offering his resolution with the Senator from Massachusetts, that this matter should be postponed and should be studied more carefully before we considered the question of foreign investments. But now I understand that the Senator takes an entirely different view of that matter.

Mr. LUCAS. Mr. President, it is a little difficult for the Senator from Illinois to hear this colloquy.

Mr. SMITH of New Jersey. Would the Senator like to have us move farther toward the front of the Chamber?

Mr. LUCAS. No; but I should be glad to have the Senators speak a little louder.

Mr. MILLIKIN. Mr. President, let me ask the distinguished Senator from New Jersey this question: If it was desirable to have study given to the subject of the point 4 program by a commission of the caliber of the Hoover Commission—and the Senator thought it was—and so did I——

Mr. SMITH of New Jersey. I still think it is desirable.

Mr. MILLIKIN. I still think so. If that is so, what happened in conference which made it undesirable to do that very thing. What happened in conference so that now we are confronted with a measure which we have never had an opportunity to study, a measure which was never before us, a measure which I respect is a total stranger to us?

Mr. SMITH of New Jersey. I thought I explained that we were deadlocked over the question of point 4 and over the question of guaranties. We finally took out the guaranties, or got them in the shape we wanted them in, in the first part of this ECA bill; and the House receded as to that. Then we included the investors' atmosphere provision which the House wished to include. We did not think we were giving away anything. We had not wanted to go along with it until we knew more about it; but the conference report seemed to us a reasonable one to bring back.

I am yet to see the dire dangers which are predicted, if the conference report is left in its present form. I think this is an area into which we shall be compelled to move if we are to deal with the world situation when the ECA program is over. I still want to give it more study. I still hope to participate in a resolution to have a further study made of the entire situation after the ECA program is over. We have to do that.

Mr. MILLIKIN. Mr. President, will the Senator yield for a further question, and then I shall not bother him further?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. MILLIKIN. Did the Senate Foreign Relations Committee consider the proposed legislation now before us—in other words, the House bill—line by line and word by word in public hearings?

Mr. SMITH of New Jersey. Oh, no; we did not have public hearings on it. We considered it in executive session. We did not have any witnesses on it, because we felt from the beginning that we did not want to report it.

Mr. MILLIKIN. So there were no public hearings on the bill which now is before us, so far as the Senate is concerned?

Mr. SMITH of New Jersey. That is true.

Mr. MILLIKIN. I ask the Senator, is that a sound way to launch legislation of such magnitude and such fateful importance to this country?

Mr. SMITH of New Jersey. Of course, it depends upon what hearings have been held and what study has been made and what length of time they have covered. For the purpose of the RECORD, I think I should read from the report of the House conferees, in which this matter is discussed. I should like to put this into the RECORD:

IV. THE TECHNICAL COOPERATION PROGRAM

Differences between the two versions relating to the technical-cooperation program (point 4) were more numerous than with respect to any other aspect.

The differences arose principally from the course of development of the legislation in the respective Houses.

In the House the legislation in the form originally proposed by the President was introduced July 12, 1949, as H. R. 5615. On August 16, 1949, the Honorable CHRISTIAN A. HERTER introduced H. R. 6026, a bill bearing on the same general objectives. This latter bill, however, supported by various business groups, was designed to emphasize the creation of a favorable climate for foreign investment as a necessary condition for realizing the objectives which the technical-cooperation program was to promote. The Committee on Foreign Affairs—

In other words, the House committee—

held extensive hearings on the two bills in the closing weeks of the first session.

That was last year.

Between the sessions discussions were held among supporters of the respective bills in the House, business leaders, and members

of the Department of State. The purpose was to reconcile the differences between the two bills. Agreement resulted, and identical bills, H. R. 6834 and 6835, were introduced by the Honorable JOHN KEE, chairman of the Committee on Foreign Affairs, and Mr. HERTER on January 18, 1950. It should be emphasized that these bills did not contain any provisions for guaranties of investments.

That is in the statement by the House conferees.

I read further:

After additional hearings and consideration in executive session, the Committee on Foreign Affairs developed a modified text, subsequently introduced as H. R. 7346. This became title III of H. R. 7797, and as such was further amended during consideration by the House.

The Senate, however, acted on the basis of the original proposal from the Executive.

That proposal, as we developed it, was simply to limit the whole program to one for technical assistance.

I read further:

The elements developed in the House version during the course of a long legislative history were the principal points of difference. In the main these pertained to statements of principles linking technical cooperation and the problem of creating a proper climate for investment, standards for bilateral programs and programs carried on through international organizations, refinements of administration, and the amount of the authorization.

In the report by the House conferees there is further discussion of the matters which were deleted. Inasmuch as those points were brought out this morning by the Senator from Colorado, I see no necessity for discussing them now.

I wish to bring out the point that finally the Senate conferees yielded in regard to letting this provision go into the conference report, because of the long hearings and discussions we had and because of the high regard we had for Members of our own body who had participated in some of those discussions.

Although the proposal possibly had not had all the study we would like to have, and although we did not include this particular provision in our first report to the Senate, yet we felt it was a reasonable compromise, and that we were not bringing to the Senate anything we could not support wholeheartedly; at least, I felt that way. Although I did not agree with the language which was used, nevertheless I felt that we would have to take up the question of whether the United States is going to continue its cooperation with the United Nations in the so-called point 4 program for the development of underdeveloped countries.

Of course, there is a difference of opinion about that, but I felt, after studying it, that it was inevitable we should take our share of the responsibility and that, while there were no commitments in the bill as passed by the Senate, financial or otherwise—and I cannot read them into the report as other Senators seem to do—yet reasonable compromises had to be made. I feel fully justified therefore in supporting my colleagues on the conference committee, and the full conference committee, in regard to the conference report.

Mr. MILLIKIN. I yield 8 minutes to the distinguished senior Senator from Arkansas.

Mr. FULBRIGHT. I thank the Senator.

Mr. President, my first objection to this report is the change which was made in the amendment I offered in committee and which was adopted by the Senate. I refer to section 106, subparagraph (k) of the bill as it passed the Senate. For the information of the Senate, I shall read it. It is very brief, and reads as follows:

(k) It is the sense of Congress that as much as possible of the local currency deposited under this section after June 30, 1950, shall be held or used within such country only for such purposes set out in section 111 (d) (facilitating the development of transferability of European currencies or promoting the liberalization of trade by participating countries with one another and with other countries), or otherwise consistent with the declaration of policy contained in section 102 of this act, as may be agreed to by such countries with one another and with other countries, or so designated, by any central institution or other organization formed to further the purposes of this act by two or more participating countries.

That section I offered in committee, in language much stronger than that. In fact, my original amendment required that not less than 50 percent of the counterpart fund be used for the purposes of bringing about the unification of Europe. I had in mind not only currency convertibility, for which the $600,000,000 is authorized, but also the fact that projects of a tangible nature which tend to bring about the unification of Europe should have priority with regard to counterpart funds. In the conference on this bill that language was changed very materially. In order that the RECORD may show the difference, I read from page 3 of the report. It is now subsection (d) of section 103, reading as follows:

(d) The Administrator is authorized to transfer funds directly to any central institution or other organization formed to further the purposes of this act by two or more participating countries, or to any participating country or countries in connection with the operations of such institution or organization, to be used on terms and conditions specified by the Administrator, in order to facilitate the development of transferability of European currencies, or to promote the liberalization of trade by participating countries with one another and with other countries.

That language removes completely the thought I had, which was expressed by the language that "as much as possible" of the counterpart funds of the local currencies should be used for the purpose of promoting the unification of Europe. I object to the change in that language.

Another objection I have to this report has to do with the removal for the second time by the conferees of the word "federation" from the declaration of policy contained in section 102.

The two changes taken together indicate to me that the conferees—at least on the part of the Senate, because it must be on the part of the Senate, in view of their action in regard to the House language—still believes that we should not take a position with regard to the furtherance of the federation of Europe. I simply cannot agree with that philosophy behind this bill. I have always thought from the beginning that if it had a real purpose it should be to promote the federation of Europe. I feel more strongly than ever that if there is to be a remedy for the troubles of Europe it must be found within the framework of a federation.

In the beginning, 2 years ago, the Senate took the position that we should not meddle in these matters, but that it was up to the Europeans to take the lead. That argument had some persuasiveness at the time. I did not agree to it then. I offered amendments expressing approval of federation. But since that time the Europeans themselves have taken very substantial steps and have made very strong statements.

I call to the attention of the Senate the statement in the New York Times of May 22 by the Chancelor of Western Germany, Mr. Adenauer, in which he very strongly endorses the idea of the federation of Europe, its complete unification, and states that that is the real hope for the salvation of Europe.

In addition to that, I have in my hand the report of a poll, taken from the Christian Science Monitor of May 20, 1950. I think it is sufficiently informative that I should like to ask unanimous consent to insert it in the RECORD at this point in my remarks. It shows very clearly that on the latest poll taken in Europe the people of Europe strongly favored that idea.

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

THE STATE OF EUROPE—POLL SHOWS EUROPEANS FAVOR UNIFICATION

(By Roscoe Drummond)

PARIS.—Sometimes, in talking with some European political leaders, I have been almost persuaded that the only people who want the unification of western Europe are the Americans.

This has never been the fact, but it has, at times, been made to look as though it were the fact. It is extremely valuable, therefore, to Europe and to America, to have it demonstrated that the Europeans themselves want the unification of Europe.

In publicizing at this time its Europe-wide public-opinion poll on European union, the European Movement—headed by Winston Churchill, Paul-Henri Spaak of Belgium, and Alcide de Gasperi of Italy—has rendered an incalculable public service. The most significant findings of the poll are these:

That a decisive majority—about two out of three—of the peoples of Norway, Holland, France, Italy, and West Germany (including west Berlin), with a total population of 153,000,000, favors European union.

That a remarkably low percentage—only 9 percent—of Europeans are opposed to European union.

That opinion on the Continent is strongly desirous that Great Britain shall play an active and leading role in European union.

Obviously, the purpose of the poll was to get at the facts. There was no way of knowing in advance what the results would be. The fact that it came out as it did gives the cause of European union added popular and, perhaps, added political support at a time when it most needs it.

One reason why this poll appears particularly trustworthy as a source of information and as a guide to political possibilities is that

all who were interviewed were frankly confronted with some of the problems and difficulties which European union might raise.

The questions were not vague or leading, and European union was presented in practical, not utopian, terms. The questions were intended to test the steadfastness and reliability of general opinions. For example, those interviewed were asked:

"If a European union meant that people could travel freely from country to country, and anybody who wanted to could come and work here in our country, would you be in favor of that or against it?"

The replies showed 66 percent in favor, 13 percent against, and 21 percent undecided.

They were further asked this question: "A European union might mean that we could export all our products to all other countries of the union without paying import duties, but also that all those other countries could, in turn, sell their goods in our country without paying import duties either. Are you in favor of this or opposed to it?"

The results: 72 percent in favor, 9 percent against, and 19 percent undecided.

After thus drawing attention to the implications of unification, a final question was asked: "Taking into account all the points already discussed, do you consider that a European union would be a good thing or a bad thing?"

A strong 64 percent replied that it would be a good thing, 9 percent thought that it would be bad, and 27 percent were undecided.

The answers to this same question divided by countries follow:

	Good	Bad	Undecided
	Percent	*Percent*	*Percent*
Norway	64	11	25
Holland	51	6	43
Germany	68	8	24
Italy	71	8	21
France	56	12	32

"The results of this public-opinion poll," M. Spaak told a press conference, "provide striking evidence that the peoples of Europe recognize their common interests and the necessity for solving their problems together as members of a European union. This further proof of public support should encourage governments to go forward boldly with effective measures for the creation of a United Europe."

Mr. FULBRIGHT. The statement of the House Managers in conection with the conference report, in which the conferees explain, or seek to explain, why they removed the word "federation" from the language in the beginning of the report, is not at all persuasive upon me. I realize that our Secretary of State has not been sympathetic to the idea of incorporating in this legislation any reference whatever to the political federation of Europe. I have always regretted it, and I still regret it, but I think it is of sufficient importance at least, so far as I am concerned, to justify me in voting against this report.

I feel that we are taking a very negative attitude toward the very objective of the Marshall plan, itself.

Another objection I have to the conference report, and a very substantial one, is with regard to the amendment offered by the junior Senator from Georgia. We all know about the point 4 program. I may say in general I have supported it, and I do support the approach of the use of our technological knowledge, the exchange of persons, including particularly scientists, in an effort to teach any willing country what we may know about modern methods. I have supported that idea; but I think that in adopting the section regarding point 4, the safeguard put in by the Senator from Georgia is very important. I think it would be a great tragedy if some of our representatives of ECA in Europe—and many of them have not as much experience as I should have liked—should leave the impression that we have undertaken the actual construction of great public works all over the world, and then when the question of appropriations arose, appropriations were not provided, it seems to me, untold harm would be done to our foreign relations. The danger inherent in that kind of possibility leads me to believe that it is a very serious mistake to obliterate from the conference report the language of, I believe, section 106 of the bill as it passed the Senate, which embodied the amendment offered by the Senator from Georgia.

I believe all three of these changes made by the conferees could be very easily corrected. I believe that in trading with the House, if our conferees would agree to reinsert the language which the House put into the bill on two occasions, and, at the same time, insist upon the language of the amendment offered by the Senator from Georgia, and reinsert the language of my amendment, the difficulty could be cured very easily.

Mr. President, I should not like my vote against the report to be interpreted as disapproving of the entire Marshall plan. I have supported it every time it has been before the Senate. I supported it quite reluctantly, however, when I discovered that our own Government was not yet aware of the principal objective and the real justification for the program.

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

Mr. FULBRIGHT. I thank the Senator from Colorado for the time which he assigned to me.

Mr. MILLIKIN. Mr. President, I yield 25 minutes to the Senator from Ohio [Mr. TAFT].

The PRESIDING OFFICER. The Senator from Ohio is recognized for 25 minutes.

Mr. TAFT. Mr. President, the first question is the effect of the rejection of the conference report. There seems to be some concern that its rejection will be taken in some way as a blow at the ECA. Certainly my position is that I am entirely satisfied with the conference report on the ECA, with the exception of the provision referred to by the distinguished Senator from Arkansas, relating to the counterpart funds. Certainly there is not the slightest desire in sending back the conference report to repudiate in any way ECA. In order to make that point perfectly clear, I send to the desk a motion which I shall make in the event the conference report is not adopted, and I should like to read it at this time. It is not in order to make the motion at this time, but if the conference report is not adopted I shall make the following motion:

I move that the Senate request a further conference with the House, that the Chair appoint conferees, and that the Senate conferees be instructed to insist on substantially the terms of title IV as passed by the Senate.

The instructions, therefore, relate solely to the point 4 program. I have no objection to including other provisions if the Senator from Arkansas [Mr. FULBRIGHT] desires to instruct on that subject.

The second point I want to make clear is that I do not take this position in any way as chairman of the Republican policy committee. The question has never been before the Republic policy committee; it is not a question of Republican policy. I want to make it perfectly clear, particularly to the Senator from New Jersey [Mr. SMITH], that my position and that of the Senator from Colorado [Mr. MILLIKIN] is based on our individual views, and is in no way a party position.

Mr. President, the conference report is substantially different from the bill which passed the Senate. When we consider that this particular provision passed the Senate by a vote of only 37 to 36, when the Senate was most dubious about the limited scope of the program adopted by the Senate, certainly the concessions on the part of the conferees appear to be most unwise. If the Senate adheres substantially to the position it took on the Senate bill, it should reject the conference report and refuse to go further than did the original Senate bill. The changes are substantial. In the first place, it becomes a permanent program. The Senate provided for a 5-year program. That limitation has been abandoned. Instead of expiring by its own terms, the program will have to be repealed, possibly over the veto of the President, if we ever wish to discard the present policy. It will never come up for any further consideration. It is a permanent program of this country for all time to come, or until it is changed by an act passed by both Houses of Congress and approved by the President of the United States.

The Russell amendment made it perfectly clear that a country which received this kind of aid could not in any way look for further aid, but the terms of the report are such that the technical-assistance program can, in substance, promise further aid. When we furnish technical assistance to show them how to construct a dam, for instance, they will look forward to money being provided for that particular dam. It seems to me the Russell amendment was a most necessary provision, and it becomes even more necessary in view of the wide-open terms of the conference report.

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

Mr. TAFT. I am sorry. I should like to yield to the Senator, but the time left is very short, and I am afraid I shall have to refuse to yield.

In the next place, Mr. President, there is the Fulbright amendment relating to

the use of counterpart funds. That has been eliminated.

The so-called Morocco amendment was yielded by the Senate conferees. In fact, there is not anything in the bill passed by the Senate as to which there was any conflict which the Senate conferees have not yielded to the House conferees.

Finally, and most important, we find the terms of the bill completely different from those passed by the Senate. The Senate bill contained a very simple statement of purpose. It simply declared it to be the policy of the United States and the purpose of the title to aid the efforts of the people of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills.

That was the only purpose stated in the Senate bill. But what do we find in the conference report? We find the provisions of the House bill; in fact, the conference report is the House bill, with the elimination of approximately eight lines which are relatively unimportant.

I read from section 403:

It is declared to be the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute to raising standards of living, creating new sources of wealth, increasing productivity, and expanding purchasing power.

In other words, it goes far beyond anything of which the Senate conceived. We have been committed for all time to come to the job of undertaking to develop economically, with Government assistance and Government money, the economic standards of every country in the world. Even this country is underdeveloped, and certainly the term "underdeveloped country" could be used to cover every other country in the world, because every other country is developed less than is this country. We are spending billions of dollars further to develop this country. It goes on as follows:

It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States—

So, it is our policy to develop the resources of the United States by reforming and improving the economic conditions of the entire world—

private and public—

Private investments and also Government money—

which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing the requests of foreign governments for aid for such purposes—

For what purposes? To promote the flow of investment capital as well as technical knowledge and skills.

In other words, Mr. President, foreign governments are invited to ask us for assistance to promote the flow of investment capital to them. I read further—

shall take into consideration (1) whether the assistance applied for is an appropriate part of a program reasonably designed to contribute to the balanced and integrated development of the country or area concerned; (2) whether any works or facilities which may be projected are actually needed in view of similar facilities existing in the area and are otherwise economically sound; and (3) with respect to projects for which capital is requested, whether private capital is available either in the country or elsewhere upon reasonable terms and in sufficient amounts to finance such projects.

Presumably, Mr. President, if private capital is not available, public capital, direct loans, shall be furnished. This only bears out the broad terms of the findings in section 402.

Section 402 finds all kinds of things that are not true. I suppose it is fair to say that economic and social progress "can further secure the growth of democratic ways of life, the expansion of mutually beneficial commerce, the development of international understanding and good will, and the maintenance of world peace." A lot of words. It can also contribute to war. Germany before it began the First and Second World Wars had risen to a tremendous height of economic and social progress. That progress did not contribute to peace. Certainly the bill makes a very broad statement in claiming that all this is necessarily going to produce peace. So far as any possible threat with reference to a third world war is concerned, I say that whether or not we do this, the question of whether Russia is going to undertake an aggressive war will be determined with no reference to any point 4 program. It will not be determined by whether we do undertake it or do not undertake it.

Mr. President, the bill gives broad powers to the President to make contracts or agreements in respect of technical cooperation programs on behalf of the United States Government "with any person, corporation, or other body of persons however designated, whether within or without the United States, or with any foreign government or foreign-government agency." When we undertake to provide technical assistance under that paragraph there is no question at all in my mind that the State Department will make that contract, and in it will be outlined the general program they are looking forward to develop. It will involve the development of rivers and the development of industries. We would furnish the technical assistance for that. The whole program can be put into these agreements. Once it is in there we would be subjected to strong pressure to provide the money necessary for that purpose.

Mr. President, actually the question of whether we could guarantee private investors is perhaps open to question. There are bills pending on the Senate Calendar and on the House Calendar which carry out such a program. This is the basis for it. This is the declaration of policy. Most of this program, including the provision for Government money, can be undertaken under the conference report without the other bill. The other bill may be necessary for the particular guaranty feature, but the bill in the House—and it is recommended by the House committee and a similar bill is on the Senate Calendar—provides that the Export-Import Bank is given the right—

To guarantee United States private capital invested in productive enterprises abroad which contribute to economic development in foreign countries by assuring either or both (1) the conversion into United States dollars of foreign currency derived from an investment—

Of course, when a guaranty is given someone on the conversion of currency, it means that a loan is being made. They will not pay in their currencies. They owe it and there is another debt. That is what Britain did through the war. People accumulated sterling, for which they will not be paid. We are simply making further loans to these countries after ECA is over. The House bill provides further—

and (2) compensation in United States dollars for loss resulting from expropriation, confiscation, or seizure by action of public authority.

That particular provision is certainly dubious. We make a contract with a nation that will not undertake to confiscate property. However, they do it anyway. Then we have to pay off the man who invested money, and the United States Government has a claim against the foreign country. Goodness knows, these countries owe us billions of dollars already, and they are not going to pay the claim. We have never yet succeeded in collecting a claim, and I do not see any reason why we should collect this one. That is all a part of this program. That is the policy that we are declaring now. We would commit ourselves in definite terms by this gadget of a so-called guaranty.

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

Mr. TAFT. I am sorry, but I cannot yield. The time is very short.

Mr. President, the House bill was intended to carry out this program, while the Senate bill was not so intended. Incidentally, it is rather interesting to me that this subject practically was not presented to the Senate. The advocates of this program have practically never come here with it. It is supposed to be slipped through. The distinguished Senator from Texas read a brief statement, and one of the things he said was: "The program is not large, nor can it ever be." That is perhaps true of the Senate program. "It is the beginning of a long process, a slow, laborious process. It is not another ECA for the world, nor a program of capital investment." It was not in the Senate bill. It certainly was in the House bill.

Representative HERTER, who was one of the authors of the House bill, practically so stated in his description of the House bill, which is now a part of the conference report. At page 4052 of the CONGRESSIONAL RECORD, on March 24, he said:

It is in the statement with respect to those latter matters that I feel the bill is

of particular importance. The mere authorization to send technical assistance where wanted throughout the world could do very little in itself toward raising the standards of living of underdeveloped nations. Very real help could be given in the fields of sanitation, education, labor, agriculture, administration, etc., but, in the long run, increased productivity must be the deciding factor. That productivity can come only through a given amount of capital investment plus the technical know-how or technical skills which go with capital investment, and the bill, as now reported by the committee, while defective in some minor particulars, goes far toward spelling out for all to see the minimum conditions under which any reasonable person could expect American capital to seek investment outside the shores of the United States.

The reason I feel so strongly about this program is not that perhaps at some time in the future we may not be able to do something of this kind. It is that at the present moment we are already committed to two great international programs far beyond the financial capacity of the United States. We have the ECA program, which goes on this year and goes on next year. It is a program for which we have authorized in this bill for the coming year more than $3,000,000,000. We have the arms program for all of Europe, and now apparently, according to this morning's newspaper, it is to be extended to the Middle East. The request for the appropriations for that project, as I understand, is going to be for a half billion dollars, at least, plus another $1,000,000,000 to be spent during the coming year. Our country faces a budget deficit this year in excess of $6,000,000,000. Therefore this is not a time to take on a third great international program. That is what we are undertaking here and that is what we are committing ourselves to do by this conference report. We are committing ourselves to a great program to help every nation throughout the world. Someone has mentioned that this is only a small program at this time. However, we are committing ourselves to the program. Certainly after we get through with ECA and after we get through with the arms program, it may be that we may wish to continue assistance to nations here and nations there. I do not believe it ought to be a great program covering the entire world, but there are places where particular aid can do some good.

Mr. President, it seems to me perfectly obvious that a complete study should be made of this program. First, we should appoint a commission to study for a year, or perhaps 2 years, what our post-ECA program should be. The ECA program was purely a temporary program. It was solely to meet an emergency. The arms program is solely a temporary program, a program to meet an emergency, both emergencies caused by the actions of Russia. But we are here taking up a proposal for a permanent program to do something this country has never done before. Certainly private capital has gone abroad without guaranties, certainly we have encouraged American investments abroad; and we have no objection to that. But whether the Government itself should undertake to provide Government money and should lend all these nations more money in time of peace, simply to bring about economic development, I doubt very much.

I have said before that I do not think we can take a nation such as China, where the standard of living is one-tenth of what it is here, and hope to build up to any great extent the economic conditions of that country. We can help them a little, but our help is not going to make any great, fundamental change in the economic condition of the people, because one people cannot do that for another.

We have established our present economic standard of living by 150 years of effort on the part of the American people, and in the long run the standards of living of different countries are going to be the standards the people of those countries make for themselves. Certainly they may get foreign aid. They would like to have it. A good deal of capital was sent into our country, because foreign investors felt that our people could use it well, could handle it, and return the money borrowed. Any nation that desires capital can get it if it can convince those who have the money that they will get fair treatment, and that those getting the money have capacity to use it wisely.

I question the possibility of one nation substantially changing the standards of living of another. That does not mean we should not undertake to assist here and there, and certainly it does not mean we should not undertake charitable operations, the establishment of hospitals, and other activities such as our private institutions have undertaken in China. I have no objections to establishing such a program; but it should be studied. Its limitations should be clearly defined. It should be worked out with care, in detail, so that we would know what we were doing, instead of asking our people to adopt a new policy, namely, that of the United States from now on devoting the entire resources of its people, private and public, to any country that chooses to come here and ask for assistance from the American people.

Mr. President, this is a tremendous program. It is a revolution in the policy of the United States. It is presented in a conference report, which is contrary to the very views of the Senate Committee on Foreign Relations itself, which is contrary to the views of the Senate as expressed in the vote, a program which certainly, before it is adopted, should be carefully studied and debated. As I have said, up to this very time the advocates of the program have been strangely silent on the floor of the Senate. Practically nothing has been said about the matter by them. There has been no substantial debate on the question until today, and it seems to me that the time has come when we should no longer undertake such activities.

Mr. President, I say again, if we had a great surplus in the Treasury, we would not feel so strongly about this, but we are asked to commit ourselves to a new program when we have a deficit of $6,000,000,000 this year, and will have a deficit of $6,000,000,000 next year, according to the estimates of expenditures and appropriations. This is no time to undertake the extension of domestic activities, no time to undertake the extension of foreign activities.

Mr. President, I do not feel that in the present financial condition of the people of the United States we should commit this Nation to a great new policy which may in the end cost billions upon billions of dollars. Of course it is within the power of the Committee on Appropriations not to appropriate the money, but that is a shopworn argument. Once we commit ourselves to a policy, the officials of the State Department can come before the Committee on Appropriations and say, "The American people have declared this policy through the Congress. We are determined to apply American capital to the development of every Nation."

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). The time of the Senator from Ohio has expired.

Mr. TAFT. May I have a minute or two more?

Mr. MILLIKIN. I yield more time to the Senator.

Mr. TAFT. Certainly the Committee on Appropriations, under such circumstances, is bound to feel that it must go ahead with a program. They may not appropriate the exact amount requested, but certainly they are committed to the program, just as the Atlantic Pact committed us to an arms program. I voted against it, but it did commit us to an arms program, and the Congress having voted for the program, it could not vote against the appropriations. Similarly the ECA bill substantially committed us to the appropriations authorized in the bill.

It is all very well to say that the Appropriations Committee can answer, "We will not appropriate a cent," but as a practical matter we are determining a policy which forces huge appropriations on the Committee on Appropriations as the program is developed.

Mr. CONNALLY. Mr. President, I yield to the senior Senator from Georgia [Mr. GEORGE] such time as he may need.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. GEORGE. Mr. President, I wish to make more of a statement than to submit an argument regarding the conference report.

When the ECA bill was first submitted to the Committee on Foreign Relations of the Senate, it contained several pages relating to point 4, as we commonly refer to the subject matter in title IV of the bill. It was the view of the committee that it should be stripped down, so far as possible, to a mere technical assistance program, eliminating the other provisions which were intended to encourage the flow of capital into foreign countries. Following that program, we did strip the bill down to a technical assistance bill, and that was the bill which was reported to the Senate.

I wish to be perfectly frank in my statement. I favored that course. I did not think we had given the consideration to this important matter that it should have before we committed ourselves

definitely to a program which we possibly would not be able easily to avoid even though specific projects and programs might not meet with our approval. So, when the bill came to the Senate, the point 4 provision in the bill did relate to technical assistance. It had been stripped down to that bare declaration of policy with reference to assistance.

When the Committee on Foreign Relations acted upon the bill, it acted, as is frequently done, by striking out everything after the enacting clause perfecting the bill, and in that form reporting it to the Senate. But the Senate, of course, had also before it the text of the House bill, point 4 in the meantime having been incorporated in the bill passed by the House. So when the bill came to the Senate committee, the text of the House bill was stricken through, and the text of the bill as perfected in the Foreign Relations Committee was substituted, following the enacting clause.

When the bill was passed by the Senate I voted for it, but I previously voted to strike the $35,000,000 for the technical assistance program in the bill, when it reached that stage on the floor of the Senate.

The bill went to conference. We were faced in conference with an insistent demand by the conferees on the part of the House, not an inappropriate demand, of course, because it is the duty of the conferees on the part of each body to support, so far as possible, the views taken by the body, but the conferees on the part of the House insisted strongly on title IV of the bill as it now appears in the conference report. That is to say, they insisted upon point 4, as we have generally understood that description to apply, as the House bill had spelled it out.

The House also insisted upon certain guaranties, but those guaranties related to commitments made in the Marshall plan countries, that is, the recipients under the ECA.

We had quite a difficult conference with the House conferees. We labored practically all the time upon the two points: First, the guaranties, and, second, the point 4 provision in the bill. I very frankly say that I thought it was advisable that point 4 receive longer study, more careful consideration, because I realize the difficulties in which we become involved when we commit ourselves to any sort of long-range policy.

Let me say that the point 4 that is contained in the conference report is not a short-range program. It definitely is a long-range program. It would be entirely useless and worthless if it were a short-range program. I want to be perfectly frank and candid with the Senate about that. It is a long-range program. I believe in the general principles of the program. But I want further time to study and develop it.

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

Mr. GEORGE. I have but very few minutes left. However, I yield.

Mr. SALTONSTALL. Perhaps the Senator intends to bring out the point I have in mind. Is there anything in title IV of the bill, the long-range program about which the Senator is speaking, which guarantees on the part of our Government private investments made in the foreign countries involved?

Mr. GEORGE. I do not think so. Had I thought so, I could never have agreed to this title in the conference report. I may say to the Senator that I expect to refer to it particularly.

Mr. AIKEN. Mr. President, will the Senator yield for another brief question?

Mr. GEORGE. I will have to ask the Senator to be very brief.

Mr. AIKEN. Does the Senator feel like telling us whether the House conferees were united in their demands for these provisions?

Mr. GEORGE. Yes, indeed, they were united. Not only were they united, but most persistent, and most appropriately persistent.

Mr. AIKEN. And successful?

Mr. GEORGE. And successful. I grant that.

Mr. President, I now come to a point which I think is important. The distinguished Senator from Ohio [Mr. TAFT], I believe, misinterprets the whole purpose of section 403, and particularly that part of the section which appears on page 9 of the report. I will read it:

(b) It is further declared to be the policy of the United States that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes, shall take into consideration.

That is the introduction, so to speak, of what must be taken into consideration.

(1) Whether the assistance applied for is an appropriate part of a program reasonably designed to contribute to the balanced and integrated development of the country or area concerned.

There certainly is nothing objectionable about that.

(2) Whether any works or facilities which may be projected are actually needed in view of similar facilities existing in the area and are otherwise economically sound.

There is nothing wrong about that unless someone might suggest that we should not too far meddle with other people's business.

And (3) with respect to projects for which capital is requested—

Let me repeat—

And (3) with respect to projects for which capital is requested, whether private capital—

This is the inquiry; and the determination must be made—

whether private capital is available either in the country or elsewhere upon reasonable terms and in sufficient amounts to finance such projects.

Of course, it necessarily follows that if private capital is not available, then the project is not even approved, and it is not available, regarded, or considered.

Mr. AIKEN. Mr. President, will the Senator yield for one more short question?

Mr. GEORGE. Yes.

Mr. AIKEN. Does the Senator reach an inference that if it is found that private capital is not available, the United States is under any obligation to assist in furnishing public capital?

Mr. GEORGE. None whatever.

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

Mr. GEORGE. But let me answer fully on that point. Further along in the bill, on page 13, section 416, while the language is somewhat softened down from the language offered by my distinguished colleague on the floor, we find the following:

Nothing in this title—

That is the whole title, the language I have already read about capital—

Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries, or to any international organization.

Mr. President, I think it is clear that the bill, as it stands, does not commit us to any specific project or program. Those matters are left open. It does commit us to a policy, and I very frankly say it commits the Senate to a policy. But that does not mean, of course, that it is a policy which would be followed except within the limitations outlined in the measure and within the spirit of the proposed legislation. So that if subsequently some country applies for assistance and asks for either private or public funds, and after making the necessary and proper surveys, we reach the conclusion that we have available in our economy at the moment sufficient capital to undertake to encourage that country to carry on a very ambitious program, certainly we would be wise enough, and, I think, entirely free to say so.

But if, on the contrary, that country thought it was entitled to a loan from this country, I am quite certain that there is nothing in the bill that would commit us to such a loan.

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

Mr. GEORGE. I yield.

Mr. SALTONSTALL. So far as funds of our Government are concerned, under the present terms of title IV, they are confined to technical cooperation? Am I not correct?

Mr. GEORGE. Undoubtedly so. On that point, it will be noted that the appropriation is $35,000,000 for that purpose. That sum, however, includes appropriations already made under other programs. So that actually all the bill does is to appropriate an additional $25,000,000. Somewhere in the neighborhood of $10,000,000, as I recollect, has been provided for precisely this type of work, primarily in South America. So $25,000,000 is the limit of our actual commitment to the use of any public money for any purpose under this title.

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

Mr. GEORGE. I yield.

Mr. SALTONSTALL. I would say that before my subcommittee of the Appropriations Committee there is a proposal for $7,000,000 for the Institute of Inter-American Affairs, with additional

contract authorizations requested, and $2,900,000 under the Smith-Mundt Act.

Mr. GEORGE. In other words, in round numbers, that amounts to approximately $10,000,000.

Mr. SALTONSTALL. That is correct.

Mr. GEORGE. So, in short, the $35,000,000 is a total appropriation, and the new money thus provided is $25,000,000.

Mr. President, I wish to make my position clear. If I were not willing to commit myself to a general program, through the use of our good offices, the use of our technical skill and knowledge, the use of our competent advisers, and if I did not think the state of our economy justified encouraging the investment of American capital in such foreign countries, I would not go along with the proposal.

However, I agree with the conference report, though not entirely, because it contains a great deal of language which has come about, no doubt, as a result of the evil habit, which has grown up in Washington in recent years, of putting a lot of poetry at the head of a chapter and then writing out a lot of poetry thereafter.

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

Mr. GEORGE. I yield.

Mr. SALTONSTALL. Is not some of the poetry to which the Senator has referred put in to show the other countries what we expect of them if they are to get any technical assistance under this measure?

Mr. GEORGE. I think so; but candor compels me to say that it is also put in to "soft soap" a situation which might not be altogether acceptable here. I have found that to be the case in the past, and I must be wholly frank about it. It is altogether unnecessary for such language to be included.

Point 4, as it came from the House, should have been rewritten. However, the House insisted upon it; and there is nothing particularly vicious about it, nothing beyond the approval of a policy.

I interpret that policy to mean—and I interpret it fairly, I think—that we will advise other countries that we are ready, under conditions, to be of whatever assistance we can be and that we will even go to the extent of encouraging American investments to be made abroad—by treaties of friendship, trade, and commerce, treaties limiting taxation and limiting burdens upon investments made abroad and upon the profits from those investments, if any, when they are returned to the United States. If we are not going to do that, the entire program will not be worth anything, Mr. President. If we do that, that is about all that hard-headed businessmen in the United States who have any money to invest want. They want a treaty with these foreign countries, and they want that treaty to provide X dollars as a limit of taxation in all forms, whether as excise taxes or import taxes or what not. They also want included in the treaty an agreement upon our part that we will deal fairly with the profits earned upon hazardous investments, such as these probably would be in many instances.

If they can have that, coupled with the assurance that our Government, although not imperialist, and although not proposing to use gunboats or airplanes to make war upon any country, yet does propose to insist upon the faithful observance of every such agreement made by any country upon which our people have relied, then our businessmen will be satisfied and will be willing to make investments in the foreign countries. If we are not going to do that, the program will not be worth much.

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

Mr. GEORGE. I am glad to yield. I am about to yield the floor.

Mr. SALTONSTALL. The Senator from Georgia has mentioned the word "treaties." Is it not his understanding that bilateral agreements are to be made primarily by means of treaties which will come to the Senate of the United States for ratification, rather than by executive action?

Mr. GEORGE. I do not see how it could be otherwise, because the bilateral agreements to which reference is made would necessarily embrace the subject matter, historically and actually, of treaties, as they have been covered by treaties since the beginning of our Government.

Mr. SALTONSTALL. Mr. President, will the Senator permit me to ask a further question?

Mr. GEORGE. I am glad to yield.

Mr. SALTONSTALL. The only executive agreements which might be made would be under the technical cooperation side of the program, in connection with which the President, through the Director of the Bureau of the Budget, would request Congress to make an appropriation. Am I correct?

Mr. GEORGE. I think so. When we come to the bilateral agreements, I do not think that anything of less dignity than a treaty could be contemplated; because if such bilateral arrangements and agreements are to be at all effective, they must carry definite commitments in regard to taxes and other treatment by foreign governments and in regard to taxes and the treatment of profits realized upon the investments.

Mr. TAFT and Mr. DONNELL addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. GEORGE. Mr. President, I am not able to yield. Let me say that I have a conference at which I am now 5 minutes overdue; so I am obliged to ask to be excused.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. THYE. Mr. President, I wonder whether the chairman of the committee, the senior Senator from Texas, could answer a question concerning the deletion or striking from the former ECA law, known as Public Law 472, as amended by Public Law 47, the provision which required 12½ percent of the wheat going to ECA countries, under ECA contracts, to be milled in the United States.

The chairman of the committee will recall that I appeared before the committee in regard to that matter.

Mr. CONNALLY. That is correct.

Mr. THYE. Of course, I referred to that question at that time. The millers of the United States, as well as the employees of the milling industry, are gravely concerned about the deletion or striking from the act of the provision requiring 12½ percent of the wheat going to ECA contracts to be milled in the United States.

This matter not only affects the milling industry and the workers in that industry, but it likewise affects the dairy industry and the livestock industry, because the mill feeds would normally be retained in the United States. However, under the ECA program, when wheat goes abroad, before being milled in the United States, a corresponding amount of mill feed is lost to us in the United States, because what we otherwise would have as mill feed will go across the ocean in the form of wheat.

I wonder whether the chairman of the committee can explain why the House objected and why this provision of the former act was deleted. The matter is a very serious one in the minds of the millers and the mill employees and the producers.

Mr. CONNALLY. I shall be glad to respond insofar as I am able to do so.

Let me say, Mr. President, that the distinguished Senator from Minnesota appeared before the conferees and very ably and very clearly set forth the attitude of his people and of the milling industry, the labor employed in that industry, and so forth.

The Senator is aware, of course, that the bill passed by the Senate carried the language he desired to have included.

Mr. THYE. Yes.

Mr. CONNALLY. Namely, that 12½ percent of the wheat should be in the form of flour. However, the House omitted that provision, and it was not in the House version of the bill. There was a very determined group of conferees on the part of the House, and they absolutely insisted that they would not agree to include that provision. Of course, as the Senator from Minnesota knows, in conference one side cannot have all the advantages; each side has to try to adjust the differences in a spirit of amity and cooperation. That is what happened.

The point also was made by the House conferees that 12½ percent was such a small amount that it could not be of any great advantage. That point was urged quite strongly by the House conferees.

That is the best information I can give the Senator from Minnesota.

Mr. THYE. Mr. President, may I ask a further question on the subject?

Mr. CONNALLY. Certainly.

Mr. THYE. Would it not be possible to reflect an administrative function which could give us the same ratio of flour in relation to the wheat which would be shipped abroad? I wonder whether the committee could in some manner, in writing the report in its final

details, indicate that it was expected of ECA at least to bear in mind the percentage which had been milled in the United States of the wheat committed under the ECA program, in order that we might in some manner protect not only our milling industry, but also those who are employed in the mills, as well as the producers, who are going to be deprived of a certain quantity of mill feed. That is so because when wheat is exported from our economy, that reduces the amount of mill feeds remaining in the United States and causes them to cost more; and the result is to place our producers under a definite handicap under which they should not rightfully be placed. I wonder whether it would not be possible to reflect in the report what is expected of ECA in that respect.

Mr. CONNALLY. I may say to the Senator that he speaks of the final report. We do not make any final report. The House, under its rules, requires a statement by its conferees. But we have already made all the reports we expect to make. All we are waiting for now is the vote, either for or against.

The Senator propounds a very ingenious question. He wants to know whether, notwithstanding the fact that this is a law, we cannot work some kind of magic or hocus-pocus whereby the law can be evaded. In the present law there is such a requirement as that to which the Senator refers. I grant the Senator that even though that requirement is repealed, I suppose the Administrator, within the broad scope of his authority, might adopt some plan of handling this matter which would benefit the people whom the Senator from Minnesota represents.

But let me explain what happened. I hold in my hand the report of the House committee. The House bill repealed a requirement of the act, in section 112 (c), that at least 12½ percent of all wheat procured in the United States for the European recovery program, financed by grant, must be in the form of flour. That is a fact. The Senate amendment contained no equivalent repealer. The Senate adhered to the opinion of the Senator from Minnesota, based on his contacts. I would not attribute it to any one reason, but the arguments of the Senator contributed to the action of the Senate in placing in its bill what the Senator from Minnesota desired. The Senate, however, does not occupy both ends of the Capitol, as the Senator knows. The Senate occupies one end of the Capitol, and the House the opposite end. Sometimes the House overrides the Senate.

Mr. THYE. Mr. President, if the Senator will yield another moment or two, I may say that is true. But we today have either to approve or reject the conference report. We are trying to get a certain amount of comfort for our own consciences, in voting either for or against agreeing to the conference report. We would like to have some assurance from the able chairman. I think if he will confer with the conferees on the part of the House, or if the staff will, as to the final details, reflecting our views regarding this one deletion, the House Members might agree that, although discretion is to be exercised there shall be a requirement that a certain percentage of the wheat be milled. It is within our power to provide that it shall be milled within the United States before being shipped abroad, which would be most helpful. I hope the Senator will scrutinize the colloquy and will note its purport.

If the Senator will allow me to make one further comment, I think it would be helpful to the Senator's position, on the entire conference report. It will be recalled that I voted for a study to be made of the point 4 provision of the bill. I felt that a study was necessary in order that we might know what we were obligating and committing ourselves to do. But point 4 is a part of the bill, and it comes back to us either to be approved or rejected. I may say I listened to all the debate, and followed it very carefully. I have followed the objections as well as the arguments of those who have supported the measure, and after weighing all the facts, I have come to the conclusion that, so far as I am concerned, at least, I shall support the conference report. If it were recommitted to conference, I do not believe we could obtain any different measure.

I appeared before the conference committee—and I thank our chairman for having permitted me to do so—on the question of the milling of flour within the United States. I thought I recognized a determination on the part of the House conferees to insist on their provision. I think I share the feeling of certain members of the conference committee who are here today, and who are supporting this report, that if the report were returned to the conference, it would be necessary eventually to accede to the House position.

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

Mr. THYE. I am happy to yield.

Mr. TAFT. It seems to me that is an assumption that is absolutely untrue.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. TAFT. Excuse me. I thought the Senator from Minnesota had the floor.

Mr. CONNALLY. I have the floor.

Mr. TAFT. Excuse me.

Mr. CONNALLY. Does the Senator from Ohio want me to yield?

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

Mr. CONNALLY. I have already yielded to the Senator from Minnesota.

Mr. TAFT. The Senator from Minnesota I think is willing to allow me to ask him a question.

Mr. THYE. Mr. President, if the chairman of the Foreign Relations Committee will yield to me, I shall be glad to permit the Senator from Ohio to ask me a question.

Mr. CONNALLY. I yield for a brief question. However, my time is getting short. The Senator from Ohio occupied a good deal of the time today. I hope he will be brief.

Mr. TAFT. Does the Senator not know that the Senate conferees would have the whip hand, and that they could say, "You will get an ECA bill, but you will get no point 4 program at all unless you take it as the Senate wants it"? In other words, here was a conference, in which the important thing was the ECA. We must have an ECA bill, and the House knows we must have it. It seems to me our conferees were completely able, or would have been completely able, to lay down the terms upon which the point 4 program could be written into the bill.

Mr. CONNALLY. Mr. President, I decline to yield further. Let me have a word, now. Yes, the Senator from Ohio goes into conference on a bill providing an authorization of about $3,000,000,000, designed to aid the people of western Europe to rebuild their fortunes and, because he does not get the picayune provision that 12½ percent of the wheat shall be milled and shipped in the form of flour, we will not have an ECA bill. That is a broad statement of position by the Senator, a broad statement for a man who wants to sit in high places. It is a great statesmanlike proposition. "To hell with the young and the people of Europe. Let their economy go. Let their fortunes go. Let their ruined factories go. If we do not get out of the House conferees exactly what we want in the way of 12½ percent of the wheat being shipped in the form of flour, we will cut off all relief to Europe."

That is not broad, statesmanlike politics; it is peanut-size politics.

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

Mr. CONNALLY. I yield.

Mr. THYE. The Senator knows that I am supporting the conference report, so he should naturally feel friendly toward me.

Mr. CONNALLY. I am yielding to the Senator. What else does he want me to do?

Mr. THYE. I know the Senator from Texas was not addressing his last remarks to me, and I want to make the record clear. The Senator from Ohio has not mentioned the 12½ percent of wheat which must be milled in the United States. The Senator from Ohio——

Mr. CONNALLY. If the Senator from Minnesota is making the speech of the Senator from Ohio all over again, I shall not yield.

Mr. THYE. I was the one who mentioned it. So the Senator's reference to the 12½ percent being mentioned by the Senator from Ohio is in error, because the Senator from Ohio never mentioned it.

Mr. CONNALLY. Very well.

Mr. THYE. We have a perfect right to object to the conference report.

Mr. CONNALLY. Certainly, if the Senator thinks that will help him any in dealing with Mr. Hoffman.

Mr. THYE. Those of us who are going to support the conference report cannot support it blindly. We must at least state very clearly why we object to certain phases. But the objections are not great enough, in my opinion, to make it necessary to reject the report, because I do not believe we shall be able

to get a report which is better than this one. I appeared before the committee, and I know exactly the attitude of the House conferees toward me and toward my proposal. But I say to the chairman of the conference committee that he did not bring back to the Senate that which we hoped would come back, with reference to point 4, because the report goes far beyond our convictions with reference to point 4. The commitments extend far beyond the expiration date which had been fixed.

Mr. CONNALLY. The Senator from Texas supported the amendment which the Senator from Minnesota offered. He supported it in the conference committee, but he is not all-powerful. The Senate conferees had to give way. That is all I can say.

Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Texas has 24 minutes remaining.

Mr. CONNALLY. I yield 12 minutes to the Senator from Wisconsin [Mr. WILEY].

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 12 minutes.

Mr. WILEY. Mr. President, I have been in conference all day in connection with another matter, and I am sorry that I have been unable to listen to all the arguments which took place for and against the conference report. I have sat in many conferences, and I have never seen conferees work harder than did the conferees on the ECA bill nor have I ever seen conferees who were more set in their convictions than were the House conferees. It was a fight from start to finish. As to point 4, the Senate had one version. If I had had my way, it would not have been in the bill at all. I think a great deal can be said for that position. However, the Senate conferees fought very hard for the Senate's version, but the House was adamant, and the compromise was the result, the Senate conferees getting the better of it.

Mr. President, I want to compliment the chairman of the committee. I know of no one who worked harder for the particular provision which has just been mentioned by the Senator from Minnesota [Mr. THYE], and for the other provisions of the Senate bill, than did the Senator from Texas. I can assure the Senator from Minnesota that I was with him 100 percent on the particular provision relating to milling wheat in this country. But, as I say, the House conferees were adamant. On two occasions we were ready to dissolve. Possibly if we had returned to our respective Houses we might have accomplished something, but that is questionable. We felt that it was our obligation, in view of the lateness of the season, to try to accomplish something in the conference.

I heard some of the preliminary remarks in relation to point 4 as it was being discussed on the floor, but I realize fully that in a conference it is a question of strong men arriving at a compromise. While it is not satisfactory to me, personally, I wish Senators could have heard how the distinguished chairman and the Senator from Georgia [Mr. GEORGE] and the Senator from New Jersey [Mr. SMITH] fought and the rest of us contended. When the House conferees yielded on the major portion, which involved the appropriation of funds, we accepted some of the House language.

Since I have been a Member of the Senate I have been opposed to legislating by preachment. Having been a lawyer for approximately 30 years, and having drawn pleadings, I would draw them as clearly as possible and as short as possible without stating conclusions. That is what we should do in legislation. We sort of preach in our bills and then preach some more. We should get rid of this method and state the law clearly and succinctly.

Mr. President, I want to list some of the main arguments which were raised on the floor, as I understand. I have some very brief comments.

It is argued that the point 4 program involves huge expenditures for projects of various types in underdeveloped areas of the world.

I am glad to put into the RECORD the fact that it was the clear understanding of all conferees that the money to be appropriated was to be used simply to provide for sending men into various areas to impart technical knowledge. There was no thought that the Government, under the point 4 program, was entering into any financial responsibility or would incur any financial responsibility outside of giving to various underdeveloped areas technical knowledge. There are many private organizations in this country whose technical knowledge is being used abroad. That point was argued and from my viewpoint, they do a grand job.

There was another point which was argued by the House conferees, that there should be funds available to guarantee disbursements of private individuals. That was deleted. That is not in point 4. All that is in it is some preachment and a provision for technical assistance.

It is argued that the bill would permit the President to extend assistance to the iron-curtain countries. I believe that is a fallacious argument. There is no intention whatsover on the part of the executive branch to extend technical assistance to the iron-curtain countries. Moreover, the President is instructed under section 411 (a) of the bill to terminate any such program if it is not consistent with the foreign policy of the United States. Obviously, technical aid to iron-curtain countries would not be consistent with our foreign policy.

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

Mr. WILEY. I have been assigned a very short time. Otherwise, I should be very happy to yield, if the Senator will pardon me.

Furthermore, Mr. President, the satellite countries have let it be known that they do not want our experts behind the iron curtain. The whole program involves the kind of publicity and inspection which they could not countenance.

It is argued that the bill is a blank check to the President, who may extend aid in any way he sees fit.

A careful reading of the bill indicates that this is not true. Section 407 (c), for example, lays down five specific limitations on the granting of technical assistance. Moreover, under section 411, the President is directed to terminate any technical assistance if it no longer contributes to the purpose of the program, if it is not in harmony with the wishes of the United Nations, or if it is not consistent with the foreign policy of the United States.

There are, of course, still other important limitations in that the program is subject to the scrutiny of the Appropriations Committees every year and that no contract authorizations may run for more than 3 years in any one case. Also, the program may be terminated by concurrent resolution of both Houses of the Congress.

It is argued that the bill now involves a whole new program relating to private investments.

The language in the point 4 section relating to favorable climate for investments merely restates a policy which our Government has emphasized for over half a century. This general language, which would help to create in some countries a more favorable climate for private investments, will help our Government in dealing with countries who believe that private investors are anxious to invest their money in the underdeveloped areas.

The United States is trying to convince such countries that they must first take steps to make it perfectly clear to potential investors that their propery will not be expropriated, that they will be able to get their profits out of the country if need be, and so on. It is believed that this statement of policy in the bill will help our Government negotiate commercial treaties which will be helpful to American interests. Yesterday I heard discussion on the floor when that idea was brought out. Personally, if I had the time to refer to the language of the bill, I am sure that an examination of it would show that it simply means that private persons may invest their money in countries, with some of which we already have treaties, as was shown by the distinguished Senator from Minnesota yesterday, and in other countries with which we are going to make treaties. The purpose of such treaties is to try to reach agreements with the foreign governments that if private American capital goes into their lands in order to help to build up industry or create wealth, the American investments shall not be subject to expropriation or confiscation. There is no guaranty involved. Certainly any American who contemplates investing in foreign lands, after reviewing experiences in some countries—South American countries as well as others—and noting that some countries have expropriated American money, is not going to repeat that experience unless there is some guaranty on the part of this Government that it will use not only words, but power, to see that that is not done.

It is my theory, Mr. President, that we have been too soft in dealing with a good many of these conditions. We had a President of the United States once who

inaugurated a big stick policy. That term has been misinterpreted. It simply means that we do not believe in an individual indulging in a thieving business, and we do not believe in nations indulging in a thieving business. We owe an obligation to our own people who invest funds to see to it that they get fair and equitable treatment in other countries.

It should also be emphasized that the main purpose of encouraging private capital to go into the underdeveloped areas is to make the expenditure of public funds on our part unnecessary. What we are suggesting to the underdeveloped areas is that, if they will take the proper steps to get private capital flowing, they will not need Government money.

It is argued that the point 4 program includes guaranties for American investors.

The point 4 bill makes absolutely no reference to guaranties. The ECA section of the Foreign Assistance Act does provide for certain guaranties, but these are limited to the participating countries of the European recovery program and that provision of the bill will, of course, terminate in 1952.

We know that those guaranties relate to convertibility or in a case where property is confiscated by a government.

It is argued that the intergovernmental agreements referred to in section 402 (a) can be concluded by the executive branch and will not be referred to the Senate for ratification.

It should be pointed out that there is a distinct difference between the bilateral technical cooperation programs envisaged in section 405 and the intergovernmental agreements which will be designed to bring about a more favorable climate for private investors. In the past this latter objective has been achieved by the conclusion of general commercial treaties, like those with Italy, and the more recently negotiated treaties with Uruguay and Ireland. These are treaties and as such call for Senate approval.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The time of the Senator from Wisconsin has expired.

Mr. WILEY. May I have two more minutes?

Mr. CONNALLY. I yield two more minutes to the Senator from Wisconsin.

Mr. WILEY. On the other hand, the bilateral arrangements that will be entered into before technical cooperation can be extended to any country are very similar to the bilateral agreements which have been concluded under the ECA program. These are executive agreements and do not require Senate approval since they are made in conformity with the principles laid down in the bill.

I had intended to state my position on the subject of the International Children's Welfare Work. Instead, I ask that the statement which I have prepared in that respect be printed in the RECORD following my remarks, as well as a summary of title 4.

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

INTERNATIONAL CHILDREN'S WELFARE WORK

This title providing for international assistance to children under the United Nations was one of the most disputed points in the conference. The Senate held to the position taken by former President Herbert Hoover, that the present program for children has brought more returns to this Government from a human and economic point of view, than any foreign activity in which our Government has been engaged.

We fought long and stubbornly to continue the authorization for the United Nations Children's Fund, which is title II in the Foreign Assistance Act of 1948, because we know, on the basis of the record performed, that this is a sound economic and efficient program.

(a) In a period of less than 3 years, the Children's Fund has raised almost as much money as the United Nations and all of the specialized agencies together have received in the same period. Moreover, all this money has been raised by voluntary contributions from governments and persons. The fund is, in fact, the only part of the United Nations which individuals have helped to support. It has provided a great moral outlet for millions of people in more than 45 countries and non-self-governing territories who wished to demonstrate their support for the United Nations.

This money has not been raised easily by UNICEF. It has been raised essentially on the basis of trusteeship which UNICEF has developed between the donor, whether a government or an individual, and the actual recipient of the relief. This principle of a direct relationship between the donor and giver is essential reason for the efficiency of this operation. It would be an unfortunate delusion to believe that one section within the United Nations in a mechanical way could go out and raise funds from governments and individuals, in order to meet the continuing needs of children, and then have these funds disbursed in turn by other agencies who are not in direct and live contact with the donors.

(b) With this money the fund has been able to provide direct assistance for children on the basis of approved country programs to more than 50 countries throughout the world.

In making these supplies available for children (the fund never gives grants in money) the fund has:

1. Required 53 recipient governments in Europe, Asia, Latin America, the Middle East, and Africa to match UNICEF supplies with new local resources for the benefit of children amounting to more than $100,000,000. (United States equivalent.)

2. Provided aid in such a way as to meet immediate child needs and at the same time have lasting benefits by getting countries' programs started and strengthening their permanent child health and welfare.

3. Directly assisted: 8,000,000 children and nursing and pregnant mothers daily through supplementary feeding through schools, maternal and child health clinics, nurseries, children's institutions, sanitoriums, etc.; 17,000,000 children through tests against tuberculosis and 9,000,000 children through vaccinations; 6,000,000 children with clothing, shoes, layettes, blankets, etc., processed by the recipient countries from raw materials provided by UNICEF; 4,000,000 children through conservation of local milk supplies to provide clean and safe milk; millions of children through maternal and child health programs and campaigns to control malaria, and other insect-borne diseases, yaws, syphilis, typhus, whooping cough, diphtheria, etc.

4. Been recognized throughout the world as the most important successful achievement of the United Nations.

Today the papers are full of the problem of surplus food. This Children's Fund, even though it is an infinitesimal program compared to the high sums we have appropriated for ECA, has provided, and can continue to provide, an effective channel for such items as dried skim milk, butter, eggs, fats, meats, and cotton. My distinguished colleague from Oklahoma, a joint sponsor of the Senate bill to continue the authorization for this program, has introduced an amendment to the Commodity Credit Corporation bill, pending in the Senate, to provide that this fund shall get such surpluses without cost. But the cost of maintaining the international distribution machinery and the cost of providing such equally necessary supplies as medicines and equipment—even such rudimentary equipment as kettles and ladles for reconstituting skim milk—mean that we must be sure the President makes available every cent of this $15,000,000 to the International Children's Fund.

There are few issues before the Senate on which we have the unanimous support of the people we represent here. On this item—of maintaining support for the International Children's Fund—I have received strong endorsing letters or wires from every major national farm organization; from the two big national labor organizations; the American Federation of Labor and the Congress of Industrial Organizations; from every religious faith—Protestant, Catholic, and Jewish; from national women's and veterans' societies. This body voted without a single "nay" to support the bipartisan amendment in conference. Why then have we brought this unsatisfactory compromise to you today?

There is only one simple answer. We were up again an immovable force. The House conferees were determined to ignore this expression of public opinion, and terminate the fund. They argued that they had a moral commitment to support a proviso attached to last year's legislation, which stipulated that United States participation would cease on June 30, 1950. The Senate also accepted that proviso but since that time the United Nations has made a very careful and detailed study of the needs of children and every possible agency which might be able to meet these needs.

I have some of the official documents relating to that study with me today. What do they show?

1. The studies conclusively demonstrate that there is a continuing need for assistance to children in the form of supplies in—

Europe—Germany (among expellee refugees), Italy, Greece—where hundreds of thousands are just now returning to bombed out villages—Yugoslavia.

Middle East—among Arab and Israelite refugee children.

Southeast Asia—where this practical demonstration of American humanitarianism in the form of assistance to children has just commenced; i. e., Indonesia, Burma, Indochina, Malaya Federation, Philippines, Thailand, Ceylon, India, and Pakistan. In these latter two areas, the fund is also taking care of child refugees.

2. None of the specialized agencies, nor the combined strength of the nongovernmental organizations, are prepared to meet these needs. As a matter of policy these specialized agencies of the United Nations, are not prepared to grant supplies to governments for child care programs. The fund's experience has demonstrated that many urgent child-care programs cannot be effectively handled unless there are certain imported supplies essential to get these programs started. The children's fund is the only agency in the world today that can do this job.

It is the duty of those of us who want the Senate concept of assistance to children

continued to insist that the entire $15,000,000 made available to the President for international assistance to children in this fiscal year, shall be made available to this existing organization, so that the children of the world may not suffer.

SUMMARY OF TITLE IV

ACT FOR INTERNATIONAL DEVELOPMENT

Because technical assistance and the encouragement of the flow of private capital into the underdeveloped areas, the Congress declares it to be the policy of the United States to aid the underdeveloped areas of the world.

It authorizes the President to participate in multilateral international technical assistance programs carried on by the United Nations, the Organization of American States and other international organizations. He is also empowered to provide such assistance directly to specific countries on a bilateral basis.

In order to do so he may execute, coordinate, and administer through any officer he may choose existing and new technical aid programs in which the United States may engage. He can enter into contracts of not more than 3-year duration and prescribe the rules and regulations which are to apply to the whole program. Criteria are established against which requests are to be measured. The President may employ personnel subject to FBI investigation on a very flexible basis, but chiefly subject to civil-service, classification and foreign service laws.

An advisory board, special committees, and joint commissions are provided for in order to expedite and make more efficient the program.

The program may be terminated in whole or in part by the President on certain contingencies.

POINT 4 PROGRAM AS AGREED BY THE CONFEREES ON THE PROVISIONS OF H. R. 7797

Title—Section 401: "Act for International Development."

Findings by the Congress—Section 402:

(a) Economic and social progress are essential to world peace and the democratic way of life.

(b) Technical assistance and flow of investment will aid in economic development.

(c) Mutual confidence of investor and people receiving assistance is necessary if beneficial commerce and development of international understanding are to be achieved.

Policy declaration—Section 403:

(a) It is the policy of the United States to aid underdeveloped areas through technical assistance and encouragement of flow of capital investment.

(b) Requests for aid shall be reviewed with the following in mind:

(1) Will the aid contribute to a balanced and integrated development of the recipient country?

(2) Are the requested works or facilities actually needed and otherwise economically sound?

(3) Where capital is requested, is there available private or other capital on reasonable terms?

Participation in United Nations and other international organizations—Section 404:

(a) The President is authorized to participate in UN and inter-American multilateral, technical-assistance programs.

(b) The President may use authorized funds for participation in such programs.

(c) United States governmental agencies may furnish services and facilities to international organizations and be reimbursed out of funds authorized under this bill.

Bilateral technical aid—Section 405:

The President is authorized to plan, administer, and execute bilateral technical aid carried on by any Government agency, and in so doing to—

(a) Coordinate and direct existing and new programs.

(b) Help other governments formulate balanced and integrated programs.

(c) Receive, consider, and review reports of joint commissions.

(d) Make necessary grants-in-aid of technical assistance.

(e) Make and perform necessary contracts in respect of technical-cooperation programs; but no contract to be made to exceed appropriated funds nor to exceed 3 years in any case.

(f) Provide for printing and binding outside continental United States.

(g) Provide for publication of information.

United States agreements under this title to be registered with the United Nations—Section 406.

Criteria for giving aid.—Section 407:

(a) The assistance of private agencies and persons shall be sought to the greatest extent possible.

(b) Recipient countries shall make effective use of the aid, and shall facilitate the development of areas administered by them.

(c) Assistance shall be made available where the President determines that the assisted country—

(1) pays its fair share of the program.

(2) gives the program full publicity.

(3) makes maximum effort to coordinate and integrate technical cooperation programs in that country.

(4) endeavors to make effective use of the results of the program.

(5) cooperates with other participating countries in the exchange of technical knowledge and skills.

Rules and regulations to carry out this act to be prescribed by the President.—Section 408.

Advisory board and special committees.—Section 409:

The President is empowered to appoint and compensate a public advisory board of, at most 13 members, representative of various walks of public life, with a chairman to be appointed by and with the advice and consent of the Senate. He is also empowered to appoint special advisory committees in particular fields of activity.

Joint Commissions.—Section 410:

(a) International joint commissions are authorized for economic development, each to consist of United States representatives and representatives of requesting governments and representatives of international organizations as mutually agreed.

(b) These Commissions shall examine—

(1) the requesting government's need for technical assistance.

(2) that country's potentialities and resources, also its opportunities for using technical assistance and skills and investment.

(3) policies which will encourage full use of technical assistance and investment capital.

(c) These commissions shall prepare studies and reports including recommendations as to specific projects.

Termination of program.—Section 411:

The President shall terminate the program in part or in whole,

(a) if he finds that the program is no longer effective, or contrary to a United Nations General Assembly resolution, or to United States foreign policy, or

(b) if a concurrent resolution of Congress directs such termination.

President may delegate his powers to any officer or employee of the United States Government.—Section 412.

Personnel.—Section 413:

(a) President to appoint with consent of Senate a program chief of $15,000.

(b) Employment to be subject to civil service and classification laws.

(c) Persons employed outside United States may be compensated at same rates as apply to Foreign Service Reserve and Staff.

(e) Alien clerks and employees to be employed on same terms as those of the Foreign Service Act.

(f) Experts and consultants may be employed at $75 per day.

(g) Additional personnel may be employed to carry out the program.

FBI investigation of employees—section 414:

Every employee must be investigated by the FBI; but Federal employees may be employed for 3 months from date of enactment pending clearance.

President to report annually to the Congress—section 415.

Funds authorized—section 416:

A sum not to exceed $35,000,000 is authorized to carry out the purposes of this title. This sum is to cover the work of the Institute of Inter-American Affairs and the United States Information and Educational Exchange Act of 1948.

Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance whether of funds, commodities, or services to any country or countries, or to any international organization.

Unobligated balances, when so specified in appropriations may be carried over from year to year.

Definitions will be found in section 418.

Mr. CONNALLY. Mr. President, I reserve the remainder of my time. Does the Senator from Colorado wish to use any of his time now?

Mr. MILLIKIN. I merely wish to make a few remarks at this present time. I think there has been some confusion as to what is authorized by the bill which is before the Senate. As it left the Senate it was a simple technical assistance bill, with a definite term of 5 years. As it comes back to us it has a double purpose. It comes back to us with technical-assistance features and also with authority for at least the commencement of a full point 4 program, including investment, private and public, in foreign countries. It was the investment features of the program which caused the Committee on Foreign Relations of the Senate to strip the bill which came from the House to exclude everything extraneous to a simple, clean-cut technical-assistance program. Because it had been so stripped I respectfully suggest it received more votes from the Senate than it would have otherwise received. The vote was 37 to 36. The Senate had no debate on the point 4 program which is before us. In real substance the Senate Committee on Foreign Relations held no hearings on the point 4 program which is before us. The Senator from Michigan [Mr. VANDENBERG] has suggested to Mr. Hoffman that continuation programs, programs running after ECA, should have the kind of preliminary study that ECA had. As has been pointed out, there were two or three committees which concerned themselves with the subject before we ever committed ourselves to it: The Herter committee, the Krug committee, the Harriman committee. We find now that through this back-door approach we are asked to commit ourselves fully, without limitation of time and scope of purpose, to a full fledged point 4 program which probably equals in importance—and might even surpass in importance—the ECA program. I suggest again that that is very unsound legislative pro-

cedure. I suggest again that it does not do justice to the subject or to the Senate, and I doubt whether it furnishes an adequate opportunity for the people of the United States to know what we are doing here and what we are being asked to fasten upon them. This conference report should be rejected.

Point 4 in the conference report is comprised within what is known as title IV. That title opens up with findings, in which the importance of investment is repeated in various fashions.

Then we come to section 403 (a) where, as was pointed out by the Senator from Ohio [Mr. TAFT], it is declared to be the policy of the United States to get into these investment programs.

Now, let us see what is done to implement these investment programs. It is said in section 403 (b) that it is the policy of the United States "that in order to achieve the most effective utilization of the resources of the United States, private and public, which are or may be available for aid in the development of economically underdeveloped areas, agencies of the United States Government, in reviewing requests of foreign governments for aid for such purposes, shall take into consideration" a specified number of things. There is the charge of a duty on United States agencies, so far as this investment program is concerned.

Now we come to section 404 (a), which says:

In order to accomplish the purposes of this title—

Not the technical assistance part of it, but the title—

the United States is authorized to participate in multilateral technical cooperation programs carried on by the United Nations, the Organization of American States, and their related organizations.

I believe I made a misstatement at that point. I think the provision which I read is limited to technical assistance programs.

We now come over to section 406. I quote:

Agreements made by the United States under the authority of this title—

The whole title—

with other governments and with international organizations shall be registered with the Secretariat of the United Nations.

So clearly agreements affecting the whole title, including investments, are in contemplation.

Section 409 says the President shall create an advisory board to administer the program with respect to policy matters in connection with the operation of the program, not limited to the technical-assistance program, but the whole program, which includes the policy of making foreign investments.

Now we come to section 410 (a), which says:

At the request of a foreign country there may be established a joint commission for economic development to be composed of persons named by the President, etc.

The duties of each such joint commission shall be mutually agreed upon, etc.

In subdivision (b) it is said:

The requesting country's resources and potentialities, including mutually advantageous opportunities for utilization of foreign technical knowledge and skills and investment.

And that theme is repeated later.

The point I am making is emphasized by section 412, which says in effect that the President may delegate authority conferred on him by the title, and the title includes investments.

Section 416 provides that—

In order to carry out the provisions of this title there shall be made available such funds—

Thirty-five million dollars of funds, not limited to technical assistance, but available for the whole purpose of the entire title, including investments.

I repeat, Mr. President, it was the intrusion of this very large subject, with very fateful international repercussions, with very fateful economic implications, that caused the Senate Committee on Foreign Relations to report a bill limited strictly to technical assistance.

I repeat, we are now confronted for the first time with a major international program which has not been adequately considered by the Senate, which I most respectfully suggest has hardly been considered at all by the Senate Committee on Foreign Relations, because that committee took one look at the bill which came from the House and ordered it stripped bare, leaving, as it were a mere skeleton, concerning itself alone with technical assistance.

Mr. President, I believe that the best interests of the country require that we reject this report, and that we receive a further report limited to the continuation of the ECA program.

Mr. DONNELL. Mr. President, will the Senator yield to me for 2 minutes?

The PRESIDING OFFICER. The Senator has 3 minutes left.

Mr. MILLIKIN. I yield to the Senator.

Mr. DONNELL. I desire to make it clear that although I shall vote against the conference report I am not opposed to adequate provision for the Economic Cooperation Administration.

As I see it, this conference report announces a policy that aid should be given to the efforts of the people of economically undeveloped areas by encouragement of the flow of investment capital into foreign countries. To my mind, such a policy, however meritorious it may be, should be expressly limited by a proviso that this Government is not agreeing to guarantee such investments, but on the contrary the conference report is, as I see it, susceptible of the construction that this Government is announcing a willingness to enter into such guaranties for the encouragement of such investments.

In the second place, the conference report is susceptible of the construction that the United States is committing itself to an unrestricted policy, which I think it should not enter into, of utilizing its private and its public resources for aid in the development of economically underdeveloped areas of other countries.

Mr. CONNALLY. Mr. President, I shall change the approach of my remarks so as to reply to the Senator from Missouri first instead of last. The Senator from Missouri has a wholly erroneous conception of what is contained in the bill. He says it encourages foreign investments, and holds out by implication that we are going to make them good. Is that correct?

Mr. DONNELL. That is the substance of it.

Mr. CONNALLY. The Senator from Missouri is a man of very keen intelligence, a great lawyer, and a pretty good Senator. [Laughter.]

Mr. DONNELL. I certainly appreciate the compliment, Mr. President.

Mr. CONNALLY. I have never seen the Senator in action in court, but I am sure he is very effective, and he is effective here when he is right—but he is not always right.

Mr. President, I desire to read some of the language of the bill.

I first read section 416 (b). If the Senator has not read it, I hope he will read it. It provides that—

Nothing in this title is intended nor shall it be construed as an expressed or implied commitment to provide any specific assistance, whether of funds, commodities, or services, to any country or countries, or to any international organization.

How can it be more explicit than that? That is an explicit denial of the claim made by the Senator from Missouri. If we do not commit ourselves to the payment of any money, that is pretty good. If we do not commit ourselves to the furnishing of any commodities or any services, that is pretty fair. If we do not commit ourselves to any of these things, where are they going to get their advantage?

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

Mr. CONNALLY. I yield very briefly. I have only a few minutes.

Mr. DONNELL. Does the Senator note in what he has read that the application is limited to commitments to any country or countries or international organization? I am talking about investors who may go into a foreign country and invest their money. I say there is at least an implied statement, and that it is easily susceptible of the view, that our country is indicating a willingness to guarantee private investors against losses.

Mr. CONNALLY. There is nothing in the bill that deals with individuals at all, unless with the sanction of the governments under some of the agreements.

Mr. DONNELL. Mr. President, I do not want to consume the time of the Senator from Texas, but would he permit me to state that in section 402 (c) is the language:

It—

And I think "it" means the previous understanding—

involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation.

Mr. CONNALLY. Does the Senator object to that?

Mr. DONNELL. Yes, I do.

Mr. CONNALLY. Does the Senator want American property to be confiscated without compensation to the American investor for it?

Mr. DONNELL. I certainly do not want American property to be confiscated; but I do not want anything in this bill, express or implied, that amounts to an agreement by this Government that it will guarantee against loss American investors who go to foreign countries.

Mr. CONNALLY. There is nothing like that in the bill, except the imagination of the Senator from Missouri, which is quite expansive and quite inclusive.

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

Mr. CONNALLY. No, I should prefer not to yield any more; but I will yield.

Mr. DONNELL. Mr. President, I simply want to ask the Senator if he has, in his opinion, given due consideration in answering my question, or my point, to the effect that section 402 not only refers to the encouragement of the flow of investment capital, but contains a specific provision which I have read, that the understanding, as I understand the word "it" to mean—

> It involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation.

If that is not a statement that our Government "through intergovernmental agreements or otherwise" is willing to see to it that American investors do not suffer loss, then I do not understand the English language.

Mr. CONNALLY. The Senator's understanding of the English language is very defective, I will say to him, because the language does not mean that at all. There is nothing in the bill to that effect. What is meant when the section says "it" is the attitude which "involves confidence on the part of investors, through intergovernmental agreements or otherwise, that they will not be deprived of their property without prompt, adequate, and effective compensation."

I favor that. Does the Senator want American property confiscated?

Mr. DONNELL. Mr. President, may I answer the question?

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Missouri?

Mr. CONNALLY. Yes.

Mr. DONNELL. Of course, I do not want American property confiscated. But at the same time I do not want to enter into an agreement with unrestricted provisions which may justly be susceptible to the construction that the Government is indicating a willingness on its part to guarantee the investors against loss.

Mr. CONNALLY. My answer is that that is merely imagination. There is nothing in the bill, express or implied, contemplating it in any way.

Mr. President, we are now approaching a vote on the conference report. The conference report is not merely on point 4. It deals with a bill which carries more than $3,000,000,000. Yet all the debate has been on point 4, involving a total expenditure of $25,000,000. Some Senators want us to tell the House conferees, "If you do not give us what we want you will not get an ECA bill." The Senator from Ohio made that telling point. The Senator from Ohio voted for the bill when it was passed by the Senate, and it contained point 4 then. Why did he vote for it then, and will not vote for it now?

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

Mr. CONNALLY. The Senator has had all the afternoon.

Mr. TAFT. There are two very good reasons.

Mr. CONNALLY. The Senator cannot state the reasons now.

Mr. TAFT. What is proposed here is not what I voted for. That is the first reason. The second reason is——

Mr. CONNALLY. I do not yield any further. [Laughter.] There is one mighty good reason, which is, that the Senator is not for it. That is what he said. Oh, he voted for the bill when it had point 4 in it, when it passed the Senate. After it goes to conference and comes back to the Senate, the Senator from Ohio draws his broadsword and gives forth with wide utterances to damn it and curse it and say that he will vote against the whole ECA, against the European recovery program, if he does not get what he wants out of the conference committee. That is an example of the Senator's statesmanship, with a little "s."

Mr. President, as has already been said, the total expenditure under title IV is $25,000,000, because $10,000,000 of the $35,000,000 has already been allocated under the Smith-Mundt bill to South and Central America.

A great deal of excitement has resulted over section 403. Listen to this. I want the Senator from Missouri to pay heed to it. Let him tear himself away from the fascination of the Senator from Washington [Mr. CAIN] and listen to the debate for a moment. [Laughter.]

The Senator from Missouri referred to sections 402 and 403. What does section 403 provide?—

> It is declared to be the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their working and living conditions by encouraging the exchange of technical knowledge and skills and the flow of investment capital to countries which provide conditions under which such technical assistance and capital can effectively and constructively contribute——

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

Mr. CONNALLY. Not yet; wait until I finish reading the paragraph—

> to raising standards of living, creating new sources of wealth, increasing productivity and expanding purchasing power.

I yield only a minute; that is all.

The VICE PRESIDENT. The Senator from Texas has only 1 minute left.

Mr. DONNELL. What does the Senator consider to be the means by which the United States can encourage the flow of investment capital?

Mr. CONNALLY. I have only a minute left. I cannot yield. The Senator has taken up most of my minutes.

Mr. President, we are simply declaring a policy. Some Senators say that when we declare a policy that means we have got to go down in our pocket and get some money. It does not mean anything until Congress acts. A policy cannot be eaten. A policy cannot be worn. Nothing can be done with a policy unless it is backed up by money or commodities or resources of some kind. It is a mere declaration of our good will to these countries, of our desire that they progress, and that they develop, and that their resources be developed. I do not think the Senator from Missouri is really against that in his heart. He will not be against it after November. As soon as he gets out of the woods in the present campaign he will see a light and he will be for this broad Christian attitude toward other nations of the world. But until November he is going to be as tight as Dick's hat band. [Laughter.]

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

Mr. CONNALLY. I hope Senators will vote for the adoption of the conference report, and not kick back into the teeth of the people of Europe that we have hedged on our agreements and our obligations.

Mr. MILLIKIN. Mr. President.

The VICE PRESIDENT. The Senator from Colorado has a couple of minutes.

Mr. CONNALLY. It was my understanding that the Senator from Colorado was going to finish his statement previously and that I had a right to conclude the debate. However, I cannot help myself.

Mr. MILLIKIN. Mr. President, I yielded time to the distinguished Senator from Missouri, and he did not use up the full amount of time that was allocated to him. I simply wish to say——

The VICE PRESIDENT. The Senator has 1 minute remaining.

Mr. MILLIKIN. There is more than the mere declaration of policy which has been read by the distinguished Senator from Texas. Those words have been implemented by a half dozen other provisions calling for action, which I have read and which are in the field of investment. There are the provisions for joint commissions. There are provisions for a sort of assistant president. There are provisions for special commissions and special committees. There are all sorts of implementing provisions to make that policy good, including an appropriation.

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

Mr. MILLIKIN. I yield.

Mr. TAFT. I should like to say that if the conference report should be defeated, I propose to make the following motion, so as to make it perfectly clear that there is no reflection on ECA. I shall move that the Senate request a further conference with the House, that the Chair appoint conferees, and that the conferees on the part of the Senate be instructed to insist on substantially the terms of title IV as passed by the Senate.

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

Mr. TAFT. I yield.

Mr. WHERRY. Before the Senator can do that, a vote must be taken on agreeing to the report.

Mr. TAFT. That is correct.

The VICE PRESIDENT. All time for debate has expired. Under the unanimous-consent agreement, at 4:30 p. m. the Senate is to proceed to vote on the conference report.

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

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is it not true that the first vote will be on the question of whether the conference report will be adopted or rejected, and nothing else can be done with the conference report until that question is decided?

The VICE PRESIDENT. The vote will be taken on the question of adopting or rejecting the conference report.

The question is on agreeing to the conference report.

Mr. CONNALLY asked for the yeas and nays, and they were ordered.

Mr. KNOWLAND. 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	Hendrickson	Martin
Anderson	Hill	Maybank
Benton	Hoey	Millikin
Brewster	Holland	Mundt
Bricker	Humphrey	Myers
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Jenner	O'Mahoney
Cain	Johnson, Colo.	Robertson
Capehart	Johnson, Tex.	Russell
Chapman	Kefauver	Saltonstall
Connally	Kem	Schoeppel
Cordon	Kilgore	Smith, Maine
Darby	Knowland	Smith, N. J.
Donnell	Leahy	Sparkman
Douglas	Lehman	Stennis
Dworshak	Long	Taft
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Utah
Ellender	McClellan	Thye
Ferguson	McFarland	Watkins
Fulbright	McKellar	Wherry
George	McMahon	Wiley
Gillette	Magnuson	Williams
Hayden	Malone	Withers

The VICE PRESIDENT. A quorum is present. The question is on the adoption of the conference report.

Those who favor the report will answer "yea," as their names are called. Those who oppose it will answer "nay," as their names are called.

The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN (when his name was called). On this vote, I have a pair with the senior Senator from Maryland [Mr. TYDINGS], who is necessarily absent. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from South Carolina [Mr. JOHNSTON], and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate.

The Senator from California [Mr. DOWNEY] and the Senator from North Carolina [Mr. GRAHAM] are absent because of illness.

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

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business as a member of a subcommittee of the Committee on Foreign Relations investigating the security program of the Department of State and its foreign establishments.

The Senator from Oklahoma [Mr. KERR] and the Senator from Florida [Mr. PEPPER] are absent on public business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

The Senator from Rhode Island [Mr. GREEN] is paired on this vote with the Senator from South Carolina [Mr. JOHNSTON]. If present and voting the Senator from Rhode Island would vote "yea," and the Senator from South Carolina would vote "nay."

I announce further that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. GRAHAM], the Senator from Oklahoma [Mr. KERR], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from South Dakota [Mr. GURNEY], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. McCARTHY] are absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate on official committee business. If present and voting, the Senator from Massachusetts would vote "yea."

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

The Senator from North Dakota [Mr. LANGER], who is absent by leave of the Senate, is paired with the Senator from Oregon [Mr. MORSE], who also is absent by leave of the Senate. If present and voting, the Senator from North Dakota would vote "nay," and the Senator from Oregon would vote "yea."

The Senator from Michigan [Mr. VANDENBERG], who is absent by leave of the Senate, is paired with the Senator from North Dakota [Mr. YOUNG], who also is absent by leave of the Senate. If present and voting, the Senator from Michigan would vote "yea," and the Senator from North Dakota would vote "nay."

The Senator from Vermont [Mr. FLANDERS] is necessarily absent. If present and voting, he would vote "yea."

The result was announced—yeas 47, nays 27, as follows:

YEAS—47

Aiken	Gillette	Johnson, Tex.
Anderson	Hayden	Kefauver
Benton	Hill	Kilgore
Chapman	Hoey	Knowland
Connally	Holland	Leahy
Douglas	Humphrey	Lehman
Eastland	Hunt	Long
Ellender	Ives	Lucas
George	Johnson, Colo.	McFarland
McKellar	O'Conor	Stennis
McMahon	O'Mahoney	Taylor
Magnuson	Robertson	Thomas, Utah
Maybank	Saltonstall	Thye
Mundt	Smith, Maine	Wiley
Myers	Smith, N. J.	Withers
Neely	Sparkman	

NAYS—27

Brewster	Donnell	Malone
Bricker	Dworshak	Martin
Bridges	Ecton	Millikin
Butler	Ferguson	Russell
Byrd	Fulbright	Schoeppel
Cain	Hendrickson	Taft
Capehart	Jenner	Watkins
Cordon	Kem	Wherry
Darby	McCarran	Williams

NOT VOTING—22

Chavez	Johnston, S. C.	Pepper
Downey	Kerr	Thomas, Okla.
Flanders	Langer	Tobey
Frear	Lodge	Tydings
Graham	McCarthy	Vandenberg
Green	McClellan	Young
Gurney	Morse	
Hickenlooper	Murray	

So the report was agreed to.

Mr. HUMPHREY. Mr. President, I have prepared a statement, as one of the sponsors of the Senate amendment to continue United States participation in the United Nations Children's Fund, which I ask unanimous consent to have printed in the RECORD at this point.

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

TITLE V—INTERNATIONAL CHILDREN'S WELFARE WORK

Mr. President, as one of the sponsors of the Senate amendment to continue United States participation in the United Nations Children's Fund, I would like to register a strong protest against the conference report under title V, "International Children's Welfare Work."

As I stated on the floor, previous to the passage of the bill, this fund has created more good will for the United States than any other program within the United Nations. On the basis of a dollar-for-dollar return, our small investment of $75,000,000 over a period of 3 years has reaped dividends out of all proportion to the far greater contributions which we have made to ECA.

First. The United States generous contribution to the Children's Fund has made it possible for the United Nations to carry out this tangible demonstration of international cooperation on the practical humanitarian level of assistance to children.

Second. Because this work for children has been maintained as a central United Nations fund with the explicit function of granting supplies to approved country child-care programs on the basis of an additional contribution by the recipient country (internal matching), the fund has been able to stimulate new resources for children totaling more than $100,000,000.

Third. Because the fund has existed on voluntary contributions rather than on an assessed basis of support, more than $30,000,000 has been contributed by both recipient and nonrecipient governments for the care of children outside their borders.

I see no provision in this conference report to assure us that this type of international action will be continued whether for the Children's Fund or for whatever permanent arrangements for children are established by the United Nations.

There is one other aspect of this report which is particularly disturbing to those of us who sincerely believe in the President's repeated statement that the United States foreign policy is based on strengthening the United Nations. It would seem to me that paragraph (a) of this report gives the United States a club with which to bludgeon other

governments into support of their own particular plan for the care and assistance of children. The Children's Bureau has been rightly acclaimed for its splendid work within the United States, but although their pattern of technical assistance from Federal to local governments has been widely successful in this country, it may very well be that this same pattern is not the best basis for international assistance to children. Mr. President, this is the price of international cooperation—to be willing to accept the decision of the majority and to enthusiastically cooperate in its decisions. We have criticized Russia because she would not cooperate under similar circumstances; let us not put the United States in a position where the same criticism can be leveled against us.

The Social Commission of the United Nations, which was the first deliberative body responsible for a decision on the type of long-range international assistance which the United Nations should provide for children, voted 13 to 1 against the United States proposal to continue assistance to children on the technical assistance pattern. The United States representative at that meeting stated that he would fight this decision in all successive bodies which will consider permanent arrangements for children.

I sincerely hope the broad authority given the President in this section does not mean that the United States Senate is endorsing this action.

I am delighted that the conference has seen fit to establish the proven value of this program on a more permanent basis. But, we must now be assured that the more permanent program will continue to operate on the basis of direct assistance to children and not as a technical advisory program.

"The needs of these children cannot wait," writes the Chilean poet and Nobel prize winner, Gabriela Mistral. "We cannot answer tomorrow. The child's name is Today."

I submit for printing in the RECORD at this point an analysis of the conference report on UNICEF:

"UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND—CONFERENCE REPORT

"FOREIGN ECONOMIC ASSISTANCE ACT OF 1950

"Title V. International children's welfare work

"SEC. 501. (a) There is hereby authorized to be appropriated to the President not to exceed $15,000,000 for the fiscal year ending June 30, 1951, to enable him to make contributions to the United Nations, or any subordinate body thereof, in such manner and on such terms and conditions as he may deem to be in the interests of the United States, to support permanent arrangements within the United Nations structure for international children's welfare work.

"(b) If at any time during such fiscal year the President deems it to be in the interests of the United States, he is authorized to make contributions, out of any funds appropriated pursuant to the authorization contained in subsection (a), to the International Children's Emergency Fund to carry out the purposes of the International Children's Emergency Fund Assistance Act of 1948 upon such terms and conditions as he may prescribe; but such contributions shall not exceed the limitations provided by section 204 of such act.

"(c) No additional appropriation shall be made under the authorization contained in such act of 1948.

"(d) Funds appropriated by the second paragraph of title I of the Foreign Aid Appropriation Act of 1949 shall remain available for the purposes for which appropriated through June 30, 1951."

I understand that this report recommends continuing assistance for children, under permanent arrangements in the United Nations, on the basis of a demonstrated need.

I have supported this program because it is an effective demonstration to the world of our sincere humanitarianism. Now I have a cable substantiating this position from an American Ambassador in one of our most important foreign posts—Yugoslavia. This cable from Ambassador George Allen was part of a larger classified message sent to the Department of State on April 12, 1950. The Department has unclassified this portion of the communiqué so I am at liberty to read it to you today:

"Re UNICEF: Embassy is increasingly impressed by accomplishments and value of UNICEF operations in Yugoslavia. Aside from humanitarian aspects of feeding one and a half million children daily UNICEF is most effective tangible evidence of United Nations as operating world organization to masses of Yugoslav people and is only method now available to bring existence of United Nations home to them. Its activities are fully accepted and assisted by Yugoslav Government and, there is, fortunately, no effort by government to disguise origin of assistance or attempts to claim credit for United Nations operations."

This program of direct assistance to children, given on the basis of recipient nations matching the international imports with an equal value of indigeous supplies and services, is one of the most valuable techniques I know of for strengthening the United Nations and advertising America. If, as the Senator suggested yesterday, the United States matching formula is to be drastically revised, will not such a revision discourage the financially pressed nations (for whom we are pouring out hundreds of millions of dollars in other parts of this bill and in other legislation) from making additional voluntary funds available to continue this program?

There are those who say that our contribution to international assistance for children should be on the same percentage basis as our contribution to the other work of the United Nations. Mr. President, I would like to make it clear that assistance for children, to be realistic, must be on the basis of an operating supply program. The regular work of the United Nations, and the specialized agencies, is on a consultative advisory level. Let us not delude ourselves with false economy by making assistance to children into a talking program.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had insisted upon its amendment to the bill (S. 2440) to authorize certain construction at military and naval installations, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7341) to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes.

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

H. R. 4424. An act to provide for the settlement of certain parts of Alaska by war veterans; and

H. R. 6826. An act to provide for the common defense through the registration and classification of certain male persons, and for other purposes.

MODIFICATION OR CANCELLATION OF CERTAIN ROYALTY-FREE LICENSES GRANTED BY PRIVATE HOLDERS OF PATENTS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2128) to provide for the modification or cancellation of certain royalty-free licenses granted to the Government by private holders of patents and rights thereunder, which were on page 1, line 5, strike out "during World War II" and insert "subsequent to September 9, 1939"; on page 1, line 9, after "royalty" insert "or with reduction or limitation of royalty"; on page 2, line 2, after "cellation" insert "or modification", and to amend the title so as to read: "An act to provide for the modification or cancellation of certain licenses granted to the Government by private holders of patents and rights thereunder."

Mr. WILEY. Mr. President, I move that the Senate disagree to the House amendments, 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. WILEY, Mr. EASTLAND, and Mr. O'CONOR conferees on the part of the Senate.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

IMPORTATION OF OILS—RESOLUTION OF NORTHERN WEST VIRGINIA COAL MINING INSTITUTE

Mr. KILGORE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted at a meeting of the Northern West Virginia Coal Mining Institute, at Fairmont, W. Va., on May 19, 1950, relating to the importation of oils.

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

At a meeting of the Northern West Virginia Coal Mining Institute held on the 19th day of May 1950 at Fairmont, W. Va., there was a general discussion by the members of the question of the impact of the importation of foreign oils into the United States upon the coal industry and the job security of the employees therein, and the following resolution was adopted:

"Whereas the stability of the coal industry is threatened and the job security of the employees in the industry imperiled by the ruinous competition of foreign oils now being imported into the United States, as is attested by the following facts:

"1. The importation of foreign oils into the United States has increased at an unprecedented rate within the last 5 years. In 1945 the average daily imports were 311,000 barrels; in 1949, 648,000 barrels; and during 1950 the average daily imports have increased to 825,000 barrels. One-third of these oil imports is a residual fuel oil and the remainder gives a large yield of residual fuel oil.

"2. This residual fuel oil is highly competitive with domestic oil and coal. In 1949, these foreign oils supplanted 150,000,000 bar-

rels of American petroleum products and resulted in surplus residual oil which displaced 25,000,000 tons of coal as a fuel. Coal mines have been closed or forced to operate on a part-time basis, resulting in partial or total unemployment of the men working in these mines.

"In West Virginia many miners have been forced to seek relief from the State as a result of the unemployment directly attributable to the unfair competition of these foreign oils with coal in the domestic markets. In fact, the distress in which the coal industry now finds itself is directly traceable to this competition with foreign oils.

"3. These foreign oils coming into the United States pay only a nominal tariff duty of about 10 cents a barrel, a rate which affords no substantial protection to our domestically produced coal in our Atlantic seaboard markets; and

"Whereas dire peril threatens the coal industry and the men employed in that industry unless the importation of these foreign oils into the United States is limited and regulated by our National Government: Therefore be it

"*Resolved*, That the Northern West Virginia Coal Mining Institute unqualifiedly favors the passage of legislation by the Congress increasing the tariff rate on foreign oils imported into the United States to the end that the coal and oil industries may be properly protected in the domestic markets, and supports certain legislation now pending in the Congress, among which are Senate bill No. 3334 introduced by Senator THOMAS, House of Representatives bill No. 7996 introduced by Congressman JENKINS, and House of Representatives bill No. 6773 introduced by Congressman GOSSETT, having for its purpose the limitation and regulation of the importation of these foreign oils and the preservation of the American markets for the benefit of American business and American workingmen; it is, therefore, further

"*Resolved*, That copies of this resolution be transmitted to Hon. M. M. NEELY and Hon. HARLEY M. KILGORE, Senators; and Hon. ROBERT L. RAMSAY, Hon. HARLEY O. STAGGERS, Hon. CLEVELAND M. BAILEY, Hon. M. G. BURNSIDE, Hon. JOHN KEE, and Hon. E. H. HEDRICK, Representatives in Congress from West Virginia, with the request that they vote and work for the passage of said legislation at this session of the Congress."

NORTHERN WEST VIRGINIA
COAL MINING INSTITUTE,
By ARTHUR E. BELTON,
Executive Secretary.

COMPULSORY HEALTH INSURANCE—RESOLUTION OF DRUGGISTS OF BUFFALO COUNTY, NEBR.

Mr. BUTLER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted and signed by 17 druggists of Buffalo County, Nebr., protesting against the enactment of legislation providing compulsory health insurance.

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

Whereas the American medical profession and the businesses which supply its equipment and materials, operating under a system of free enterprise, have established the world's highest standard of scientific performance, treatment, and research, hereby helping the United States to become the healthiest major Nation in the world; and

Whereas the benefits of American medicine have been made available to the people of this country through budget-basis voluntary health insurance, the best health insurance which exists in the world; and

Whereas the experience of all countries where government has assumed control of medical services has shown that there has been a gradual erosion of free enterprise and a progressive deterioration of medical standards and medical care to the detriment of the health of the people: Now, therefore, be it

Resolved, That the druggists of Buffalo County, Nebr., hereby go on record against any form of compulsory health insurance or any system of political medicine designed for national bureaucratic control; that a copy of this resolution be forwarded to the President of the United States, to each Senator and Representative from the State of Nebraska, and that said Senators and Representatives be and are hereby respectfully requested to use every effort at their command to prevent the enactment of such legislation.

A. C. Lantz, A. L. Lantz, C. H. Calling, E. L. Smith, H. H. Haeberle, Jack C. McNary, J. Cording, Glen Martin, W. H. Artman, Robert R. McCauley, Geo. J. Bauer, Rex F. Honnold, Harold W. Robbins, A. G. Robbins, R. R. Svanda, Floyd W. Eese, Olga Y. Arnold.

CONDITIONS IN POLAND—RESOLUTION OF CENTRAL OF POLISH ORGANIZATIONS, PASSAIC, N. J.

Mr. HENDRICKSON. Mr. President, I send to the desk for appropriate reference a resolution adopted by the Central of Polish Organizations at a rally held in Passaic, N. J., on May 14, 1950.

Since the resolution bespeaks the depth of the feeling which exists in the hearts of people of Polish extraction everywhere in my State in respect to the well-nigh intolerable situation which exists in Poland today, I ask unanimous consent that the text of the resolution be inserted in the body of the RECORD at this point in my remarks.

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

At a rally commemorating the adoption of the peoples constitution by Poland in the year 1791, held on May 14, 1950, at the Polish Peoples Home, 1-3 Monroe Street, Passaic, N. J., and sponsored by the Central of Polish Organizations, which includes all sick and death-benefit societies, civic organizations, political organizations, and unanimously supported by all of the churches, and representing over 20,000 American citizens of Polish extraction, the following resolution was unanimously adopted:

1. Although Poland, through the leaders of the people and with the forceful cooperation of the government, adopted a constitution in the year 1791—a liberal document which recognized the personal and human rights of every citizen, the powers of Russia, Germany, and Austria, fearing that the ideology of such a pronouncement and its adoption into the basic law of Poland would penetrate into the minds and hearts of the peoples of other nations governed by the absolute power of its dictators, then agreed and did put through the final partition of Poland.

2. Although the people of Poland were the first to adopt such a liberal constitution and to give its people the benefits therefrom, it seems strange that during most of the years thereafter and up to the present time, its peoples were forced into slave labor, repressed in their desire for freedom, and enslaved politically.

3. In spite of all this, the Polish people preserved their unity, taught their children the Polish traditions, and inculcated in their minds the love of freedom of religion and political thought; and developed a great faith in the Roman Catholic Church.

4. The church became their bulwark against complete oppression. Even today the Roman Catholic Church is the sole remaining barrier against complete domination of the religious and political thinking of the Polish nation and for that matter, of all Europe under the control of the Soviets.

5. Realizing this, Soviet Russia, through its agents, now is attempting to remove the protection of the church.

6. Over 700 priests were imprisoned or sent to the wilds of Siberia; countless numbers were murdered, and in January 1950 the Soviet agents seized control of the organization known as Caritas. This organization, organized by the episcopate of Poland, guaranteed that all relief from America and other sources was properly received and distributed.

7. When this did not destroy the beneficent action of the church, the Soviet agents then attempted to destroy the very foundation of the Roman Catholic Church in Poland in the absence of Adam Stephen Cardinal Sapieha by attempting to create a National Catholic Church completely controlled by it (which is completely unrelated to the present National Catholic Church which with all its powers also unites against the forces of communism). In this way they believed that they could force the episcopate into supporting the Government's policy for the creation of a Communist state.

8. This is a tacit admission by the Soviets that they were unable to do so up to the present time.

9. The Soviet's agents recently announced an agreement between the church and state. This alleged agreement was put through in the absence of Cardinal Sapieha.

We therefore petition our Government, through its own leadership, and in the name of the United Nations, to prevent the extinction of religious freedom whether it be in Poland or any other country.

This should become the absolute policy of our Government.

If they fail to do this they will be admitting surrender to the Communists and will encourage the spread of communistic ideology all over the world.

We further petition our Government to take a positive and affirmative stand against such action on the part of the Soviets, no matter what the consequences may be. If we succeed it will be a signal victory against one of the prime objectives of the Soviets which is the attempt to foist its control over the peoples of the world.

Stalin never made any pretense of living up to the Yalta agreement. He used it only when the use of it was expedient for his own ends. The Yalta agreement is now recognized by everyone as a betrayal of Poland, the friend of America. It was only an agreement between three men—Stalin, Churchill, and Roosevelt; its terms were never revealed; it was never ratified by the Senate of the United States; it could not be ratified because it was never presented for ratification. Therefore the entire Yalta agreement should be repudiated.

We, therefore, call upon the Congress of the United States to affirmatively repudiate it and show the people of Poland that we now, as before, are still their real friends and will support them in their effort to regain the freedom which practically every Pole wants and which was taken away from them by Soviet agents masquerading as the leaders of the Government of Poland.

Such action will again re-create the prestige of America with the peoples behind the iron curtain.

It is ordered that a copy of this resolution, duly signed by the chairman of the committee on resolutions and by its secretary, be forwarded to Secretary of State Acheson, Senator H. Alexander Smith, Senator Robert C. Hendrickson, Congressmen Gordon Canfield, Harry L. Towe, and Thomas B.

Widnall, and Alfred E. Driscoll, Governor of the State of New Jersey.

MANFELD G. AMLICHY,
Chairman, Committee on Resolutions.
VALENTINE LEPSKI,
Secretary.

DISPLACED PERSONS PROBLEMS

Mr. WILEY. Mr. President, I have in my hand a copy of the minutes of an important meeting held in Chicago on April 20, by representatives of displaced persons commissions and committees of the Middle West. These able men and women, both laymen and clergymen, who have contributed so generously of their time and energy are the folks most familiar with the actual operations of the present inadequate DP statute. Among the representatives at the conference, I am glad to say, was the very able chairman of our Wisconsin Governor's committee, Prof. George W. Hill, of the department of rural sociology of the University of Wisconsin.

I ask unanimous consent that there be printed at this point in the body of the RECORD, and appropriately referred, the text of the forthright and helpful resolutions adopted by the conference, and that following this text there be printed the list of the able individuals who participated in the conference.

There being no objection, the resolutions and list were ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the following Midwest States—Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska and Wisconsin—met to discuss the problems in the DP resettlement program, have agreed that the success of the program hinges to a large extent upon the satisfaction of displaced persons, the sponsors and the American community, we respectfully request that the Federal Commission:

1. Adopt a statement to be signed by each displaced person, to the effect that he or she will remain with his or her sponsor for at least 1 year or longer, if compatibility exists.

The points emphasized might well follow those outlined by NCWC in the statement issued in their Foreign Language Press Conference held on March 2, 1950, in New York, and are:

"(a) The DP and his family who came to the United States are under a moral obligation to stay with the sponsor-farmer responsible for their arrival in this country; that the sponsor provided him with an opportunity to start a decent life anew.

"(b) He should stay at least 1 year after coming to America, so that the sponsor will have a chance to get back the money expended in connection with his arrival, such as inland transportation, purchase of home furniture, rehabilitation of tenant facilities, and the like.

"(c) No DP immigrant under any circumstances should leave his original sponsor without first discussing the matter with the latter and the representatives of the agency interested in and responsible for the bringing of the DP to the United States.

"(d) The displaced person should not be enticed by his respective nationality groups to leave farms and come to big cities in the hope of securing well-salaried positions and jobs. Such promises are often ill-founded.

"(e) The foreign-language press has an important duty both toward the United States and the respective nationality DP's. It should warn the DP's that their mass exodus to big industrial centers will result in an unfavorable reaction of the American people toward the displaced persons in general. Such a reaction may in turn contribute to the closing of the United States doors to any immigration at all.

"(f) The foreign-language press must fulfill its duty toward its own nationality DP's by constantly reminding the newly arrived immigrants about the generally difficult conditions of readjustment in a new country, about legal obligations of DP's, and about the necessity of their staying with sponsors responsible for their being in the United States."

2. Adopt the measures necessary for the stabilization of the resettlement program, such as more careful selection, overseas indoctrination, and conveying to the DP that his responsibilities to the sponsor are just as important as the rights and privileges of the DP, and to inform DP's of the hazards of becoming migrant workers or unsettled persons.

3. Adopt more stringent health examinations to actually screen out the physically unfit; and

Whereas we recognize the hazards to our community economy in the importation of huge numbers of DP's, with only the promise of temporary work, we urge that the Federal Displaced Persons Commission, toward the stabilization of labor, take the necessary steps to prevent the future admission of such huge groups on blanket assurances for migratory jobs; and

Whereas in consideration of the futility of our attempts heretofore, to consummate the adoption of DP orphans by American foster parents, we urge the Federal Commission to establish effective relations with proper agencies toward that end; and

Whereas we realize the practical and mutual advantages of discussion and instruction on the many topics pertinent to the administration of the DP program, by those so engaged, we respectfully urge that the Federal Commission call a national meeting of such persons at the end of summer, preferably in Chicago, and that the meeting be of no less than 2 days' duration; and

Whereas we appreciate the immensity of a new and important job accomplished under trying circumstances, we highly commend the Federal Commission for their past accomplishment in setting up and administering the DP program, and wish to assure them that we stand by, ready to give all possible aid and cooperation in their future administration and completion of that job.

MIDWEST STATE DISPLACED PERSONS COMMISSIONS AND COMMITTEES, ROUND-TABLE DISCUSSIONS, APRIL 20, 1950, CHICAGO

In attendance were Frank Annunzio, director, Illinois Department of Labor; Frank M. Atchley, director of research, Illinois Agricultural Association; Miss Florence G. Cassidy, secretary, Michigan Commission on Displaced Persons; Rev. J. Soule Chapman, Church World Service; Miss Hazel Courtier, executive secretary, Wisconsin Committee on Resettlement of Displaced Persons; Rev. James E. Doyle, Bishop's Resettlement Committee, National Catholic Welfare Conference; Dr. George W. Hill, chairman, Wisconsin Committee on Resettlement of Displaced Persons; Ted M. Hommerding, Wisconsin regional representative, National Catholic Welfare Conference; Miss Marion S. Kirkland, executive secretary, Illinois Displaced Persons Commission; B. W. Osterling, Advisory Committee on Displaced Persons to Indiana Economic Council; John W. Poor, administrative secretary, Minnesota Displaced Persons Commission; Prof. Ernst W. Puttkammer, chairman, Illinois Displaced Persons Commission; Mrs. Sarah Schaar, Jewish Federation of Chicago; Charles B. Shuman, president, Illinois Agricultural Association; Prof. C. L. Stewart, University of Illinois; Hon. Melvin D. Synhorst, chairman, Iowa Displaced Persons Committee; Dr. Walter Taylor, chairman, Nebraska Committee on the Resettlement of Displaced Persons; Miss Mary P. Wilson, Lutheran Charities of Chicago; Rev. Harry Wolf, Michigan Commission on Displaced Persons.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

S. 3545. A bill to amend the Tariff Act of 1930 to provide for exemption from duty of certain sound recordings imported by the Department of State, and for other purposes; with amendments (Rept. No. 1742);

S. 3582. A bill to authorize revision of the procedures employed in the administration of certain trust funds administered by the Veterans' Administration; without amendment (Rept. No. 1743);

H. R. 7255. A bill to provide for the conveyance of certain real property in Hopkins County, Ky., to the estate of James D. Meadors; without amendment (Rept. No. 1744); and

H. R. 7440. A bill to amend Veterans' Regulations to establish for persons who served in the Armed Forces during World War II a further presumption of service connection for active pulmonary tuberculosis; without amendment (Rept. No. 1745).

By Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments:

S. Res. 280. Resolution relating to the employment of moral perverts by Government agencies; with an amendment (Rept. No. 1746); and, under the rule, referred to the Committee on Rules and Administration.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 25, 1950, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 183) to suspend the application of certain Federal laws with respect to attorneys and assistants employed by the Subcommittee on Reconstruction Finance Corporation of the Banking and Currency Committee of the Senate in connection with the study ordered by Senate Resolution 219, Eighty-first Congress, second session.

BILLS INTRODUCED

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

By Mr. TYDINGS:

S. 3649. A bill to authorize and provide for the maintenance and operation of the Panama Canal by the present corporate adjunct of the Panama Canal, as renamed; to reconstitute the agency charged with the civil government of the Canal Zone, and for other purposes; to the Committee on Armed Services.

By Mr. MAGNUSON:

S. 3650. A bill to prescribe certain procedures to be followed in establishing rates of toll to be levied for the use of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHMAN:

S. 3651. A bill for the relief of Bert Tice (also known as Berek Tajc); to the Committee on the Judiciary.

By Mr. McCLELLAN (by request):

S. 3652. A bill to facilitate the settlement of the accounts of certain deceased civilian officers and employees of the Government; and

S. 3653. A bill to provide for financing the operations of the Bureau of Engraving and Printing, Treasury Department, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. HUMPHREY:

S. 3654. A bill to amend section 3 of the Postal Salary Act of July 6, 1945; to the Committee on Post Office and Civil Service.

DEFICIENCY APPROPRIATIONS, 1950—AMENDMENT

Mr. THYE. Mr. President, I submit for appropriate reference, an amendment to the bill (H. R. 8567) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes. My reason for submitting the amendment is that it refers to a deficiency appropriation provision which would give the President $2,000,000 additional to meet some of the expense in connection with the devastating flood in the northwest part of Minnesota, and also in North Dakota.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Appropriations.

AMENDMENT OF CLOTURE RULE—ADDITIONAL COSPONSOR OF RESOLUTION

Mr. HENDRICKSON. Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senate Resolution 283, to amend the cloture rule of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from New Jersey? The Chair hears none, and it is so ordered.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 4424. An act to provide for the settlement of certain parts of Alaska by war veterans;

H. R. 5473. An act to promote the rehabilitation of the Gros Ventre and Assiniboine Tribes of Indians of the Fort Belknap Reservation, Mont., and for other purposes;

H. R. 5570. An act to promote the rehabilitation of the Chippewa Cree Tribe of Indians of the Rocky Boy's Reservation, Mont., and for other purposes;

H. R. 6063. An act to authorize the Secretary of the Interior to carry out a research and development program with respect to natural sponges;

H. R. 6152. An act to promote the rehabilitation of the Devils Lake Sioux Tribe of Indians of the Devils Lake Reservation, N. Dak., and for other purposes; and

H. R. 7262. An act to promote the rehabilitation of the Turtle Mountain Band of Chippewa Indians of the Turtle Mountain Reservation, N. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 6826. An act to provide for the common defense through the registration and classification of certain male persons, and for other purposes; to the Committee on Armed Services.

THE PRESIDENT'S SPEECHES AT VARIOUS POINTS IN THE WEST

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD the speeches delivered by the President of the United States on his recent trip to the West, at Grand Coulee Dam; at Wallula, Oreg.; at Pendleton, Oreg.; at Umatilla, Oreg.; at La Grande, Oreg.; at Baker, Oreg.; at Ontario, Oreg.; at Huntington, Oreg.; at Pasco, Wash.; at Coulee City, Wash.; at Wilbur, Wash.; and at Gonzaga University, Spokane, Wash., which appear in the Appendix.]

LOUIS JOHNSON, SECRETARY OF DEFENSE—ARTICLE BY TRIS COFFIN

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Louis Johnson: Bulldog of United States Defense," written by Tris Coffin and published in the June, 1950, issue of Coronet, which appears in the Appendix.]

AMERICAN POLICY IN THE MIDDLE EAST—EDITORIAL FROM THE SALT LAKE TRIBUNE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial entitled "What Are We Up To in the Middle East?" published in the Salt Lake Tribune, of May 21, 1950, which appears in the Appendix.]

RACIAL DISCRIMINATION IN BOWLING

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "Victory for Fair Play in Bowling and Democracy," published in the Minneapolis Spokesman of Friday, May 19, 1950, which appears in the Appendix.]

SENATORIAL BATTLES—ARTICLE BY CHARLES PARMER

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD, an article by Charles Parmer regarding senatorial campaign battles, which appears in the Appendix.]

ENLISTING PUBLIC OPINION IN THE FIGHT AGAINST CRIME—ADDRESS BY JOSEPH B. KEENAN, ASSISTANT ATTORNEY GENERAL OF THE UNITED STATES

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an address entitled "Enlisting Public Opinion in the Fight Against Crime," delivered by Joseph B. Keenan, Assistant Attorney General of the United States, before the American Bar Association in Milwaukee on August 29, 1934, which appears in the Appendix.]

PRESERVING THE AMERICAN WAY OF LIFE—ADDRESS BY CHIEF JUSTICE JOHN D. FOURNET, OF THE LOUISIANA SUPREME COURT

[Mr. LONG asked and obtained leave to have printed in the RECORD an address delivered by John D. Fournet, chief justice of the Louisiana Supreme Court, before the Nicholson Post, No. 38, of the American Legion, at Baton Rouge, La., which appears in the Appendix.]

UNITED AND POSITIVE POLICY IN THE STRUGGLE AGAINST COMMUNISM—ADDRESS BY THE REVEREND LAURENCE J. McGINLEY

[Mr. IVES asked and obtained leave to have printed in the RECORD an address delivered by the Reverend Laurence J. McGinley, S. J., president of Fordham University, at the annual meeting of the New Jersey Club of the Fordham University Alumni Association, held at Newark, N. J., on May 24, 1950, which appears in the Appendix.]

UNITED STATES-CANADIAN RELATIONS—ARTICLE BY FORMER SENATOR A. O. STANLEY

[Mr. CHAPMAN asked and obtained leave to have printed in the RECORD an article entitled "Three Thousand Miles and Never a Quarrel," written by former Senator A. O. Stanley, and published in the June, 1950, issue of the Rotarian, which appears in the Appendix.]

INTERNATIONAL REFUGEE ORGANIZATION—ADDRESS BY J. DONALD KINGSLEY

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD a radio address entitled "I Speak for Peace," delivered by J. Donald Kingsley, Director General of the International Refugee Organization, at New York City on May 21, 1950, which appears in the Appendix.]

EXPENDITURE OF PUBLIC MONEY—EDITORIAL FROM OMAHA DAILY JOURNAL-STOCKMAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "State Spenders are Active," published in the Omaha Daily Journal-Stockman on May 22, 1950, which appears in the Appendix.]

FAIR EMPLOYMENT PRACTICE LEGISLATION—EDITORIAL FROM EL PASO HERALD POST

[Mr. JOHNSON of Texas asked and obtained leave to have printed in the RECORD an editorial entitled "Filibuster," published in the El Paso Herald-Post of Tuesday, May 9, 1950, which appears in the Appendix.]

SENATE SET TO VOTE ON AID FOR EUROPE—ARTICLE FROM THE NEW YORK JOURNAL OF COMMERCE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a news dispatch entitled "Senate Set To Vote on Aid for Europe," dated Washington, May 24, published in the New York Journal of Commerce, May 25, 1950, which appears in the Appendix.]

LEGAL GUARDIAN OF LENA MAE WEST, A MINOR—CONFERENCE REPORT

Mr. MAGNUSON submitted the following conference report, which was considered by unanimous consent and agreed to:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1285) for the relief of the legal guardian of Lena Mae West, a minor, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment and the House agree to the same.

WARREN G. MAGNUSON,
FRANK P. GRAHAM,
WILLIAM E. JENNER,
Managers on the Part of the Senate.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
JOHN JENNINGS, Jr.,
Managers on the Part of the House.

DELIVERED-PRICE SYSTEMS AND FREIGHT-ABSORPTION PRACTICES—CONFERENCE REPORT

Mr. O'CONOR. Mr. President, I move that the Senate proceed to the consideration of the conference report on the bill (S. 1008), to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

(See conference report, printed in full when submitted by Mr. McCARRAN on March 31, 1950, p. 4452, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. The question is on the motion to proceed to the consideration of the conference report.

The motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1008) to define the application of the Federal Trade Commission Act and the Clayton Act to certain pricing practices.

Mr. LUCAS and Mr. WHERRY addressed the Chair.

The VICE PRESIDENT. The Senator from Maryland [Mr. O'CONOR], in charge of the conference report, has the floor.

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

The VICE PRESIDENT. Does the Senator from Maryland yield to the Senator from Illinois?

Mr. O'CONOR. I yield.

Mr. LUCAS. Mr. President, the conference report which is now pending before the Senate is one which is familiar to every Member of this body. Much time has been consumed in debate in the Senate on the pros and cons of this very highly controversial issue. In view of that fact, I am wondering whether we may obtain some information from those who are vitally interested in it as to how long they think it may take for debate before we can obtain an agreement to vote finally on the report. May I ask the Senator from Maryland for his opinion as to how much time he and those who are associated with him will need in the debate?

Mr. O'CONOR. I may say to the Senator from Illinois it is our expectation that it will not last more than several hours today, or on any following day. Certainly 2 or 3 hours we feel will suffice.

Mr. LUCAS. May I ask the Senator from Louisiana, who is interested in the report, how long he thinks those who are opposed to the report will take?

Mr. LONG. I should judge that those opposed will want at least 2 or 3 days. It is impossible for me to state at this time, because there are, I believe, about four or five, perhaps six, Senators who will speak on this subject.

Mr. LUCAS. Mr. President, that means that if we take a recess from tomorrow until Monday, and then have a perfunctory session at that time, and return on Wednesday, we probably shall not finish with this report until the latter part of next week. I should certainly hope that we shall not take longer than next week upon the conference report. The RECORD is full of debate on the subject. I think every Senator knows at this moment exactly how he intends to vote on the conference report. I do not think any arguments are going to change the result.

I merely make this statement in order that I may bring to the attention of Senators other vital measures which are on the calendar. We are moving along now toward the 1st day of June, and it will not be long until we shall be debating many of these measures in the heat of summer. Consequently, I ask Senators to expedite the debates as much as possible, in order that we may get a vote on this report. Certainly we ought to get a vote on it next week, and I am going to say now that we are going to conclude debate upon the conference report next week, if possible. In order to do that, we may have night sessions around Thursday or Friday. I hope Senators will understand that, because it seems to me that the time has come when we must make disposition of many pieces of proposed legislation, even though we may be compelled to hold night sessions.

Mr. WHERRY and Mr. LONG addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so, to whom?

Mr. LUCAS. I yield first to the Senator from Nebraska.

Mr. WHERRY. I thank the majority leader for bringing this matter to the attention of the Senate. There is only one thing I should like to clear up for the RECORD now, in the absence of a unanimous-consent agreement, and that is this: Will the majority leader advise the Senate, if he can do so, whether any vote is expected on the conference report tomorrow? The reason I ask the question is that several Senators are returning to their respective States in the far West, and if there is to be a vote tomorrow they will remain, but if there is not to be a vote it will accommodate them greatly if they can proceed. Of course, I realize that no one can predict what will happen, but if the proponents and opponents of the measure, in the absence of a unanimous-consent agreement, could agree that the vote will be some time next week, it would be very helpful to Members of the Senate who are ready to leave.

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

Mr. O'CONOR. I shall be happy to yield, if I shall not lose my right to the floor.

Mr. LONG. I should like to advise the distinguished majority leader that those who are opposing the conference report want nothing more than an opportunity to make two important issues clear, which we have never in the past been able to get across. It is our belief that the conference report would work injury to the small-business men of the Nation, and we should like to have Senators present in order that we may explain it to them. I do not think it will require much debate. If it is difficult to have many Senators present, it will be difficult to predict how soon we can close the debate. If we have a reasonably full attendance for 1 day, I think we might close the debate.

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

Mr. O'CONOR. I yield.

Mr. LUCAS. Of course, I should like to have a full attendance of Senators in all debates, but if the future can be judged by what has occurred in the past, I fear there will not be many Senators listening to the debate. During the past 2 months many important measures have been debated when, as the Senator from Louisiana knows, very frequently there were only three or four Senators listening.

The people of the country should know that there has never before been a time in the history of the country when there was so much work before the Senate, so many controversial and highly intricate problems requiring consultation, conference, and ultimate solution. Members of the Senate are not loafing; they are working in committees or in conferences, doing something worth while in attempting to speed the work which the Senate is called upon to do.

Mr. President, I should like to say, in answer to the minority leader, that I cannot tell him, and I do not think anyone else can, when the vote will be taken, but certainly it will not be tomorrow, in view of the fact that the Senator from Maryland said it would take approximately 3 hours for those who favor the report, and the Senator from Louisiana says it will take approximately 3 days for the opponents. So we have 3 days and 3 hours in which to debate the question. I hope that when we return on Wednesday next, following the conference in the auditorium of the Congressional Library, we can start debate and conclude by night. That is my sincere hope.

Mr. O'CONOR. Mr. President, I promised to yield to the Senator from Nebraska.

Mr. WHERRY. Mr. President, may I inquire of the distinguished Senator from Louisiana if there is a possibility of getting a unanimous-consent agreement any day next week. I ask the question not for the purpose of forcing an answer at this time, because I realize that the debate has not yet begun, but in view of the fact that there is to be a session tomorrow and another one on Monday, on which we understand from the majority leader that no votes on important measures will be taken, and the Senate is then to take a recess until Wednesday, it is information which I believe every Senator would like to have. With that idea in mind, I am wondering if the distinguished Senator from Louisiana can suggest some day on which we may be able to vote on the conference report.

Mr. LONG. Mr. President, those opposing the report want nothing more than a fair chance to make the issues clear. We feel that the conference report has brought before us something which is more harmful than was anticipated by the House or the Senate. We feel that if we can have reasonably good attendance on the floor of the Senate and a chance to explain the facts and our objections to the conference report, we may be ready in a day or two to vote, possibly on Wednesday or Thursday. But we do not want to commit ourselves until we can see how the debate goes. If Senators are not present, it may take a while longer.

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

Mr. O'CONOR. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I will say to the Senator from Maryland that I have in mind making a point of order against the conference report as being in violation of rule XXVII of the Senate. I wonder if the Senator does not agree that the point of order should be made so that we can assure action upon it before we set a program for the remainder of this week and next week. I should also like to ask the Senator from Maryland if he will yield to me for the purpose of making such a point of order.

Mr. O'CONOR. I regret that I cannot yield for that purpose. Ample opportunity will be afforded to the Senator.

I think it is desirable to proceed with the presentation of the matter at this time.

Mr. KEFAUVER. Mr. President, if the Senator will yield further, I am satisfied that a very serious question as to whether the conference report is in order will be raised by the point I shall make. It seems to me we should not take up the time of the Senate in discussing the question if there is a possibility that the point of order will be sustained. Of course no one can tell about that until it is presented.

Mr. O'CONOR. I do not anticipate that it will take more than 20 minutes for the presentation of the matter.

Mr. President, by passing the bill S. 1008, both Houses of the Congress have recognized the need for permanent legislation to establish, beyond question, the legality of independent and noncollusive use of delivered prices, under circumstances not in any way constituting a violation of section 2 of the Clayton Act, and the absorption of freight to meet the equally low price of a competitor, in good faith, and under circumstances which do not involve any combination, conspiracy, or collusive agreement, or any monopolistic, oppressive, deceptive, or fraudulent practice.

Lengthy hearings were held on this subject by a subcommittee of the Committee on Interstate and Foreign Commerce. A great mass of testimony was developed, which was supplemented by further testimony before the Committee on the Judiciary. Senators are familiar with the record of all those hearings, disclosing the great confusion on this subject, and the resulting feeling of uncertainty and insecurity at all levels of business.

This controversy and confusion arose with the decision of the Supreme Court in the so-called *Cement Institute case* (333 U. S. 683) decided in April 1948. The doctrine of that case was that the conspired used of any pricing practice is illegal. The specific holding of the Court was that the practice of freight absorption, adopted by conspiracy, was illegal. Up to that point, there was no argument, and no controversy, and the decision was in accordance with accepted law. But the Court went further, by way of dicta, and used language which many persons have contended amounted to a judicial holding that the absorption of freight is illegal per se.

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

Mr. O'CONOR. I prefer not to yield during the presentation of my statement, but I shall be happy to yield after I conclude.

Confusion was worse confounded by the subsequent decision in the *Rigid Steel Conduit case* (168 Fed. 2d 175) where, in spite of the fact that charges of conspiracy had been expressly dismissed with regard to one defendant, the circuit court of appeals, referring to the Cement Institute decision, used language indicating its belief that the individual use of the basing-point method as involved in that case might constitute, per se, an unfair method of competition.

The Supreme Court affirmed the decision of the circuit court in the Rigid Steel Conduit case by a split decision, 4 to 4, without throwing any additional light on the subject; and the urgency of congressional action on the matter was thereby increased.

Mr. President, the record is so well-established with regard to the confusion which this bill is designed to dispel, that I cannot see how there can be any doubt as to the obligation of the Congress to speak on this question one way or the other.

The confusion in many fields of business—both big business and little business—has been so widespread, and has had and will continue to have such a deterring effect on business expansion, that it is captious to belabor the question of whether all this confusion is justified. The fact remains that confusion exists, and the Congress should act to set the matter at rest.

Mr. President, most Senators are familiar with the legislative history of this bill and the conference report which is now before us. However, for the sake of the record, I think it would be well to make a brief statement on that point.

The bill, S. 1008, was introduced by the Senator from Pennsylvania [Mr. MYERS], on February 17, 1949, and was referred originally to the Committee on Interstate and Foreign Commerce. On February 28, 1949, pursuant to Senate Resolution 76, that committee was discharged and the bill was referred to the Committee on the Judiciary. It was assigned to a subcommittee composed of the senior Senator from Nevada [Mr. MCCARRAN], the senior Senator from Wisconsin [Mr. WILEY], and the junior Senator from Maryland.

Although very lengthy and extensive hearings had been held by the Committee on Interstate and Foreign Commerce on this subject, the Judiciary Committee held its own hearing for 3 days, March 30 and 31 and April 1, 1949; and on April 6, 1949, the subcommittee reported the bill to the full committee, with amendments. On that same day, April 6, the bill was discussed in the full committee; and on April 25, 1949, after further discussion, it was ordered reported favorably to the Senate.

As originally introduced, and as reported to the Senate, the bill provided for a 2-year moratorium. When the bill was debated on the floor of the Senate on June 1, 1949, an amendment in the nature of a substitute was offered by the senior Senator from Wyoming [Mr. O'MAHONEY]. This amendment was perfected on the floor, and was then adopted by the Senate, after which the bill as amended was passed.

On June 21, 1949, the House Committee on the Judiciary reported the bill with amendments, and on July 7, 1949, the bill passed the House, with additional amendments inserted from the floor.

On July 26, 1949, the Senate disagreed to the House amendments and requested a conference. Conferees appointed on the part of the Senate were the members of the subcommittee of the Committee on the Judiciary which had handled the bill.

The bill was in conference for nearly 2 months, and on October 12, 1949, the conferees agreed, following which the conference report was filed in the House the following day, October 13, 1949.

On October 14, 1949, the House of Representatives agreed to the conference report.

On October 18, 1949, on motion of the junior Senator from Illinois [Mr. DOUGLAS], the Senate agreed to postpone further consideration of the conference report until January 20, 1950.

During the more than 3 months which elapsed between the Senate action on October 18, 1949, and the date on which the conference report was next considered, on January 20, 1950, great concern was evidenced in many quarters over the fourth amendment, which concerned the definition of the phrase "the effect may be." The Senate conferees, all of who were desirous of avoiding any possibility that the bill as finally enacted might have any adverse effect on small business, sought the advice of the Department of Justice.

The Department of Justice, in a letter to the junior Senator from Maryland, under date of January 13, 1950, approved the conference bill in all respects except with regard to the fourth amendment, the definition of the term "the effect may be." The Attorney General recommended that this definition be changed to accord with the House language, under which the term was defined as meaning that there is "reasonable probability" of the specified effect, instead of the conference language, which defined the term as meaning that there is reliable, substantial, and probative evidence of the specified effect.

In view of the position taken by the Department of Justice, the Senate conferees, while still firmly of the belief that the compromise definition which the conference committee had approved did not in any way weaken the safeguards already established by law to protect all business, and particularly small business, were nevertheless satisfied to see this point reopened. Accordingly, we came before the Senate on January 20, 1950, explained the situation, and stated the willingness of the conferees to have the conference report rejected and to seek a new conference with a view to amending section 4 (D) of the bill along the lines of the Justice Department's recommendation.

The Senate then disagreed to the conference report, insisted on its disagreement to the House amendments, and asked for a further conference. The same Senate conferees who had previously handled the bill were reappointed.

On February 28, 1950, the House agreed to the new conference, and appointed the same conferees who had served before.

The conferees met, and reaffirmed all that the previous conference committee had done except with regard to section 4 (D), the definition of the phrase "the effect may be." Here, the Senate conferees receded, and took the House language, defining the term to mean "reasonable probability." Thus the decision is exactly in accordance with the recommendations of the Department of Justice.

The new conference report was filed in the House of Representatives on March

3, 1950, and was approved on March 14, 1950. This is the report which is now before the Senate. In view of the fact that the Department of Justice had previously approved the first conference report, with the exception of the definition contained in section 4 (D), and the further fact that the second conference amended this definition to comport exactly with the Department's recommendation, the new conference bill, upon which the Senate is now asked to vote, can be said to have the complete approval of the Department of Justice.

Mr. President, it will not be my purpose to enter into any extensive argument or debate on this matter. I believe the Senate should get to a vote just as quickly as possible, and dispose of this question. There has been, however, a great deal of organized opposition to the bill, and I do feel that a word on that point would not be amiss.

Much of the opposition to the bill rests on a misconception and a misinterpretation of what it actually does. The bill has been misinterpreted in many respects, but I shall confine myself to a single example.

One of the charges most frequently made—and it is a charge which has been repeated recently—is that this bill weakens existing law by making good faith in meeting an equally low price of a competitor a complete defense to any charge of discrimination.

This charge is not well-founded and is based on a misconception of the legal effect of the language of the bill.

Mr. THYE. Mr. President——

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Maryland yield to the Senator from Minnesota?

Mr. O'CONOR. I will ask the Senator to allow me to conclude my statement, as I have previously refused to yield to the Senator from Louisiana, but after I finish I shall be glad to yield.

Mr. THYE. I thank the Senator.

Mr. O'CONOR. Mr. President, the point is a technical one, but will be readily understood by our colleagues. Section 2 (b) of the Clayton Act now reads as follows:

> Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That nothing contained in sections 12, 13, 14–21 of this title shall prevent a seller rebutting the prima facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

Under the language proposed in the conference report, this section would be amended to read as follows:

> Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection, or discrimination in services or facilities furnished, the burden of showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided further,* That a seller may justify a discrimination by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor, and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.

It will be recognized immediately, Mr. President, that under the existing law, the showing of good faith to meet competition is matter in rebuttal. In other words, when the Government has made a prima facie case, the burden of proceeding shifts; but the prima facie case can be rebutted, completely, by a showing that the lower price, or the furnishing of services or facilities, constituting the basis for the alleged discrimination, was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor.

Since it is only the burden of proceeding which shifts, the burden of proof remains with the Government; and since the law provides that the prima facie case made by the Government can be rebutted by a showing of good faith in order to meet competition, such a showing is in effect a complete defense.

Under the proposed new language of S. 1008, this procedural situation remains unchanged. It is true that S. 1008 provides that "a seller may justify a discrimination" instead of "nothing herein contained shall prevent a seller rebutting the prima facie case"—by showing good faith in meeting the equally low price of a competitor, but the matter to be proved is precisely the same—good faith affirmatively shown.

Moreover, S. 1008 provides precisely the safeguards to such a defense which both the Senate and the House deemed to be necessary. Both legislative bodies feared that the ingenuity of business lawyers might make it difficult to produce probative evidence of good faith or the lack of it, and both Houses wished to limit the justification to situations in which it would not be probable that competition would be lessened or injured or monopoly created. The conference sought to combine the Carroll and the Kefauver amendments. As the conference report states on page 7:

> The purpose of the second House amendment to this section is simply to create a uniformity in language between sections 2 and 3 of the bill.
>
> The compromise language adopted by the conferees, added at the end of the section and intended to qualify the entire proviso in that paragraph is: "except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice."

Since the amendment to section 2B of S. 1008, the subsection with regard to freight absorption, is stated by the conference to amount to "a simple fusion of the express language of both of the floor amendments," it is apparent that the conference intended to permit freight absorption, even when made in good faith, only in circumstances where there would be no probable lessening of competition as a result of such freight absorption.

Section 3 of S. 1008, a procedural section applying to all price discriminations including those resulting from freight absorption and delivered pricing, was made uniform with section 2 by adding the language at the end of section 3, so that even if good faith were proved, the Federal Trade Commission could still issue an order upon the showing that the price discrimination, if continued, might contribute to oppression or the growth of monopoly.

Clearly, therefore, the so-called good-faith defense is nothing new and is more readily available under the law as it stands today than it will be if the bill which is the subject of the conference report now before the Senate becomes the law of the land.

This subject has been before the Senate in one form or another for more than a year. I believe Senators have made up their minds about it, and I hope that the Senate may be permitted to vote as promptly as possible on the conference report, which we confidently believe to be in the interest of business and for the over-all benefit of the United States.

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

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Maryland yield to the Senator from Louisiana?

Mr. O'CONOR. I yield.

Mr. LONG. The conferees struck out in section 3 the words "if the discrimination is not such that its effect upon competition may be that prohibited by this section." Is that correct?

Mr. O'CONOR. Yes.

Mr. LONG. Will the Senator tell me what the purpose was in striking that language?

Mr. O'CONOR. The conferees were confronted with conflicting language which had been attached, as I attempted to explain, by the Senate and by the House, on the one hand, the so-called Kefauver amendment, which many thought was somewhat restrictive, and, on the other hand, the broader amendment referred to as the Carroll amendment. It was then decided, after very much consideration, that it would be most desirable to adopt language in between those two extremes, and it was then determined by the conferees that the general language which is placed in the section would be preferable, and accordingly that was done.

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

Mr. O'CONOR. I yield.

Mr. LONG. Actually, after the words "that a seller may justify a discrimination," the Kefauver amendment added the words "(other than a discrimination which will substantially lessen competition)." And the Carroll amendment

struck that language and provided: "(if the discrimination is not such that its effect upon competition may be that prohibited by this section)."

The Senator understands, does he not, that the purpose of the two amendments was substantially the same?

Mr. O'CONOR. To the contrary, I may say to the Senator from Louisiana there was a wide difference of opinion. It was stated definitely that in the Kefauver amendment the inclusion of the word "will" would make it very much more difficult for the Federal Trade Commission to proceed. The Carroll amendment included the word "may." It was by reason of the wide difference, in the estimation of a number of conferees, that the change was made.

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

Mr. O'CONOR. I am very pleased to yield.

Mr. LONG. I am sure the Senator knows that the word "may" had previously and to this time been used in the Clayton Act; when it refers to a discrimination where the effect may be such that injury to competition would result. It was felt that the Commission should not be required to prove to a certainty that injury would result, but merely to prove the probability of injury.

Mr. O'CONOR. That is true. But that was not passed upon by the Senate when it considered the bill.

Mr. LONG. The Senator knows that Representative CARROLL offered the so-called Carroll amendment largely because the word "will," as used in the Kefauver amendment, did not cover the entire situation, and by using the words "that the effect may be" it would be possible to cover injuries where the probabilities were that there would be a substantial injury to competition itself, though it might not be possible to prove it to a certainty.

Mr. O'CONOR. I am very certain the Senator's statement is correct. I cannot state what purpose Representative CARROLL had in his mind in submitting the amendment, but I am very confident it was as the Senator has stated it.

Mr. LONG. I believe the Senator further knows that immediately after the Carroll amendment had been adopted the Senator from Tennessee [Mr. KEFAUVER] wrote a letter which was introduced into the CONGRESSIONAL RECORD, in which he said that the Carroll amendment really caught the spirit of the language he had hoped to use, since he had been obliged to offer his amendment so hurriedly on the floor he had not had time to study it as carefully as Representative CARROLL had. I am sure the Carroll amendment is what the Senator from Tennessee would have offered had he had time to study and prepare it more carefully.

Mr. O'CONOR. I am aware of the fact that the able Senator from Tennessee had so stated not only, as I recall, in writing, but had reiterated it on the floor of the Senate at a later date.

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

Mr. O'CONOR. I am happy to yield.

Mr. LONG. The conferees had before them in section 3 the difference between the language of the Kefauver amendment and the language of the Carroll amendment, but both were designed to accomplish the same purpose. As I understand, the conferees struck out both the Kefauver and the Carroll amendments. Is not that the case?

Mr. O'CONOR. No; I do not agree.

Mr. LONG. What language was left in the conference report?

Mr. O'CONOR. Of course there was a transposition of wording; but very definitely the conferees, after a consultation with the Parliamentarian, decided that it would be not only germane, but entirely in keeping with their prerogatives, if they were to adopt the language now in the conference report, which in their opinion is in between those two extremes.

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

Mr. O'CONOR. I am very happy to yield.

Mr. LONG. Actually, between the word "discrimination" and the word "by," the latter being the word which followed the Kefauver and the Carroll amendments, will the Senator tell me what language has been inserted by the conferees?

Mr. O'CONOR. Mr. President, as I explained before to the Senator, the conferees in determining what language to use by way of compromise between those two extremes, determined that the language which was adopted would be the most fitting, and that the proper place to insert it would be at the particular point where the language is inserted now.

Mr. LONG. But at the point where the Kefauver and the Carroll amendments appeared, the conferees simply struck out both of them, did they not?

Mr. O'CONOR. That is what happened. However, that does not state the entire question.

Although it is true that in order to arrive at the end result—which, as I said before, after consultation with the Parliamentarian, was deemed to be the best possible course—and although it was determined by the transposition of the language to word the provision as it now appears in the conference report, yet by no means did that obliterate or wipe out entirely the so-called Kefauver and Carroll amendments without replacing them with language which in the opinion of the conferees serves to take their place quite adequately.

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

Mr. O'CONOR. I am glad to yield.

Mr. LONG. The language which the Senator from Maryland suggests as language which in his opinion matches the Kefauver and Carroll amendments, appears, I take it, as follows:

> Except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.

Is that the language the Senator from Maryland has in mind?

Mr. O'CONOR. That is correct.

Mr. THYE. Mr. President, will the Senator from Maryland yield, to permit me to ask a question of the Senator from Louisiana?

Mr. O'CONOR. I yield.

Mr. THYE. If the Department of Justice has reviewed the entire legislative proposition and if it has filed or submitted a letter stating that in its opinion there is every safeguard, and that in no sense would the provision as now written destroy the intent and effect of the Robinson-Patman Act or the Clayton Act; if the Department of Justice, to which we must turn for legal advice and information, has given us that information and opinion, then are not we at least justified in supporting the conference report, after that positive assurance has come to us from the Department of Justice?

Mr. LONG. Mr. President, I should like to ask a further question in that connection, if possible.

Mr. THYE. I have been given permission to ask this question of the Senator from Louisiana, and I should like him to answer it.

Mr. LONG. Mr. President, do I have unanimous consent to answer that question?

Mr. O'CONOR. Mr. President, I am very happy to consent to have the Senator from Louisiana answer it.

As a matter of fact, I am very happy to yield the floor.

Mr. LONG. I should like very much to ask a few more questions of the chairman of the conferees, if possible.

I shall be glad to answer the question the Senator from Minnesota has asked me, provided I may ask a few more questions of the distinguished junior Senator from Maryland.

Mr. THYE. Mr. President, I, too, should like to ask at least three questions of the Senator from Maryland.

However, I have asked that question of the Senator from Louisiana.

Mr. LONG. I understand the question, and I shall be pleased to answer it.

Mr. THYE. The Senator from Louisiana has made so many statements about the destructive effects of the conference report, so far as it would affect the Robinson-Patman Act, that I would like to have him answer the question I have asked.

The PRESIDING OFFICER. Without objection, the Senator from Louisiana may reply.

Mr. LONG. Mr. President, I will say for the Department of Justice that, thank goodness, the Department of Justice has been fair enough to admit exactly what the bill will do—which is one of the reasons why I am opposing this proposed legislation. The Department of Justice admits that this bill, if enacted, would decide the Standard Oil Co. of Indiana case in favor of the Standard Oil Co. of Indiana and against the hundreds of independent retail merchants who are in the gasoline business in Detroit, for example.

The Department of Justice clearly states—at least, it was clearly stated by Mr. Bergson—that it believes that good faith should be a complete defense.

That opinion is different from the opinion of many of us.

The Department of Justice said that if the Standard Oil Co. in good faith makes a discrimination in favor of certain of its chain customers, a discrimination which has the effect of permitting that chain to drive hundreds of independent merchants out of business, it will be all right with the Department of Justice.

Of course we do not think so.

The Supreme Court now has pending before it the Standard Oil Co. of Indiana case.

Mr. THYE. Mr. President, I asked the Senator——

Mr. LONG. Mr. President, the Senator from Minnesota asked me to answer the question, and I am answering it.

Mr. THYE. Mr. President, I asked the Senator if he thought we could rely on the statement of the Department of Justice when it said that in its humble opinion this particular conference report would not destroy the effectiveness of either the Robinson-Patman Act or the Clayton Act; and then I asked whether, if the Department of Justice gives us that assurance, we should feel that the conference report should be adopted.

Of course the Senator from Louisiana can say a great deal more; he can talk on and on. All last fall, during the Senate session, I heard the very statements the Senator from Louisiana has made just now.

However, I am trying to determine whether we can rely or whether we shall be justified in relying upon what the Department of Justice has assured us to be the case, so far as the effectiveness of this measure is concerned.

Mr. LONG. The Department of Justice said that——

Mr. THYE. Mr. President, may I ask the Senator——

Mr. LONG. Mr. President, the Senator from Minnesota asked unanimous consent that he might ask me a question. Now let me answer it:

The Department of Justice in its letter stated that this measure, if enacted, would reverse the Standard Oil Co. of Indiana case. The Department of Justice also said that it had never urged the necessity for legislation of this sort or for this proposed legislation. Therefore, the Department of Justice is not supporting this proposed legislation, but is simply saying that it does not object to it.

On the other hand, the Department of Justice is not charged with enforcing the Federal Trade Commission Act. The Federal Trade Commission is charged with enforcing that act.

Mr. O'CONOR. Mr. President, may I now answer the question of the Senator from Minnesota?

Mr. THYE. I shall be pleased to have the Senator from Maryland do so.

Mr. O'CONOR. The Senator from Minnesota is entirely correct in his understanding that the Department of Justice did give consideration to this matter. I consider it most important that the details in that connection be understood.

Because we were vitally concerned with the preservation of the antitrust laws of the country, the senior Senator from Wyoming [Mr. O'MAHONEY] arranged a conference, which was attended by the Attorney General of the United States himself and by his Special Assistant and by the Assistant Attorney General in charge of antitrust prosecutions. That conference was held on the upper floor of this wing of the Capitol, and was attended by several of the Senators most interested in this matter. The Senators attending that conference included the Senator from Wyoming [Mr. O'MAHONEY]; the chairman of the Judiciary Committee, the distinguished Senator from Nevada [Mr. MCCARRAN]; the chairman of the Committee on Interstate and Foreign Commerce, the Senator from Colorado [Mr. JOHNSON]; the senior Senator from Pennsylvania [Mr. MYERS], who had introduced the measure; and the junior Senator from Maryland.

At that lengthy conference the Department of Justice was asked to consider this measure, which then had been passed by the House of Representatives and was pending before the Senate; and the Department of Justice was asked to give us the benefit of its best judgment as to whether or not this measure, if enacted, would violate any of the antitrust laws or would weaken any of them. The very man who was asked that question was the Assistant Attorney General in charge of antitrust prosecutions.

At the request of the Senator from Wyoming, the Assistant Attorney General gave in written form his opinion on that matter. That opinion is set forth in the letter which I now hold in my hand. At the conclusion of my answer, I shall offer it for the RECORD.

In the letter the Assistant Attorney General said that the Department of Justice had absolutely no objection to the first three of the four sections of the bill, but that it did have an objection to the fourth section, in one particular. Then he went further, and stated what his objection was, and stated what would cure his objection; and he outlined the language which he proposed, which would be entirely acceptable to the Department of Justice.

Mr. THYE. Is that language inserted in the conference report?

Mr. O'CONOR. Exactly. That is the answer.

I may add that with his letter before us, the conferees met, having before us the written advice of the Department of Justice and of the Assistant Attorney General in charge of the Antitrust Division; and the conferees then adopted exactly the language which the Department of Justice had proposed as meeting its objection.

Let me read two sentences—although of course the Senator is welcome to read the whole letter, which I shall place in the RECORD.

As to the first three of the four sections of the bill, the Department of Justice said this:

> Accordingly, while this Department has never urged the necessity or desirability of legislation with respect to the pricing practices to which this bill is directed, we have no objection to the enactment of sections 1, 2, and 3 in their present form.

Which is exactly their present form, as the conference report is before the Senate today. He then went further and made the comments with respect to the fourth section, and then giving the reasons, with which I shall not burden the Senator at this time, ending with this statement:

> In view of all these considerations and in the very strong belief that the problems raised by section 4D as it now stands cannot be adequately resolved except by the use of different terminology from that presently contained in it, I recommend that section 4D of the bill be amended to read as follows:
>
> "D. The term 'the effect may be' shall mean that there is reasonable probability of the specified effect."

Those words were lifted in toto exactly, without the change of a letter or any other change, and placed in the bill as it now stands—and that, over the signature of the Attorney General.

Mr. THYE. Mr. President, I cannot understand then how counsel of the National Drug Association, the Minnesota Drug Association, the National Grocery and Meat Dealers Association, and the Minnesota Meat and Grocery Dealers Association, could misinterpret the intent of this particular legislation.

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

Mr. O'CONOR. Let me say to the Senator——

Mr. THYE. Just a moment. I should like to carry my thought through, if the Senator from Maryland will permit. I have heard fom the meat dealers of my State. I have had numerous letters from the Drug Association; in fact, some of them most caustic in their criticism of me because I had not definitely stated that I would oppose this conference report. In fact, some of the letters, as I stated, have almost been bordering on insult because I had not committed myself positively to vote against this report.

The fact is that I am determined that we must make this question entirely clear, because there is so much misunderstanding. There are so many people now who are deeply concerned that only last week I received a petition signed by a large number of students at the University of Minnesota. They feel so exercised about this particular conference report that they saw fit to prepare and circulate this petition for signatures, and they then sent it to me. They deplored the action of Congress in having permitted language to be written into a piece of legislation which would destroy the Clayton Act as well as the Robinson-Patman Act.

For that reason, I am indeed not only grateful to the Senator from Maryland for the positive step he has taken in bringing out the facts concerning what the Justice Department said, and its recommendation, but for having placed its recommendation in the bill in toto. I realize that there is much concern on the part of small-business people who feel that if they do not have the protection of the Robinson-Patman Act and the Clayton Act they might well be put out of business by unfair business practices and discrimination. So I thank

the Senator from Maryland for his statement.

Mr. O'CONOR. I am very glad the Senator made the point, because I think he sums up very accurately the situation in many sections of the country. I think, if I may attempt to explain it very briefly, it is due to an utter lack of correct information on the subject. I feel definitely that the Department of Justice certainly can be trusted, through its Antitrust Division, to strive for the maintenance and preservation of laws which are designed to protect the public, and I do not think it would place such a recommendation before the Judiciary Committee and its representatives, if it were not in the best interests of the country.

I ask unanimous consent that the letter to which I have referred be placed in the RECORD at this point in toto so it may be available to Senators.

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

DEPARTMENT OF JUSTICE,
OFFICE OF THE ASSISTANT TO
THE ATTORNEY GENERAL,
Washington, January 13, 1950.

Hon. HERBERT R. O'CONOR,
Committee on the Judiciary, United States Senate, Washington, D. C.

MY DEAR SENATOR O'CONOR: In accordance with your request I am submitting our comments on S. 1008 as amended pursuant to the report of the conferees.

Section 1 provides that sale at delivered prices or absorption of freight in the absence of "any combination, conspiracy or collusive agreement; or any monopolistic, oppressive, deceptive or fraudulent practice" shall not constitute an unfair method of competition or an unfair or deceptive act or practice under the Federal Trade Commission Act.

Section 2 (A) provides that sale at delivered prices or freight absorption, within certain limits, shall not constitute an unlawful discrimination under section 2 (a) of the Clayton Act, unless the effect may be to substantially lessen competition. Section 2 (B) provides further that freight absorption to meet competition in good faith is not permissible "where such absorption of freight would be such that its effect upon competion will be to substantially lessen competition."

Section 3 provides that acts of freight absorption or price discrimination undertaken in good faith, and in the absence of any "combination, conspiracy or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice" shall not be a violation of the Clayton Act.

Except for the provision of section 2 (B) relating to the defense of good faith competition, sections 1 and 2, as we interpret them, merely declare that delivered prices and freight absorption are not unlawful per se, and in so providing merely reaffirm existing law. While this provision, rejecting the defense of good faith competition where its effect will be to substantially lessen competition, appears both undesirable and somewhat inconsistent with section 3 permitting this defense without a similar qualification, the matter is one of legislative policy for the Congress to determine.

Accordingly, while this Department has never urged the necessity or desirability of legislation with respect to the pricing practices to which this bill is directed, we have no objection to the enactment of sections 1, 2, and 3 in their present form.

Section 4 defines the word "price," and the terms "delivered price," "absorb freight" and "the effect may be" as used in the proposed act. We have no objection to the definitions of the first three. The definition of the term "the effect may be" (sec. 4 (D)), however, in our opinion may well be construed as imposing an evidentiary burden that may go beyond the present requirements of the Clayton and Federal Trade Commission Acts and create an almost impossible burden of proof by requiring positive evidence of facts not yet in existence, and may be interpreted as applying to other provisions of the Clayton Act in addition to those involved in the bill.

In the debates in the Senate and House it was suggested by some that section 4 (D) is not intended to change the law as it now exists but is intended merely to carry out the evidentiary requirements of the Administrative Procedure Act. In view of the plain language of the subsection and other aspects of the legislative history, however, we have grave doubts that statements of the various committees that have reported on the bill or individual expressions of specific Members of Congress can provide adequate assurance that the courts will so interpret it. The Supreme Court has time and again applied as a rule of statutory construction the doctrine that Congress will not be presumed to have intended to pass a meaningless act. *United States* v. *Bowen*, 100 U. S. 508, 513 (1880); *Bate Refrigerating Co.* v. *Sulzberger*, 157 U. S. 1, 45 (1895); *United States* v. *American Trucking Association*, 310 U. S. 534, 543 (1940); *Gemsco* v. *Walling*, 324 U. S. 244, 260 (1945); *Ex Parte Collett*, 337 U. S. 55, 61, 71 (1949).

In view of these considerations there is real danger that the courts will interpret this provision as imposing upon the Federal Trade Commission a greater burden of proof than exists under present law. Nor will any new legislative history at this time to the effect that no such result was intended, remove that danger, particularly since the House of Representatives has already acted upon the conference report. At the very minimum, if the bill should be enacted in its present form, extensive litigation and a substantial period of uncertainty appear inevitable before the issue can be finally resolved.

In view of these considerations and in the very strong belief that the problems raised by section 4 (D) as it now stands cannot be adequately resolved except by the use of different terminology from that presently contained in it, I recommend that section 4 (D) of the bill be amended to read as follows:

"D. The term 'the effect may be' shall mean that there is reasonable probability of the specified effect."

Yours sincerely,

PEYTON FORD,
The Assistant to the Attorney General.

Mr. O'MAHONEY, Mr. KEFAUVER, and Mr. YOUNG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Maryland yield, and if so, to whom?

Mr. O'CONOR. I yield first to the Senator from Wyoming.

Mr. O'MAHONEY. I have requested the Senator to yield in order that I might supplement the reply which the Senator from Maryland has given to the Senator from Minnesota. All the protests which have come to the Senator from Minnesota, on the alleged ground that this conference report will modify or repeal or injure or destroy the Robinson-Patman Act, are based upon a complete misapprehension, first, of what the Robinson-Patman Act is, and, second, of what section 3 of this bill does. It is only necessary to look at this section of the measure before the Senate to see that it amends the Robinson-Patman Act only with respect to section 2 (b) of that act. So, if we want to tell any correspondent or any lawyer what the meaning of this act is, it is only necessary to compare section 2 (b) of the Clayton Act, which is the only section of the Robinson-Patman Act affected by the conference report, with section 2 (b) as amended by section 3 of the bill before us. Section 3 of S. 1008, as recommended by the conference, amends section 2 (b) of the Clayton Act as it was written in the Robinson-Patman Act.

This is the way the only provision of the Robinson-Patman Act which is affected by this conference report reads—I read the whole of that section:

(b) Upon proof being made at any hearing on a complaint under this section that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the commission is authorized to issue an order terminating the discrimination: *Provided however*, That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor or the services or facilities furnished by a competitor.

That is the Robinson-Patman Act as it now stands upon the statute books. It provides clearly that the defendant in such a proceeding by the Federal Trade Commission may rebut the prima facie evidence of the Federal Trade Commission by showing good faith. There is not a word there about whether the result may be this or may be that, or will be this or will be that. The proviso is—and I read it again—

Provided, however, That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor or the services or facilities furnished by a competitor.

How does the section appear, as recommended by the conferees? I read from page 3 of the bill before us, which is now the conference bill:

(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price the effect of which upon competition may be that prohibited by the preceding subsection, or discrimination in services or facilities furnished, the burden of showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination.

This language, Mr. President, is precisely the same, word for word, as the present language of section 2 (b) of the Robinson-Patman Act, except the phrase "the effect of which upon competition may be that prohibited by the preceding subsection." The only other difference is in the proviso. Let me read the proviso as recommended to us in the conference report:

Provided, That a seller may justify a discrimination by showing that his lower price

or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor—

This is new language—

and this may include the maintenance, above or below the price of such competitor, of a differential in price which such seller customarily maintains, except that this shall not make lawful any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.

The words which have been added to the Robinson-Patman Act strengthen that act, because they say clearly that even though the defendant comes in with a good-faith defense, it is not a complete defense if he is in a conspiracy or in a combination or a collusive agreement, or if he is engaged or is engaging in any monopolistic, oppressive, deceptive, or fraudulent practice.

Mr. President, the conferees have added to the Robinson-Patman Act a provision which strengthens that act.

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

Mr. O'MAHONEY. It is said that this provision makes a good-faith defense an absolute defense. That cannot be true. Anyone familiar with the Robinson-Patman Act who will read the act and the decisions, will see precisely what I am talking about.

I have in my hand the Standard Oil Co. case, I shall undertake to show by the Standard Oil case that we have in the report a stronger antitrust law than is the Robinson-Patman Act. The Standard Oil case was decided by Justice Minton, now on the Supreme Court of the United States, when he was a member of the United States Court of Appeals of the Seventh Circuit. The decision was handed down on March 11, 1949, and in the decision Justice Minton quoted——

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

Mr. O'MAHONEY. I shall not yield for that purpose.

The PRESIDING OFFICER. The Chair will observe that, technically speaking, the Senator from Maryland has the floor, and he yielded to the Senator from Wyoming presumably for a question.

Mr. O'MAHONEY. Mr. President, if the Senator will permit me to proceed, I can finish very shortly.

Mr. KEFAUVER. Mr. President, I wanted to ask a question before the Senator from Wyoming started his oration. It seems to me that while we are on the subject-matter of the speech of the Senator from Maryland, we should be able to ask him a few questions.

Mr. O'MAHONEY The Senator may be able to do so. The Senator from Maryland was good enough to yield to me for the purpose of giving a supplementary response to the Senator from Minnesota [Mr. THYE].

Mr. O'CONOR. Mr. President, that is entirely correct and is in keeping, exactly, with what the Senator from Maryland did with reference to the Senator from Louisiana [Mr. LONG] and the Senator from Minnesota [Mr. THYE].

The PRESIDING OFFICER. If there has been any irregularity, the Chair suggests that it can be cleared up by the Senator from Maryland asking unanimous consent that he may yield to the Senator from Wyoming for the purpose of making a statement without losing his right to the floor.

Mr. O'CONOR. Mr. President, I make the request as indicated by the Chair.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I was undertaking to show that Mr. Justice Minton, in his decision in the Standard Oil case, quoted, from Chief Justice Stone of the Supreme Court, language which undertakes to interpret section 2 of the Clayton Act, as amended. Chief Justice Stone said—and I am reading from page 216 of the One Hundred Seventy-third Federal Reporter:

It will be noted that the defense that price discriminations were made in order to meet competition is, under the statute, a matter of rebutting the Commission's prima facie case. Prior to the Robinson-Patman amendment, section 2 of the Clayton Act provided that nothing contained in it "shall prevent discriminations in prices made in good faith to meet competition." The change in language of this exception was for the purpose of making the defense a matter of evidence in each case, raising a question of fact as to whether the competition justified the discrimination.

There was a change in language by which the reference to good faith was taken out of section 2 (a) of the Clayton Act and put into section 2 (b) of the Robinson-Patman Act. Under section 2 of the Clayton Act, as originally drafted, good faith was an absolute defense on the same basis as the justification of discrimination for reasons of cost or expensive delivery, and the like. But in order to make sure that it would not be an absolute defense which would immediately take effect upon the pleading and the proof, the Robinson-Patman Act took it out of section 2 (a) and put it into section 2 (b). To state it more accurately, the Robinson-Patman Act divided section 2 of the Clayton Act into two paragraphs, (a) and (b). The good faith defense was taken out of the absolute defense category and placed in section 2 (b) as a procedural provision. Chief Justice Stone defined it for the Supreme Court of the United States in this language:

The change in language of this exception was for the purpose of making the defense a matter of evidence in each case, raising a question of fact as to whether the competition justified the discrimination.

The words of Chief Justice Stone were quoted by Justice Minton with approval. I point out to the Senator from Minnesota and to all those who may have queried him, as well as all who may have sent petitions to him, that section 2 (b), which was thus interpreted by Chief Justice Stone, has been strengthened by the conference report, because the conference report has added the provision which I read with respect to "a combination, conspiracy, or collusive agreement; or monopolistic, oppressive, deceptive, or fraudulent practice." It has taken nothing away from the Robinson-Patman Act.

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

Mr. O'MAHONEY. I yield.

Mr. LONG. As a matter of fact, did not the Sherman Antitrust Act, which was passed in 1890, approximately 60 years ago, outlaw in interstate commerce any "combination of conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice"? Did not the Sherman antitrust law outlaw such a practice?

Mr. O'MAHONEY. Yes.

Mr. LONG. Does the Senator from Wyoming contend that the Robinson-Patman Act makes those practices legal?

Mr. O'MAHONEY. No. Of course not.

Mr. LONG. Then those practices were already illegal.

Mr. O'MAHONEY. I say that the Senator's whole argument is based on the false concept that there is now in the Robinson-Patman Act something with reference to the good faith defense in section 2 (b) which is stronger than it is in the conference report. I say that anybody who can read the English language, and particularly a brilliant, able, and distinguished lawyer such as the Senator from Louisiana, if he will put his mind upon a reading of that language, will see that section 2 (b) of the Robinson-Patman Act as amended by the conference report is just as strong. I say it is stronger.

Mr. LONG. I should like to ask this question: If a combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice has been illegal for 60 years, since the passage of the Sherman Antitrust Act, will the Senator explain why we need to reenact that language?

Mr. O'MAHONEY. The Senator is not pursuing the argument with which he started out. He is saying, "You are making this too strong." Does the Senator want to take the position that the conferees should have rejected this prohibition? I am willing to repeat the prohibition of the antitrust law every day of the year, every hour of the day, every minute of the hour, and, if I could, every second.

Mr. LONG. If we were to follow the argument of the Senator from Wyoming, we would be great statesmen if we took the whole United States Code and reenacted it every day.

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

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. The Senator knows, does he not, that section 3, if it were adopted as amended by the conference report, would completely do away with the Robinson-Patman Act?

Mr. O'MAHONEY. No.

Mr. KEFAUVER. Does not the Senator know that it would completely do away with the good-faith provision, and legislate oratory? It would do away with a law which has been a law for 60 years. If that is not true, why did not the Senator recommend, as he did the

acceptance of the Carroll amendment in section 2?

Mr. O'MAHONEY. I shall be very glad to reply to the Senator. I have already pointed out that the only difference in this bill and in the Robinson-Patman Act is the difference contained in the proviso.

Mr. KEFAUVER. But that is——

Mr. O'MAHONEY. Will the Senator please be patient? He has asked me a question, and I shall try to answer it. The proviso in the existing law reads, and this is the law the Senator is defending, and which I, too, defend, although I would make it stronger by supporting the conference report.

Mr. KEFAUVER. We would——

Mr. O'MAHONEY. I am trying to answer the Senator's question.

The proviso reads:

Provided, however, That nothing herein contained shall prevent a seller rebutting the prima facie case thus made by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or services or facilities furnished by a competitor.

The seller is permitted to rebut the prima facie case by showing good faith. All in the world this conference report does, as the Senator from Maryland has pointed out, is that, instead of saying "shall prevent the seller from rebutting," it says "a seller may justify a discrimination by showing that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or services or facilities furnished by a competitor."

I say that Chief Justice Stone, in interpreting the meaning of this section, which the Senator from Tennessee and the Senator from Louisiana desire to defend, said that this clause was for the purpose of making the defense—that is, the defense of good faith—a matter of evidence in each case, raising a question of fact as to whether the competition justified the discrimination.

I say to the Senator from Louisiana and the Senator from Tennessee that, in my opinion, the Standard Oil Co. in the Standard Oil case, when it was forced to admit that it had sold at a discriminatory price to the wholesaler known as Neds, who was a price cutter, had every reason to know what the reasonable and probable consequences of the act would be. Since it did know, it was making a discrimination which was not to be justified by the good faith defense, because it knew what it was doing.

Mr. KEFAUVER and Mr. LONG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield, and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Tennessee, to whom I have been responding.

Mr. KEFAUVER. May I ask the Senator whether he does not know that Mr. Ellis, who represented the Standard Oil Co. before the Supreme Court, in colloquy with Mr. Justice Black, said, "Why, of course if this bill as recently reported from conference"—which the Senator from Wyoming is defending here—"is passed, we have won Standard Oil Co. case."

Mr. O'MAHONEY. He was adopting the argument of the Senator from Tennessee, not my argument.

Mr. KEFAUVER. He was adopting the argument that if the Senator from Wyoming prevails, the defense of good faith will win for the Standard Oil Co. the case now pending before the Supreme Court and will nullify the wholesome effects of the Robinson-Patman Act.

Mr. O'MAHONEY. I did not say Mr. Ellis is my interpreter of the meaning of the antitrust law. He is not. I doubt very much whether the Supreme Court would consider him as its interpreter of antitrust laws. I am amazed, of course, that he should adopt the same interpretation which the Senator from Tennessee has adopted. However, I say that neither the Senator from Tennessee nor Mr. Ellis of the Standard Oil Co. is correct in that statement. The conference report does not make good faith——

Mr. KEFAUVER. Does it make——

Mr. O'MAHONEY. If the Senator will permit me to answer his question, I should like to say that the conference report does not make the defense of good faith an absolute defense. It is on all fours with the present language of the Robinson-Patman Act in that regard.

Mr. KEFAUVER. Why not agree to the present language, if it is on all fours? Does not the Senator know that the head of the Federal Trade Commission, in a letter which I put into the RECORD, and at least all the members of the Federal Trade Commission except one, who are the officials who have jurisdiction of the administration of the Clayton Act, said that the adoption of this conference report would completely nullify the effectiveness of the Robinson-Patman Act? Does the Senator think they were good authorities on that subject?

Mr. O'MAHONEY. Oh, no, I do not. and the reason why I do not is that in this very same Standard Oil case Justice Minton overruled those same gentlemen with respect to their cease-and-desist order.

Mr. KEFAUVER. The Senator relies upon the Department of Justice, which never has been for the Robinson-Patman Act, in the first place. Mr. Bergson testified against it before the House committee. Even the Department of Justice, which has been quoted so appreciatively here this afternoon, says that section 3 of the conference report, as amended, does do something. Let me read what the Department of Justice said:

Section 3, on the other hand, permits the "good faith" defense, within the limits prescribed and except in the case of freight absorption referred to in section 2, in the absence of a combination, conspiracy or collusive agreement; or any monopolistic, oppressive, deceptive or fraudulent practice.

Mr. O'MAHONEY. That is exactly the same as the present Robinson-Patman Act.

Mr. KEFAUVER. The present Robinson-Patman Act refers, not to the high-sounding words which have been in the Sherman Act all the time; it refers specifically to the matter of whether good faith is a defense or not. The Senator is ruling out the good-faith defense except in the case of a lot of things which are already covered by the Sherman Act.

Mr. President, I ask unanimous consent that this letter be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

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

DEPARTMENT OF JUSTICE,
OFFICE OF THE ASSISTANT TO THE ATTORNEY GENERAL,
Washington, April 13, 1950.

Hon. ESTES KEFAUVER,
Committee on the Judiciary,
United States Senate,
Washington, D. C.

MY DEAR SENATOR KEFAUVER: This acknowledges your letter to the Attorney General dated April 6, 1950, with reference to our January 13 letter to Senator HERBERT R. O'CONOR concerning S. 1008, as reported by the conference, in which we expressed the view that the good-faith provisions of section 2 of that bill are somewhat inconsistent with the provisions of section 3. You inquire whether the Department has or has not any objection to this contradiction as such, apart from legislative policy as to the merits of the provisions of the bill.

As we interpret section 2 of S. 1008, it precludes the good-faith defense where a price discrimination in the form of freight absorption is established, if the effect of such absorption would be such that its effect upon competition will be to substantially lessen competition.

Section 3, on the other hand, permits the good-faith defense, within the limits prescribed and except in the case of freight absorption referred to in section 2, in the absence of a combination, conspiracy, or collusive agreement; or any monopolistic, oppresive, deceptive, or fraudulent practice.

So interpreted, it is our opinion that sections 2 and 3 do not contradict each other, but that they are somewhat inconsistent in that section 2 limits the good-faith defense where discrimination is based upon freight absorption, whereas section 3 makes good faith an absolute defense, subject to the qualifications heretofore noted, in all other discrimination cases brought under the Clayton Act. As we pointed out in our letter to Senator O'CONOR, however, we believe that the enactment of this exception with respect to freight absorption is a matter of legislative policy for the Congress to determine. Accordingly, although we have never urged the necessity or desirability of legislation with respect to pricing practices, we have no objection to the enactment of sections 2 and 3 in their present form.

Yours sincerely,

PEYTON FORD,
The Assistant to the Attorney General.

Mr. O'MAHONEY. Mr. President, let me add one word in response to the Senator from Tennessee.

When all is said and done, what we are seeking to do is to interpret the language of the law and to determine to what extent the law has been or would be changed.

I will say to the Senator from Tennessee that when on the 1st of June last this bill was before the Senate, and the Senator raised the question that perhaps the bill as it was written would

have the effect of weakening the Robinson-Patman Act, I agreed to an amendment which the Senator offered. I say to the Senator that when he reads the Robinson-Patman Act and reads the conference report, he will find that the conferees have brought back to the Senate a provision which is just as strong as the present Robinson-Patman Act.

Mr. KEFAUVER. Mr. President, the act provides that unless it will substantially lessen competition, there is not discrimination. It is one thing that has a definite legislative history.

Mr. O'MAHONEY. That is not in the Robinson-Patman Act section with which we are dealing.

Mr. KEFAUVER. The Robinson-Patman Act provides that there is not discrimination unless it lessens competition. That is one thing. The Senator has sanctioned the striking out of that protection, which is really the essence of the Robinson-Patman Act, and substituting a lot of oratory. It does not even deal with the same subject matter, and does not do anything but bring about a repeal of the Robinson-Patman Act, and I am sure the Senator must know that.

Mr. O'MAHONEY. Oh, Mr. President, I know we have no patience with oratory when it goes against us, but when it is our oratory, then we like it.

Let me say to the Senator from Louisiana, who questioned me a moment ago about the old Sherman Act, that it just comes to my mind that the phrase, "or any monopolistic, oppressive, deceptive, or fraudulent practice" is an addition both to the Sherman law and to the Robinson-Patman Act. There is nothing in the Robinson-Patman Act about monopolistic, deceptive practices.

Mr. LONG. The Senator knows that the Robinson-Patman Act did not attempt to repeal the Sherman Act.

Mr. O'MAHONEY. The Department of Justice has brought cases under the Robinson-Patman Act.

Mr. LONG. The Senator will recall that in the debate when this matter first came up, and he accepted the Kefauver amendment, he admitted that without the Kefauver amendment the bill would change the Robinson-Patman Act, and that it would have the effect of permitting discriminations made in good faith which could injure small-business people; and he admitted at that time that it would have the effect of reversing the Standard Oil Co. of Indiana case.

Mr. O'MAHONEY. I was fearful that it would, but I say that in the form in which it has been brought to us by the conferees the report does not reverse the Standard Oil Co. of Indiana case. It does not. That I offer as my opinion.

Mr. LONG. The Senator contends that this language, which has already been the law, which has been the law for 60 years, would have the effect of saving the provisions of the Robinson-Patman Act. Since that is already the law, what good would it do to reenact the same words?

Mr. O'MAHONEY. Mr. President, I think we are playing with words. The Senator from Louisiana well knows that in the discussions which took place prior to the conferences, both the conference last year and the conference this year, I made no bones about the fact that I would be perfectly happy to have section 3 eliminated from the bill. There is no question about that.

Mr. LONG. We would all feel much better if section 3 were not in the bill.

Mr. O'MAHONEY. What I am saying to the Senator now is that neither he nor any lawyer in the Federal Trade Commission or in the Department of Justice, or representing any retail dealers, whether they are dealers in oil or dealers in drugs, need have any fear about section 3 of this bill, as it has been brought in by the conferees.

Mr. KEFAUVER. Does the Senator put his judgment ahead of that of every member of the Federal Trade Commission except one, and the head of the Department of Justice, and of the representative of the Standard Oil Co., as well as the representatives of small-business groups?

Mr. O'MAHONEY. Mr. President, I submit that is a rhetorical question which needs no answer. I submit my judgment for what it is worth. I reach my judgments in good faith, if I may use the phrase which the Senator seems to denounce. I reach my conclusions upon the merits and the facts as I see them, and I defend them here upon the floor by quoting the language of the law, and nobody, whether he be on the Commission, or in the employ of the Standard Oil Co., or whether he be a Member of the United States Senate, can read the language in section 2 (b) of the Robinson-Patman Act as it now exists, and as it is proposed to be amended by the conference report, and declare logically that it makes good faith an absolute defense.

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

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. FERGUSON. I should like to have the distinguished Senator interpret what is meant by Mr. Peyton Ford in his letter of January 15, 1950, when, on the second page, he says:

> We have no objection to the enactment of sections 2 and 3 in their present form.

The letter to the distinguished Senator from Tennessee of April 13, 1950, written by Mr. Peyton Ford was placed in the RECORD as contradicting Mr. Ford's previous opinion. I should like to have the Senator's comment on the two letters in order that the RECORD may be clear.

Mr. O'MAHONEY. I have not read the second letter.

Mr. FERGUSON. The second letter seems to be contradictory of the first. I should like to have the Senator's opinion on the matter. I think it would make the RECORD clear.

Mr. O'MAHONEY. The letter is addressed to our friend the senior Senator from Tennessee [Mr. KEFAUVER]. The first paragraph is not significant. I read the second:

> As we interpret section 2 of S. 1008, it precludes the "good faith defense"—

This is with respect to section 2——

Mr. FERGUSON. Yes.

Mr. O'MAHONEY. I continue to read:

> where a price discrimination in the form of freight absorption is established, if the effect of such absorption "would be such that its effect upon competition will be to substantially lessen competition."

That is with reference to section 2.

> Section 2—

Says Mr. Ford—

> on the other hand, permits the good-faith defense, within the limits prescribed, and except in the case of freight absorption referred to in section 2, in the absence of a combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.
>
> So interpreted—

He continues—

> it is our opinion that sections 2 and 3 do not contradict each other, but that they are somewhat inconsistent in that section 2 limits the good-faith defense where discrimination is based upon freight absorption.

Mr. President, I may say to the Senator that so far as I had anything to do with drafting the bill and urging its form upon the conferees, I deliberately intended that where freight absorption was concerned we should make the law as strong as possible because I did not want to see anything in the law that would revive the systematic basing-point system. That is why section 2 was printed the way it is; why the amendment was placed in the bill.

But with respect to section 3, when one reads section 2 (b) of the Clayton Act, which is a part of the Robinson-Patman Act, and when one reads the amendment to it in section 3, one finds that as the bill passed the Senate, by the adoption of the amendment "(other than a discrimination which will substantially lessen competition)," it went further than the Robinson-Patman Act, and resulted in saying, "while a good-faith discrimination may be rebutted or it may be justified, it may not be." In other words, they said, "Yes or no." The conferees were confronted with that problem. The section would have been completely incapable of construction. So the conferees did an intelligent piece of work. They removed the ambiguity by changing the position of the amendment designed to maintain the antitrust laws. They placed the amendment at the end. So now we have exactly the situation with respect to price discrimination that we had before.

I was perfectly willing to make this clarification so far as freight absorption or the basing-point system is concerned, quite clear and rigid, so that we would not be running the danger of legalizing a practice which has been an instrumentality of monopolistic operation.

But with respect to good faith discrimination in prices, I felt, and so accepted what the conferees did, that we should not write into the law any language that would increase the confusion.

It must be borne in mind, Mr. President—and I say this to the Senator from Michigan—that there has long been a controversy as to whether or not the antitrust laws should protect what is known as soft competition. There is a

difference between hard competition and soft competition. This can be explained by a reference to the Miller-Tydings Act, which was sponsored by the retail druggists. The retail druggists organized for the amendment of the antitrust law so as to make lawful resale price maintenance which before that time was not lawful. I received a letter from one of the officials of the National Retail Druggists saying, "Why Senator, you surprise us. You have been a lifelong defender of the antitrust laws, and now you are undertaking to pull the foundation from under us." But that is precisely what the druggists did when they wanted to have resale price maintenance so that they could have soft competition.

When we came to write the report on the TNEC, I did not vote to repeal the Miller-Tydings Act. It was recommended by the Federal Trade Commission. It was recommended by some of the very same gentlemen who have been condemning the measure now before us. But I went along with the druggists because I said I recognized the fact that they were small-business men and that they probably were driven to the resale-price-maintenance device because they were in the hands of great national manufacturers. So I was quite willing that that should be done.

Mr. President, if we are to protect competition in the United States, if we are to preserve competition, then we certainly should not leave the statute law in such a condition that honest businessmen would be driven to the conclusion that they were violating the law if they actually were engaging in competition and sold their goods at prices to enable them to compete with somebody else.

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

Mr. O'MAHONEY. I had desired to yield the floor.

Mr. LONG. I have a few questions I should like to ask the Senator.

Mr. O'MAHONEY. Pardon me for a moment. May I ask the Senator from Maryland [Mr. O'CONOR] what his plan is with respect to procedure? Are we going to recess tonight until tomorrow?

Mr. O'CONOR. Mr. President, the acting majority leader can answer that question.

Mr. MYERS. I will say it is the purpose to recess as soon as the Senator from Wyoming has completed his statement.

Mr. O'MAHONEY. I have finished my statement. I am kept on my feet only by reason of questions which are asked me.

Mr. FERGUSON. Mr. President, will the Senator yield for one more question?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Would the Senator say, then, that the letter of January 13 and the letter of April 13, both written by Mr. Ford, are not inconsistent?

Mr. O'MAHONEY. No; they are not inconsistent. But what was in the mind of Mr. Ford when he wrote the letter was the dispute with respect to——

Mr. FERGUSON. Sections 2 and 3.

Mr. O'MAHONEY. Yes. I have explained why that difference exists. Then he also had in mind the difference between hard and soft competition.

Mr. FERGUSON. Mr. Ford ends his letter of April 13, 1950, by saying:

> We have no objection to the enactment of sections 2 and 3 in their present form.

Mr. O'MAHONEY. That is exactly the statement he made in the letter he wrote to the Senator from Maryland [Mr. O'CONOR]. He had no objection provided amendment was made in the definition contained in section 4 D, and that was made by the conferees.

Mr. FERGUSON. That was made.

Mr. O'MAHONEY. Yes.

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

Mr. O'MAHONEY. I yield.

Mr. LONG. The Senator accepted on the floor the Kefauver amendment to section 3.

Mr. O'MAHONEY. Yes.

Mr. LONG. The Carroll amendment attempted to accomplish the same purpose, except that it was more carefully considered and worked out. I ask the Senator whether he personally objects to the Carroll amendment being included? In other words, would he object to the words "(if the discrimination is not such that its effect upon competition may be that prohibited by this section)"?

Mr. O'MAHONEY. I accepted the amendment offered by the Senator from Tennessee, which reads as follows: "(other than a discrimination which will substantially lessen competition)."

I attribute to the word "will" a degree of proof; that it should not be a mere guess, but that it should be based upon a judgment as to reasonable probability; in other words, that the Federal Trade Commission could say, "It is obvious that this will do it", just as Mr. Justice Minton said in the Standard Oil case that the evidence showed that that was clearly the effect.

But when the bill went to the House, the Representative from Colorado caused the word "will" to be stricken out and the word "may" to be inserted. Of course, the word "may" is as broad as a barn door. In the Moss case—the Senator may be familiar with it—one of the circuit courts said, with respect to good faith, that all that was necessary, practically, was a finding of discrimination by the Federal Trade Commission, and then the defendant was out.

That is not what the Standard Oil case does.

I assure the Senator, on the basis of all the attention I have given to the antitrust laws over a long period of time, that in my judgment, for whatever it may be worth, no small business in the United States need fear the adoption of this conference report; but, more than that, it will be beneficial to small businesses all over the United States, and it will create the possibility for new competition with big business.

Mr. LONG. Mr. President, I take it, then, that the Senator from Wyoming means that he objects to the language—

> if the discrimination is not such that its effect upon competition may be that prohibited by this section.

Mr. O'MAHONEY. That is not in this clause of the Robinson-Patman Act as it now exists; it is not there.

So when we put it in there, if we do, the effect will be just as I have said to the Senator from Michigan it will be—namely, that we will be saying, "Yes, the defendant may make a showing of good faith, he may introduce evidence; but then, again, it will not do him any good; it will be merely a nullity."

If the Senator wants to read the law, I will show him exactly the section.

Mr. LONG. I was trying to get a categorical answer to the question, does the Senator object to leaving in the bill the words the House put in, namely—

> if the discrimination is not such that its effect may be that prohibited by this section.

Mr. O'MAHONEY. Yes, because I think it broadens the law and makes the law incapable of understanding; and, because I think it is of such great importance to have the businessmen of the United States know that freight absorption and delivered prices are not a violation of the law, I believe we should not pay attention to what I think are fantastic criticisms of section 2 of this act.

Mr. LONG. Actually, section 3 says nothing about freight absorption; does it?

Mr. O'MAHONEY. No. There is the Robinson-Patman Act, however.

Mr. LONG. But actually, section 3 says nothing about freight absorption; does it?

Mr. O'MAHONEY. I agree.

Mr. LONG. The Senator has stated, so far as section 3 is concerned, that we might just as well not have it.

Mr. O'MAHONEY. I was ready to have it thrown out. The Senator and I are in agreement about that.

But I am saying to the Senator and to all others who will listen and to all who will read, that the conferees did a whale of a good job when they brought section 3 back on the floor. They brought it back in a form which will do no injury to small business, but will do a great deal of good.

Mr. LONG. Let me quote from the act the Senator kindly showed me. Section 2 (a), as amended by the Robinson-Patman Act, at present reads:

> That it shall be unlawful for any person engaged in commerce, in the course of such commerce, either directly or indirectly, to discriminate in price between different purchasers of commodities of like grade and quality——

Mr. O'MAHONEY. That is still the law; it is not affected by this conference report.

Mr. LONG. I read further:

> where either or any of the purchases involved in such discrimination are in commerce, where such commodities are sold for use, consumption, or resale within the United States or any Territory thereof or the District of Columbia or any insular possession or other place under the jurisdiction of the United States, and where the effect of such discrimination may be—

I repeat the last words "may be"——

Mr. O'MAHONEY. That is correct.

Mr. LONG. And then I continue to read:

substantially to lessen competition or tend to create a monopoly in any line of commerce—

And once again the words "may be" refer to this—

or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination—

I pause at that point. The words "may be" are there used. The Senator from Wyoming says the words "may be" are as wide as a barn door; but those words are the words of the Robinson-Patman Act.

Mr. O'MAHONEY. Of course, and they are the words of the first part of the conference report.

The point I am making to the Senator is that they were misplaced when, by the action of the Senate and the House, they were inserted into the proviso with respect to good faith, because they are not in that proviso in the Robinson-Patman Act.

If the Senator will only glance over my shoulder, I will point out to him how the conferees have brought the words "may be" back into section 2 (b):

(b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price—

Listen—

the effect of which upon competition may be that prohibited by the preceding subsection.

So all in the world that the Federal Trade Commission has to do is to enforce the Robinson-Patman Act as it is now written.

However, its hand is strengthened by the proviso inserted at the end of the section by the conferees, with respect to—

any combination, conspiracy, or collusive agreement; or any monopolistic, oppressive, deceptive, or fraudulent practice.

Mr. LONG. Is it not true that the words "may be" are used in the beginning of the section, but then later in section 3 it is stated in the proviso that the seller may justify the discrimination by showing good faith. The Carroll amendment limited the good faith defense where a substantial injury to competition may result.

Mr. O'MAHONEY. When that was done, my friends, the Representative from Colorado [Mr. CARROLL] and the Senator from Tennessee [Mr. KEFAUVER], were trying to gild the lily. We are accepting the words of Senator Robinson and Representative PATMAN; we take their interpretation of good faith, and here it is.

Mr. LONG. The Senator from Wyoming does not by any means think that Representative PATMAN approves of the argument the Senator from Wyoming is making here today, does he?

Mr. O'MAHONEY. No, I do not think he does, because I have not had an opportunity to discuss it with him as I have with the Senator from Louisiana, and I feel that the Senator from Louisiana has been at least somewhat mollified in his criticism of this provision.

Mr. LONG. Does the Senator feel that the ruling which Judge Minton handed down and the reasoning Judge Minton used in the Standard Oil Co. of Indiana case in the Court of Appeals would still be the law if this act as now proposed were in effect?

Mr. O'MAHONEY. I do.

Mr. LONG. The Senator realizes, does he not, that Mr. Bergson testified that would not be the case?

Mr. O'MAHONEY. The Senator is asking me to compare my opinion with that of Mr. Bergson. Let me explain how I reached my opinion. Here I quote the words of Judge Minton in the Standard Oil Co. case:

We agree with the Commission that the showing of the petitioner that it made the discriminatory price in good faith to meet competition is not controlling in view of the very substantial evidence that its discrimination was used to affect and lessen competition at the retail level.

That paragraph, word for word, could be written in interpretation of the conference report.

Mr. O'CONOR. Mr. President, it is apparent that there would be a clearer understanding of this matter if there were printed the bill as reported by the House, embodying the amendments, and with it the conference report. Therefore I ask that that may be done. The Parliamentarian, in a very able manner, has already written it up. If that is done, I think it would make for the best understanding, and I so request.

The PRESIDING OFFICER. That is a very admirable suggestion, and without objection, it is so ordered.

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

Mr. O'CONOR. I yield.

Mr. FERGUSON. I wish to ask the Senator from Maryland, for the purpose of creating a legislative history, which would be advisory to the Federal Trade Commission, a question about the language of the conference report as it has been reported to the Senate. Does the Senator from Maryland adopt the argument and the reasoning of the distinguished Senator from Wyoming on this conference report?

Mr. O'CONOR. I am very happy to answer that question, and to say unqualifiedly yes, I do. The reasoning, so very eloquently presented by the able senior Senator from Wyoming, is exactly in accord with the thinking of the conferees as expressed during the conference. I know of no one who is better able to present it than the able Senator from Wyoming, or one who has been so vitally interested in this subject matter for many years.

Mr. WILLIAMS. Mr. President——

Mr. O'CONOR. I yield to the Senator from Delaware.

Mr. WILLIAMS. I am attempting to get the floor in my own right.

Mr. LONG. Mr. President, may I ask the Senator from Maryland one or two questions which I could not ask him at the time he was speaking?

The PRESIDING OFFICER. Does the Senator from Maryland yield?

Mr. O'CONOR. I yield.

Mr. WILLIAMS. Mr. President——

Mr. THYE. Mr. President, I am very grateful to the Senator from Maryland and to the Senator from Wyoming for the splendid explanation of the conference report they have given to the Senate this afternoon. It has certainly helped me, and I know it should help all who have had a grave concern about the effect of the proposed measure.

Mr. O'MAHONEY. The Senator is very kind.

Mr. O'CONOR. I am very grateful to the Senator.

Mr. LONG rose.

The PRESIDING OFFICER. Does the Senator from Louisiana rise to address the Chair?

Mr. LONG. Mr. President, I ask unanimous consent that, immediately after the Senator from Delaware makes his presentation, I may ask the distinguished Senator from Maryland a few questions with regard to the conference report.

Mr. BRIDGES. Mr. President——

Mr. LONG. After the Senator from Delaware has concluded, and also the Senator from Nevada, I should like to ask a few more questions.

The PRESIDING OFFICER. And also the Senator from New Hampshire?

Mr. BRIDGES. Mr. President, I have been trying to get the floor, and I object, unless the Senator includes me.

Mr. LONG rose.

The PRESIDING OFFICER. Does the Senator from Louisiana rise to address the Chair?

Mr. LONG. The request has been objected to.

Mr. WILLIAMS, Mr. MALONE, and Mr. BRIDGES addressed the Chair.

The PRESIDING OFFICER. The Chair believes if the Senator from Louisiana were to address the Chair, he would address the Chair on a subject relating to that which has been under discussion, whereas, as the Chair understands, the Senators from New Hampshire and Delaware wish to discuss certain other matters. The Chair first wishes to find out whether the Senator from Louisiana is rising to address the Chair.

Mr. LONG. Mr. President, I will not address the Chair at this time.

Mr. BRIDGES. Mr. President——

The PRESIDING OFFICER. The Senator from New Hampshire.

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

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Nevada?

Mr. BRIDGES. I yield, provided I do not thereby lose my right to the floor.

Mr. MALONE and Mr. WILLIAMS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Hampshire yield, and if so, to whom?

Mr. BRIDGES. I yield first to the Senator from Nevada.

THE LEE CASE

Mr. MALONE. Mr. President, I ask unanimous consent that the distin-

guished Senator from New Hampshire may yield to me without his losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MALONE. Mr. President, pages 7444 to 7447 of the CONGRESSIONAL RECORD of May 22 make very interesting reading. The junior Senator from Nevada offered a resolution some time ago for an investigation of Mr. Michael Lee, of the Department of Commerce. On the pages mentioned, there are quotations from the testimony of Mr. Larsen, a former employee of the State Department, later connected with Amerasia, as I understand, also connected with Mr. Lee and with Mr. Jaffe. In that connection, speaking of the time when the arrests were made—which includes the arrest of Mr. Larsen—he says:

I discovered—

Mr. Larsen talking—

he—

Mr. Lee—

was one of the closest contacts to Jaffe. When Jaffe came down he spent most of his time with him.

Mr. President, I ask unanimous consent to have inserted in the RECORD an excerpt from the testimony of Mr. Larsen.

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

Mr. CHELF. He was trying to mold the thinking of the fellows in the State Department, the War Department, and other key spots in the Government.

Mr. LARSEN. I cannot imagine otherwise.

Mr. FELLOWS. He was accomplishing it in a degree.

Mr. LARSEN. I think he was in some agencies. Over in the FEA, they were very much affected over there. One of those analysts, Michael Lee, a Jewish boy, whose name was originally Lieberman—I knew him when he was a young kid in Manchuria; he took Chinese citizenship and called himself Lee. Later he came to the United States, became an American citizen. He denies he was a Communist. He was always very close to them.

At the time when the arrests were made, I discovered he was one of the closest contacts to Jaffe. When Jaffe came down he spent most of his time with him.

Where do you suppose he got the FEA material? He certainly has his contacts. He got volumes of material. (CONGRESSIONAL RECORD, p. 7445.)

* * * * *

(Larsen again testifying about another visit of Jaffe to Washington and a talk he had with him:

(Senator M. What was Larsen?

(Mr. STEEL. He was one of those arrested in Amerasia case and apparently most famous one of lot and he pleaded no defense and fined $500 as I remember.)

Mr. LARSEN. He did not state what he was getting from them. He said to me, "I am meeting Michael Lee this afternoon. I want to get from him the story of whether T. V. Sung raised 200,000,000 men." That was strictly a confidential Government affair, you might say. I did not know whether that was secret or whether it had been published in the papers or not." (CONGRESSIONAL RECORD, p. 7445.)

AUDIT OF RECONSTRUCTION FINANCE CORPORATION

Mr. WILLIAMS. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Delaware on condition that I do not thereby prejudice my right to the floor.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the Senator from New Hampshire may yield to me without losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I have just finished reading the report (H. Doc. 468, February 13, 1950) submitted by the Comptroller General relative to the audit of the Reconstruction Finance Corporation and its subsidiaries for the 2-year period ended June 30, 1947.

We all knew that this Corporation was under serious criticism for its wartime operations, but we had been led to believe that its accounting and lending policies were vastly improved. However, in reading this most recent report for the 2-year period following the war I am amazed at the irresponsible manner in which the Directors of this Corporation have been making loans involving millions of dollars.

Once again in this report we read what is becoming a habitual phrase of the Comptroller General, found in the audit reports of many of these corporations:

Our examination was impeded by major deficiencies in accounting and internal control * * *. The deficiencies are of such significance and materiality that we are unable to express the opinion that the financial statements accompanying this report make a fair presentation of the financial position of Reconstruction Finance Corporation and its subsidiaries.

What is even worse, we are told that the books of the Corporation are in such deplorable condition that the Comptroller General has as yet been unable to submit to Congress his audited reports for the fiscal years 1948 and 1949, both of which are overdue.

The reports which have been received by Congress contain glaring examples of unsound loans involving millions of dollars being made to corporations which have little or no assets. In commenting on certain of these loans the Comptroller General said that his review of certain specific loans led him not only to question whether the loans were reasonably of such sound value or so secure as to warrant the RFC's risking public funds, but he even went so far as to question their legal authority to make such loans.

The Comptroller General has been consistently calling the attention of the Congress to the fact that this Corporation has been grossly mismanaged. As a result of the many criticisms made, a committee of the United States Senate is at this time in the process of investigating the affairs of this lending agency. While it is hoped that this committee will fully explore the operations of this Corporation for the past several years, we cannot in the meantime overlook the fact that the time has come when mere criticism of Government corporations is not enough. They should be followed by more positive action.

Nearly 5 years have elapsed since Congress passed the Byrd-Butler Act of 1945—Public Law 4, Seventy-ninth Congress—which specified that each of these Government corporations submit to the Congress not later than January 15 of each year an audited report of their transactions for the preceding fiscal year ending June 30.

Here we have another instance in which that provision of the law has been deliberately ignored. We as Members of Congress have no direct knowledge as to the present condition of the books of this Corporation, nor do we know how its affairs have been conducted during the past 2 years.

We hear persistent rumors that officials of this giant lending agency are obtaining high-salaried jobs with corporations which had been favored with large loans. Rumors are also circulating to the effect that these hard-pressed corporations are obtaining their loans only after the payment of exorbitant attorney fees. These rumors cannot be ignored any longer.

Under these circumstances I urgently recommend that the committee which is now in the process of investigating the affairs of this Corporation take the following steps:

First. It should demand the audited reports of this Corporation for the fiscal years 1948 and 1949, both of which are long overdue.

Second. It should give serious consideration to legislation which will prohibit an official of the RFC from obtaining a job under a period of at least 2 years with any corporation which had borrowed money from this lending agency.

Third. Assuming that the lending power of this Corporation is to be continued, it should consider legislation which would either place a ceiling upon the fees which could be paid by the borrowers or require every recipient of a loan from the RFC to file a record of the amount of fees paid for assistance in obtaining the loan.

Fourth. It should consider suspending all further loans in excess of $250,000 until such time as the audited books of this Corporation for the back years 1948 and 1949 have been submitted to Congress.

As one Member of the Senate, I am becoming impatient with the apparent lack of recognition on the part of the officials of Government corporations of their responsibility to render an accurate accounting to the American people for the money which flows through their hands.

The time has come when Congress should serve notice on the officials of this Corporation and all other Government corporations that they must either render an immediate accounting or be removed from office. If it is found that the decisions of these officials with reference to the loans have been influenced

by the prospect of their own personal gain, they should be prosecuted.

I thank the Senator from New Hampshire for having yielded.

NECESSITY FOR INVESTIGATION OF SECURITY RISKS EMPLOYED BY THE UNITED STATES GOVERNMENT IN EUROPE

Mr. BRIDGES. Mr. President, I have been reading with considerable interest a State Department publication entitled "Postwar Foreign Policy Preparation, 1939–45." It is a rather lengthy volume of some seven-hundred-odd pages. In glancing through the index I find 22 references to Alger Hiss as an architect of our postwar foreign policy. There are nine such references to Julian Wadleigh. Of course, these index references do not prove anything, but they made me think.

I have been thinking about the blind policy which we pursued in Germany. Postwar planning, indeed. We would have been better off if we had had no plan at all.

I got to thinking about the origin of our blindness in Germany and the Morgenthau plan—so-called—came to mind. There is no very direct reference to the Morgenthau plan in postwar foreign policy preparation. So I asked one of my staff to call the State Department and ask that agency to point out wherein this plan was discussed. My staff member reported that he was informed that the Morgenthau plan was presented to President Roosevelt at the Quebec Conference in August 1944 without any processing by the Department.

My staff member also received another curious bit of intelligence. The State Department official stated that the Department believed that Harry Dexter White was the brain behind the Morgenthau plan. I have often heard that Harry Dexter White was the author of this infamous plan which later became the official policy of this Nation for occupying Germany.

I do not know whether or not Harry Dexter White was a soviet spy. I know that one person, namely Elizabeth Bentley, admitted Communist espionage courier, said under oath that he was. I know that the Russian Politburo could scarcely have conceived a more outrageous proposal for rekindling German nationalism.

I recalled also—in this nightmare of retrospection—our demand for the unconditional surrender of Germany. This was set forth by the council of foreign ministers meeting at Moscow on November 1, 1943. Who advanced the idea of unconditional surrender? We all know what resulted from it. Germany fought on without hope, blindly obedient to Hitler's mad passion.

Who knows how many American boys died without reason because we insisted on unconditional surrender?

Who knows how much American treasure was expended without reason because we insisted on unconditional surrender?

Who knows why we insisted on unconditional surrender?

Was it Stalin who made the deal for unconditional surrender?

Was it Churchill? Was it Roosevelt? Or was it one of these nameless advisers who play such a prominent part in making our policy?

I believe it is apparent to most people that unconditional surrender was not in the best interests of the United States.

Then I thought back to the secret agreements at Yalta, those secret agreements which stopped our armies at the Elbe River; that kept our armies from maintaining a corridor to Berlin. I have been thinking of this appeasement of Stalin in Europe. Why did we do it? Why did the United States wantonly dissipate all advantages in Europe?

Why was it necessary to maintain the Berlin airlift—an operation so spectacular that it diverted the attention of the world from Asia, just as the Politburo meant that it should?

Do such things just happen? Are we so inept in our relations with other nations? Or do we plan it that way?

I thought of our attitude on dismantling. Long after our basic approach to peace in Europe was clearly resulting in another scramble for balance of power, we continued to dismantle German production.

Long after it became apparent that we needed Germany in the defense of western Europe we continued to alienate the Germans.

Let us review this matter. Let us take a new look.

The new isolationists have a new angle. They seek to isolate this Nation as the only effective resistance against world communism. They have done their work well.

Frankly, I am troubled to think of some of the personnel connected with making our plans and the field force which implements them.

I am not going to take the time of the Senate today, Mr. President, to discuss this matter in detail. I could name a great many persons who have been employed by our Government in Europe. Many of them have been named before.

But there is one case which is of particular interest because the voice behind the iron curtain is using it. This man's case troubles me. It is the case of George Shaw Wheeler. He had quite a record at the public trough. From 1934 to 1938 he was an economist for the NLRB. Apparently he got in on the ground floor in the New Deal. From 1938 to 1942 he was employed by the Wage and Hour Division of the Department of Labor. From 1942 until 1944 he was with WPB, BEW, and finally with the FEA, the Foreign Economic Administration. At the end of 1944 he held a rank comparable to colonel as the FEA representative on the Military Control Board in London.

From 1945 until 1947 he was in the AMG, and, of course, he had a title. He was Chief of the Denazification Branch of the Manpower Division. Later he was Chief of the Labor Supply Branch of the Manpower Division.

Now I do not know what Wheeler was. I can tell the Senate what he is. But I thought Senators might be interested in some of his history as a Government employee.

On January 2, 1945, the Civil Service Commission ruled he was ineligible for Government employment and gave as a reason "doubtful loyalty." The CSC, apparently, was in error on this ruling. A Lt. Col. David A. Morse, Wheeler's superior and an officer attached to the Allied Control Commission, accepted full responsibiilty for his loyalty and kept him at his work. Wheeler appealed his case to a man named W. T. Stone, Chief of the FEA office in London. Ten months later, in October 1945, Wheeler was afforded a hearing before a CSC review board as the result of his appeal.

Wheeler must have been a fair-haired boy at FEA, for that agency assigned Lucian Hilmer, a Government attorney, to defend him. Wheeler was found suitable for employment after this hearing, apparently as the result of the testimony of David A. Morse.

In 1947 Representative DONDERO brought Wheeler's case to light, and his duties with the Government terminated, when he resigned. Since 1947 Wheeler has lived in Prague, behind the iron curtain. In April of 1950, last month, he issued a statement in Prague. It has been widely used as Soviet propaganda.

Listen to what Wheeler, the man who has never been adjudged disloyal to America, has to say.

I have here a photostatic copy of the Prague News Letter of April 14, 1950. This is obviously a propaganda sheet printed in English. Now the Soviets are openly making use of George Shaw Wheeler. He is credited with issuing a lengthy statement which is the featured article in this edition. The editorial comment on his statement is headed "The mask of peace and charity stripped off the warmongers."

Mr. President, I ask unanimous consent that the Prague News Letter of April 14, 1950, be printed in the RECORD at the conclusion of my remarks, as a part of this speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BRIDGES. Mr. President, the editorial points out that Wheeler's statement is a protest against the gangsterism of American occupation authorities in Germany.

I want to read some excerpts from this statement by a former policy-making official of this Government. He recalls how the American Government sent him to London in 1944 so that he would be poised to enter Germany behind the victorious armies as the head of the denazification branch and policy chief for the labor office in the American zone. He reports how he endeavored to carry out official American policy, but how he was hamstrung by various persons whom he identifies as secret agents of Wall Street or the Vatican. After denouncing these individuals, Wheeler's statement set forth as follows:

My activity in carrying out official American policy encountered constantly greater obstacles which grew out of the initiation of the cold war by Wall Street and the American warmongers.

Then he goes on to tell how his loyalty was questioned in 1945. He says the basis for the loyalty charge was that he associated with Negroes on an equal social basis and exhibited a favorable attitude toward democratic and anti-Fascist organizations. That is the Communist language for Communist organizations. They are always democratic and anti-Fascist.

Wheeler's statement goes on. He is bitterly critical of the Marshall plan. He calls it a plan to enslave the workers of Europe. The Atlantic Pact is an evidence of American imperialism, Wheeler says. Point 4 is called a fraudulent act which will provide a way of murdering hundreds and thousands of fighters for freedom.

Then Wheeler takes on the Voice of America. He tells how ashamed he is when he hears the lies and slander about Russia and the peoples' democracies. "Peoples' democracy" is the Communist word for a satellite state. The Voice of America likewise lies about America, according to Wheeler, formerly a trusted official. Wheeler points out he knows the lies are lies because the American way of life is in reality to be found in large city slums, among southern sharecroppers and farmers driven from their homesteads.

Wheeler winds up with these statements: "I declare before the world that I condemn and repudiate the war policy of American imperialism." Then he says, "I ask the Czechoslovak Government to grant asylum to me and my family and to give me the possibility of offering our training and knowledge to the world fight for peace."

I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, the editorial and statement of George Shaw Wheeler.

There is an interesting two-paragraph item which appears at the end of Wheeler's statement. The headline is, "Prague USIS Officials Resign." This article states that Ivan El-Bul and Ruzena Soumarova, officials of the United States Information Service in Prague, have resigned in support of Wheeler's declaration.

I ask unanimous consent to have this item appear in the RECORD as a part of my remarks.

Now this is very interesting, very thought-provoking. Who are these people that found Wheeler to be suitable for employment as a policy maker in Germany? Who rushed him to London so he would be poised to head denazification procedures in Germany? Who is David A. Morse, the man who championed Wheeler before a loyalty board? Who were Wheeler's unseen friends? Are they still in the Government? Do they, like chess players, still move policy makers? Who was the El-Bul who resigned a position with the Government in Prague last month in support of Wheeler?

Now if Wheeler was employed by our Government—there were others of his ilk. It is as logical as night following day. There are reports that such people are still employed to represent your Government and my Government in Europe.

A subcommittee of the Commitee on Foreign Relations, consisting of two Senators, has left for Europe to look into subversives in the employ of the Government. They are the distinguished Senator from Rhode Island [Mr. GREEN] and the distinguished Senator from Massachusetts [Mr. LODGE]. I think that a thoroughgoing investigation by this subcommittee will uncover other traitors like Wheeler and his two stooges in the USIS. I hope the subcommittee will get the facts. They have picked a fertile field for their inquiry, and I hope they will find the answers to my questions. The American people have the same questions. They share the same hope.

EXHIBIT 1

THE MASK OF PEACE AND CHARITY STRIPPED OFF THE WARMONGERS

The most deadly weapon in the hands of the imperialist instigators of war, all this century, has been their ability to disguise war as peace, to hide their preparations of new massacres behind a mask of Christian charity and love of mankind.

Today the incendiaries are losing control of this weapon too. As the camp of peace grows daily in might, the American war chiefs are scathed by exposure after exposure of their real aims. War appears as war, peace as peace.

In Czechoslovakia—prime target among the people's democracies for the warmongers' offensive of lies and provocation—the past fortnight has been especially disillusioning for the American deceivers and self-deceivers, and rich in lessons for the Czechoslovak and all other peoples. The trial of the Abbots and other monk-spies ripped away the pious concealment from the face of the Vatican-CIC plot against peace and democracy, while the depositions made by the 58 kidnapped Czechoslovak citizens on their return to Prague from Munich laid bare the Gestapo face of real American policy in Germany and Europe. No longer is it possible for honest men and women, anywhere in the world, to allow themselves to be taken in by the evil cant about the defense of democracy, western civilization, and all the rest with which the war gang camouflages its preparations for mass terror and murder against the peoples.

In protest against the gangsterism of the American occupation authorities in Germany, the former head of the denazification branch for the labor offices in the American zone, Mr. George S. Wheeler issued the statement which we publish in full below. Mr. Wheeler declares that he "has cast up accounts, and has compared the America of Wall Street, Truman, and Acheson with Czechoslovakia's earnest efforts to build a planned economy of prosperity for the people and to strengthen the front of peace, and wishes to place himself proudly in the camp of peace and progress." George Wheeler's statement is a damning indictment, by an authoritative witness, of the American program of war against the Soviet Union and the peoples of the world with the aid and support of the German Nazi exterminators.

GEORGE S. WHEELER'S STATEMENT ON UNITED STATES POLICY

(The immediate reason for this statement is to protest against the brutal and unlawful treatment by the American occupation authorities in western Germany of the 58 Czechoslovak citizens who had been kidnapped in a carefully planned and typically gangster plot and flown over the borders of their country. This incident is for me the culmination of a whole chain of experiences which I had with the American military government in Germany. Their efforts never were aimed at uprooting the remnants of Gestapo and Nazi methods in Germany. On the contrary they themselves took these methods over and in this spirit are educating their men, and as proved by the events at the Erding airfield, the pupils do not lag behind their teachers.)

During the war I was employed as an economist in the United States War Department. In 1944 the United States Government sent me to London as a principal economist with the assimilated rank of colonel in order to be ready immediately after the liberation of Berlin for my job as head of the denazification branch and policy chief for the labor offices in the American zone of Germany. The official instructions which I received were to eliminate Nazis from leading positions and replace them with anti-Fascists. In this job I was to cooperate with the chiefs of other branches as well as with the other occupation powers.

I took those instructions very seriously, just as a great number of my coworkers did in the beginning. However, I soon met with opposition from those officials who were sent into the administration with other purposes than to carry out the policy agreed upon by the powers at Potsdam. These officials were the representatives of international cartels and trusts as for instance a certain colonel stationed in London in charge of the Economic Division of the United State Military Government who owned a fortune in shares of the Opel Works in Germany.

It is obvious therefore that conflicts would arise in our policy regarding postwar Germany. These conflicts began immediately after our arrival in Berlin.

SECRET AGREEMENTS

Even while looking at the fresh marks of the bitter fight of the Red Army for Berlin, and face to face with their terrific sacrifices which the liberation of mankind from fascism had demanded, a business representative remarked: "To bad we did not go on to Moscow and finish the job." These words took me by surprise, but I soon realized that he had expressed the real character of American policy, a character which was contrary to that set out in the official instructions. This real policy was carried out by such men as Robert Murphy, the representative of the State Department and the unofficial representative of the Vatican in Germany, and by General Draper, vice president of the notorious legal firm, Dillon, Read & Co., representing the interests of Wall Street. Draper's partner is John Foster Dulles, brother of the infamous Allen Dulles, Chief of the Office of Strategic Services espionage organization in Switzerland, who during the war was notorious for his cooperation with leading Nazis. They all followed in the same concealed way the true aim of their policy during, as well as after, the war. Bowing to the influence of world public opinion and rightly afraid of the resistance not only of the Soviet Union, but also of the French, British, and American people, and finally of the people in Germany itself, they came to secret agreements with the big German industrialists regarding the future policies in Germany. In conferences at that time attended only by the representatives of British capital, Great Britain was forced to agree, under the threat of stopping further dollar loans, not to demand the nationalization of the steel industry in the Ruhr.

In the same way as Great Britain, also the officials of the United States occupation authorities came under this pressure and were compelled to carry on their policy unconditionally. So, for instance, Draper insisted that former Nazi managers remain in leading positions in industrial enterprises. The State Department similarly insisted that Reinhold Maier become the Minister President of Wuerttemberg-Baden, although

I offered documentary proof that as a member of the Reichstag he voted to give Hitler dictatorial power.

NAZIS IN LEADING POSTS

In my function as policy chief of the labor offices in the American zone in Germany I had at my disposal the complete files of all the members of the NSDAP, SS, Gestapo, and other Nazi organizations. However, in the placing of men in responsible positions, I was asked not to carry out the original instructions but to follow the orders of the American Intelligence Service and place members of Nazi organizations, although the files revealed their post, into these positions. Their rich experience which they gained in the Sonderkommando, in the occupied countries, were now useful for the planned remilitarization of Germany and especially for building up an espionage basis against the Soviet Union and the countries of the people's democracies. The order given by the Army chiefs, according to which thousands of able-bodied Germans were to be diverted from reconstruction to enlarging for B-29 bombers military airports near Fuerstenfeldbruck, followed similar aims. This was a further step toward the building of new military bases aimed against the Soviet Union.

Thus, as early as the beginning of 1946 I could see clearly that the Potsdam agreement actually did not exist any longer for official American circles—and that they did not intend to implement it. This realization was soon confirmed when Louis Wiesner, a State Department underling, told me "the Potsdam agreement no longer represents State Department policy, but it is not yet time to admit it."

LOYALTY BOARDS

My activity in carrying out official American policy encountered constantly greater obstacles which grew out of the initiation of the cold war by Wall Street and the American warmongers. In 1945 I was called before the Loyalty Board of the United States Civil Service Commission and accused of associating with Negroes on an equal social basis and of a favorable attitude toward democratic and anti-Fascist organizations. In the next year, 1946, I was called before a loyalty board of the United States Military Government and accused of trying to carry out a "Communist policy" in Germany—that is to say, of refusing to carry out the policy of Murphy, Draper, and others. Finally I was called before a military board again to account for my activities in 1947. Although I fully justified my performance in all cases and was cleared, I was later dismissed with no reason given.

So I had the opportunity of feeling personally how the constantly stressed "real American democracy" actually works. The word "democracy" when used by warmongers and aspirants to world domination is only a rude profanation of this expression. I had a chance to see the disgusting hypocrisy and decaying society of Wall Street, the kind of society where friendships are corrupted and the only purpose or aim is personal interest and profit seeking. Today I see this hypocrisy much more clearly than I saw it at that time.

One of the greatest frauds in American policy is the Marshall plan, officially announced as aid to a Europe disorganized by war. But how does this aid appear in reality? It appears as the destruction of industry in the Marshallized countries, the ruining of their markets, the impoverishment of millions of workers, the constantly rising unemployment and constantly falling living standards of the people under the political control of governments appointed and run by Wall Street.

ATLANTIC PACT

Or let us take the Atlantic Pact—the so-called defense pact—instrument of peace, as America tries to present it to world public opinion. What is it actually? An aggressive pact against the Soviet Union and the people's democracies, by means of which aggressive military bases are to be built around these countries. Under this pact American imperialism furnishes war materials to the coerced member countries and in this way destroys their heavy industry and insures a market for the American war industries. The Atlantic Pact gives Americans the "legal" possibility of interfering in the internal affairs of the member countries—Wall Street's servants—against their own people in case they resist the Americanized governmental policy.

Another fraudulent act of American monopoly capital is the so-called aid to backward countries. This "unselfish" aid is in fact nothing but another means of inhuman exploitation of the peace-loving colonial and semicolonial peoples and a means for the murdering of hundreds and thousands of fighters for freedom against their oppressors. Within the framework of this murderous plan of American imperialism the Truman doctrine emerged, aid afforded to Greece, an aid which resulted in the murdering of thousands and thousands of heroic Greek fighters against fascism in the monarcho-Fascist concentration camps on the Greek islands, and so on.

NOT VOICE OF MY AMERICA

These are the main pillars of the plans of American imperialists for world domination.

I must in this connection also mention another instrument of American policy serving the same aims. I have in mind the enormous United States espionage apparatus.

How ashamed I felt when I faced the people who were being so hospitable to me, when espionage plots of the American embassies came to light, whether it was the Rajk or Kostov trials or whether it was the espionage activity of the American diplomats in Prague. To the bottom of my soul I feel ashamed of the crude lies and slanders about events and conditions in Czechoslovakia broadcast by the "Voice of America," the voice of their America but not the voice of my America nor that of all honest Americans. I feel ashamed of all the unbelievable lies and slanders which are being produced by the American embassies and the official information services. Again I feel ashamed of lies about the so-called American way of life spread by the American information service. This American way of life I know better than the characterless servants of the State Department. I know well the American way of life in the slums of Chicago, New York, in the workers' and Negro district of the American cities; I know the poverty of farmers driven from their homesteads, I know the poverty of seasonal workers looking in vain for work. I know well the poverty and the inhuman life of the Negro workers in the South. I know these things from my own experience and from official documents. The propagators of the American way of life do not know them or do not want to know them and that is the reason why such documents of actual life in the United States of America never appear in the display windows of the United States Information Service on Národni Trida.

MURDER AND SLANDER

In all those activities the CIC—the official Counter-Intelligence Corps of the American Army—plays an important part. The powers of the CIC are no secret. In fact it is a criminal organization which does not stop short of using any means employing for its dirty work murderers and Gestapo agents and in order to hide these facts tries to put on a mysterious face.

Finally a significant position in this society is also occupied by my colleagues—American journalists. I had time enough and opportunity to watch their ways and methods of work and I also met many of them personally. Their aim and ideals are not to inform the American reader objectively about conditions in Czechoslovakia. Their ideals are dollars for which they are willing, even at the cost of losing all human dignity, to invent and to spread the meanest lies. In vain I looked for the smallest spark of character and conscience. How would you judge a journalist who was given an unbelievably slanderous story by the American Embassy in Prague and when asked whether he had checked up on this story replied, "Why should I try to check this story and risk finding it not true and then have no story at all? Better send it out and get paid for it and send a correction afterward if necessary."

I FOUND REAL DEMOCRACY

I came to Czechoslovakia in November 1947, to study and get to know the structure of a planned economy in a country which in respect to its advanced industrial development most closely resembles my own country. I came to know Czechoslovakia well, I became acquainted with her people, her endeavors and difficulties, her constructive efforts. And it was in Czechoslovakia that I also got to know real democracy.

Today I am casting up accounts—comparing an America of Wall Street, Truman, and Acheson, war mongers and atomic gangsters, with the earnest efforts of Czechoslovakia to strengthen the peace front. I compare the economic development in the capitalist countries with that in the countries which have a planned economy.

I declare before the world that I condemn and repudiate the war policy of American imperialism.

I want to have nothing in common with the gestapo methods of the executors of American policy and with their "face to the wall" techniques as used in Erding, nor with the policy from which these methods arise. I place myself proudly in the camp of peace and progress.

I ask the Czechoslovak Government to grant asylum to me and to my family and to give me the possibility of offering our training and knowledge to the world fight for peace.

PRAGUE USIS OFFICIALS RESIGN

Ivan Elbl and Ruzena Soumarová, officials of the United States Information Service in Prague, have resigned their posts in support of Mr. George Wheeler's statement on United States policy.

The Wheeler declarations, Elbl states, rid him of his last shred of illusion about the method and aims of American foreign policy. Elbl went to work with USIS 3 years ago under the belief that its aim was to strengthen United States-Czechoslovak cultural relations. All he saw of the Prague office, however, convinced him that the USIS served purely disruptive and hostile aims against Czechoslovakia.

EXECUTIVE SESSION

Mr. MYERS. Mr. President, 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.

The PRESIDING OFFICER. If there are no reports of committees, the Executive Calendar is in order.

Mr. MYERS. Mr. President, I ask unanimous consent that the treaties be passed over and that the Senate proceed to consider the nominations on the calendar, which are routine.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the nominations.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. MYERS. Mr. President, I ask unanimous consent that the nominations in the United States Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Alfred C. Holmes to be an ensign in the Coast and Geodetic Survey.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. BRIDGES. Mr. President, there are so few Senators in the Chamber at the present time——

Mr. MYERS. These are routine nominations, and under our standing agreement we are not asking that the President be notified. Therefore, they will stand open until the next executive session.

Mr. BRIDGES. Very well.

RECESS

Mr. MYERS. Mr. President, as in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 5 minutes p. m.) the Senate took a recess until tomorrow, Friday, May 26, 1950, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 25 (legislative day of March 29), 1950:

IN THE NAVY

APPOINTMENTS IN THE NAVY

The nominations of Alice E. Applegate et al., for appointment in the Navy, which were confirmed today, were received by the Senate on May 12, 1950, and appear in full in the Senate proceedings of the Senate for that day, under the caption "Nominations," beginning with the name of Alice E. Applegate, which appears on page 6997, and ending with the name of Joseph H. Benton, which appears on page 7083.

The following-named midshipmen (Aviation) to be ensigns in the Navy from the page 6999.

Albert L. Abdon	Daniel E. Gillis
Warren J. Ackerman	Arthur W. Goudey
Henry G. Bailey	Carl A. Gray
Franklin H. Barker	William A. Gregg IV
Robert J. Basso	Donald F. Guertin
Fred J. Bellar, Jr.	William A. Gureck
Lawrence W. Burns, Jr.	John A. Hershel
	Herbert Q. Himes
Dale E. Campbell	Delbert D. Hofferth
Donald D. Casson	Bruce P. Hoffman
Robert J. Ceremsak	Paul I. Hunter
Robert D. Connolly	Selmer O. Iverson
Phillip L. Dafford	Benjamin F. James, Jr.
Lawrence C. Day	
Robert F. Dreesen	Daniel C. Johnson
Lawrence F. Emigholz	Homer R. Johnson
John O. England	Donald E. Keil
George A. Finke	John W. Kelly
Francis L. Fleming	Bruce R. King, Jr.
Thomas D. Fritsch	Ben P. Kingsbury
Howard E. Furgalack	Darrell F. Kirkpatrick
Thomas R. Galley	Charles P. Lamb, Jr.
Henry C. LaParo	John A. Schaefer
Robert LeR. Lawrence	Harry G. Simmerman
Paul W. Leinbach	Jack D. Sirrine
Arthur H. Leonard, Jr.	Daniel J. Sliwinski
	Jerome W. Smith
William J. Leonard	Robert W. Sommer
Philip A. Lord	Robert S. Stallings
Donald M. Lynam	David O. Story
Timothy J. McMahon	Paul R. Streich
William J. Maier, Jr.	David T. Styles
Russell A. Marcellus	Gerald S. Talley
Billy W. Matthews	John R. Thomson
Phillip A. May	Ronald G. Tinlin
Joseph Meachum	Richard A. Trethric
Robert D. Metzger	Ralph M. Tvede, Jr.
Carl H. Molling	Lawrence T. Vance
Ralph C. Nash, Jr.	William B. Warwick
Robert A. O'Connor, Jr.	Glenn L. Wegner
	Ronald B. West
Valfrid E. Palmer	Donald R. Wilson
Engelbert G. Pezzel	James K. Wilson
William B. Pruitt	Don L. Wuethrich
Abram H. Quackenbush	James C. Youngblood
	Donald R. Zachary
Carmelo C. Restuccia	Charles H. Zilch
Carl W. Rochester	
Roger E. Ruch	

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy from the 2d day of June 1950:

Roderick E. Jensen
Peter R. Kuhl

Maurice G. Duncan (Naval Reserve Officers' Training Corps) to be an ensign in the Navy from the 2d day of June 1950 in lieu of second lieutenant in the Marine Corps as previously nominated and confirmed.

Peter C. Conglis (civilian college graduate) to be a lieutenant in the Dental Corps of the Navy.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

Robert E. Austin	William L. Robinhold
Marx R. Budden	Paul E. Zeigler
Frederick J. Finnegan	

"J" T. Walmsley, Jr. (Naval Reserve Officers' Training Corps) to be an ensign in the Supply Corps of the Navy from the 2d day of June 1950 in lieu of ensign in the Supply Corps of the Navy as previously nominated, to correct name.

Philip W. K. Sweet, Jr. (Naval Reserve Officers' Training Corps), to be an ensign in the Navy from the 2d day of June 1950 in lieu of ensign in the Navy as previously nominated and confirmed, to correct name.

UNITED STATES COAST GUARD

To be lieutenants

William Walter Richter
John Andrew Corso
William Henry St. George
George Thomas Treffs
Robert Justice Bloxson

To be lieutenants (junior grade)

Nathaniel Foote Main
Edwin Allen Schmidt
Roger Harry Swain
Robert Daniel Valentine
Edgar Stanley Carlson
Vincent Joseph Mitchell
Richard Taylor Houlette
Andrew Stefan Skucy
Ross Lynn Moore
Walter Edward Johnson
Benjamin Franklin Rush
Thomas Comfort Duncan, Jr.
Adam Stanley Zabinski
William James Brasier

COAST AND GEODETIC SURVEY

Alfred C. Holmes to be an ensign, effective May 25, 1950.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 25, 1950

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art high and holy and who hast respect unto the lowly and the humble, we pray that daily our spirits may be brought into tune with Thy spirit and that our wills may be obedient to Thy divine will, for our wills are ours to make them Thine.

Grant that we may go forth to meet the duties and opportunities of this new day inspired and sustained by an unfaltering faith in Thee, a greater faith in humanity, a stronger faith in the adequacy of our moral and spiritual resources, and a more confident faith in the promise and the assurance that a better day is dawning for ourselves and all mankind.

May our souls be kindled with the enthusiasm of high ideals and with a vision of glorious enterprises and undertakings. Fill us with a longing to gain for others the blessings which we ask and seek for ourselves. May we be mindful of the eternal truth that having received any blessing from Thee makes us debtors to all Thy needy children.

In Christ's name may we give Thee all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

OLD-AGE ASSISTANCE—FEDERAL FINANCIAL AID TO STATES AND COMMUNITIES MAINTAINING RECREATION DAY CENTERS FOR OLDER PERSONS IS URGENTLY NEEDED

Mr. HELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, the presence in our midst of an increasing proportion of old persons in the population of this Nation is a familiar fact. In 1920, 4.7 percent of the Nation's population consisted of persons 65 years and over. This proportion had risen to 7.4 percent in 1947 and is expected to reach 10.8 percent in 1975, and 13.2 percent in the year 2000.

Today there are about 10,500,000 men and women in this age group. By the year 2000 it is expected that there will be 22,000,000.

Out of ten-million-and-odd men and women above the age of 65, almost 60 percent either depend upon their children or upon the community for support, according to the figures of the Social Security Board. Our aged population has increased tremendously but the services to the aged have not kept up in proportion to the increase. In the city of

New York, for example, where there are more than one-half million people over 65, provision has been made for only some 11,500 in homes for the aged. Hundreds of older people are on waiting lists in many of the homes for the aged, and even if the capacity was doubled by building more and larger institutions, the growing needs of the older persons would still not be met.

Mr. Speaker, a number of experts in the social-welfare field, who view the problems of old age as basically problems of human conservation, have recommended that many of the old-age homes should be turned into nursing homes; that the ambulatory person should be encouraged to remain in the community as long as he possibly can; and that provision should be made for the older person in the community to keep him active and have him participate in community programs. To the extent possible, older persons should be kept away from old-age homes, away from clinics and hospitals, and particularly out of mental institutions where the present admissions of people over 65 are staggering and completely in contradiction to the known facts in the field of gerontology.

The older persons are in urgent need of acceptance, relationship, encouragement, and active participation in the life around them. The establishment and maintenance in the communities of recreation day centers for persons 65 years of age and over is more important for the wholesale development and preservation of their personality than all of the institutions that could be built, without denying the need for them. The cost is negligible and the savings in terms of prolongation of the usefulness of the individual and of releasing pressure from hospital clinics, mental institutions, and homes for the aged are tremendous.

Centers providing recreation facilities for older persons have successfully been maintained in many communities located in such cities as New York, Philadelphia, and Cleveland. Last May, at the annual hobby show for older persons organized by the welfare council of New York City, 1,000 oldsters, 100 of whom were more than 80 years old, participated by exhibiting models, sculptures, paintings, needlecraft, metal works, leathercraft, and a host of other arts and unusual collections. One of the most active of the 45 groups in the show was the William Hodson Community Center. Located in the Bronx of the city of New York, it is the oldest of six similar centers now operated jointly by the city department of welfare, settlement houses, churches, welfare agencies, and other local neighborhood groups. It was started in 1943 by the welfare department, which realized the need of older persons for some activity to replace the loss of the workday.

Originally open only a few hours each day, the center now operates from 9 a. m. to 5 p. m. daily, and on Saturday afternoons, when the program is devoted to movies and dancing. The members administer the center's activities through self-government. During the week they paint, work at arts and crafts, visit—which is a major activity—edit their mimeographed magazine, and plan their monthly birthday parties and entertainments. In addition to a birthday party, each member also gets a birthday card, often the first such remembrance that many have received in years. The members also prepare coffee, tea, and cake, which are served at noon each day. Some bring sandwiches for their noonday lunch, but others prefer to eat a late breakfast so that they can spend their entire day at the center. The center also has a visiting committee, which calls on members who are sick at home or who are hospitalized. Sickness rates, however, are unusually low for such an advanced age group.

The building that houses the center is old and crowded. It is poorly furnished, in need of redecoration, and contains a minimum of equipment. The total budget is less than $20,000 a year. But shining out of the drab surroundings are the faces and spirits of the members who are gay and happy, for they have found companionship in a place that is their own. Many say that since coming to the center they are really enjoying the best years of their lives.

Although a person need be only 60 years old to join the center, most members are in their seventies or eighties, with many in their nineties. The average membership age is 74. There are 450 active members, most of whom visit the center several times weekly, and many of whom come daily. What the center means to its members was expressed by a 93-year-old former telegrapher, who had been living in a furnished room for several years and visiting the center daily. About a year ago he was moved to an old-age home, the authorities of which permit him to go to the center only once a week. He said: "Now I spend my week just looking forward to Monday and a chance to see my friends. The other days of the week I have nothing to do but sit."

From their experience at the Hodson and other centers, Raymond Hilliard, New York City commissioner of welfare, and his staff, believe the problems of the aged can best be met by recipients of old-age assistance living in boarding homes and rooms, and attending day community centers. They point out that such a system is not only more economical, but that it gives the aged persons the advantages of group activity and companionship. The Hodson Community Center has demonstrated that with such programs the need for hospitalization and nursing care can be reduced, dependency lessened, and the aged person can continue to live a useful, dignified, and self-respecting life. For example, despite the large number of aged persons who are committed to mental hospitals, in the 6-year history of the Hodson center during which they had more than 700 members, not a single member has ever been admitted to such an institution. City welfare officials contend that recreation and group activity are just as essential to the older person as food, clothing, and shelter. With its preventive aspects, the Hodson center not only saves lives, but dollars. It adds life to the years as well as years to life.

In Philadelphia where recreation projects have been in effect since 1943 and where some 1,534 people over 65 years of age met almost every week in 42 recreation clubs in 1948, experience showed that fear and shame of being old can change to pride through happy group experiences. In a group, older people tend to be tolerant, cooperative, patient, mellow, appreciative, while many of their negative attitudes, practiced as individuals, tend to disappear. The death rate among club members in their seventies and eighties seemed unexpectedly low. They seemed to live longer with something pleasant to look forward to, with new friends and a new social life. They undertook new pursuits of happiness with enthusiasm and satisfaction. Many of them learned new attitudes as well as new hobbies, which often offered the oldsters a chance to realize some cherished dream.

"Why waste money on the old folks? They are going to die soon anyway." This statement reflects an attitude quite prevalent until recently and not yet banished completely from the thinking of substantial numbers of our people. The brutal idea that the elderly are economic liabilities and should be treated like antiquated machinery—discarded, junked, undeserving of any substantial outlays to extend their usefulness—must be obliterated from our social conscience. Unless society takes effective and prompt steps now to open up new opportunities for our elderly, we shall see a mighty upsurge of panacea clubs such as the Townsend plan and the "ham and eggs," which threatened to sweep the country during the depression, and we shall be inviting demagogs to ride to power on the frail backs of the elderly.

Among the healthy and infirm, the poor and the wealthy, the secure and the insecure, old age without occupation is not only tedious but dangerous. Our constant urge to keep busy, which is shared by young and old alike, can be met to a great extent through recreation and social contacts. The elderly need the satisfaction that comes from doing things, and from meeting people who have similar interests and problems. Physicians inform us that many an oldster has died before his time simply because he became bored "killing time," could not bear idleness, and found no reason to live. The aging need recreation just as much as younger folks do to keep their lives from shriveling up and to keep them mentally and physically active.

Mr. Speaker, recreation centers for old folks will, in my considered judgment, prove a life-saving program. In order to encourage the establishment and maintenance of these centers in every American community, financial assistance from the Federal Government is urgently needed now. Recreational programs for the elderly are now under way in many cities in New York State, in Los Angeles, in Minneapolis, in Detroit, and in St. Petersburg, Fla. The adoption by the Federal Government of a policy of subsidizing these wholesome community ef-

forts to provide adequate recreation centers for older persons will fulfill the great American tradition—a chance to be free human beings, living with dignity and respect.

I am therefore today introducing a bill which has for its purpose the implementation of these programs instituted in the several States, calling upon the Federal Government to provide financial assistance in establishing and maintaining recreation day centers for older persons. This bill calls for an appropriation of $5,000,000 to assist the States in this worthy undertaking. I hope it will have the approval of the committee to which it is referred, and that it will eventually pass this House.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Subcommittee on Wildlife and Fisheries of the Committee on Merchant Marine and Fisheries may sit during general debate today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next, and that when the House adjourns on Monday next it adjourn to meet on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMUNISTS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, when the majority whip this morning asked permission for a subcommittee to sit while the House is in session and discuss wildlife, I wondered whether he was going to have them consider these wildlife people, Communists in America. The Congressmen predicted more spy arrests in Government, since they got this man Harry Gold over in Philadelphia. I also wondered whether the President is going to talk about drawing more red herrings across the path of these investigations. He certainly is hindering the work of catching them. Certainly when we find that the Communists have been working in this country as they have, we ought to get the aid and assistance of the President of the United States. He should be out leading the fight against these Communists instead of drawing red herrings across the path of the committees who try to work to eliminate the Communists in our country. This is getting to be a serious thing. There is a gentleman who used to work on the Committee on Un-American Activities, the gentleman from Mississippi [Mr. RANKIN], he did a good job on that committee, but they took him off because he was too zealous in his work. I hope the Committee on Un-American Activities, all committees, all Members of Congress help rid ourselves of such people. They are dangerous to our form of government. We spend $150,000 a year for the Un-American Activities Committee to trace them here in America, money well spent. You spend three billion to rid them in other countries, money poorly spent, why? Because we are meddling in too many countries and telling them how to run their governments, or trying to buy them out. Poor business for them and worse for us.

THE KANSAS CITY VOTE FRAUDS

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, in just 3 days the criminals who broke into the Kansas City courthouse to steal and destroy the evidence of vote frauds of the 1946 elections will go free on a technicality. The 3 years' statute of limitations under which these political criminals could have been prosecuted runs out Sunday.

It was in 1946 that President Truman personally ordered the purge of Representative Slaughter, of Missouri, who had opposed the man in the White House.

Only powerful influences could have blocked a complete prosecution of the theft of the vote-fraud evidence.

Crimes much more involved, and with much less political significance, have been easily solved and the guilty brought to justice. I think it is time that the President made another report to the people. I ask you, Mr. President, why the Department of Justice has not ordered any arrests in the theft of the vote-fraud evidence? I ask you, Mr. President, to make public the FBI report in this Kansas City case.

What happened in Kansas City was a crime against the very basis of our form of government—free and honest elections. This crime took place in Missouri, the home of the President.

Could it be that the Truman administration and its Pendergast cronies in Kansas City do not dare to take the handcuffs off the FBI and tell the Department of Justice to prosecute this case without fear or favor?

It is up to you, Mr. President, you have just three more days.

LEGISLATIVE PROGRAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire from the acting majority leader as to the program for next week.

Mr. PRIEST. Mr. Speaker, permission has already been granted that when the House adjourns today it will adjourn to meet on Monday next. There is no legislative program for Monday and when the House meets on Monday, according to the unanimous-consent request which I made a few minutes ago, it will adjourn from Monday to Wednesday. On Wednesday, as previously agreed to, it will be in order for the Speaker to declare a recess for the purpose of permitting the Members to go to the Congressional Library to hear Secretary of State Acheson. I believe the time for the conference in the Congressional Library is 12:30 p. m. There will be no legislative business on Wednesday.

There is no legislative business for Thursday, Friday, and Saturday, except that at any time after Wednesday conference reports may be called up.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. RICH. Mr. Speaker, I wonder whether Secretary Acheson is going to tell us how many promises he has made to these foreign countries to bail them out and take care of them and send them billions of dollars to protect them when we ought to be looking after America. If he is going to do that, I will go over to hear him.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks and to include a statement he made before the Committee for Reciprocity Information.

Mrs. ST. GEORGE (at the request of Mr. REED of New York) was given permission to extend her remarks and include a newspaper article.

Mr. SPENCE asked and was given permission to extend his remarks and include an editorial appearing in the Louisville Courier-Journal.

Mr. WALSH asked and was given permission to extend his remarks and include two editorials.

Mr. TAURIELLO asked and was given permission to extend his remarks and include an editorial from the Saturday Evening Post.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks.

Mr. HOPE asked and was given permission to extend his remarks and include an address by Wheeler MacMillen.

Mr. BROOKS asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MANSFIELD asked and was given permission to extend his remarks and include a newspaper article on the services of Hon. J. HARDIN PETERSON, of Florida.

Mr. ADDONIZIO asked and was given permission to extend his remarks and include a resolution.

BALTIMORE-WASHINGTON PARKWAY

Mr. WHITTINGTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further

consideration of the bill (H. R. 5990) to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 5990, with Mr. HUBER in the chair.

The Clerk read the title of the bill.

Mr. WHITTINGTON. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, anyone who has ever traveled Route 1 from Washington to Baltimore knows what traffic conditions are like on that road. The traffic problem on Route 1 is unique, as it is the main entrance to the Nation's Capital from the northeastern section of the country. Therefore, the legislation covered in H. R. 5990 must not be considered as an improvement to a Maryland road for the benefit of the State of Maryland, but as the development of an important line in the eastern coast traffic—in interstate traffic.

This project was initiated by the Government and the route from Jessups to the District line was chosen by the Government, so that the road could serve the Federal installations in that area, namely, Fort Meade, the District of Columbia Training School, the Patuxent Wildlife Refuge, the Beltsville Research Center of the Department of Agriculture, and the town of Greenbelt.

Furthermore, it was intended and still is, as a national-defense road to connect Fort Meade and the above installations with Washington.

The State of Maryland has begun work on the section from Jessups to Baltimore, as its share of the work on this highway to the Nation's Capital, on the assumption that the Federal Government would complete its portion. Eight miles have been completed and the remaining 5 miles will be completed by the end of 1952. Unless the Government keeps faith with the State and completes the section from Jessups to the District, the project will be of no value.

Maryland's portion of the work is costing $14,680,000.

To facilitate the flow of traffic through Baltimore to the North, authority has been granted to construct a bridge over the mouth of the Patapsco River and the mouth of the Baltimore Harbor. The Chesapeake Bay bridge is now under construction, and when it is completed, the State will build a bridge or tunnel, either over or under, the Patapsco River and make the connection from the Baltimore-Washington expressway to the Philadelphia road. Furthermore, the city of Baltimore has appropriated $20,000,000 for the first leg of a highway bypassing Baltimore.

The present route linking the North to the capital is one of the most heavily traveled and most dangerous highways in the country. Approximately 40,000 vehicles a day use this route. It has one of the highest accident and fatality rates of any comparable highway in the country, due largely to the many intersecting roads and the development of stores, private homes and businesses along it's entire length.

In 1949, 38 persons were killed and 739 injured on that brief stretch of road from the Baltimore City line to the District line. Over 11 percent of the persons killed in Maryland and 11 percent of the persons injured in Maryland last year, were killed or injured on a 29-mile section of that road, an extremely small segment of Maryland's interstate road system of 16,000 miles. Most of the persons killed and most of the cars involved in these accidents, were from out of the State.

During the first 4 months of this year, there were 317 accidents on this road. One hundred and seventy persons were injured and 13 were killed.

The new road would supplement the present route, greatly relieve the traffic congestion and provide a through way for north and south traffic to or through Washington.

This bill has been reported favorably by the Secretary of Commerce, the Secretary of the Interior, the National Capital Park and Planning Commission, and the Bureau of the Budget, and I strongly urge its adoption by the House.

Mr. RICH. Will this road be so designed that there will not be crossroads? Will it be a through highway?

Mr. GARMATZ. It will be an expressway; that is right.

Mr. RICH. And the Federal Government is being asked to pay only $14,000,000?

Mr. GARMATZ. No; the State of Maryland has spent approximately $14,860,000 as its share.

Mr. RICH. Is the city of Baltimore going to see that the highway goes across the city?

Mr. GARMATZ. The Baltimore City Council has passed enabling legislation to start the first leg of the expressway through Baltimore city. There will be two branches to the highway; provision for the first one was passed by the city council approximately 2 weeks ago for taking the expressway through the city.

Mr. RICH. Does the gentleman believe that the city of Baltimore will construct a through-way across the city to enable traffic on this boulevard to get to the northern section of the country?

Mr. GARMATZ. There is no question about that. As I say, provision for the first leg has been passed by the city council and the money appropriated, and the work started.

Mr. RICH. What will the cost of this project be to the Federal Government?

Mr. GARMATZ. I believe $3,000,000.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. McGREGOR. Mr. Chairman, I yield 1 minute to the gentleman from Maryland.

Mr. RICH. It seems to me there is nothing more important than a highway between Washington and the North, through Baltimore to Philadelphia and New York, so constructed as to avoid the hazards now existing on Route 1.

Mr. GARMATZ. There are two plans; one the city council has already approved, an expressway through the city; the other proposed plan is a tunnel under the harbor that will eventually bypass the city of Baltimore and connect with the Philadelphia road.

Mr. RICH. I would say to the State of Maryland that if they would construct a superhighway, a toll road between the District of Columbia and Gettysburg they would be accomplishing great good not only for the State of Maryland but for people traveling the highway. I do not know any place where another highway similar to the Pennsylvania Turnpike could be constructed that would yield greater benefits to the traveling public.

Mr. GARMATZ. The gentleman from Maryland [Mr. BEALL] can answer for the Gettysburg road.

Mr. McGREGOR. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. BEALL].

Mr. BEALL. Mr. Chairman, I want first to answer the gentleman from Pennsylvania [Mr. RICH] and tell him that about 2 weeks ago the Maryland State Roads Commission had a meeting at Gettysburg, Pa., with the Pennsylvania Highway Commission. There it was decided that plans would be prepared by the Maryland Commission and submitted to the Pennsylvania Commission with the thought in mind of building a toll road from Washington to Gettysburg.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BEALL. Gladly.

Mr. RICH. If such a road could be constructed it would be of great benefit not only to the State of Maryland but to the country. Furthermore, the State of Maryland would not be out any money. People who use that highway would gladly pay toll to travel a highway that did not have a milion curves and that was not subject to the present dangers of that highway.

Mr. BEALL. I certainly agree with the gentleman from Pennsylvania. I personally have long advocated it as a member of the Maryland State Roads Commission. It would be a self-liquidating project.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. BEALL. I yield.

Mr. WHITE of Idaho. Would it not be a great idea for the public to build roads of this sort and the people using the roads pay for them? Let us have toll gates and toll houses all over the roads of the country with thousands of individuals employed to collect fees from people using the roads. It would be a great development all over the United States. We got away from that sort of thing in the Colonial and Revolutionary days. Now the gentleman wants to go back to it.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. BEALL. I yield.

Mr. RICH. I may say to the gentleman from Idaho that if there is anybody pigheaded enough to think we ought to go back to such backwoods methods, he just is all wrong. We are not going back to any such backwoods philosophy. We have a fine system of free public high-

ways. Anybody who wants to use the toll highways does so through preference, not compulsion. A fine toll road between here and Gettysburg would be used by the people out of preference, and it would not cost the people of this country anything. We will balance the budget, and we will not do what the gentleman from Idaho fears. The gentleman from Idaho thinks that some people in this country are just so dumb that they do not know what they are talking about.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield for me to reply to the gentleman from Pennsylvania?

Mr. BEALL. I yield.

Mr. WHITE of Idaho. As to whether what I asked is a pigheaded policy, I am willing to leave to the judgment of the House and the people who read the CONGRESSIONAL RECORD; I will leave it to them as to who is advocating the most pigheaded plan, and I want the phrase "pigheaded" left in the RECORD.

Mr. RICH. Do not worry about my taking it out.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. BEALL. I yield to the gentleman from New York.

Mr. COLE of New York. I want to confirm the statement made by the gentleman from New York with reference to the hazards existing on the highway between here and the great national shrine at Gettysburg, and I share his view in urging that something be done to correct that situation. I do have a suggestion to make, although I appreciate that the gentleman represents only one end of the highway. When we go to the airport to take off on a flight there are some boxes out there. I suggest to the gentleman that he give consideration to the idea that there might be installed some boxes at either end of this hazardous highway similar to what we have at the airports. When any passenger wants to take off on a flight he can buy life insurance in varying amounts for 25 cents, 50 cents, or $1. It might be well to give consideration to installing machines like that so a person traveling that highway might spend 25 cents, 50 cents, or $1, and make certain that while we will not be protected our heirs will.

Mr. BEALL. In answer to the gentleman from New York, may I say that we have long felt the need for a new road. We are well aware of the hazards that exist on that road.

We have been told that the Maryland State Road Commission would have built the road from Washington to Baltimore if it had not waited for the Bureau of Public Roads and the other Government agencies that wanted to build the road through Government property, namely Fort Meade, Beltsville, and other Government reservations. But the war came on and this program has been held up some 5 years.

Mr. COLE of New York. In fairness to the two States involved in this highway between Washington and Gettysburg I think I should say that with respect to the roads in the State of Pennsylvania I have encountered no hazards whatever.

Mr. BEALL. If we are through with the Gettysburg-Washington road, which we hope will come in due time, I would like to say in connection with this road that the State of Maryland is helping the Government. Maryland is actually helping the Government build a road to the Government's own reservations and Government-owned property.

I hope this legislation will be passed in order that we can get this road started and completed at an early date.

Mr. WHITTINGTON. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Chairman, as the author of this bill and as the Representative of the district through which this road runs, naturally I am interested in its passage, but in considering it today we must embrace within our deliberations the national aspects of this road. The gentleman from Maryland [Mr. GARMATZ] has outlined the vast Government territory through which this road passes. He has referred to the number of accidents that have occurred upon Route No. 1. The gentleman from Maryland [Mr. FALLON] will call to your attention additional reasons why the bill should be passed. My esteemed colleague on the minority side, the gentleman from Maryland [Mr. BEALL], former member of the State Roads Commission, has expressed to the House the urgent need of this project.

I will, therefore, briefly call to your attention three or four reasons, from the national point of view, why this road should be built. First of all, this section of the road serves Government territory and in addition to that there is the matter of faith involved. Maryland would never have programed this road on the location that has been surveyed had it not been drawn into it by the Federal Government. We would have programed it over a territory that could have been developed, and thus increase the assessable basis for Maryland. Maryland would never have planned a road with a minimum right of way of 1,000 feet running up to 3,000 feet had they not been approached by the Federal Government and asked that this road be built and constructed in this location. As the Federal Government selected the location and programed the engineering, and as Maryland abandoned the location where it would have constructed the road and on the faith of the agreement and at the request of the Federal Government, built the north half of the road down to Fort Meade, we respectfully urge that the construction of the south half through reservations is a Federal obligation and not a pork barrel measure, as was indicated by one of the gentlemen here last week.

Mr. McGREGOR. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I am still unable to understand why this less than 19 miles of highway should cost approximately $790,000 a mile—I believe that is the cost of it—especially in view of the fact that there is no land being condemned. Practically every foot of this highway is over Government property. I would like to have someone enlighten me as to why the enormous cost of construction of this roadway.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Maryland.

Mr. FALLON. In answering, I can compare the Maryland section of the road with the Washington section of the road and tell you why the cost is $14,000,000. In addition to acquiring land, the topography of the land makes it necessary to build bridges—several overpasses and several underpasses. The bridges run from one to one and one-half million dollars. The bridge that spans the main line of the Pennsylvania Railroad will cost $1,500,000, and that is only 600 or 700 feet of the railway.

Mr. GROSS. But in the State of Maryland you are acquiring land on which to build this right-of-way.

Mr. FALLON. The gentleman understands that the 12 miles that Maryland is building is costing over $14,000,000.

Mr. GROSS. Your land up in Maryland is level, is it not?

Mr. FALLON. No: in some cases the topography of the land is quite rugged.

Mr. GROSS. I understand the Pennsylvania Turnpike cost $400,000 a mile, on the average, to build.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The gentleman asked that question the other day, and in my statement I gave him the figure. The Pennsylvania Turnpike is 160 miles long. The Federal Government put up a grant of 45 percent of that amount and the Federal Government loaned the Pennsylvania Turnpike Commission the remaining 55 percent. The cost of that highway was $450,000 per mile. Costs have more than doubled since that highway was constructed, and Pennsylvania today is extending that highway a distance of 90 miles at a cost in excess of over $1,000,000 a mile.

Mr. GROSS. Mr. Chairman, construction of the Pennsylvania Turnpike, for the most part, was through mountains, and the cost must have been far greater than the cost of this highway. I cannot believe that this is anything but an extravagant procedure on the part of the Government to allot $15,000,000 for building less than 19 miles of roadway.

Mr. WHITTINGTON. Mr. Chairman, if the gentleman will yield, instead of being an expensive highway, those of us who were here at the time the turnpike was constructed know that the Pennsylvania Turnpike was constructed in the country, as you know if you have traveled over it, and they used a right-of-way that did not cost very much, that had been planned at one time for the construction of a railroad by Mr. Frick, and they used the tunnels in that area and they got the roadway.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WHITE of Idaho. If the gentleman will yield, is the gentleman comparing the building of the Pennsylvania turnpike, through that mountainous country, with building a road through this soft, easily-excavated dirt out here in Maryland?

Mr. WHITTINGTON. The gentleman can easily determine that for himself. I suggest he drive out to where the Baltimore-Washington Parkway grading has been completed as it connects with Defense Highway at the District of Columbia line. You will thus see that the country is rugged, and that grading the rugged and broken country is expensive.

Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. FALLON].

Mr. FALLON. Mr. Chairman, H. R. 5990 does just this: It changes the jurisdiction of this proposed highway from Washington to Fort Meade from the Public Roads Administration to the National Park Service. It does one other thing: It limits the cost to complete this highway to $13,000,000.

Many questions have been asked as to why the Federal Government should construct this highway from the District of Columbia into Fort Meade. It has been answered two or three times by previous speakers that this road was initiated by the Federal Government to serve 52 square miles of Government property. As I stated last week, that is only 10 miles less than the area of the whole city of Washington.

The highway was designed in 1942. Two million dollars was appropriated by money that was left over from the NRA. President Roosevelt directed the Public Roads Administration to build a defense highway from Washington into Fort Meade, serving the other Government areas. All the property has been acquired and all the rights-of-way have been acquired from Fort Meade into Washington. A strip a minimum of 400 feet wide has been cleared and 6 miles of it, as I understand, have been drained and graded. The other part of it has not been touched but has been acquired.

One question was, Why should a highway 18 miles in length cost $13,000,000? If the Pennsylvania turnpike cost $450,000 a mile 5 years ago, at today's prices this road could be more conservatively constructed at $13,000,000 than the Pennsylvania turnpike was.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. FALLON. I yield.

Mr. WHITE of Idaho. I notice a white mark in there. That is not on Government land?

Mr. FALLON. The reason it is not on Government land is that if they tried to take it through Government land it would cost too much to construct, so in some instances Maryland donated the right-of-way and in some instances they had to acquire it from private ownership.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FALLON. I yield to the gentleman from Pennsylvania.

Mr. RICH. As I understand from what the gentleman said at first, the National Park Service would look after this road. Is this to be maintained by the Government?

Mr. FALLON. It is to be maintained by the Government, because in most part it runs through Government property.

Mr. RICH. Is it going to be something like the road between here and Mount Vernon?

Mr. FALLON. I can tell the gentleman this, that it is going to be one of the most up-to-date and safest highways in the United States.

Maryland has been complimented by the foremost engineers that the part Maryland has already constructed is the safest, and it will be one of the prettiest highways throughout the country. The main reason, however, is not to construct a parkway. There are two reasons for it. One is access to Government property, and the other is to alleviate the traffic on roadway No. 1, where 450 people a year are being maimed and in some years as high as 50 have been killed, almost 1 a week.

Mr. RICH. Is this to be a truck highway as well as a passenger-car highway?

Mr. FALLON. Trucks will not be allowed on the Government end of the highway.

The other end of the highway will be controlled by Maryland State laws.

Mr. Chairman, this highway has been in the Halls of Congress now for 9 years. The present highway between Washington and Baltimore is the most inadequate highway in the country. The thirty-and-some-odd-mile stretch of that highway killed more people than any 30-mile stretch of highway in the United States. In addition to that, there is almost $4,000,000 worth of property damage each year. So you can see that this highway will not only pay off by taking the gruesome details of accidents and deaths out of the daily papers, but will pay off in money saved on property damage.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. FALLON. I yield.

Mr. RICH. Do you believe that the spending of this $15,000,000 in our own country to help our own people is more important than spending money to build a lot of things in some of these foreign countries which we are doing so much of at the present time?

Mr. FALLON. In answer to the gentleman, I will say our Federal Government is spending more money on roads today, or almost as much money, as was provided for in the general-roads bill which we passed last week.

Mr. RICH. Do you think the Members who voted for that kind of legislation are happy about it?

Mr. McGREGOR. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. HUGH D. SCOTT, JR. Mr. Chairman, I am fully aware of the dangers on the present highway. In the course of this month on my last two trips down here from Philadelphia I have seen accidents both times. The wonder is why Baltimore has not done something about providing an adequate bypass around the city. I do not know of any city or town that has shown less interest in getting its motorists through the town than Baltimore. I think Baltimore is being very backward about this highway problem.

I think the city of Baltimore would be well advised if the city council and shown a little more forethought with its planning rather than to wait until the last 2 weeks to adopt the first step toward a progressive plan to move the traffic around the city.

Another thing which concerns me is this. The Pennsylvania Turnpike is supported by toll receipts; it was begun on that basis. This new Baltimore-Washington highway presents two parallel roads, for future use. Each road will, therefore, have less traffic, at least at the beginning, than the original road carried. It seems to me the motorist could well be given a choice as to whether he wants to use the old road or use the new express road and pay a toll. There is no reason why the Federal Government should bear all of this burden.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield.

Mr. FALLON. I would like to say in answer to the gentleman's statement concerning the backward position of Baltimore in the handling of its traffic problem that I am sure he must have observed that most of the old cities have very much difficulty in handling traffic problems.

Mr. HUGH D. SCOTT, JR. I am aware of that.

Mr. FALLON. Baltimore has done a good job with what they have had in the past. But the future will be different. They are going to spend $20,000,000 to alleviate a condition which will cost up to $50,000,000 a year. The Governor of the State of Maryland made a statement just 2 weeks ago that after the bay bridge is completed, they are going to dig a tunnel under Baltimore Harbor to carry the traffic from the western end of the city to the eastern end, to connect up with the Philadelphia highway which may be completed before this road is completed on this end of the Washington Boulevard.

Mr. HUGH D. SCOTT, JR. I can say to the gentleman that if all the profanity directed by motorists at Baltimore traffic were joined end-to-end they would made a remarkable collection of four-letter words.

Mr. McGREGOR. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I believe my record in Congress will justify the statement that I do not favor spending money which is not absolutely essential and necessary.

I am of the firm conviction that this highway is needed, not only for this area but for the country as a whole.

I want to call to the attention of some of the Members from the far West and the Midwest that the other day we passed a bill which set up a program costing many times the amount of dollars involved in this bill, for forest trails and roads. This bill certainly justifies Members from the far West and Midwest giving it very keen consideration.

In reply to the gentleman from Iowa relative to the cost, in my opinion the cost of this project will compare very favorably with any other highway projects of comparable location and construction. If we break the costs down,

we have approximately $3,000,000 for grading. Between four and a half and five million for bridges. Approximately $3,000,000 for paving. That is a very low figure when you take into consideration the average width of this highway, approximately 700 feet.

Now, the Pennsylvania Turnpike has been referred to. Times have changed since the Pennsylvania Turnpike was constructed. Costs have been multiplied by two or more since that time. If we were constructing these highways in some States we would have a million and a half or $2,000,000 per mile.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. RICH. Just remember this: that the Pennsylvania Turnpike is entirely different from this highway in this way, that it is being built from funds that will eventually be paid back by the people who use it. The taxpayers will continue to spend money to keep up the highway provided for here. That is the great difference.

Mr. McGREGOR. I expect I have traveled that turnpike as much as anyone, and I appreciate it and am always willing to pay that toll, but we must take this into consideration, that we are in the area of our Nation's Capital. This is not a highway for a small group of people. We could category this highway as a defense highway, if you please. We must realize that this is our Nation's Capital. We must make adequate provision for people to get out of this Capital if and when they might need to. Also, there are a great number of workers who will take advantage of this highway.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. GROSS. The gentleman says times have changed since the Pennsylvania Turnpike was constructed. I will say they have. We did not have a $260,000,000,000 debt when that turnpike was built.

Mr. McGREGOR. I will agree with the gentleman's statement.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. WHITE of Idaho. Does the gentleman know who monopolizes all the concessions on the Pennsylvania Turnpike?

Mr. McGREGOR. That does not come under the jurisdiction of this Congress. That was agreed upon by those who had the power to make the agreement. Whether the gentleman was a Member of the Congress or not at that time, I do not know; but if he was, he should have raised that question at that time.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. McGREGOR] has expired.

H. R. 5990—BALTIMORE-WASHINGTON PARKWAY

Mr. WHITTINGTON. Mr. Chairman, I yield myself the remainder of the time.

Mr. Chairman, when the bill was before the House and in the Committee of the Whole House on the State of the Union, I presented the views of the Committee on Public Works and made my presentation of the bill as shown by my remarks in the CONGRESSIONAL RECORD of Monday, May 15, 1950, pages 7044–7045. I endeavored to answer all questions by Members during general debate. I sum up by saying:

First. There is only one highway between Washington and Baltimore. It is No. 1, a four-lane highway, and it is on the interregional system in a thickly populated area especially in the vicinity of Baltimore and Washington. It would cost the Federal Government as best I can ascertain more for its share of widening the said highway with two additional lanes than it will cost the Government to build the parkway under the terms of the bill.

Second. The President by directive as authorized by law allocated $2,000,000 to building the parkway from the District line to Fort Meade, a distance of approximately 18.8 miles with the understanding that the State of Maryland would construct a four-lane divided highway from Fort Meade to Baltimore. This road is under construction, and as is disclosed by the hearings, the estimated cost to the State of Maryland is $14,227,135. Maryland would not have built such an expensive road but for the understanding that the parkway which would be a four-lane divided highway would be constructed by the Federal Government to Washington from Fort Meade.

Third. The limitation on the cost in the pending bill by the Federal Government is $13,000,000 additional, and with the $14,000,000 by the State of Maryland, aggregates $27,000,000. One-half of the $14,000,000 by the State of Maryland is Federal aid funds. Certainly the parkway from Washington to Fort Meade and the highway from Baltimore to Fort Meade is equally as important as an interregional or defense highway, and might well be added to the interregional system. If added, the Federal Government under existing law, and under the Federal Aid Highway Act of 1950 already passed by the House, is authorized to pay three-fourths of the total cost, which would be substantially the Federal cost of the pending bill. Moreover, the pending bill provides for a parkway much more desirable than an ordinary four-lane highway. The public will be benefited thereby. It will be maintained as all other parkways in the District of Columbia and elsewhere are maintained by the United States.

Fourth. The 18.8 miles from the District line has been increased by amendment by adding one-half mile so that the total length is 19.3 miles. The estimated cost, as I have pointed out on April 5, is $680,000 per mile, but if the $2,000,000 already spent is included, the estimated cost is $770,000 per mile. The Pennsylvania Turnpike when constructed some years ago cost $450,000 per mile, and since that time the costs have more than doubled. The turnpike is being extended to Philadelphia today at an estimated cost of $700,000 to $1,000,000 per mile, with no tunnels and in a less rugged country than the original turnpike. The Pennsylvania Turnpike goes through an unsettled area as originally constructed just as the Baltimore-Washington Parkway traverses a rugged and largely unsettled area. It is a difficult country. The two railroads and the existing No. 1 highway took the best and earliest routes.

Fifth. The public convenience will be promoted. It is estimated that 20,000 vehicles will travel the parkway every day as soon as it is opened. The grading will be 56 feet for each roadway, or a total of 112 feet. Bridges are to be planned with a total pavement width of 72 feet. There will be a divided two-lane highway. Each pavement will be 24 feet wide. Room will be left for a third pavement that will undoubtedly be built in the near future.

Sixth. Sixteen bridges are to be built. Two of these are railway grade separations. Three are river crossings, and eleven are grade separations with State and county highways. These bridges will cost approximately $5,270,000. Under existing law the Government pays for all railway grade separations on all Federal-aid highways.

Seventh. Six miles of the parkway have been graded and drained. There are 13.6 miles to be graded and drained. The estimated cost of this work is $3,990,000 or $300,000 per mile. In addition, 5.5 miles of roads consisting of interchanges between the parkway and other public roads will have to be constructed. There are 1.5 miles of State and county roads that will have to be rebuilt. Some 3 miles of local roads will have to relocated. The cost of the parkway, therefore, will be far less than is being paid for similar parkways today in Pennsylvania, and, as I have previously, on May 5, pointed out, in New Jersey.

Eighth. As I have previously pointed out, the bill cannot be regarded as a precedent. It will provide for communication from Washington to Federal installations including Fort Meade, Beltsville, and Greenbelt.

Ninth. The pending bill will provide, without costing the Federal Government nearly as much to widen the existing road, a parkway to facilitate travel between Washington and Baltimore and intervening points without tolls, and at the same time it will relieve congestion between Washington and Baltimore, which is one of the most heavily traveled areas in the United States. It will provide for the United States keeping faith with Maryland. The limitations of the costs of the bill will really result in economy to the Government in its construction.

Under the bill the Baltimore Parkway, with a divided four-lane highway that may be enlarged later, will be constructed, without tolls, at less expense to the Government than widening, strengthening, and straightening the existing No. 1 boulevard from Washington to Baltimore.

There are 16 bridges to be built as I have said; 2 of these are railroad grade separations, 3 are river crossings, and 11 are grade separations with State or county highways. On all Federal aid highways it will be remembered the Federal Government pays the entire costs of railway grade separations no matter the type of highways on which they are

located. The parkway is to promote traffic primarily from Washington to Baltimore via Fort Meade. Like the Pennsylvania Turnpike, it will provide for high rates of speed. There cannot be high rates of speed if there are concessions or filling stations at every mile or so along the parkway. The parkway will be built as other parkways. It will facilitate traffic. The present Baltimore Boulevard retards traffic. Four-lane highways should really be constructed within 10 miles of every large city in the United States. The public will be benefited thereby. Proper access is provided in the parkway. Interchanges between the parkway and other park roads are required. Some county roads must be rebuilt. There will be no precedent for I know of no other similar case where a parkway could be constructed more cheaply than in enlarging an existing defense highway. Such a case has not been brought to the attention of the committee.

Filling stations are not allowed along the parkways in the District of Columbia, nor are they allowed generally except at stated intervals and access points along any parkways whether it be the Pennsylvania Turnpike, the Merritt Highway, or the parkways in the vicinity of New York City. The rights-of-way have already been acquired. The comparative costs of the parkway are less than the cost of parkways in Pennsylvania and, as I have previously pointed out, in New Jersey.

With respect to costs, if the State of Maryland is spending for 12 miles $16,000,000, it does strike me that for 19.3 miles of parkway with other interchange and local roads of about 10 miles, the Federal Government is getting economical construction for a total of $13,000,000, or for approximately $680,000 a mile for the approximately 19.3 miles of parkway, which parkway has a four-lane divided highway with 4 feet of concrete on each side with 12-foot lanes and with total grading of 112 feet wide so as to provide for two additional 12-foot lanes on each side of the divided highway and with rights-of-way from 400 to 1,000 feet. Under this bill the country will be afforded an excellent through highway from Washington to Baltimore at less cost to the Federal Government than the Federal share of widening the existing Highway No. 1.

I emphasize that the Government should keep faith with the agreement made with the State of Maryland in 1942, but I also emphasize that in carrying out the agreement there is an opportunity to provide for a parkway synonymous with a turnpike in the congested area between Washington and Baltimore for the use and benefit of all the people of the United States as they have occasion to travel between these two cities, at less expense to the Federal Government than it would be to widen and enlarge the present Highway No. 1, and thus afford far better facilities for easy and through traffic than if the said highway were widened and enlarged.

As I pointed out on May 15, construction has been begun. A point of order against the appropriations requested by the President to carry on the work would not lie. The pending bill places a ceiling on the amount that may be expended. The pending bill should be passed not only to keep faith with the people of Maryland, but to provide for additional facilities for the American public without discriminating against other parts of the United States inasmuch as the passage of the pending bill, on account of Government reservations through which the parkway extends, will not be a precedent.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That hereafter all lands and easements heretofore or hereafter acquired by the United States for the right-of-way for the projected parkway road which is being constructed by the Bureau of Public Roads between Anacostia Park in the District of Columbia and the northern boundary of Fort Meade in the State of Maryland, including any lands required for additional connections to the Maryland road system shall be regarded as an extension of the park system of the District of Columbia and its environs, to be known as the Baltimore-Washington Parkway and it shall be developed, administered, and maintained by the Secretary of the Interior, through the National Park Service, subject to the provisions of the act of Congress approved August 25, 1916 (39 Stat. 535), the provisions of which act, as amended and supplemented, are hereby extended over and made applicable to said parkway, insofar as they are not inconsistent with the provisions of this act.

SEC. 2. The parkway shall be developed, operated, and administered as a limited access road primarily to provide a dignified, protected, safe, and suitable approach for passenger-vehicle traffic to the National Capital and for an uninterrupted means of access between the several Federal establishments adjacent thereto and the seat of government in the District of Columbia. To avoid impairment of this purpose, the Secretary of the Interior, with the concurrence of the Secretary of Commerce, shall control the location, limit the number of access points, and regulate the use of said parkway by various classes or types of vehicles or traffic.

SEC. 3. The Secretary of the Interior in his administration of this parkway is authorized, in his discretion, to accept from private owners, State and local governments, lands, rights-of-way over lands, or other interests in lands adjacent to such parkway, and also to accept the transfer of jurisdiction to the Department of the Interior of adjacent lands for park and recreational purposes from any Federal agency or department, without reimbursement to such Federal agency or department having jurisdiction thereof, when such transfer is mutually agreed upon by the Secretary and such department or agency; and such transfer of jurisdiction by any such department or agency of the Federal Government in possession of such lands is hereby authorized.

SEC. 4. The Secretary of the Interior is hereby authorized to accept, on behalf of the United States, title to any lands, rights-of-way, or easements over lands owned by the State of Maryland which may be offered by the Governor of Maryland for the proper development and administration of the Baltimore-Washington Parkway in accordance with the provisions of the laws of Maryland, chapter 644, approved May 6, 1943, and subject to such conditions respecting control and jurisdiction as may be mutually agreed upon by the designated agencies of the United States and the State of Maryland whenever such conveyance may affect any park lands acquired under the provisions of the act of Congress, May 29, 1930 (46 Stat. 482).

SEC. 5. That money appropriated for parkways administered by the National Park Service by the Department of the Interior Appropriation Act each fiscal year shall be available for expenditure for continuing the construction, development, maintenance, and policing of the Baltimore-Washington Parkway.

Mr. MCGREGOR (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read, but subject to amendment.

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, will the gentleman accept this modification of his request: That the bill be printed in the RECORD at this point, that committee amendments may be considered en bloc, and that after the committee amendments are disposed of the Chair call the sections for amendment in the order in which they appear in the bill?

Mr. MCGREGOR. I accept the gentleman's modification.

The CHAIRMAN. Is there objection to the modified request of the gentleman from Ohio?

There was no objection.

The Clerk read the committee amendments, as follows:

Page 1, line 3, strike out "hereafter."

Page 1, line 5, strike out "projected" after the word "the" and strike out "road" after the word "parkway."

Page 1, line 8, after the word "Maryland", insert "the extension of said parkway into the District of Columbia over park lands to the intersection of New York Avenue extended with the boundary of Anacostia Park, and."

Page 2, line 2, after the word "system", insert "all of which."

Page 2, line 4, after the word "be", insert "constructed."

Page 2, line 12, after the word "be", insert "constructed."

Page 2, line 14, strike out "dignified."

Page 2, line 16, strike out "uninterrupted" and insert in lieu thereof "additional."

Page 3, line 11, insert the following at the end of the paragraph:

"Notwithstanding the provisions of any other law, the lands required for said parkway within the suburban resettlement project known as Greenbelt, Md., as surveyed by the Bureau of Public Roads and shown on plats AOV-WBP-3 and AOV-WBP-4 prepared by said Bureau and dated July 10, 1946, and within the Agricultural Research Center at Beltsville, Md., as surveyed by the Bureau of Public Roads and shown on plat SOM-WB-10 prepared by said Bureau and dated June 22, 1944, are hereby transferred, without reimbursement, to the administrative jurisdiction and control of the Department of the Interior, for the purposes of this act, subject to such terms and conditions as may be agreed upon by the Public Housing Administration and the Department of Agriculture, respectively, with the Department of the Interior and the Bureau of Public Roads."

Page 4, line 1, strike out "That" and insert in lieu thereof "Except as provided in section 6, the."

Page 4, after line 6, add a new section as follows:

"SEC. 6. The cost of construction of the parkway shall not exceed the additional sum of $13,000,000."

The committee amendments were agreed to.

The CHAIRMAN. Are there amendments to section 1?

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. WHITE of Idaho. Mr. Chairman, I have great respect and affection for my colleagues from the great State of Maryland. If there is any road needed in this country, in the great United States, it is an arterial road between the town of Baltimore and the Capital City of Washington. But this bill, much as I respect and esteem my colleague from Maryland, this bill is a rank discrimination; it discriminates against all the other States in the Union. It is a discrimination against the people who have paid taxes for years along the right-of-way of this road; it is a rank discrimination.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I will yield for a question, but let me say to the gentleman from Ohio that I want to bring out the facts of the bill by reading the text of the bill that the chairman of the committee and the ranking minority member failed to bring out. I am going to point it out to the members of this committee. I yield to the gentleman for a question.

Mr. McGREGOR. The gentleman charges that this bill is discriminatory. Did the gentleman vote for the highway act a few days ago that carried legislation covering forest trails and highways?

Mr. WHITE of Idaho. The State of Idaho, that I have the honor to represent, is 72 percent owned by the Federal Government. I have been fighting for appropriations for forest roads and trails all the years I have been in Congress, for liberal appropriations for forest roads and trails to get into this Government-owned land. We are totally dependent on this Congress and the Forest Service for access roads and trails in these immense Government-owned areas. They are very much needed. There is no more comparison for saddling the people of America with the construction and maintenance of this road as compared with forest roads and trails than there is between day and night. You might as well say the State and counties should build roads through military reservations or in the national parks.

Mr. McGREGOR. Is not the gentleman inconsistent when he says he voted for forest roads and trails and now says this bill is discriminatory?

Mr. WHITE of Idaho. I may say to the gentleman that when we vote for forest roads and trails we are voting to open up timber resources, land, and minerals that all of the people of the United States own. The appropriation for forest roads and trails is to give access to national forest timber for fire protection. It is not for privately owned land and timber out there at all.

Mr. BOLTON of Maryland. Mr. Chairman, will the gentleman yield?

Mr. WHITE of Idaho. I yield to the gentleman from Maryland.

Mr. BOLTON of Maryland. Does not this federally financed road go through Federal parks and Federal property?

Mr. WHITE of Idaho. Only partly. It goes about one-third through private property and the rest through Government property.

Mr. BOLTON of Maryland. It goes through 52 square miles of Government-owned property.

Mr. WHITE of Idaho. There was a map here and you had an opportunity to see the private land which this road traverses.

This bill is discriminatory because you are not only loading the Federal Government with the cost of construction of this road but you are perpetually saddling the American people with the maintenance of that road. In other words, the people of the United States are not only building the road but we are saddling them with the expense of maintaining it. This is discriminatory against the other States that cannot enjoy this kind of road construction. We have the Federal-aid system and we would be very happy under the Federal-aid plan to contribute 50 percent and let Maryland contribute the other 50 percent and build this road the same as the other States in the country have to build their roads.

Now let us see what this bill contains. In the first place, this road is 400 feet wide which means that anyone who owns land along the road cannot enjoy any benefits. They cannot put up any kind of a hotel or place of business along the road. They are barred from doing that. They do not have access to the road. On this road to Mount Vernon, this national parkway, we are considering a bill before the committee that keeps a big addition to the town of Alexandria from access to the road. As you drive along the Mount Vernon highway you can look through the trees and see the homes that have been built at great expense and cars parked all along the streets behind the trees and parking strip, yet they have no outlet to this parkway. The Park Service refuses to give them an outlet. This is a scheme to perpetuate the same plan for the road involved in this bill to the extent of 19 miles at least.

Now, this bill provides in section 2:

> To avoid impairment of this purpose, the Secretary of the Interior, with the concurrence of the Secretary of Commerce, shall control the location, limit the number of access points, and regulate the use of said parkway by various classes or types of vehicles or traffic.

What does that mean? If you have ever traveled this celebrated Pennsylvania Turnpike you will find it is patronized almost exclusively by trucks. These trucks can save the cost of the toll out of what they would otherwise pay out for gas. That Pennsylvania Turnpike is 400 feet wide. No other road has access to it. You must go either over it or under it. You will find that the concessions are wholly controlled by the biggest monopoly in these United States, namely, the du Ponts and the Standard Oil Co. That is what they want here and will get if this bill goes through. You say you are building a 400-foot highway for scenic purposes. How much money will this country lose in taxes on the business places that will be barred from the road?

Mr. Chairman, I have seen these monopolies creeping in all the time. Now, you want to give the Park Service a monopoly in granting concessions along this big highway running from Washington to Baltimore. If you and I had the money that is paid for excess gas that is being used today for 1 year on the trucks that have to pull those hills between Laurel and Baltimore we would have enough to buy the finest home in Washington. Day in and day out and all through the night these big loaded trucks and trailers grind over the steep little hills on U S 1 between Washington and Baltimore using up this precious gas that will soon be rationed to us. Why the surplus gas they use grinding over these obsolete hilly roads would pay for a level road many times over and now Maryland is inveigling our Government to come in and build and maintain the road but keep the trucks out while they go using up this precious gas needlessly. Talk about conservation, the day is not far off when our wastefulness will catch up with us and we will have to give a reason for the use of the gas we try to buy at the filling stations.

If there is any place in the United States where we need a roadway so that we can save this precious gas that is used by these trucks, gas that is needed by our airplanes in the air and our submarines under the sea, conservation if you please, what we need is a level grade road between the great Capital City of Washington and the city of Baltimore. We have two great transcontinental railroads running between Washington and Baltimore, the Pennsylvania and the Baltimore & Ohio. They found a level grade route to go through that territory. But, as it is, if you want to go to Baltimore from Washington, you have to consume one-third extra gas to pull all the hills on this long winding, dippy road between here and Baltimore. We need a road, but we do not need to saddle the American people with the cost of building and maintaining that road perpetually. That is discrimination against the rest of the States of this Union. I favored the construction of the parkway between the Blue Ridge Mountains and the Smoky Mountains, that scenic parkway, and for the Natchez Trace, but I am not in favor of loading the American people with the cost of constructing and building this road between Baltimore and Washington, one of the richest cities in the United States, and if there is a city that has a bigger payroll and gives less for the payroll it receives, it is this District of Columbia and the city of Washington. Maryland and the Government have plenty of money to pay for the road under the Federal-aid plan, and why saddle the people of the United States with this kind of a proposition, and at the same time take all abutting property off the tax roll on either side of this road with your 400-foot strip.

In driving out of Washington to Suitland the other day I was trying to speculate how much land was taken off the

permanent tax roll by building this scenic route 400 feet wide, with that enormous portion adjacent thereto taken off the tax roll because private owners cannot build along the road. They have no access. This is a backward step. This is not a forward step in the development of our country.

I am opposed to the bill, and I shall vote accordingly.

Mr. GROSS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I simply want the RECORD to show that I am opposed to this measure. I think the cost is excessive. I think it sets a dangerous precedent, both from the standpoint of Federal construction of this road and from the standpoint of cost of maintenance and policing of the road, the costs of which will be borne by the Federal Government through all the years to come.

I want to say to the gentleman from Mississippi who spoke of the million-dollar-a-mile cost of the Pennsylvania Turnpike, on the extension at the west end, that it is my understanding they are digging tunnels there. You are not digging any tunnels on this highway. If the cost of construction of that extension is a million dollars a mile, it in no sense excuses the excessive cost of this highway.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Are there any amendments to section 2?

Are there any amendments to section 3?

Are there any amendments to section 4?

Are there any amendments to section 5?

Mr. WHITTINGTON. Mr. Chairman, I ask unanimous consent that all debate on the bill close in 3 minutes, and I ask for recognition.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Chairman, I do not want to repeat, but with respect to the cost of this parkway I again emphasize that the Bureau of Public Roads has advised the committee that this parkway, at a cost of $13,000,000 as provided in the bill, would cost far less to the Federal Government than the Federal share of reconditioning, widening, straightening, and strengthening No. 1 between here and Baltimore.

I cannot agree with my friend, the gentleman from Idaho [Mr. WHITE]. Those who travel parkways secure gas before they enter the highways or at provided accesses. Parkways do not permit filling stations every mile or so. They do not permit other concessions that would cause speeds to slow down. They contemplate reasonably high speeds. The public demands a highway better than the existing No. 1 Highway between Washington and Baltimore. I do not agree that the Mount Vernon Memorial Highway should be absolutely destroyed by buildings immediately adjacent to the highway, by concessions on the highway, by filling stations every mile or so along the highway. The very purpose of a parkway is to prevent such concessions and thus to promote traffic at reasonably safe high speeds.

Within 10 miles of every large city of the United States there should be four-lane divided highways. The increasing population and the increasing number of vehicles demand such. Half of the traffic in the United States in in urban areas. It would be unwise for Congress not to provide for the Baltimore-Washington Parkway where it extends to and through Government reservations, and where the cost will be less than the cost of enlarging and straightening Highway No. 1. I emphasize that there is no precedent because the rights-of-way are largely through Government reservations.

I remind the gentleman from Idaho [Mr. WHITE] that all of the highways and roads in the national parks, practically all of which are located west of the Mississippi River, and all of the highways and roads in the national forests, most of which are located west of the Mississippi River, and many of which are located in the State that he represents, there being something like 71,000 miles of these roads and parkways in national parks, national forests, and reservations west of the Mississippi River, many of which are located in the State of Idaho, are under Government control, construction, and maintenance. The traffic on these roads is nothing like as dense and the danger to the public nothing like as great as between Washington and Baltimore. I do not believe that the beneficiaries of the roads through national parks, through other parkways, through forests, at Federal expense, and the maintenance of these roads at Federal expense, can logically criticize the contruction of a parkway through Federal installations to provide much needed additional through-traffic facilities in the most congested area in the United States.

Mr. WHITE of Idaho. The gentleman is opposed to concessions. Did he ever run out of gas on a freezing night?

Mr. WHITTINGTON. The gentleman begs a question. Those who are capable of using parkways to advantage are certainly capable of providing the necessary gas for the operation of their motor vehicles. As I have already pointed out, there are no concessions or filling stations every mile on turnpikes or parkways. They are intended for fast traveling. The United States pays the entire costs of the parkways through Rock Creek Park in the District of Columbia, of other parkways through the Blue Ridge and Smoky Mountains, and all parkways and park roads to national parks in the Rocky Mountain area. There can be no through traffic without adequate highways that safeguard through traffic. Concessions must yield to access requirements and to the safety of the public. Personally I would like to see more parkways constructed in and near all of the large cities of our country.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. HUBER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 5990) to provide for the development, administration, and maintenance of the Baltimore-Washington Parkway in the State of Maryland as an extension of the park system of the District of Columbia and its environs by the Secretary of the Interior, and other purposes, pursuant to House Resolution 567, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 71, noes 10.

So the bill was passed.

The title was amended so as to read: "A bill to provide for the construction, development, administration, and maintenance of the Baltimore-Washington Parkway in the State of Maryland and its extension into the District of Columbia as a part of the park system of the District of Columbia and its environs by the Secretary of the Interior, and other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

RECLAMATION PROJECTS

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include certain resolutions adopted by the Committee on Public Lands today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I insert at this point in the RECORD two resolutions which were adopted by the Public Lands Committee of the House this morning, and two acts relating to this procedure, concerning the expenditure of rehabilitation and betterment costs on certain reclamation projects. These resolutions approve the findings of the Secretary of the Interior on these contracts as outlined in his letters to both the Senate Committee on Interior and Insular Affairs and to the Public Lands Committee of the House of Representatives.

On October 7, 1949, the President approved an act to provide for the return

of rehabilitation and betterment costs of Federal reclamation projects, and on March 3, 1950, an act was approved amending that act to a slight degree, whereby it becomes possible for the above-named committees to express their approval of the determination by the Secretary of the Interior of the terms of a contract for the repayment of rehabilitation and betterment costs on reclamation projects.

These resolutions are in relation to the Malta irrigation district and the Glasgow irrigation district, and the Chinook division of the Milk River project, in the State of Montana.

The two acts referred to and the resolutions which were adopted today by the Public Lands Committee of the House are also included:

RESOLUTION CONCERNING THE EXPENDITURE OF REHABILITATION AND BETTERMENT FUNDS ON THE MALTA IRRIGATION DISTRICT AND THE GLASGOW IRRIGATION DISTRICT, MILK RIVER PROJECT, MONTANA

Whereas the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.), provides that expenditure of funds specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws shall be made only after the organizations shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior; and

Whereas the determination of the Secretary of the Interior does not become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives, or on a date prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval; and

Whereas in a letter dated May 24, 1950, the Secretary of the Interior submitted to the Committee on Public Lands his findings relating to the return of rehabilitation and betterment funds to be expended on the Malta irrigation district and the Glasgow irrigation district, Milk River project, Montana; and

Whereas the Committee on Public Lands has, in session with a quorum present, this day approved the findings of the Secretary of the Interior in these premises: Now, therefore, be it

Resolved, That the Committee on Public Lands give notice in writing to the Secretary of the Interior of its approval of his determination in these premises.

COMMITTEE ON PUBLIC LANDS,
J. HARDIN PETERSON, *Chairman*.

Adopted this 25th day of May 1950.

RESOLUTION CONCERNING THE EXPENDITURE OF REHABILITATION AND BETTERMENT FUNDS ON THE CHINOOK DIVISION OF THE MILK RIVER PROJECT, MONTANA

Whereas the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.) provides that expenditure of funds specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws shall be made only after the organizations shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior; and

Whereas the determination of the Secretary of the Interior does not become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives or on a date prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval; and

Whereas in a letter dated May 24, 1950, the Secretary of the Interior submitted to the Committee on Public Lands his findings relating to the return of rehabilitation and betterment funds to be expended on the Chinook division of the Milk River project, Montana; and

Whereas the Committee on Public Lands has, in session with a quorum present, this day approved the findings of the Secretary of the Interior in these premises: Now, therefore, be it

Resolved, That the Committee on Public Lands give notice in writing to the Secretary of the Interior of its approval of his determination in these premises.

COMMITTEE ON PUBLIC LANDS,
J. HARDIN PETERSON, *Chairman*.

Adopted this 25th day of May 1950.

[Public Law 335—81st Cong.]
[Ch. 650—1st sess.]
H. R. 1694

An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects

Be it enacted, etc., That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine. No such determination of the Secretary of the Interior shall become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives. The term "rehabilitation and betterment," as used in this act, shall mean maintenance, including replacements, which cannot be financed currently, as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs, but shall not include construction, the costs of which are returnable, in whole or in part, through "construction charges" as that term is defined in section 2 (d) of the Reclamation Project Act of 1939 (53 Stat. 1187). Such rehabilitation and betterment work may be performed by contract, by force-account, or, notwithstanding any other law and subject only to such reasonable terms and conditions as the Secretary of the Interior shall deem appropriate for the protection of the United States, by contract entered into with the organization concerned whereby such organization shall perform such work.

SEC. 2. This act shall be deemed a supplement to the Federal reclamation laws.

Approved October 7, 1949.

[Public Law 451—81st Cong.]
[Ch. 47—2d sess.]
H. R. 7220

An act to expedite the rehabilitation of Federal reclamation projects in certain cases

Be it enacted, etc., That the second sentence of the act entitled "An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects," approved October 7, 1949, is amended by striking out the period at the end thereof and inserting a semicolon and the following: "except that, any such determination may become effective prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval: *Provided*, That when Congress is not in session the Secretary's determination, if accompanied by a finding by the Secretary that substantial hardship to the water users concerned or substantial further injury to the project works will result, shall become effective when the chairman and ranking minority member of each such committee shall file with the Secretary their written approval of said findings."

Approved March 3, 1950.

AUTHORIZING CLERK OF THE HOUSE TO RECEIVE MESSAGES FROM THE SENATE; AND AUTHORIZING THE SPEAKER PRO TEMPORE TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent, notwithstanding the adjournment of the House until Monday next, that the Clerk of the House may receive messages from the Senate, and that the Speaker pro tempore be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

CANCER AND MALIGNANT NEOPLASTIC DISEASES

Mr. McMILLAN of South Carolina Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6278) to make cancer and all malignant neoplastic diseases reportable to the Health Officer of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized to promulgate regulations requiring that cancer, sarcoma, lymphoma (including Hodgkin's disease), leukemia, and all other malignant growths, be reported to the Health Officer of the District of Columbia.

SEC. 2. The reports of cases made pursuant to the provisions of regulations promulgated under this act shall be confidential and not open to public inspection. The information in such reports shall not be divulged or made public so as to disclose the identity of any person to whom they may relate, except upon order of court. All information in such reports, or compiled from them, which does not disclose the identity of any person, may be made public only on written authorization of the Health Officer.

SEC. 3. Nothing in this act or regulations promulgated thereunder shall be construed to compel any person suffering from any of the diseases listed in section 1 to submit to medical examination or treatment.

SEC. 4. The said Commissioners are authorized to prescribe a reasonable penalty or fine, not to exceed $100, for the violation of any regulation promulgated under the authority of this act, and all prosecutions for violations of such regulations shall be in the criminal branch of the municipal court for the District of Columbia in the name of the District of Columbia upon information

filed by the Corporation Counsel of the District of Columbia or any of his assistants.

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to make cancer and all malignant neoplastic diseases reportable to the Health Officer of the District of Columbia.

This it is believed will be of great value in gathering information which may be used in determining the causes, control, and treatment of such diseases. Twenty-seven States now have similar legislation.

This legislation was requested by the Commissioners of the District of Columbia and was endorsed by the Health Officer of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT BOXING COMMISSIONER

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7623) to authorize the Commissioners of the District of Columbia to appoint to the District Boxing Commission a retired member of the Metropolitan Police force of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. STEFAN. Reserving the right to object, Mr. Speaker, will the gentleman explain this bill?

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to permit a retired member of the Police Department of the District of Columbia to serve as a member of the District of Columbia Boxing Commission.

This legislation would permit the retired member to reside within the District of Columbia or within the metropolitan area of the District, which is designated as an area within 12 miles of the Capitol Building.

Mr. STEFAN. That means that after a member of the police force is retired the Commissioners can bring him back in service, if he is qualified, physically fit, and so on?

Mr. McMILLAN of South Carolina. That is right; if he can qualify otherwise.

Mr. STEFAN. On the Boxing Commission?

Mr. McMILLAN of South Carolina. That is right.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944, is amended by adding at the end thereof the following new paragraph:

"The Metropolitan Police force member of the Commission may be a retired member of such force; but when the office is held by such a retired member the provisions of the act entitled 'An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1917, and for other purposes,' approved May 10, 1916 (5 U. S. C. 58), shall not apply to such member, and such member may reside within the District of Columbia or within the metropolitan area of the District not to exceed a distance of 12 miles from the United States Capitol Building."

With the following committee amendments:

Page 1, line 8, strike out all of line 8 after the word "The", all of lines 9 and 10 down to and including the word "the."

On page 2, line 5, strike out "such member" and insert "a retired member of the Metropolitan Police force who is a member of the Commission."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill relating to members of the District Boxing Commission who are retired members of the Metropolitan Police Department."

A motion to reconsider was laid on the table.

REGULATING BOXING CONTESTS AND EXHIBITIONS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN of South Carolina. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7662) to amend the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes, approved December 20, 1944."

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. TACKETT. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. McMILLAN of South Carolina. Mr. Speaker, the purpose of this bill is to authorize paid service of a member of the Boxing Commission while he is receiving retired pay or compensation because of previous service rendered to the United States in any branch of its armed service or to the District of Columbia. Under existing law this may not be done.

The Commissioners of the District of Columbia stated in support of this bill that they were of the opinion that any person drawing pay as a retired officer of the service and who qualifies to perform duties of a member of the Boxing Commission should be permitted to receive the compensation provided by law as such member, as well as his retired pay. They hold that the one is a reward for services rendered while the other is a salary for duty performed.

Mr. TACKETT. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944 (58 Stat. 823), is amended by adding at the end thereof the following new section:

"SEC. 18. Notwithstanding the limitation of any other law or regulation to the contrary, any person heretofore or hereafter appointed as a member of the Commission may receive the compensation authorized by this act to be paid to such member, as well as any retired pay, retirement compensation, or annuity to which such member may be entitled on account of previous service rendered to the United States or District of Columbia governments."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXPANSION OF DISTRICT OF COLUMBIA WATER SYSTEM

Mr. McMILLAN of South Carolina. Mr. Speaker, I yield to the gentleman from Virginia [Mr. SMITH], a member of the committee, to call up a bill.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8578) authorizing loans from the United States Treasury for the expansion of the District of Columbia water system.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

Mr. MILLER of Nebraska. Reserving the right to object, Mr. Speaker, I wish the gentleman would explain this bill, because it is an entirely new departure as far as financing the District of Columbia is concerned. I think the Members should understand what it provides.

Mr. SMITH of Virginia. Mr. Speaker, the purpose of this bill is to provide for the expansion, the very necessary expansion of the water system of the District of Columbia. That system has been in use for many years and has now reached its full capacity. The bill is of an emergency character because of the fact that the consumption of water in the District of Columbia is rapidly increasing. There have been times in the very near past when the demands for water and the usage of water exceeded the capacity of the reservoirs. If this bill is passed, it will take about 3 years to complete the work that is contemplated. It is a rather major undertaking.

In order to finance it the ordinary municipality would issue bonds, but that is not possible under the set-up of the District of Columbia. Therefore, as has been done in the past, the provision is, with the approval of the Bureau of the Budget, that the District Commissioners may from time to time borrow the necessary money from the Treasury to complete these improvements. That money is to be borrowed on terms as to interest rates fixed by the Secretary of the Treasury.

Mr. BEALL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BEALL. Is it not a fact that this is entirely self-liquidating? That is, that the water users will pay back both principal and interest to the Federal Government?

Mr. SMITH of Virginia. Yes; it will be entirely liquidated, and it will be at no cost to the Federal Government. There are further safeguards in the bill that none of this money can be borrowed or used until approved first by the budget. It is authorized in this bill. It will have to be approved year by year by

the Appropriations Committee in the consideration of the bill.

Let me add that this bill has been considered by the joint fiscal subcommittee of the Senate and the House. It was unanimously approved by that subcommittee and has been unanimously approved by the full Senate District Committee and has been unanimously approved by the full House District Committee.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. STEFAN. What is the condition of the water revolving fund now?

Mr. SMITH of Virginia. What does the gentleman mean?

Mr. STEFAN. What is the condition of the funds in the water department at the present time?

Mr. SMITH of Virginia. I could not give the gentleman the figures.

Mr. STEFAN. What is the status of it?

Mr. SMITH of Virginia. I am not sure that I know what the gentleman is asking about.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MILLER of Nebraska. There is no revolving fund now. Congress gives the District of Columbia a million dollars a year to pay for the water that we use. However, a metering of the water shows that the Federal Government actually uses $1,200,000 worth of water each year; in other words, there is $200,000 that the Federal Government uses for which the District is not reimbursed. That is a fixed sum that we appropriate each year for water use; that is supposed to pay for all the water used by the Federal Government.

Mr. STEFAN. I understand that. What I want to know is what the condition of the Treasury is so far as the water fund is concerned today. How much money do they have on hand? And how much do they contemplate borrowing if this bill is passed? It is a far-reaching measure and a lot of consideration should be given to it.

Mr. SMITH of Virginia. A lot of consideration has been given to it, I can assure the gentleman from Nebraska.

Mr. STEFAN. How much is it contemplated borrowing?

Mr. SMITH of Virginia. Twenty-three million dollars over a period of 10 years. That is specified in the bill. It will come before the gentleman's committee for approval each year, and the money cannot be spent until the gentleman's committee approves it.

Mr. STEFAN. It can only be spent when the committee approves it, but I think this thing is so far-reaching that we ought to go into it at some length and debate it today, because the water service here originally belonged to the Federal Government. It was given to the District of Columbia. Since that time there have been considerable improvements. The gentleman from Nebraska [Mr. MILLER] said that the Government uses a million and a quarter dollars' worth of water every year. If we do not pay for all we use, I think we should. But I think we should have some consideration here as to exactly what we are doing. How is this fund going to be administered? What charges are going to be made? What is the situation with reference to collections? I understand they are falling behind in their collections.

Mr. SMITH of Virginia. If the gentleman will ask his questions one at a time, I will do my feeble best to answer them. But I do want to say to the gentleman that this matter has been given full and complete consideration by two subcommittees; we have had full hearings on the matter, and then had another hearing before the full House District Committee, and I assume they had some hearings before the full Senate committee.

Mr. STEFAN. I will ask the gentleman from Virginia how is this $23,000,000 going to be expended? How is it going to operate? What is the interest rate going to be on it?

Mr. SMITH of Virginia. The rate will be fixed by the Secretary of the Treasury.

Mr. STEFAN. Why is the amount fixed at $23,000,000?

Mr. SMITH of Virginia. Because that is the estimate of the amount required. The District Commissioners have made very elaborate estimates of costs.

Mr. STEFAN. And this money is to be used for further expanding the water system of the District of Columbia, which is growing so rapidly, is it?

Mr. SMITH of Virginia. Yes.

Mr. STEFAN. What is the condition as to receipts from water collections?

Mr. SMITH of Virginia. There are about $2,000,000 every year that can be used for capital improvements and for liquidating this necessary expenditure.

Mr. STEFAN. Is there enough in collections to make some expansion?

Mr. SMITH of Virginia. They have made some expansions in the past.

Mr. STEFAN. But is the condition such that the collections do not allow the necessary expansion?

Mr. SMITH of Virginia. Not the necessary expansion of this magnitude. That is the reason this bill is here.

Mr. STEFAN. Does the gentleman know anything about the collections for water use? Are they in arrears on collections?

Mr. SMITH of Virginia. The testimony I have is that they are not in arrears on collections except to a very minor extent. The testimony was that they lose only about $1,000 a year on water collections.

Mr. STEFAN. May I ask the gentleman from Virginia, does the District of Columbia Water Department furnish water to any parts of Virginia or Maryland?

Mr. SMITH of Virginia. Both. They furnish water at a rental that is fixed by an act of Congress.

Mr. TACKETT. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. TACKETT. If this bill is considered under the present procedure today, will there be an opportunity to debate the issues involved?

The SPEAKER pro tempore. If unanimous consent is granted for consideration of the bill, it will be considered under the 5-minute rule.

Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, as used in this act, unless the context otherwise requires—

(a) "Commissioners" means the Board of Commissioners of the District of Columbia.

(b) "District of Columbia water system" or "water system" means any and all of the facilities used or to be used for the supply of raw or partly purified water wherever situated and all of the facilities used or to be used for the distribution of purified water situated within the District of Columbia which are operated by the District of Columbia Water Division or the Washington Aqueduct Division of the Washington District of the Corps of Engineers, Department of the Army, or both.

SEC. 2. (a) The Commissioners of the District of Columbia are hereby authorized to accept loans for the District of Columbia from the United States Treasury and the Secretary of the Treasury of the United States is hereby authorized to lend to the Commissioners of the District of Columbia, such sums as may hereafter be appropriated, to finance the expansion and improvement of the water system when sufficient funds therefor are not available from the District of Columbia water fund established by law (D. C. Code, 1940 edition, title 43, ch. 15): *Provided*, That the total principal amount of loans made under the provisions of this section shall not exceed $23,000,000: *And provided further*, That a loan for use in any fiscal year must first be specifically requested of the Congress in connection with the budget submitted for the District of Columbia for that fiscal year, with a full statement of the work contemplated to be done and the need thereof, and must be specifically approved by the Congress. Such loans shall be in addition to any other loans heretofore or hereafter made to the Commissioners for any other purpose, and when advanced shall be deposited in full in the Treasury of the United States to the credit of the said District of Columbia water fund.

(b) The loans authorized under this section, or any parts thereof, shall be advanced to the Commissioners on their requisitions therefor and shall be available to the Commissioners or the Chief of Engineers, Department of the Army, for the performance of the said expansion and improvement of the water system, and shall be available until expended.

(c) The Secretary of the Treasury of the United States shall be repaid any moneys advanced under this section of this act, including interest thereon, beginning in fiscal year 1961 and concluding in fiscal year 1980, in such annual amounts as the Congress shall hereafter direct; interest thereon shall begin to accrue as of the dates the respective advancements are credited to the water fund.

(d) Loans made under this section shall be at such rate or rates of interest as would, in the opinion of the Secretary of the Treasury, be the lowest interest rate available to the District of Columbia on the date of the approval of each loan, respectively, were said District authorized by law to issue and sell obligations to the public, at the par value thereof, in a sum or sums equal to the amounts of such loans, maturing serially over a comparable period of years in comparable installments of principal and interest, and secured by a first pledge of and lien upon all the general fund revenues of said District.

(e) Moneys for the payments to the United States Treasury herein required shall be included in the budget estimates of the Commissioners of the District of Columbia, beginning with the budget estimates for fiscal year 1961, and shall be payable from the water fund.

Mr. TACKETT. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, most of the membership of this Congress comes from various towns that have in the past and are willing today to donate water, buildings, or anything else in order to bring some industry to their respective communities. Many cities and towns throughout the United States daily advertise their anxiety to have big payrolls brought into their communities.

Washington, D. C., has been brought into existence—the great beautiful city it is—by virtue of the Federal payroll which is dished out every week. Just imagine what your towns and your cities and your counties and your States would give for the opportunity of having within their midst the Federal Government payroll as here in Washington. If the people of the District of Columbia paid the taxes that they do in my towns, in my counties, and in my State—you can say they do and I will say they do not—they would have a lot more to grumble about than they have to talk about today.

If your cities want to build a water-supply unit of some kind, do they come to the Federal Government and ask for a special loan to do this? Of course, the gentleman from Virginia [Mr. SMITH] will insist that the District of Columbia does not have authority to act upon revenue-raising matters as your respective localities. But I want to ask the proponents of this bill why is it necessary for the people in the District of Columbia or the Government to extend its projects all over the country around the District of Columbia to take care of people who are not citizens of the District of Columbia?

This bill is not only to take care of the District of Columbia. It is to take care of Maryland, it is to take care of Virginia, it is to take care of the people who are near but outside the District of Columbia, who cannot get their fingers in the pie in any other way. That is what it means.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. The testimony this morning before our committee was to the effect that the average amount of daily use of water in the District is 180,000,000 gallons. Of that amount Virginia uses about 7,000,000 gallons and Maryland about 1,000,000 gallons, for which they pay.

I agree with the gentleman, I think the fiscal arrangement and the District Water Board ought to be set up on a business basis whereby they will have a revolving fund, a replacement fund, a depreciation fund, and so forth. It must be understood, though, that the District officials are so circumscribed by Congress that they are not able to issue bonds. On one day last summer we had a demand on the water system for 240,000,000 gallons. The system is only set up to furnish 175,000,000 gallons per day. This coming summer we may be short of water.

Mr. TACKETT. Right there, please, let me ask this question.

I will admit that the District of Columbia has such a procedural set-up that it cannot issue bonds as other cities, but is there anything to prohibit the Virginia areas about Alexandria and all these other areas across the river from issuing bonds to take care of their own water supply?

Mr. MILLER of Nebraska. I agree with the gentleman that there should not be any selling of water to both Virginia or Maryland.

Mr. TACKETT. Knowing how conservative the gentleman from Virginia [Mr. SMITH] is, can you imagine him getting up on the floor of this House and asking for a loan for Arkansas to get a water supply? No, you cannot. He would oppose the expenditure of a penny of this Federal Government except when it is for Alexandria and places within Virginia about Washington, D. C. He has bitterly protested practically all such Federal Government expenditures save and except moneys being dished out within and about his area.

Gentlemen, it is easy to be a conservative when the measure only affects the people of the other fellow's district. If that be the proper procedure there will be but one or two votes for this bill.

Mr. BEALL. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Maryland.

Mr. BEALL. I call the attention of the gentleman to the fact that the District of Columbia cannot borrow money like an ordinary municipality.

Mr. TACKETT. I admit that.

Mr. BEALL. The only way they can get that money is from the Federal Government. And, the users of this water are going to pay for it; they are not only going to pay back the original investment, but the interest as well.

Mr. TACKETT. I will go along with you on the District of Columbia loan, but let us confine the loan to the District of Columbia. That is as far as you have any right, under your argument, to progress.

Mr. BEALL. But the States of Maryland and Virginia pay for that water.

Mr. TACKETT. Oh, they pay for that water, but at a better rate than the people removed from this area are afforded. We have a few Federal projects out in Arkansas, but we are never given the consideration being daily afforded the District of Columbia. Here everything is for the District of Columbia. We would pay the water bill for the National Capital payroll down in my State. We would donate most of the contentions of the District of Columbia for the payroll afforded the District by virtue of the National Capital.

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The difficulty with that is that Arkansas is too far away to do that, but they really ought to move the Capital down there.

Mr. TACKETT. It ought to be there. We would at least show our appreciation.

Mr. MILLER of Nebraska. Mr. Speaker, if the gentleman will yield, the gentleman may not recall it, but the Congress itself passed legislation which made it possible for Virginia and Maryland to get a certain amount of water, including these border-line cases near the District of Columbia. I think it was in 1928 when that was done. So, if you want to change it, it ought to be done by law. I agree with the gentleman, and I said so in the committee this morning. Virginia and Maryland only get about 8,000,000 gallons out of 180,000,000 gallons a day. It is a small amount. The boundaries are fixed, but there are certain houses along the border line where it is convenient to tap in. But, that practice should not be enlarged, and I would support legislation to deny them any water supply from the District of Columbia. But, the territories are so entwined that it was found necessary to pass this legislation, and this Congress more than 20 years ago passed legislation permitting that to be done.

Mr. TACKETT. May I ask the gentleman this question? How much of this $22,000,000 is going to be used within the District of Columbia?

Mr. MILLER of Nebraska. All of it.

Mr. TACKETT. How much of it is going to be used outside the District of Columbia?

Mr. MILLER of Nebraska. It will all be used in the District of Columbia for developing a water supply on the Potomac River.

Mr. TACKETT. But that water is going to be transported over to and become a benefit to other localities outside of the District of Columbia, is it not?

Mr. MILLER of Nebraska. An average of 8,000,000 out of 180,000,000 gallons daily. That is a very small amount. Of course, it might develop that there would be a lack of water, just like there was in New York City and other large cities this year, and unless we develop a sufficient water supply, we might find ourselves in danger. This system is outmoded now. The demand in the last 10 years has more than tripled, and they expect in 10 years to have another doubling of the use of the water.

Mr. TACKETT. Is there any way for the District of Columbia to provide a water supply without the enactment of this legislation?

Mr. MILLER of Nebraska. I do not believe there is. I questioned the bill very closely in committee. I was opposed to it at first. I felt that the Water Commissioners should set up a revolving fund and a replacement fund, but they have not done it.

Mr. TACKETT. Could they not do that and build their own system?

Mr. MILLER of Nebraska. Yes; if they had started that procedure 20 years ago. I think from here on they will.

Mr. TACKETT. I disagree with the gentleman, because as long as they can get their fingers in the Government till, they will not do anything.

Mr. MILLER of Nebraska. They will have to pay this $22,000,000 back with

interest. The water rates will pay it back to the Federal Government. It is not costing the taxpayers any money. Unless we do this, one of these good, hot summer days we are going to find out we have no water in the District of Columbia, just as they did in the city of New York.

Mr. TACKETT. Is there any other way they can borrow money? Can they not get the money through private loans?

Mr. MILLER of Nebraska. Not unless we pass legislation allowing it.

Mr. TACKETT. Why do we not pass that legislation instead of allowing them to borrow from the Federal Government, when your towns and my towns cannot borrow from the Federal Government?

Mr. MILLER of Nebraska. We brought that up in the committee. I thought the best way to do it was to borrow from private concerns, but they would probably have to pay a little more interest. I would agree with the gentleman that they should borrow from private concerns, but it would take special legislation to do that.

Mr. TACKETT. This is special legislation. It does not take any longer to get a bill through allowing private enterprise to survive in this country than it does to allow those who happen to live in the District of Columbia and thereabouts to borrow from the Federal Government. That is absolutely contrary to our principles of operation. It does give the District and the people around the District an opportunity that your towns and my towns do not have the right to enjoy.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Georgia.

Mr. LANHAM. Does not the gentleman know that his own small cities can sell their bonds to the Reconstruction Finance Corporation and thus borrow from the Government?

Mr. TACKETT. They can borrow from the Reconstruction Finance Corporation if a private lending company does not want to take the loan?

Mr. LANHAM. You can borrow from the Reconstruction Finance Corporation for your cities to extend their waterworks, because we have done it in our city.

The SPEAKER pro tempore. The time of the gentleman from Arkansas has expired.

Mr. TACKETT. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TACKETT. It is true that the city in which I happen live in the State of Arkansas can borrow money from the Reconstruction Finance Corporation if they cannot get it from any other loan institution, but they must come forth with ample evidence that they cannot borrow it from another institution. However, under the provisions of this bill it is not necessary for you even to ask for a loan from a private institution. You just come straight to the Government and get the money, $22,000,000 over a period of 10 years. I just do not think it is right. I think there should be a proviso of some kind, special legislation or otherwise, that would make the cities about the District of Columbia follow the same practices that are followed all over the United States of America.

I will admit the District of Columbia is operating under different procedures than towns elsewhere operate, but I think that this is a discriminatory bill and is not justified unless they cannot get the money from any other source. There has been no proof to that effect, except that under the laws governing the District of Columbia you cannot issue bonds without special legislation. I think we should have special legislation—that would not take over 15 or 20 minutes of the time of the Congress to pass—which would allow them to borrow their money from some other source—from private enterprise—that is paying the taxes of this country.

You say this is not costing the taxpayers anything. That is just where you are wrong. It is costing the taxpayers money every time a dollar goes out of the tills of the Treasury because the interest rate is going to be so much lower—lower than the Federal Government can borrow. You know that. That is exactly the reason the people are here and do not want to borrow the money from private enterprise. They want the lowest possible rate of interest. They want to be in a position where, if they do not repay it, nothing will be done about it.

Mr. BEALL. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Maryland.

Mr. BEALL. I call the gentleman's attention to the fact that the District of Columbia gets its water from Maryland and Virginia.

Mr. TACKETT. Yes; I know that.

Mr. BEALL. It comes from the Potomac River, and the Potomac River is in Maryland.

Mr. TACKETT. Yes; and every penny of the money spent here is going to help other localities as much as the District of Columbia.

Mr. BEALL. But Maryland and Virginia pay for everything they get.

Mr. TACKETT. They pay for it, but they do not have to pay for it like other people all over the country.

Mr. BEALL. They certainly do.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. DAVIS of Georgia. The gentleman made the statement that this money would be borrowed from the Government at a lower rate of interest than the Government itself would have to borrow it. We had General Young, one of the Commissioners, before the committee and asked him that specific question. He said it would not be borrowed from the Government at a lower rate than the Government itself pays to borrow money.

Mr. TACKETT. Did he indicate what the rate of interest would be?

Mr. DAVIS of Georgia. It would be something in the neighborhood of 2 or 2¼ percent. I do not know the exact amount, but he made the specific statement that it would not be borrowed at a lower rate of interest than the Government itself pays on borrowed money.

Mr. TACKETT. That is a pretty high rate of interest. The State of Arkansas sold some highway bonds recently a great deal cheaper than that. I know that they do not have the security that the Federal Government has. There is no way in the world that you can lose any money on a loan like this. Twenty-two million dollars at 2¼ percent is pretty high.

Mr. DAVIS of Georgia. But this money would not be borrowed all at one time.

Mr. TACKETT. That is correct. It would be borrowed over a 10-year period, as they need it.

Mr. DAVIS of Georgia. That is right.

Mr. TACKETT. Now, you gentlemen can vote as you see fit. I am sure it is not going to hurt you one bit politically regardless of how you vote. But if you are honest with yourselves, you know I am right on this issue. You can do what you want to about it, but I say there should be a bill here to provide that if they cannot get the money first from private enterprise, then they can come back and get it from the Federal Government just as your cities and my cities have to do.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. MILLER of Nebraska. I agree with what the gentleman said relative to borrowing from private sources. I wish that were possible. I think it would take some amending of the law in a good many places. It could not be done by just a simple bill. Also, I would go along with the thought that we ought to furnish the minimum amount of service to Maryland and Virginia and not expand that service. I understand we are not expanding the service. But we are faced with the cold, hard facts that within the next few years, unless we get an adequate water supply, and we have it in the Potomac River, piped into the city of Washington we are going to find days when we will not have enough water to supply the citizens here.

This money will be paid back with interest, otherwise I would not support it under any circumstances.

Mr. TACKETT. Let me say one thing to the gentleman. It is these little steps that we take every day which are driving private enterprise out of this country and socializing our economy. It is these little steps that we take that are bringing these conditions about. "Oh," they say, "this one does not amount to anything, and the other one does not amount to anything."

But I venture to say that if this bill goes through, it is not going to be long before every big city in the country is going to ask for the same legislation.

Mr. SMITH of Virginia. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I hope the gentleman from Arkansas [Mr. TACKETT] will remain in the Chamber, because I think he is under some misapprehension about this bill. I appreciate his deep interest in the Federal Treasury and in the District

of Columbia. Of course, I know he is deeply interested in the State of Arkansas, and Arkansas ought to be proud of him because he looks after them all the time here. I do not know why he ought to blame me for trying to look out for Virginia, and Alexandria a little bit, and I do not think he does. I think he appreciates my position on that. However, I do want to correct this misapprehension on the part of the gentleman from Arkansas in case the same misapprehension has found a place in the minds of other Members.

He indicated that this is largely for the benefit of the city of Alexandria. I want to say to the House that the city of Alexandria has its own adequate water supply. We have an older water-supply system than the District of Columbia. We do not get a drop of water from the District of Columbia system and never expect to, because we have an adequate supply of good, pure water of our own.

Now, Arlington County does get some water, and they pay for it. They do not pay for it what Arlington wants to pay. They pay the sum that this Congress has fixed that they must pay. It is fixed by law. The gentleman from Arkansas was here when this Congress passed the bill that authorized these outlying territories to purchase water from the District of Columbia water system. Why? There are several reasons why. One is that a large number of the members of the Federal Administration reside in those outlying areas. More of them come to reside there every year. I do not know how many, but my guess would be that at least 40 or 50 Members of this very House itself live over on the Virginia side of the river and must have that water if they want to take a bath in the morning. In addition to that, the Government built the great Pentagon Building on the Virginia side—a tremendous consumer of water. The Government has Fort Myer over on the Virginia side. The Government has the Navy annex on the Virginia side. It was absolutely necessary as a matter of Government policy and as a matter of national defense that those mains should be extended over there. None of this money will go into the improvement of the water systems of Virginia or Maryland. It is all being spent on the reservoirs in Washington. Every pipeline that is laid on the Virginia side or the Maryland side is laid by those communities themselves. The Government does not pay 1 cent of it. All that happens to the Government is that you get so much per thousand gallons for the water, so you put back into the Treasury the money for that water which would otherwise just run down the river and you would not get anything for it.

Mr. HARRISON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HARRISON. Has the gentleman any reply to the charge that this is socialistic legislation? The gentleman's reputation in support of socialistic legislation makes me suspect, when he comes in here and proposes legislation of this kind. I would like to hear what he has to say about that.

Mr. SMITH of Virginia. I do not want to reply to any personal allusions at this time. I am always ready to defend my record at an appropriate time, but I do not wish to be diverted from the task of clearing up any objections to the passage of this bill. I am sympathetically aware of the necessity of some Members in election years to make speeches that will be pleasing to the good folks at home, and in that spirit I am happy to be of service to my good friend from Arkansas, in furnishing a target for his remarks.

But let us get down to the merits of this problem. This city is governed by this Congress. There are a few of us who have the disagreeable duty of having to sit as a city council for the District of Columbia. I wish the gentleman from Arkansas would get on that committee. He would be a very valuable member. I would like to see him on that committee. There are usually vacancies on it, and I would like to see the gentleman there to help us work out these problems that are not really the business of our constituencies, but we do it as a public service. When we come in here with a bill you may be assured that we come after the most thorough and meticulous consideration of the problem involved.

The District of Columbia cannot borrow any money in the open market. The Congress has prohibited that. The gentleman from Arkansas never offered any bill to give this city home rule or to give this city the power to borrow money or to do the things that normal cities do. So the only way this city can get the necessary money for capital improvements is through this type of loan. The provision is that it can only get it after it has been approved by the Bureau of the Budget, then after it has gone to the Appropriations Committee and has been considered by the Appropriations Committee as to how much is needed, and then only when the Secretary of the Treasury fixes the rate of interest and the return date of payment. I just wonder what more the District Committee of the Senate or the District Committee of the House could have done.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SMITH of Virginia. It is easy to complain about the way things are done or the way they are not done, but I would like to have some constructive suggestions about what we ought to do. We are not particularly interested in District legislation. We are just trying to do a job that somebody in this Congress has to do. This city has to make improvements. This is where you men have to come and live when you are in Congress. We are just trying to help you along. If the gentleman has any constructive suggestion about it, we would be glad to listen. We have done the best we could with this thing, we have done the best we could after ample and thorough study, and I hope the House will agree to go along with us on this measure, because this is rather an emergency situation, as the gentleman from Nebraska [Mr. MILLER] has pointed out. Last year with a normal capacity of 175,000,000 gallons a day, for several days they had to produce 240,000,000 gallons. That cannot keep up, and that situation is getting worse. The reason we bring this to you and ask you to act on it today is so they can get this additional supply that is so necessary, and that it may go forward at once, because the testimony is that it is going to take 3 years to do this job after we get the authority.

Mr. HEDRICK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HEDRICK. Do the people living in Virginia and Maryland pay the same rate for water as they do in the District of Columbia?

Mr. SMITH of Virginia. No; the municipalities over there buy it wholesale at a rate fixed by Congress. They buy it wholesale at the Washington line. They put in all the distributing systems.

Mr. HEDRICK. Do I understand that it is much cheaper than in other cities of the country?

Mr. SMITH of Virginia. No; the testimony was that the rate in Washington is just about the average with comparable large cities in the country.

Mr. TACKETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. TACKETT. I have four towns in my district that want water and I have one town in my district, a pretty good-sized town, that cannot even borrow money to build a sewer system. I wonder if the gentleman would be pleased to support legislation that would give my city the opportunity to borrow money from the Federal Government to construct these needed water and sewer improvements.

Mr. SMITH of Virginia. I have already done so; I have already supported legislation for the RFC. They have ample power to lend that money to the cities in Arkansas if the security is there and the loan is sound; and I am sure they will; the gentleman might bend his energies in that direction, rather than in opposing constructive legislation for the Nation's Capital.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McDaniel, its enrolling clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 2440) entitled "An act to authorize certain construction at military and naval in-

stallations, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TYDINGS, Mr. RUSSELL, Mr. BYRD, Mr. BRIDGES, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

AUTHORIZING CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2440) to authorize certain construction at military and naval installations, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS, KILDAY, SHORT, and ARENDS.

BRIDGE OVER ANACOSTIA RIVER

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7341) to authorize and direct the Commissioners of the District of Columbia to construct a bridge over the Anacostia River in the vicinity of East Capitol Street, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "line" and insert "vicinity."

Page 2, line 2, after "act.", insert "The Commissioners of the District of Columbia are further authorized and directed to proceed to acquire sufficient land along, or in close proximity to, Kenilworth Avenue in the District of Columbia, for a right-of-way of adequate width for the construction of a controlled access road to interconnect the Washington-Annapolis Freeway and the Baltimore-Washington Parkway with said bridge and its east approaches at or near the point where Kenilworth Avenue, if extended, would intersect said bridge and its east approaches."

Page 3, line 14, after "Commission" insert "and the Commission of Fine Arts."

Mr. HALLECK. Mr. Speaker, reserving the right to object, there is unanimous agreement in this matter?

Mr. DAVIS of Georgia. Yes; that is quite clear.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FIVE-DAY WEEK FOR OFFICERS AND MEMBERS OF THE METROPOLITAN POLICE FORCE, THE UNITED STATES PARK POLICE FORCE, AND THE WHITE HOUSE POLICE FORCE

Mr. DAVIS of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7695) to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force.

The Clerk read the title of the bill.

Mr. HOFFMAN of Michigan. Mr. Speaker, reserving the right to object, I would like to know what this bill does.

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this bill is to place the Metropolitan Police force, the White House Police force and the United States Park Police force on a 5-day week. The 5-day week is now in operation in police departments in many cities in the United States; among these being Detroit, Mich.; Los Angeles and San Francisco, Calif.; Columbus, Ohio; Jersey City, N. J.; Minneapolis and St. Paul, Minn.; Fort Wayne, Ind.; Grand Rapids, Mich.; and a number of others.

Here in the District of Columbia practically every Federal employee is on a 5-day week except the police force. The police department is having trouble in keeping its personnel up to the necessary and required standard. It holds examinations. It goes out and undertakes to get young men as recruits of the right type and kind of people to make good police officers. These young men come in and investigate, see what the pay is and the various things connected with the work, but when they get to the 6-day week they say: "No, I can do better than that in the Civil Service, the Post Office Department, the Census Bureau, and other places."

Mr. BEALL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Maryland.

Mr. BEALL. Is is not a fact the House passed this same bill 2 years ago?

Mr. DAVIS of Georgia. I understand the House did 2 years ago, although I was not a member of the committee at that time.

Mr. BEALL. I introduced the same bill in the Eightieth Congress and we passed it.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Speaker, may I be recognized on this bill?

The SPEAKER pro tempore. If the unanimous-consent request is granted, the bill will then be considered under the 5-minute rule.

Is there objection to the request of the gentleman from Georgia?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) every officer and member of the Metropolitan Police force, the United States Park Police force, and the White House Police force shall be granted two consecutive days off in each period of 7 days, which shall be in addition to the annual leave and sick leave to which he is entitled by law.

(b) Notwithstanding subsection (a), whenever the Commissioners of the District of Columbia declare that an emergency exists of such a character as to require the continuous service of all officers and members of the Metropolitan Police force, it shall be the duty of the major and superintendent of police to suspend and discontinue the granting of such 2 days off in seven during the continuation of such emergency.

(c) Notwithstanding subsection (a), whenever the Secretary of the Interior declares that an emergency exists of such a character as to require the continuous service of all officers and members of the United States Park Police force, it shall be the duty of the Superintendent of National Capital Parks to suspend and discontinue the granting of such 2 days off in seven during the continuation of such emergency.

(d) Notwithstanding subsection (a), whenever the Chief of the Secret Service Division finds that an emergency exists of such a character as to require the continuous service of all officers and members of the White House Police force, he shall suspend and discontinue the granting of such 2 days off in seven during the continuation of such emergency.

SEC. 2. This act shall take effect on July 1, 1950.

With the following committee amendment:

Page 1, line 5, strike out the word "consecutive."

The committee amendment was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker I move to strike out the last word.

Mr. Speaker, my information now is that this bill was passed in the Eightieth Congress, therefore it must be all right. That may or it may not be a sound reason. Here is the point I desire to make. I have the utmost confidence in the judgment of the gentleman from Georgia [Mr. DAVIS]. He states this bill is necessary in order to keep the number of policemen here, that when they come and look the situation over and learn what the pay is they do not want a job. Am I correct on that?

Mr. DAVIS of Georgia. The pay is not so objectionable. It is the number of hours. The major of police said that they lose good men they need and that they would get a lot of men, and good ones, but when they get down to the hours and days of work and they see that there is not the provision which all of the other Government and Federal employees have, they will not take the job.

Mr. HOFFMAN of Michigan. If that be true—and I assume it is, otherwise the major would not have stated it and the gentleman would not have repeated it—it seems to set a rather bad example. I understood the gentleman to say that practically all Federal employees were on a 5-day week. Is that correct?

Mr. DAVIS of Georgia. That is my understanding. May I say to the gentleman that I feel the same way about that, but I did not start the 5-day week. This is the situation in which the police department finds itself. The 5-day week is here and the police department must compete with other departments in getting their employees.

Mr. HOFFMAN of Michigan. I will have a great deal of difficulty in explaining to my constituents, or at least 30 percent of them who are farmers and who do not have, never have had, and never expect to have a 5-day week. It will be difficult to explain why the Federal Government should set a 5-day week

for its employees, while the people who pay them must work 6 days a week and an 8-hour day. If the police are not getting enough money, if we are not paying them a sufficient amount, let us pay them more. In spite of all improvement in production, in spite of all the new methods that have been brought about, and in spite of the new ways of doing things, in spite of the fact we get much more now in 3 days per week production than we used to get in 7, still, sometime, somewhere, somebody must work if we are to get along. There seems to be no short magic way of tilling the soil and getting production back home without work.

Mr. DAVIS of Georgia. Mr. Speaker, if the gentleman will yield, in that connection I want to say that I see the gentleman from Michigan coming in here in the morning and leaving late at night, as he sees me doing the same thing, and I do not have the benefit of a 5-day week any more than the gentleman from Michigan has. However, this situation here was testified to in great detail by the police authorities and by the District Commissioners, and it is an actual situation that we face, and regardless of how much we dislike it, we do know that we must have police protection here in the city.

Mr. HOFFMAN of Michigan. I assume the gentleman is trying to tell me that neither he nor I can do anything about the 5-day week. That is what it amounts to, is it not?

Mr. DAVIS of Georgia. I am just telling the gentleman about the difficulties encountered.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Missouri.

Mr. SHORT. What the gentleman from Michigan says is true. I think the Members of Congress are in the same category that the farmers of this Nation are. We work not 5 days a week, but 7 days a week.

Mr. HOFFMAN of Michigan. Some of us.

Mr. SHORT. Well, practically all of us do.

Mr. HOFFMAN of Michigan. All right; I will accept the blanket endorsement. I think all the Congressmen agree that they are some of the hardest working people in the country; at least it would be natural for us to think we work much of the time.

Mr. SHORT. Seven days a week, and not 8 hours a day either.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SHORT. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I would say this to the gentleman from Michigan that we, like our farmers, work 7 days a week but not 8 hours a day.

Mr. HOFFMAN of Michigan. How many?

Mr. SHORT. Well, I will let the gentleman testify for himself. I know how diligent and assiduous he is in his arduous labors. Most of us work from 12 to 16 hours a day.

Mr. HOFFMAN of Michigan. If I was only as eloquent as the gentleman from Missouri, I would be all right.

Mr. SHORT. Just a moment. You are all right. I have the floor. I refuse to yield further to the gentleman. This legislation does not establish a precedent. The precedent already has been established, and certainly the gentleman is not going to object to giving the policemen in the District of Columbia the same consideration and fair treatment——

Mr. HOFFMAN of Michigan. That I expect from them.

Mr. SHORT. That we give other employees of the Federal Government. I think this is meritorius legislation and that it should be passed. We passed it in the Eighteith Congress which was Republican controlled.

Mr. HOFFMAN of Michigan. Do they vote in our district?

Mr. SHORT. That I do not know. I think many of them do. It matters not because we should show a little appreciation or consideration of the policemen of Washington in the District of Columbia.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. PRIEST. Mr. Speaker, I have asked for this time in order to read a telegram addressed to the Speaker of the House, and signed by James P. Wesberry, former Acting Chaplain of the House of Representatives:

> I had the great honor today of nominating BROOKS HAYS as second vice president of the Southern Baptist Convention which is meeting in Chicago with some 10,000 members attending. He was duly elected. This is a great spiritual honor and responsibility. The convention, as you know, represents over 28,000 churches with about 7,000,000 members. His friends in Congress will rejoice.
>
> With deep appreciation personally,
> JAMES P. WESBERRY.

I am sure, Mr. Speaker, all of us appreciate this recognition and honor that has come to our colleague.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. BOSONE (at the request of Mr. CLEMENTE), for May 25, on account of official business.

To Mr. WAGNER, for 1 day, on account of serious illness in family.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks.

Mr. JUDD asked and was given permission to extend his remarks in two instances and in each to include extraneous material.

Mr. MITCHELL asked and was given permission to extend his remarks and include an editorial.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. HARE (at the request of Mr. MCMILLAN of South Carolina) was given permission to extend his remarks and include a speech he delivered.

Mr. REES asked and was given permission to extend his remarks and include a newspaper article.

Mr. CASE of South Dakota (at the request of Mr. LOVRE) was given permission to extend his remarks and include an address by Maj. Gen. Thomas D. White.

Mr. McCULLOCH asked and was given permission to extend his remarks and include an editorial.

Mr. DONOHUE asked and was given permission to extend his remarks and include extraneous matter.

Mr. SADOWSKI (at the request of Mr. RABAUT) was given permission to extend his remarks in five instances and in each to include extraneous matter.

Mr. PRICE asked and was given permission to extend his remarks and include an editorial from the St. Louis Post-Dispatch.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes on Monday next and on Thursday next, following the legislative program and any special orders heretofore entered.

MEMORIAL DAY ADDRESS

Mr. FELLOWS. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. FELLOWS. Mr. Speaker, how else are you going to deliver a Memorial Day speech unless you walk in like this and ask for the time? Nobody has invited me to speak on Memorial Day. This is what I would deliver if I had been asked to deliver a Memorial Day speech.

As we strew with flowers the graves of those to whom freedom and liberty meant more than life, let us on Memorial Day pray with the poet—

> Wake in our breasts the living fires,
> The holy faith that warmed our sires;
> Thy hand hath made our Nation free;
> To die for her is serving Thee.

In doing honor to the memory of those men and women who, by their sacrifices, call to our attention that true liberty is beyond price, let us recognize that to such Americans as they the flowers and the flags will be but empty tribute

if we fail to rededicate our hearts and minds to those sublime truths which they held so dear.

This country was founded on faith, not fear. And that faith of our fathers was a wholesome thing. It was a faith in God—a faith that right makes might. It was the faith that casts out fear. It was at once our refuge and our strength.

Our fighting forces won the war. That was in 1945. In this year 1950, those hopes that were high in the fall of 1945 have been dashed by recent developments. Our diplomacy has nullified our victory. If there is any lesson this state of affairs should teach, it is the fallibility of man, and the mistake of placing our faith in things material. As a nation, even as individuals, we have come to assume that the dollar is the answer to all problems, and our diplomats seek to cement the victory won by our armed forces with cash, while peace terms remain unwritten.

Many of us have reached an age where we frequently may be heard to say, "I'll never live to see" certain things come to pass. Many will not live to see another war. More will not live to see the world at peace, even temporarily. But to all of us who have children or grandchildren the future of this country is a matter of grave concern. Normal adults are not easily influenced by the un-Godly and Godless teachings of those who have been referred to as social coercionists. But the youngsters of our Nation must be saved from the subversive efforts of the planners and plotters, and the strange and alien philosophies that have been allowed to take root in our schools and our Government since the beginning of the century must be weeded out by our homes and churches. More alarming than the knowledge that others possess the secret of the atom bomb is the record of failure to stockpile spiritual resources.

We have more houses than in 1900, but fewer homes.

We have better school buildings, but no greater wisdom.

We have labor- and time-saving devices unknown 50 years ago, but find no more opportunity to be with our children.

We have gained in pecuniary wealth and lost in sense of values.

Let us teach our children what our parents taught us—that life is not a gift but a loan, and that faith and freedom come as the result of study and work, as do most worth-while things of life. A prudent jealousy for our freedom is a healthy thing. Because of his strength, speed, grace of motion, sense of direction, and lack of fear—which enable him to cruise the airways freely—the eagle is the symbol of our country. Powerful wings lift him to the heights to which neither man nor eagle may reach without freedom. Injury to one of those powerful wings upsets the bird's equilibrium, cuts his speed, makes his motions awkward. So with our Government.

In recent years great emphasis has been put on the left wing. Now, if too much pressure is applied to the eagle's left wing, one of two things occurs—he turns bottom side up or he revolves in circles. If assured against pursuit by other denizens of the air—if promised food will be his without his hunting—if necessity for exercise of initiative and responsibility is absent, he will become like a parrot. Confined in a cage—perhaps chained to a perch—he is saved all worry as to sustenance, but that freedom to coast on the wind and flaunt his speed and strength he has exchanged for the certainty of applause when he jeers the family cat, and a cracker when he whistles.

We frequently hear complaints that one is too conservative, or, let us say, too far to the right. But so long as there are those elements in our country—in schools and in government—so very far to the left, just so long will it be necessary to work hard at keeping our country, like the eagle, in balance.

It has been said that a mother is not one on whom to lean, but one who makes leaning unnecessary. One who leans, whether on a parent or on a government, soon loses the ability to walk alone, and the increasing tendency of individuals to resort to the state for aid and guidance in solving personal problems, like the Government's assumption of omnipotence and omniscience is fast leading us down the road to a chaos of financial and moral bankruptcy.

Those founding fathers who fought in 1776 knew poverty and suffering. That the system they established had imperfections they realized. But they had a consuming desire to insure the freedom of the individual to manage and improve his own private affairs—to worship God in his own way—to keep the reins of government in his own hands. That even our country would never be altogether free of poverty, unhappiness, and suffering they knew, but they knew too that poverty, unhappiness, and suffering are comparative terms. And history, of course, discounted the idea that man-made government could cure all man-made ills.

Thousands of volunteers in the last century and a half have found the things their forebears stood for worth defending, and millions of people from the Old World continue to beseech admission at our national doors, like small boys trying to crawl under the tent of the greatest show on earth.

There is not a man or woman in America who is not concerned with the public welfare. There is a growing tendency to standardize it, however. Pursuit of happiness as an occupation seldom leads to mental, moral, or economic security. That persons who stays on his job, doing it as best he may, saves the necessary energy to grasp happiness when it overtakes him. What the ultra-liberal conceives to be the ingredients of happiness and welfare he would have the Government undertake to furnish each citizen. Material things all! A balanced diet, including spinach and carrots—which few crave—a modern home, with hot and cold running water, garbage disposal unit, so many cubic feet space per person, and a nearby supervised playground for children, with free motor transportation to schools presided over by teachers with college degrees. All this as insurance of health, welfare, and happiness.

It reminds me of a broadcast to which I listened recently, where success was discussed. Amazingly, everyone on the panel thought of success only in terms of material things. Is it then surprising that our mental institutions are full of frustrated souls, and our streets gloomy with wrinkled foreheads and black-rimmed eyes?

What are our parents, teachers, and churches teaching?

As parents we fail to instill the faith of our fathers, to give our children a true sense of value.

As teachers we urge education as a means to higher earning power, but neglect to point out another measure of success.

Our churches too often neglect the fundamental truths for sociological discussions.

Contracts, whether between man and wife, labor and industry, individuals or governments, are honored when it appears profitable, and too frequently bribery rather than diplomacy becomes the instrument of negotiations between countries. The result of all this is loss of respect for and faith in humanity. Somewhere along the way we have not been given access to fresh stores of faith at which to replenish the losses incident to ordinary living.

Do not let anyone convince us that all is well; that the state of the Union is good; that what we need is socialized medicine, free trade, more Federal aid for local undertakings and economic and arms assistance to foreign countries to insure so-called public welfare. Socialized medicine has been tried in Britain and has failed miserably from every standpoint. It would fare no better here.

Lack of tariffs to protect our products produced by highly paid workers from competition of imports is already threatening employment in agriculture and fisheries, and in our shoe, cotton, and pulp industries. Greater Federal aid to States that are as well or better able to furnish the money means greater taxes, debt, and inflation. And the billions we have sent and continue to pour into foreign countries make us no friends.

Ten out of twelve persons today would give as their chief cause of worry the threat to world peace. Their mental health is disturbed because of the seeming lack of moral health throughout the globe.

So I respectfully suggest that this coming week we take time to do something other than wave flags and make speeches in memory of our soldiers, sailors, marines, and airmen. That their sacrifices may not have been in vain, let us face the facts.

These United States support a national debt so colossal that it is beyond our ability to visualize such a sum.

The country staggers under a budget so huge it requires deficit spending, although there is no shooting war.

Under the guise of seeking our welfare there are influences ceaselessly working to take from us the privilege and right of spending our own earnings.

On the local level, any attempt to ferret out disloyalty is thwarted by the calling out of all the forces of Government to discredit those who seek to make our country secure.

Respect for our flag is at such low ebb that our airplanes are shot from the skies and our protests are disregarded. And those who accept our funds, rightly refuse to honor those who would put a cash price on the great intangibles—love, loyalty, liberty, faith, truth, friendship.

If those boys and girls whose fine bodies and high hearts today rest beneath the new green of waving grass and the bright stripes and stars of their country's flag were here today, I sincerely believe they would warn us: "Each to your battle station. Take up your burden. Assume your allotted task. Seek the truth that you may meet the somber challenge crowding down upon you from every corner of the country and every spot upon the globe. Your material world will crash about you unless there is a rededication to the sublime truths on which our great Nation was founded."

It was Jesus who said, "Ye shall know the truth, and the truth shall make you free."

It was someone else within recent years who said, "Who keeps the truth from the people stands in the way of God."

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. JENISON] is recognized for 10 minutes.

LOUIS DOLIVET

Mr. JENISON. Mr. Speaker, it is certainly an anticlimax to stand up here in the well and follow such an inspiring address as we have just had the privilege of hearing with the factual presentation I have before me. Perhaps the inspiring words of the gentleman from Maine may all the more apply to the matter which I wish to call to the attention of my colleagues.

Mr. Speaker, it has come to my attention that there is pending before the Bureau of Immigration a very unusual application for American citizenship. I want to call it to the special attention of my colleagues and to the Bureau in the hope that a very thorough investigation and hearing will be given the application of this man before any action is taken. It is also to be assumed that the State Department would be interested in going very thoroughly into his background and past activities and avail itself of the considerable dossier believed to be in the FBI files. For the benefit of my colleagues, I should like to give a brief résumé of the information I have been able to obtain about this petitioner.

On June 11, 1946, Louis Dolivet made application for American citizenship under section 701 of the Nationality Act of 1940 as amended, termination date of which has been extended several times. As you know, this act permitted the naturalization of aliens who had been in the United States and served honorably with the Armed Forces, without declaration of intention, without certificate of arrival, without specified residence in the United States. Petition for citizenship under this section had to be accompanied by the affidavits of at least two credible witnesses, citizens of the United States, stating that each such witness personally knew the petitioner to be a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States. Military service could be proved by either affidavits of two United States citizens who were former members of the Armed Forces, or by authenticated copies of the record of the executive department having jurisdiction of the petitioner's record.

Let me tell you something about Louis Dolivet, who still wants to become an American citizen under this law. On October 8, 1943, he was inducted into the Army while in this country on a temporary visitor's visa. On that same day he was transferred to the Enlisted Reserve Corps. On October 29, 1943, he reported for active duty. Less than a month later, on November 23, 1943, he was discharged from the Army. Since he has based his application for citizenship on this 25 days' service, it is to be presumed he was given an honorable discharge. However, I have been unable to find this out, nor why during wartime, he was given an honorable discharge after such short service.

Mr. Dolivet's two witnesses who attested to his good moral character are listed with the Bureau of Immigration as Jackson Leighton, assistant publisher, 71 Washington Place, New York City, and his then wife, Beatrice S. Dolivet, Old Applegreen, Old Waterbury, N. Y. As provided in section 701, they had to swear that they knew of his good moral character, that he was attached to the principles of the Constitution of the United States, and that he was well disposed to the good order and happiness of the United States. So far as I have been able to ascertain from the Bureau of Immigration, no investigation has yet been made as to the credibility of these two witnesses. However, in view of his record which I shall touch upon, undoubtedly they should be questioned. Also, Mrs. Dolivet may not be so positive as to his character at this time, since she divorced him in Reno on May 24, 1949.

It might be interesting at this point to note that Mr. Dolivet has been in and out of this country innumerable times, and until October 13, 1947, always on visitor's visas. This has been true at least from July 1941, when he was noted by the New York Times as speaking to the International Free World Association, and at the time of his marriage to Beatrice Whitney Straight in February 1942, he was mentioned by the New York Times as being secretary general of that organization, as well as the coeditor of its magazine, the Free World. However, on October 13, 1947, he changed his status, and from that time has gone to and fro as a United Nations official with diplomatic immunity.

At the present time, Mr. Dolivet is not only accredited to the United Nations, but he is international editor and a member of the board of directors of the United Nations World, formerly the Free World. This is a privately financed publication which reports and interprets the work of the United Nations and which is widely distributed within foreign countries as well as the United States. Dolivet's position in the United Nations World is an unusually influential one in that he is allowed a very free hand in the determination of editorial policy and content. His position with the United Nations is reported to be as consultant with that part of the UN Secretariat which is concerned with publications and informational handbooks. Because of Dolivet's position as noted above and his connection in the United States and abroad, he is in a position to do a considerable amount of harm to the interests of the United States and would be able to wage a skillful and effective campaign from within our borders which can have far-reaching effects. Certain articles which have appeared recently in the United Nations World are regarded as containing dangerous distortions of the truth and to be very misleading to world public opinion. At least one of these articles on the so-called Gromyko plan was the subject of extensive comment and publication in important newspapers both here and abroad.

A certain State Department official described Dolivet as a very dangerous Stalinist agent and a member of the international Communist apparatus Witness No. 8, when testifying before a Senate Judiciary Subcommittee on July 23, 1949, described Louis Dolivet, previously a Rumanian citizen, presently international editor of United Nations World, as a liaison of the Communists with the United Nations Secretariat. Witness No. 8 also testified that all the archives and papers of the Secretariat were accessible to Mr. Dolivet.

Perhaps it is only coincidence that one of Mr. Dolivet's character witnesses is listed as Jackson Leighton, assistant publisher, and that Jackson Leighton is listed in 1950 as executive director of United Nations World.

I am presenting herewith a translation of an article from the French magazine, La Revue Parlementaire, dated December 15, 1949, which gives an excellent account of Dolivet's earlier pro-Soviet activities, written by a man whose integrity has been vouched for to me. Much of the material the article contains has been checked and verified. In particular, his connection with the late Willy Muenzenberg, the former German Communist with whom Dolivet worked in France during the late thirties, has been well documented with material from several different sources:

I have had the occasion of knowing personally one of these agents in Paris, especially in 1933. He was a native of Rumania, Ludwig Brecher, who at that time called himself Udeanu, and who finally became, in his most recent incarnation, M. Louis Dolivet.

I was at that time editor of Monde, the weekly published by Henri Barbusse, and I

endeavored to prevent the seizure of the paper by the French Communist Party. Unfortunately, my colleagues of the editorial board and I only had our pens at our service. Thus the French Communist Party succeeded in its attempt; we had to leave the paper, which survived our departure by only a few months, for in the process of changing its orientation it very quickly lost all its readers. The principal instrument of this suppression of an independent paper, which refused to obey the Communists, was M. Udeanu-Brecher-Dolivet. He planted himself in the printing plant and pretended to exercise a censorship over our articles by eliminating all which could harm the U. S. S. R. and finally he succeeded in eliminating all the rebels.

Udeanu-Dolivet, who began his political career at Geneva in the pro-Soviet socialist circles of M. Leon Nicole, participated successively in the organization of the antiwar congress at Amsterdam (August 1932), in the similar movement at Amsterdam-Pleyel (1933), in the World Committee for the Struggle Against War and Fascism, and finally in 1935 in the Universal Rally for Peace (RVP—Reassemblement Universel pour la Paix), all party undertakings with Communist cadres, led by those Communist agents who, behind the scenes, pulled all the strings after being certain of the competition of the nobles, bishops, ministers, former ministers or those aspiring to be ministers, and writers in search of new emotions, which were designated as recruiting sergeants by Moscow.

There was not one of these projects in which Udeanu-Dolivet did not play a part. His superior in this technique was Willy Münzenberg, at the time when the latter, who had left Germany after the coming of Hitler to power, was transferred to France. To be exact, at this time Münzenberg was still in complete accord with Moscow, with whom he broke in the end, especially after the Russian-German Pact (1939). A trip to Russia at the end of 1934 presented Udeanu-Dolivet with an occasion to make direct contact with Soviet circles. It was about this time or a little after that Udeanu met, by being close to Münzenberg, the Swedish banker Olaf Ashberg, who had for a long time been a very active financial agent of the Soviets. Ashberg in his memoires, which appeared in Stockholm in 1946, named Udeanu-Dolivet and published his photograph, which leaves no doubt as to his identification.

In 1934–35 Udeanu-Dolivet wrote several articles in the organ of World Committees for the Struggle, etc., which was called World Front. In his articles the author interpreted all about the principal idea: The defense of the Soviet Union at any price. For the defense he invoked the masses in all countries, which should impose the Soviet foreign policy on their respective governments. In direct connection with the line of the French Communist Party and with its successive changes, he came out against the extension of French military service to 2 years in March 1935; this law required by the merchants of death—and in his opinion it was easier to fight against war than it was in 1914, since at the present time there is the Soviet Union, the bulwark of the policy for peace. He denounced with indignation American finance capital which under the pretext of neutrality wishes to bring off the same activities and for the same beneficiaries that it did during the First World War.

These citations could be added to, but it is not worth the trouble. Udeanu-Dolivet had a few difficulties in 1937–38, following allegations of embezzlement of funds in the RVP and in the subscriptions for Spain. One of his most implacable accusers was Francis Jourdain. Udeanu-Dolivet's administration was in any case extremely confused; in such matters he was the personification of disorder. He became a naturalized Frenchman in 1937 under the Popular Front; he was designated a sergeant in the Ministry of Air, where his great friend, Pierre Cot, had retained many connections. After the debacle, he embarked at Marseille for America, which permitted him to save his position as well as his skin.

He found there his old friend the banker, Ashberg, and also Pierre Cot, and founded with him a magazine, Free World, which finally became United Nations World, whose pro-Soviet leanings are the same as Tribune des Nations, which appears at Paris. Udeanu-Dolivet has been with Pierre Cot (always Pierre Cot), one of the sponsors in France of Henry Wallace, the exploitation of whom by the French Communist Party is remembered.

This article is signed by A. Rossi.

Questions which raise themselves about this petitioner seem to be:

Why was there such a lag in time between his Army service in 1943 and his petition for citizenship in 1946?

What is the reason no hearing has been held on his petition these last 4 years, since under section 701 it could be held immediately and heard in any court having naturalization jurisdiction?

Why has the credibility of his witnesses not been investigated?

Since he always traveled under temporary visitor's visas, or more recently with diplomatic status, does any Federal authority know when this petitioner comes or goes? Or where?

How does an alien in this country on a temporary visitor's visa take a job such as Dolivet did when he was coeditor and secretary general of Free World in 1942?

Who and what is behind all these obviously special privileges granted Dolivet?

Was not Dolivet named by Alger Hiss in his letter to Noel Field as the man who would be interested in publishing Field's reports on eastern Europe?

Has the Communist record of Louis Dolivet, also known as Ludwig Brecher, been investigated? Is it known to the State Department?

Who recommended him to his present post with the United Nations?

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. First I want to say that the gentleman from Illinois is making a very fine statement on this individual. This case ought to have the attention of the FBI, and certainly the State Department. I wonder if the gentleman can tell us how this man got into the Army and out of the Army in such a short time.

Mr. JENISON. I will be very happy to say to my colleague from Wisconsin that that is one of the first questions that occurs to one in investigating a case of this sort, and to date there has been a very large and ominous note of silence from the agencies involved as to that incident.

Mr. SMITH of Wisconsin. Is not that information available in the Adjutant General's office?

Mr. JENISON. It is available there, as it should be, but it has not been revealed to us.

Mr. SMITH of Wisconsin. Has the gentleman made inquiry?

Mr. JENISON. We have made inquiry and we have been advised that it is confidential and cannot be released to us.

Mr. SMITH of Wisconsin. I understand that he is still an alien, and yet has free access to move about the United States by virtue of his identification with the United Nations Organization.

Mr. JENISON. I might say to my colleague from Wisconsin, not only does he have that privilege but he has access to such information as ought to be in a classified status and is available to him, apparently, when it is not available to the representatives of the people of the United States.

Mr. SMITH of Wisconsin. His application for citizenship was based upon a special regulation for one who has been in the service; is that true?

Mr. JENISON. His application seems to be based on the fact that he served in the United States forces, even though that service was of less than 30 days' duration.

Mr. SMITH of Wisconsin. He was inducted in October and discharged in November.

Mr. JENISON. Some 25 days later, and with no explanation whatsoever. I think perhaps the GI's of the Nation would be very much interested in knowing how some men can get out of the service in 25 days when others were required to spend 3 and 4 years fighting the battles of their country all over the world.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield to my colleague from Illinois.

Mr. PRICE. I think the gentleman has made a very fine presentation. If this man was in the Army for only 25 days, I do not know of any law that would qualify him for any sort of preference as a veteran or member of the armed services. To the best of my recollection, you have to serve at least 90 days before you are entitled to any preference or benefits under any law we have enacted here in the Congress.

Mr. JENISON. I thank the gentleman.

Mr. PRICE Would that apply also to the particular law that gives this man preference in applying for citizenship?

Mr. JENISON. I thank the gentleman from Illinois for raising that question, for I have raised the same question, and section 701 does not specify a definite time of service.

Mr. SMITH of Wisconsin. Has the gentleman made inquiry about that?

Mr. JENISON. We have pursued this investigation through every source available.

Mr. SMITH of Wisconsin. They actually do not give you much information, do they?

Mr. JENISON. It boils down to that. There is a black cloud of silence hovering over every agency that might give us information about this particular case, and I think my colleagues should know why we have not had any answer.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that

the gentleman be permitted to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, if the gentleman will yield further, can the gentleman tell us anything about Dolivet's alleged Communist affiliations? Has he been identified, for instance, with certain cells or groups who have been charged as being communistic?

Mr. JENISON. The record of this particular individual, I might say, is replete with affiliations dating back as far as 1933. They have been documented by sources of unquestioned integrity. I have included in the RECORD, with the permission of the House, a translation of an article appearing in a current French magazine, dated December 15, 1949, which gives a complete account of his earlier pro-Soviet activities, written by a man whose integrity has been vouched for to me.

Mr. SMITH of Wisconsin. Has the Committee on Un-American Activities of the House had this information?

Mr. JENISON. I am unable to answer that question, but it is my intention to turn this information over to the House Committee on Un-American Activities with the hope that that body may succeed where individuals up to date have failed.

Mr. SMITH of Wisconsin. I hope the gentleman does that. I want to compliment him again on bringing this matter to our attention.

Mr. JENISON. I thank the gentleman.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield.

Mr. HOFFMAN of Michigan. Will the gentleman tell us again what position this gentleman holds, and by what authority?

Mr. JENISON. Apparently the UN confirmed his request for diplomatic status, but we do not know his exact position; but the other position he now holds is international editor of the magazine that is now used as a publicity soundingboard for the United Nations and spread throughout not only this country but the world, as accounting for the activities of the United Nations.

Mr. HOFFMAN of Michigan. Is he an agent or officer of the United Nations, or does he work under their direction?

Mr. JENISON. He has a diplomatic connection with the United Nations. I am unable to say whether he is an employee of the United Nations. That is one of the questions I should like to have the House Committee on Un-American Activities pursue further.

Mr. HOFFMAN of Michigan. Where does he get his money, if he gets any?

Mr. JENISON. That would be a very interesting question.

Mr. HOFFMAN of Michigan. The gentleman means he has not been able to discover that?

Mr. JENISON. I have not been able to discover the source of his salary as such. I suspect very much it is the taxpayers of the United States.

Mr. HOFFMAN of Michigan. Does he work out of this United Nations city or territory up here in New York?

Mr. JENISON. I am advised that they work physically on the site of the offices of the United Nations.

Mr. HOFFMAN of Michigan. That is a little territory within our country?

Mr. JENISON. The little world within the world in New York.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield to the gentleman from New York.

Mr. KEATING. I want to commend the gentleman for bringing this serious matter to the attention of the Members of the House. Do I understand from the gentleman that these facts and this record of the man the gentleman is describing here have been brought to the attention of our Department of Defense by the gentleman or someone else?

Mr. JENISON. They have been brought to the attention of the Bureau of Immigration, and they have been brought to the attention of the State Department.

Mr. KEATING. From neither the Department of State nor the Bureau of Immigration has the gentleman been able to get any information of a substantial character about what is going on with regard to this?

Mr. JENISON. We have been unable to obtain any information as to why there has been delay and delay and delay in acting on this case, in which there is so much evidence to indicate that matters adversely affecting the Nation may be at stake.

Mr. SMITH of Wisconsin. If the gentleman will permit an observation, when this matter was called to my attention I made inquiry of the State Department and after waiting at least 3 weeks was informed indirectly that this was a highly secretive matter, a matter that the FBI was working on. I was referred to the FBI. I then contacted the FBI, and they said, "Strange; we don't know about it," except that he had an application on file for citizenship.

There is something funny between State and the FBI on this.

Mr. JENISON. I want to express my appreciation to the gentleman from Wisconsin for his help to me in trying to run down this matter and to confirm the observation he has made of the silence—the ominous silence on the whole matter, on the part of departments that should have this whole thing at their fingertips.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield.

Mr. HOFFMAN of Michigan. Is this the situation, then, that while on yesterday we passed a law requiring the registration of all the young men of the land, so that they would be available for military service, and while other branches of the Government are, you might say, mobilizing our industry and our resources, that this man is in this country having previously had connection with or been working for the Communists and is permitted to remain here in a position where he can get information as to what we are doing in preparing for any aggression that Russia might bring about?

Mr. JENISON. The gentleman is exactly correct. That is exactly the situation.

Mr. HOFFMAN of Michigan. Does not that seem a rather strange position for our Government to take—to draft or get ready to draft young men everywhere and send them everywhere in the world to fight and then right here at home in New York, to let this man who has a record of affiliations with the Communists stay here and know what we are trying to do in our plans?

Mr. JENISON. It is most discouraging. It should result in our revitalized effort to protect our own people here at home.

Mr. SMITH of Wisconsin. This man has also been using a number of different names, has he not? How many different names has he used since he has been here?

Mr. JENISON. To date I have documentary proof of only two. But the difficulty of trailing a person through his activities on the European scene from the period from 1930 to 1940 gives sound basis for suspicion that there may be others.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. JENISON. I yield.

Mr. KEATING. Can the gentleman from Illinois or the gentleman from Wisconsin, who also apparently is somewhat familiar with this case, tell us whether this man is now here under some diplomatic immunity? Did I understand the gentleman to say that?

Mr. JENISON. The situation is that he came here under a temporary visa which seems to have been renewed and renewed, and then, upon application for citizenship, the whole matter has been frozen in silence.

Mr. KEATING. The gentleman somewhere in the course of his remarks spoke of some diplomatic immunity.

Mr. JENISON. The diplomatic immunity seems to come from his association with his present activities with the United Nations. I challenge its legality, but I concede its effectiveness.

Mr. KEATING. Apparently, it is effective, whatever the nature of that relationship is, but I wondered whether the Department of State was also silent upon the existence of this diplomatic privilege or whether that question has been addressed to them at all.

Mr. JENISON. Let us say that the Department of State has been silent—period. And it is to call it to their attention in public and to bring the matter before the House Committee on Un-American Activities and to advise my colleagues of the rather serious nature of this individual case that I have taken this time.

Mr. HOFFMAN of Michigan. Is it correct to assume, then, that this man who is suspected, and with good reason, of working for the Communists is here because either the immigration authori-

ties or the Department of State do not oust him?

Mr. JENISON. That is certainly a statement of fact—he is here and has not been ousted.

Mr. HOFFMAN of Michigan. Then what that amounts to is that either the Department of State or the Immigration Authorities are protecting him and keeping him here.

Mr. JENISON. He most certainly has been kept here, I will say to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. My constituents write me from week to week and they say, "Here is a man who you say is a Communist, or unfit or unpatriotic and is engaged in subversive activities. Why do you not get rid of him?"

Now, what can I answer them? I have to say, "Well, the administration or some one of the executive departments is keeping him here." What can I do? I have to say something. Then they say, "We are not going to send you down to Congress unless you get rid of these subversive boys."

Mr. JENISON. I yield to the gentleman from Michigan, acknowledging his greater capacity to answer his own question.

Mr. HOFFMAN of Michigan. I tell them that they will have to get a new President, or a completely new executive branch of the government, with new department heads. That is the only thing I can tell them.

Mr. JENISON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and also to extend my remarks in the Appendix of the RECORD and include some other material.

The SPEAKER pro tempore (Mr. ELLIOTT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7635. An act to amend the Armed Forces Leave Act of 1946, as amended, to provide graduation leave upon appointment as commissioned officers in the Regular components of the Armed Forces of graduates of the United States Military, Naval, or Coast Guard Academies; and

H. J. Res. 476. Joint resolution making temporary appropriations for the fiscal year 1950, and for other purposes.

The SPEAKER pro tempore announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 183. Joint resolution to suspend the application of certain Federal laws with respect to attorneys and assistants employed by the Subcommittee on Reconstruction Finance Corporation of the Banking and Currency Committee of the Senate in connection with the study ordered by Senate Resolution 219, Eighty-first Congress, second session.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until Monday, May 29, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1476. A letter from the Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to authorize and provide for the maintenance and operation of the Panama Canal by the present corporate adjunct of the Panama Canal, as renamed; to reconstitute the agency charged with the civil government of the Canal Zone; and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1477. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to establish two additional offices of Assistant Secretaries of Agriculture and office of an Administrative Assistant Secretary of Agriculture, and for other purposes"; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on the District of Columbia: H. R. 8578. A bill authorizing loans from the United States Treasury for the expansion of the District of Columbia water system; without amendment (Rept. No. 2133). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. H. R. 1854. A bill for the relief of Kenneth Everard Hadfield; without amendment (Rept. No. 2126). Referred to the Committee of the Whole House.

Mr. GOSSETT: Committee on the Judiciary. H. R. 5016. A bill for the relief of Mrs. Virginia Dalla Rosa Prati and her minor son, Rolando Dalla Rosa Prati; with amendment (Rept. No. 2127). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H. R. 5470. A bill for the relief of Joseph A. Haddad; with amendment (Rept. No. 2128). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R 7812. A bill for the relief of Martha Aporta Strickland; without amendment (Rept. No. 2129). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 977. An act for the relief of Jacques Yedid, Henriette Yedid, and Ethel Danielle Yedid; without amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1693. An act for the relief of Karin Margareta Hellen and Olof Christer Hellen; without amendment (Rept. No. 2131). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2156. An act for the relief of Sister Edeltrudis Clara Weskamp; without amendment (Rept. No. 2132). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. S. 404. An act for the relief of Emma L. Jackson; without amendment (Rept. No. 2134). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 784. An act for the relief of the First, Second, and Third National Steamship Cos.; without amendment (Rept. No. 2135). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. H. R. 2600. A bill for the relief of Ralph Dunsmore; with amendment (Rept. No. 2136). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5849. A bill for the relief of Samuel M. Kornegay; without amendment (Rept. No. 2137). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 5960. A bill for the relief of Lt. Comdr. Evan L. Krogue; without amendment (Rept. No. 2138). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 7253. A bill for the relief of Charles Wilson Roland and Mirtie L. Roland; with amendment (Rept. No. 2139). Referred to the Committee of the Whole House.

Mr. DENTON: Committee on the Judiciary. H. R. 7944. A bill for the relief of Mr. and Mrs. Albert Chandler; without amendment (Rept No. 2140). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 8519. A bill for the relief of the estate of Archer C. Gunter; with amendment (Rept. No. 2141). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TABER:

H. R. 8642. A bill to amend Veterans' Preference Act of 1944, as amended, to provide for designated representatives thereunder of certain veterans' organizations; to the Committee on Post Office and Civil Service.

By Mr. TABER (by request):

H. R. 8643. A bill to amend section 207, title II, part 1, Public Law 601, Seventy-ninth Congress, approved August 2, 1946; to the Committee on Armed Services.

By Mr. HELLER:

H. R. 8644. A bill to assist the States in establishing and maintaining recreation day centers for older persons, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON:

H. R. 8645. A bill to authorize and expedite the construction of family quarters needed at permanent military installations by authorizing the Secretaries of the military departments to contract for the construction of family quarters and to apply the occupants' basic allowances for quarters to the payment of the cost of construction provided that no monthly payment for any unit shall be less than $75, and for other purposes; to the Committee on Armed Services.

By Mr. TEAGUE:

H. R. 8646. A bill to amend the National Service Life Insurance Act of 1940 to provide that such act shall be centrally administered; to the Committee on Veterans' Affairs.

H. R. 8647. A bill to establish an Interagency Hospital Commission for the promotion of efficiency and economy in the operation of hospitals of the United States; to the Committee on Expenditures in the Executive Departments.

By Mr. WINSTEAD:

H. R. 8648. A bill to amend the Internal Revenue Code to allow deduction of certain premiums paid for life and fire insurance in computing income tax; to the Committee on Ways and Means.

By Mr. FELLOWS:

H. R. 8649. A bill to rescind the order of the Postmaster General curtailing certain postal services; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of Michigan:

H. R. 8650. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for additional personnel engaged in hazardous occupations; to the Committee on Post Office and Civil Service.

By Mr. PETERSON:

H. R. 8651. A bill granting compensation to certain disabled employees of draft boards; to the Committee on Armed Services.

By Mr. REED of New York:

H. J. Res. 480. Joint resolution extending the time for the release, free of estate and gift tax, of certain powers; to the Committee on Ways and Means.

By Mr. VINSON:

H. Res. 617. Resolution authorizing and directing the Committee on Armed Services to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. CARROLL:

H. R. 8652. A bill for the relief of Setsuko Ogawa Tapper; to the Committee on the Judiciary.

By Mr. GOLDEN:

H. R. 8653. A bill for the relief of Fumie Kawamoto; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 8654. A bill for the relief of Antranik Hovsepian; to the Committee on the Judiciary.

By Mr. MICHENER:

H. R. 8655. A bill for the relief of Toshiko Kikyo and Francis Kikyo; to the Committee on the Judiciary.

SENATE

FRIDAY, MAY 26, 1950

(Legislative day of Wednesday, March 29, 1950)

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

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

Our Father God, in the brooding silence of this still moment, may open windows of faith flood our gloom with light, that in Thy sunshine's blaze our day may brighter, fairer be. Even as we come to the altar of prayer our minds are plagued with questions we cannot answer, as to how humanity, with the dread secrets of nature in its fumbling hands, can live on this planet in peace and security. O God, the answers for which we gropingly seek in the darkness of our own devices are hidden in Thy heart.

Give us, we pray Thee, inner greatness of spirit and clearness of vision to meet and match the large designs of this demanding day, that even amid the tensions of human relationships we may keep step with the drumbeat of Thy truth which is marching on. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MYERS, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 25, 1950, 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 on May 25, 1950, the President had approved and signed the following acts:

S. 1145. An act for the relief of Persephone Poulios;

S. 2071. An act for the relief of Mrs. Alice Willmarth;

S. 2258. An act for the relief of Dr. Apostoles A. Kartsonis;

S. 2308. An act for the relief of William Alfred Bevan;

S. 2427. An act for the relief of Masae Marumeto;

S. 2431. An act for the relief of Sumike Kato;

S. 2443. An act for the relief of Mrs. Georgette Pensard;

S. 2568. An act for the relief of Carmen E. Lyon; and

S. 3122. An act to authorize the Secretary of the Navy to convey to the Goodyear Aircraft Corp., Akron, Ohio, an easement for sewer purposes in, over, and across certain Government-owned lands situated in Maricopa County, Ariz.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5990. An act to provide for the construction, development, administration, and maintenance of the Baltimore-Washington Parkway in the State of Maryland and its extension into the District of Columbia as a part of the park system of the District of Columbia and its environs by the Secretary of the Interior, and other purposes;

H. R. 6278. An act to make cancer and all malignant neoplastic diseases reportable to the Health Officer of the District of Columbia;

H. R. 7623. An act relating to members of the District Boxing Commission who are retired members of the Metropolitan Police Department;

H. R. 7662. An act to amend the act entitled "An act to regulate boxing contests and exhibitions in the District of Columbia, and for other purposes," approved December 20, 1944;

H. R. 7695. An act to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force; and

H. R. 8578. An act authorizing loans from the United States Treasury for the expansion of the District of Columbia water system.

LEAVES OF ABSENCE

On request of Mr. MYERS, and by unanimous consent, Mr. LONG was excused from attendance on the sessions of the Senate until Thursday of next week.

On his own request, and by unanimous consent, Mr. THYE was excused from attendance on the sessions of the Senate from the close of today's session until June 2 at possibly 3 o'clock in the afternoon.

CALL OF THE ROLL

Mr. MYERS. 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:

Anderson	Holland	Myers
Benton	Humphrey	Neely
Brewster	Ives	O'Conor
Bridges	Jenner	O'Mahoney
Byrd	Johnson, Colo.	Pepper
Cain	Johnson, Tex.	Robertson
Capehart	Kem	Russell
Chapman	Kilgore	Saltonstall
Connally	Knowland	Schoeppel
Cordon	Langer	Smith, Maine
Darby	Leahy	Smith, N. J.
Donnell	Lehman	Sparkman
Douglas	McCarran	Stennis
Dworshak	McCarthy	Taft
Eastland	McClellan	Taylor
Ecton	McFarland	Thomas, Utah
Ellender	McKellar	Thye
Ferguson	McMahon	Tydings
Fulbright	Magnuson	Watkins
George	Malone	Wherry
Gillette	Martin	Wiley
Hayden	Maybank	Williams
Hendrickson	Millikin	Withers
Hill	Mundt	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from South Carolina [Mr. JOHNSTON], the Senator from Louisiana [Mr. LONG], and the Senator from Oklahoma [Mr. THOMAS] are absent by leave of the Senate.

The Senator from California [Mr. DOWNEY] and the Senator from North Carolina [Mr. GRAHAM] are absent because of illness.

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

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business as a member of a subcommittee of the Committee on Foreign Relations investigating the security program of the Department of State and its foreign establishments.

The Senator from North Carolina [Mr. HOEY], the Senator from Wyoming [Mr. HUNT], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], and the Senator from Illinois [Mr. LUCAS] are absent on public business.

The Senator from Montana [Mr. MURRAY] is necessarily absent.

Mr. SALTONSTALL. I announce that the senior Senator from Vermont [Mr. AIKEN], the Senator from Ohio [Mr. BRICKER], and the junior Senator from Vermont [Mr. FLANDERS] are necessarily absent.

The Senator from Nebraska [Mr. BUTLER] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from South Dakota [Mr. GURNEY], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Oregon [Mr. MORSE], the Senator from Michigan [Mr. VANDENBERG], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.