to the Committee on Interstate and Foreign Commerce.

By Mr. MITCHELL:

H. R. 4176. A bill to establish a program of grants-in-aid to assist the States to provide maternity and infant care for the wives and infants of enlisted members of the Armed Forces during the present emergency; to the Committee on Armed Services.

By Mr. NELSON:

H. R. 4177. A bill to fix a reasonable definition and standard of identity of lobsters; to the Committee on Interstate and Foreign Commerce.

By Mr. REECE of Tennessee:

H. Con. Res. 109. Concurrent resolution expressing the sense of the Congress that Greece, Turkey, and Spain should be invited to become parties to the North Atlantic Treaty and members of the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. MULTER:

H. Res. 236. Resolution to increase personal income-tax exemptions; to the Committee on Ways and Means.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Assembly Joint Resolutions Nos. 32 and 29, relating to the furnishing of Federal assistance, including arms, ammunition, clothing and equipment, to the California Defense and Security Corps and/or the California National Guard Reserve, and to take necessary action to provide a national cemetery in the vicinity of Los Angeles; to the Committee on Armed Services.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to House Concurrent Resolution No. 76, relating to the enactment of an amendment to the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

Also, memorial of the Legislature of Guam, memorializing the President and the Congress of the United States relative to the First Guam Congress and Resolution No. 4, relating to the changing of section 10 of the Organic Act of Guam to provide a different method of electing members of the Legislature of Guam; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ANFUSO:

H. R. 4178. A bill for the relief of Nicolo LoCicero; to the Committee on the Judiciary.

By Mr. BUFFETT:

H. R. 4179. A bill for the relief of Mrs. Emma Goeckel and Friederick Goeckel; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 4180. A bill for the relief of Joseph Denekar and Mrs. Mary A. Denekar; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 4181. A bill for the relief of Leroy Peebles; to the Committee on the Judiciary.

H. R. 4182. A bill for the relief of Clarence Sudbeck; to the Committee on the Judiciary.

By Mr. HEDRICK:

H. R. 4183. A bill for the relief of Dr. Chai Chang Choi; to the Committee of the Judiciary.

H. R. 4184. A bill for the relief of Nahi Youssef; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4185. A bill for the relief of Calogero Bartollotta; to the Committee on the Judiciary.

By Mr. MAHON:

H. R. 4186. A bill for the relief of Enzo Melani; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 4187. A bill for the relief of Jeremiah J. O'Brien; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 4188. A bill for the relief of Josephine F. Garrett; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

292. By Mr. McMULLEN: Petition of the Florida Society of Mayflower Descendants in favor of the United States Congress passing legislation to conform to Public Law 829, section 3 (c) insuring that the flag of the United States of America shall at all times occupy the place of honor whenever within the territorial boundaries of the United States of America exclusive of the international area at Lake Success; to the Committee on the Judiciary.

293. By the SPEAKER: Petition of Dorothy Winer, cochairman, Chapel Human Relations, Syracuse University, Syracuse, N. Y., petitioning consideration of their resolution with reference to the proposed aid-to-India bill, and requesting its passage; to the Committee on Foreign Affairs.

SENATE

TUESDAY, MAY 22, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

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

O God our Father, who hast folded back the mantle of the night to clothe us in the golden glory of the new day, banish from our hearts all gloomy thoughts and make us glad with the brightness of hope fed by an invincible faith in eternal verities.

We praise Thee for the triumph of truth over error, to our impatience so slow, to Thyself so sure. We bless Thee for every word of truth which has been spoken the wide world through, for all of right which the human conscience has perceived and made into avenues of more abundant life for Thy children. In all our deadness, breathe on us, Breath of God.

May the life of the spirit become regnant in our lives, delivering us from indolence, from depression and disloyalty, from misuse of Thy gifts and deafness to Thy call; teaching us to sacrifice our comforts for others in answer to the want and woe of the world; making us kindly in thought, gentle in word, generous in deed, and thus lighted candles for the shedding forth of Thy radiance which is the light of the world. In the Redeemer's name, we ask it. Amen.

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 21, 1951, 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 21, 1951, the President had approved and signed the following acts:

S. 119. An act for the relief of Joseph Girardi;

S. 822. An act for the relief of Mrs. Robert M. Sternberg; and

S. 824. An act for the relief of Gertrud Lomnitz.

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, without amendment, the joint resolution (S. J. Res. 35) to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

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

S. 108. An act to amend section 28 of the Enabling Act for the State of Arizona relating to the terms of leases of State-owned lands; and

S. 435. An act to amend the Civil Aeronautics Act of 1938, as amended, and for other purposes.

The message further announced that the House had passed the bill (S. 927) to amend section 6 of the Central Intelligence Agency Act of 1949, with an amendment, in which it requested the concurrence of the Senate.

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

H. R. 458. An act authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes;

H. R. 1026. An act to supplement the Act of June 29, 1936 (49 Stat. 2029), relating to the Castillo de San Marcos National Monument, in the State of Florida;

H. R. 1200. An act to correct an error in section 1 of the Act of June 28, 1947, "to stimulate volunteer enlistments in the Regular Military Establishment of the United States";

H. R. 1201. An act to amend section 4 of the act of March 2, 1933 (47 Stat. 1423), as amended, so as to provide that a mess operated under the direction of a Supply Corps officer can be operated either on a quantity or on a monetary-ration basis;

H. R. 1203. An act to authorize officers designated by the Secretary of the Air Force to take action on reports of survey and vouchers pertaining to Government property;

H. R. 1215. An act to authorize certain land and other property transactions, and for other purposes;

H. R. 1216. An act to authorize the President to convey and assign all equipment

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

contained in or appertaining to the United States Army Provisional Philippine Scout Hospital at Fort McKinley, Philippines, to the Republic of the Philippines and to assist by grants-in-aid the Republic of the Philippines in providing medical care and treatment for certain Philippine Scouts hospitalized therein;

H. R. 1221. An act to authorize the acquisition by the United States of the remaining non-Federal lands within Big Bend National Park, and for other purposes;

H. R. 1632. An act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

H. R. 1739. An act to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy;

H. R. 1788. An act to authorize the Choctaw, Chickasaw, Cherokee, Creek, or Seminole Tribes of Indians to make contracts with approval of the Secretary of the Interior, or his authorized representative, under such rules and regulations as the Secretary of the Interior may prescribe;

H. R. 1899. An act to amend section 2 of the act entitled "An Act To Incorporate the National Society of the Daughters of the American Revolution";

H. R. 2395. An act to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes;

H. R. 2478. An act to amend the act of February 15, 1923, to release certain rights and interests of the United States in and to certain lands conveyed to the city of Chandler, Okla., and for other purposes;

H. R. 2684. An act to provide for the sale, transfer, or quitclaim of title to certain lands in Florida;

H. R. 2735. An act to authorize the transfer of certain military prisoners and confinement facilities to the control and management of the Attorney General;

H. R. 2736. An act to authorize advances for clothing and equipment to cadets at the Military Academy and to midshipmen at the Naval Academy, and for other purposes;

H. R. 2737. An act to authorize the reimbursement of certain naval attachés, observers, and other officers for certain expenses incurred while on authorized missions in foreign countries;

H. R. 2889. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 2924. An act to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners;

H. R. 3041. An act to authorize the addition of certain lands to Manassas National Battlefield Park, Va., and for other purposes;

H. R. 3795. An act to provide for the use of the tribal funds of the Ute Indian Tribe of the Uintah and Ouray Reservation, to authorize a per capita payment out of such funds, to provide for the division of certain tribal funds with the Southern Utes, and for other purposes; and

H. R. 3899. An act to amend certain titles of the United States Code, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. GEORGE, and by unanimous consent, the Committees on Armed Services and Foreign Relations were authorized to meet jointly this afternoon during the session of the Senate.

On request of Mr. NEELY, and by unanimous consent, a subcommittee of the Committee on the Judiciary, presided over by Mr. KILGORE, was authorized to meet during the session of the Senate today.

On request of Mr. HUNT, and by unanimous consent, the Finance Subcommittee of the Committee on the District of Columbia was authorized to meet at 2 p. m. this afternoon, during the session of the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. McFARLAND. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD and transact routine business, without debate.

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

EXECUTIVE COMMUNICATIONS, ETC.

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

PROPOSED SUPPLEMENTAL APPROPRIATION, FEDERAL SECURITY AGENCY (S. DOC. NO. 40)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of $12,000,000, fiscal year 1952, for the Federal Security Agency, in the form of an amendment to the Budget for said fiscal year (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

CLOSING OF VAN NESS STREET IN THE DISTRICT

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize and direct the Commissioners of the District of Columbia to close Van Ness Street between Connecticut Avenue and Reno Road Northwest (with accompanying papers); to the Committee on the District of Columbia.

TRANSFER OF QUARTERMASTER EXPERIMENTAL FUEL STATION, PIKE COUNTY, MO.

A letter from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation to authorize the Secretary of the Army to transfer to the Department of the Interior the Quartermaster Experimental Fuel Station, Pike County, Mo. (with an accompanying paper); to the Committee on Armed Services.

RETURN OF CONTROL OVER CERTAIN HOME LANDS TO TERRITORY OF HAWAII

A letter from the Acting Assistant Secretary of the Interior transmitting, at the request of Governor Long, a copy of Joint Resolution 8, adopted by the Legislature of Hawaii, relating to the return of control over certain home lands to the Territory of Hawaii (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON NATIONAL CAPITAL HOUSING AUTHORITY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audit of the National Capital Housing Authority, for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

LAWS ENACTED BY TWENTIETH TERRITORIAL LEGISLATURE, ALASKA

A letter from the Secretary of Alaska, of the Department of the Interior, transmitting, pursuant to law, copies of laws enacted by the Twentieth Territorial Legislature of Alaska, 1951 (with accompanying papers); to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Alabama; to the Committee on Finance:

"House Joint Resolution 15

"Be it resolved by the Legislature of Alabama (both houses thereof concurring):

"1. That the Congress of the United States is hereby memorialized and petitioned to enact the legislation embodied in H. R. 3341 by Mr. HARRISON of Virginia, which relates to a repeal of certain provisions of the Social Security Act so as to permit each State to make public details of its public-assistance programs.

"2. That a duly authenticated copy of this resolution be transmitted by the clerk of the house to the Speaker of the House of Representatives of the United States and to the President of the United States Senate."

A joint resolution of the Legislature of the State of Alabama; to the Committee on Interior and Insular Affairs:

"House Joint Resolution 16

"Whereas the several States of the United States of America, by virtue of their inherent sovereignty, claim ownership to the tidelands in their offshore waters; and

"Whereas the ownership of the tidelands has, until recently, been recognized as an established vested interest within the respective coastal States since the foundation and establishment of the United States of America; and

"Whereas there is now pending before the Congress of the United States legislation which recognizes that title to the aforesaid offshore submerged lands should rightly be within the several States bordering such submerged lands: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the Senators and Representatives from the State of Alabama in the Congress of the United States, be requested to support legislation that will place within the respective States title to offshore submerged lands; be it further

"Resolved, That a copy of this resolution be forwarded to the President of the United States, the Vice President, the Speaker of the House of Representatives, and to each Senator and Representative from the State of Alabama."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 28

"Joint resolution relative to memorializing Congress to amend the Career Compensation Act of 1949 (63 Stat. 802) to authorize crediting service of cadets and midshipmen for purposes of pay and longevity

"Whereas it has been a long-established principle of law supported by repeated decisions of the courts that cadets and midshipmen are members of the regular naval and military establishments, and that they perform active service as such and are at all times subject to the Articles of War or the Articles for the Government of the Navy, as the case may be, and subject to all orders from proper authority for duty in such places and on such services as required including trial by court martial for offenses; and

"Whereas prior to enactment of the Career Compensation Act of 1949 (63 Stat. 802), credit for service as cadets and midshipmen was allowed those who entered the Military Academy prior to August 24, 1912, and the Naval Academy prior to March 4, 1913, but is now denied such personnel; and

"Whereas the Career Compensation Act of 1949, governing the pay of members of the armed services, authorizes crediting all types

of service, Regular and Reserve, active and inactive, except cadet and midshipman service; and

"Whereas by comparison of the various types of service so credited it is clearly indicated that the full-time active service of cadets and midshipmen is entitled to be credited for pay and longevity purposes in order to establish parity of credit for active service; and

"Whereas correction of the discrimination against cadets and midshipmen as to credit for service as such has been favorably considered by committees and Members of the United States Congress, as indicated by the passage of a bill (S. 657) by the Senate during the Eightieth Congress, which bill was reported favorably by the House Committee on Armed Services: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California (jointly)*, That the Congress of the United States is respectfully memorialized to amend the Career Compensation Act of 1949 at an early date to establish parity of credit for active service in computing the pay of those who serve and have served as cadets and midshipmen, and to restore the right to credit for such service to those who by law prior to the enactment of the Career Compensation Act of 1949 were entitled to it; and be it further

"*Resolved*, That the chief clerk of the assembly is directed to transmit a copy of this resolution to the President and the Vice President of the United States, to the Speaker of the House of Representatives, to the chairmen of the Committees on Armed Services of the Senate and the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

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

"Senate Concurrent Resolution 14

"Concurrent resolution memorializing the Congress of the United States to return to New Jersey and to other States sufficient moneys from taxes raised in the States for the administration of the employment security program, so as to provide adequately for administration of the unemployment compensation law in this State

"Whereas employers of eight or more individuals in New Jersey, in addition to the payment of contributions under the unemployment compensation law of New Jersey, also pay to the Federal Government in accordance with the provisions of the Federal Unemployment Tax Act, a tax of three-tenths of 1 percent of taxable payrolls; and

"Whereas these moneys are deposited in the general treasury of the United States and not earmarked specifically for the purpose of paying the cost of the unemployment insurance program in the various States; and

"Whereas New Jersey employers have paid under this excise tax the sum of $91,380,000 from 1938 to 1950, inclusive, while the Federal Government has returned to New Jersey for the administration of its employment security program during this same period only $41,674,281; making an excess of $49,705,719 in the moneys paid to the Federal Government over the grants to this State for the operation of the program; and

"Whereas the grants made to New Jersey for the operation of its unemployment insurance and employment service systems are not sufficient for an adequate administration of the employment security program: Therefore be it

"*Resolved by the Senate of the State of New Jersey (the house of assembly concurring)*:

"1. The Congress of the United States is hereby memorialized to adopt legislation which will insure the return to each of the several States amounts sufficient for an adequate administration of the employment security program.

"2. The secretary of state is hereby directed forthwith to transmit a copy of this concurrent resolution, properly authenticated, to the President of the United States, to the respective presiding officers of the United States Senate and the House of Representatives, and to all of the Senators and Representatives from New Jersey in the Congress of the United States.

"3. This concurrent resolution shall take effect immediately."

A resolution of the Senate of the State of Oklahoma; to the Committee on Public Works:

"Senate Concurrent Resolution 20

"Concurrent resolution memorializing Congress to approve the resurvey of the agricultural flood-control program on the Washita watershed, and to appropriate certain sums annually to carry into effect the findings of said survey

"Whereas on the 22d day of December 1944 the Congress of the United States authorized the agricultural flood-control program on the Washita watershed; and

"Whereas it was estimated at that time that the project would cost around $11,000,000 and that it would take approximately 15 years for its completion; and

"Whereas, since the above date, it has been determined that the cost of said project would far exceed the amount originally estimated and, at the present rate of progress, it would take 60 to 70 years to complete it; and

"Whereas on the 28th day of January 1949 the Congress of the United States authorized a resurvey of the flood damages and benefits of the above-described Washita watershed, and it is understood that said resurvey is nearing completion and will be submitted to Congress for approval and further action within the next few months; and

"Whereas the project on the Washita watershed will be of great value in the control of floods in the Washita River Valley and its tributaries and to the Nation as a whole, because of the increased supply of farm commodities which will result from such flood control—all of these, however, far outweigh the original cost of the project: Now, therefore, be it

"*Resolved by the Senate of the Twenty-third Oklahoma Legislature (the house of representatives concurring therein)*, That the Congress of the United States be and is hereby memorialized to give immediate approval to the resurvey of the Washita watershed when it is completed and in order to put the findings of the resurvey into effective use, that a sum of not less than $10,000,000 be appropriated annually for the construction of the above project until same is completed; be it further

"*Resolved*, That certified copies of this resolution be immediately forwarded by the secretary of state of the State of Oklahoma, to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Member of Congress from the State of Oklahoma.

"Adopted by the senate the 2d day of May 1951.

"JAMES E. BERRY,
"President of the Senate.

"Adopted by the house of representatives the 7th day of May 1951.

"JAMES M. BULLARD,
"Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Armed Services:

"House Concurrent Resolution 76

"Whereas the Territory of Hawaii, having previously experienced disaster inflicted by enemy forces and foreseeing possible repetition of such because of existing world conditions, included in the Territorial Disaster Relief Act of 1949, a provision to meet this emergency, in furtherance of which, considerable sums of money were expended; and

"Whereas the United States Government subsequently enacted the Federal Civil Defense Act of 1950, but no provision was contained therein for reimbursement from appropriations which might subsequently be made, for States or Territories which had already so acted at their own cost, as did the Territory of Hawaii; and

"Whereas S. 1124, introduced in the United States Senate by Senator LODGE, of Massachusetts, proposes to amend the Federal Civil Defense Act of 1950 by adding a new provision whereby the above-mentioned reimbursement may be possible; and

"Whereas the successful enactment of said bill would result in a substantial reimbursement to the Territory of Hawaii: Now, therefore, be it

"*Resolved by the House of Representatives of the Twenty-sixth Legislature of the Territory of Hawaii (the senate concurring)*, That the Congress of the United States be memorialized to enact said amendment to the Federal Civil Defense Act of 1950; and be it further

"*Resolved*, That duly authenticated copies of this concurrent resolution be forwarded to the Delegate to Congress from the Territory of Hawaii, to the Secretary of the Interior, and to each of the two Houses of the Congress of the United States."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 37

"Concurrent resolution requesting Congress to increase the compensation to the Delegate to Congress from Hawaii, the Governor, and Secretary of Hawaii, and judges of certain courts in the Territory

"Whereas, by act 261 of the Session Laws of Hawaii 1945, the compensation of the delegate to Congress from Hawaii, of the governor and secretary of Hawaii, and of the judges of the supreme and several circuit courts was increased until the Congress of the United States increases by an equal amount the compensation payable by the Federal Government to the officers mentioned; and

"Whereas living costs have markedly increased since this additional compensation was first provided and new requests are being made for further supplementing by the Territory of these federally paid salaries; and

"Whereas the Congress of the United States has failed to take action either to assume responsibility for the additional compensation being paid from the Territorial treasury or to further raise the federally paid salaries: Now, therefore, be it

"*Resolved by the House of Representatives of the Twenty-sixth Legislature of the Territory of Hawaii (the senate concurring)* That the Congress of the United States is hereby respectfully requested to increase the compensation paid by the Federal Government to the Delegate to Congress from Hawaii, to the governor and secretary of Hawaii, and to the judges of the supreme and several circuit courts so that both the increment paid from the Territorial treasury and an amount in addition thereto sufficient to compensate for increased living costs since 1945 will be met from Federal funds; and be it further

"*Resolved*, That the Delegate to Congress from Hawaii is instructed to introduce a measure in the Congress of the United States designed to accomplish this result and to work actively for its enactment; and be it further

"*Resolved*, That copies of this resolution shall be sent to the President of the United

States, to the President of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to the Secretary of the Interior, to the chairman of the Committee on Territories and Insular Affairs of the Senate of the United States, and to the chairman of the Committee on Territories of the House of Representatives of the United States."

A resolution adopted by the executive board of the United Automobile—Aircraft—Agricultural Implement Workers of America (UAW-CIO), Detroit, Mich., protesting against special draft deferment for college students; to the Committee on Armed Services.

A resolution adopted by the Board of Commissioners of the city of Newport, Ky., protesting against the curtailment of low-rent housing projects; to the Committee on Banking and Currency.

A resolution adopted by the State Federation of Women's Clubs, Inc., of New York, N. Y., protesting against the mounting cost of food; to the Committee on Banking and Currency.

A resolution adopted by the Queensboro Federation of Mothers' Clubs, Inc., of New York, N. Y., relating to increased personnel to prevent illegal importations of narcotics; to the Committee on Finance.

A letter in the nature of a memorial from the Soroptimist Club of North Shore Queens, Flushing, N. Y., signed by Hilda V. Blom, president, remonstrating against the ratification of the genocide treaty and the declaration of human rights; to the Committee on Foreign Relations.

A radiogram from the Consultative Assembly of the Council of Europe, signed by P. H. Spaak, president, Strasbourg, France, suggesting the advisability of a delegation of the Congress and of the Council to engage in a public discussion at some future time, either in Strasbourg, France, or Washington, D. C., of problems of common interest to the two countries; to the Committee on Foreign Relations.

A telegram in the nature of a memorial from the American Federation of Grain Millers, A. F. of L., Kansas City, Mo., signed by J. A. Leveridge, vice president, remonstrating against the shipment of grain to foreign countries; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the Board of Directors of the St. Louis Archdiocesan Council of Catholic Women, St. Louis, Mo., commending the Congress for amending the Internal Security Act as it relates to persons who have held nominal memberships in totalitarian organizations; to the Committee on the Judiciary.

A resolution adopted by the board of governors of the Italian Community Center, Inc., of Union City, N. J., favoring the enactment of House bill 400, to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy; to the Committee on the Judiciary.

A resolution adopted by the Continental Party of Americas, Inc., of New York, N. Y., relating to suffrage for citizens 18 years of age; to the Committee on the Judiciary.

A telegram in the nature of a petition from the Emba Class, Emanuel Baptist Church, Ridgewood, N. J., signed by Stanley I. Stuber, praying for immediate action to supply wheat to India; ordered to lie on the table.

CURTAILMENT OF VETERANS' BENEFITS—RESOLUTION OF POST 452, THE AMERICAN LEGION, SPIRIT, WIS.,

Mr. WILEY. Mr. President, I have received this morning from Commander Floyd A. Starr, of American Legion Spirit Post, No. 452, at Spirit, Wis., a resolution opposing any effort to curtail the present program of veterans' rights and benefits. I ask unanimous consent that the resolution, which I believe conveys the views of countless ex-servicemen throughout our Nation, be appropriately referred and printed in the RECORD.

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

"Whereas our attention has been called to a move in certain congressional circles to amend, curtail, and abolish certain benefits now available to veterans under existing laws; and

"Whereas it is our personal opinion that the curtailment of these benefits now available to veterans has a direct bearing on our local and national economy; and

"Whereas any enactment of the suggestions now being sponsored by the Teague committee and the O'Mahoney committee will result in a direct hardship to veterans and their families and dependents: Therefore be it

"*Resolved*, That Spirit Post, No. 452, of Ogema, Wis., with the unanimous consent of our 54 members, go on record as being opposed to the recommendations of the aforementioned committees, or any other suggestion, made under the guise of an economy measure, and aimed at crippling the existing program of benefits available to veterans, their families, and their dependents; and that we make the congressional leaders from our State aware of our feelings on the subject, and urge that they do everything in their power to defeat the suggestions of the afore-named committees, or any group intent upon destroying the rights and benefits existing under present laws, all of which benefits being justly earned over the period of years and substantiated by the sweat, blood, tears, and deeds of valor with which the history of our country is written, and in which the veterans of all our wars have played an all-important part."

SPIRIT POST, No. 452,
By FLOYD A. STARR,
Commander.
G. ELMER JOHNSON,
Adjutant.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

S. 855. A bill to provide for free transmission of official mail of members of certain United Nations commands; with amendments (Rept. No. 326); and

S. 1074. A bill to repeal certain obsolete laws relating to the Post Office Department; without amendment (Rept. No. 327).

By Mr. PASTORE, from the Committee on Post Office and Civil Service:

S. 621. A bill to amend section 604 (b) of the Classification Act of 1949; with an amendment (Rept. No. 328).

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 3842. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; with amendments (Rept. No. 329).

By Mr. LONG, from the Committee on Armed Services:

H. R. 2952. A bill to authorize the attendance of the United States Navy Band at the final reunion of the United Confederate Veterans to be held in Norfolk, Va., May 30 through June 2, 1951; without amendment (Rept. No. 330).

By Mr. UNDERWOOD, from the Committee on Post Office and Civil Service:

S. 759. A bill to extend to screen vehicle contractors benefits accorded star-route contractors with respect to the renewal of contracts and adjustment of contract pay; without amendment (Rept. No. 331);

S. 826. A bill to provide free postage for members of the Armed Forces of the United States; with an amendment (Rept. No. 332); and

S. 1246. A bill to amend certain laws relating to the submission of postmasters' accounts under oath, and for other purposes; without amendment (Rept. No. 333).

BILLS INTRODUCED

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

By Mr. MARTIN:

S. 1515. A bill for the relief of Edward Henry Erbes; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 1516. A bill to provide for lump-sum payment of excess annual leave of postmasters to the credit of their retirement accounts; to the Committee on Post Office and Civil Service.

By Mr. WELKER:

S. 1517. A bill to amend the act of June 4, 1897, entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1898, and for other purposes", as amended, to enable the Secretary of Agriculture to sell without advertisement, national forest timber in amounts not exceeding $2,000 in appraised value; to the Committee on Agriculture and Forestry.

By Mr. NIXON:

S. 1518. A bill for the relief of Franz Borkenau; to the Committee on the Judiciary.

S. 1519. A bill providing for contributions to States and local governmental units in lieu of taxes on real property held by the Federal Government; creating a commission to determine and pay such contributions; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HENNINGS:

S. 1520. A bill for the relief of Dr. John Lien-kwei Tsang; to the Committee on the Judiciary.

TRADE AGREEMENTS EXTENSION ACT OF 1951—AMENDMENTS

Mr. MAGNUSON submitted amendments intended to be proposed by him to the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF DEFENSE PRODUCTION ACT OF 1950 RELATING TO INDEPENDENT SMALL BUSINESS—AMENDMENT

Mr. MAYBANK. Mr. President, I submit for appropriate reference an amendment intended to be proposed by me to the bill (S. 1397) to amend the Defense Production Act of 1950, and for other purposes, and I ask unanimous consent that a statement by me explaining the amendment be printed in the RECORD.

The VICE PRESIDENT. The amendment will be received and referred to the Committee on Banking and Currency, and, without objection, the statement by the Senator from South Carolina will be printed in the RECORD.

The statement by Mr. MAYBANK is as follows:

STATEMENT BY SENATOR MAYBANK

As an individual Senator, and as chairman of the Senate Committee on Banking and

Currency, I have continuously made every effort to obtain for independent small business its appropriate place in the economy of this Nation. During the current period of national emergency, it is more important than ever that the facilities of independent small business be utilized to the fullest extent possible in order to create a broad, efficient base for economic mobilization.

The Defense Production Act of 1950 contained some provisions intended to carry out this purpose. As chairman of the Joint Committee on Defense Production, I have questioned those in the executive department charged with administering that act as to the part independent small business is playing in the programs undertaken under the act. The answers I have received have led me to believe that additional legislative provisions dealing with independent small business are needed in the Defense Production Act of 1950.

During the current series of hearings being held by the Committee on Banking and Currency on amendments proposed to that act, I have sought the aid of witnesses in devising specific legislation to enable independent small business to participate fully in the defense production program.

At the hearing held on May 7, 1951, I requested Secretary of Commerce Charles Sawyer to assist me by recommending appropriate legislation in this field to be added to the other amendments being considered to the Defense Production Act of 1950. The amendment I am now asking to have printed embodies the recommendations of the Secretary of Commerce and closely follows the purposes and pattern of S. 2943 which I introduced in the Eighty-first Congress, proposing a small-business coordinator. I understand the Secretary of Commerce has discussed this amendment with the Bureau of the Budget.

I do not wish to detract from the efforts which are being made administratively to utilize independent small business in the defense program but in my opinion further legislation is required in this field. I commend this amendment to the attention of those who really want to make effective the part independent small business can play in our Nation's economy.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 458. An act authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes;

H. R. 1026. An act to supplement the act of June 29, 1936 (49 Stat. 2029), relating to the Castillo de San Marcos National Monument, in the State of Florida;

H. R. 1221. An act to authorize the acquisition by the United States of the remaining non-Federal lands within Big Bend National Park, and for other purposes;

H. R. 1632. An act to authorized the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases;

H. R. 1739. An act to amend section 331 of the Public Health Service Act, as amended, concerning the care and treatment of persons afflicted with leprosy;

H. R. 1788. An act to authorize the Choctaw, Chickasaw, Cherokee, Creek, or Seminole Tribes of Indians to make contracts with approval of the Secretary of the Interior, or his authorized representative, under such rules and regulations as the Secretary of the Interior may prescribe;

H. R. 2478. An act to amend the act of February 15, 1923, to release certain rights and interests of the United States in and to certain lands conveyed to the city of Chandler, Okla., and for other purposes;

H. R. 2684. An act to provide for the sale, transfer, or quitclaim of title to certain lands in Florida;

H. R. 2889. An act to require the recordation of scrip, lieu selection, and similar rights;

H. R. 3041. An act to authorize the addition of certain lands to Manassas National Battlefield Park, Va., and for other purposes; and

H. R. 3795. An act to provide for the use of the tribal funds of the Ute Indian Tribe of the Uintah and Ouray Reservation, to authorize a per capita payment out of such funds, to provide for the division of certain tribal funds with the Southern Utes, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 1200. An act to correct an error in section 1 of the act of June 28, 1947, "to stimulate volunteer enlistments in the Regular Military Establishment of the United States";

H. R. 1201. An act to amend section 4 of the act of March 2, 1933 (47 Stat. 1423), as amended, so as to provide that a mess operated under the direction of a Supply Corps officer can be operated either on a quantity or on a monetary-ration basis;

H. R. 1203. An act to authorize officers designated by the Secretary of the Air Force to take action on reports of survey and vouchers pertaining to Government property;

H. R. 1215. An act to authorize certain land and other property transactions, and for other purposes;

H. R. 1216. An act to authorize the President to convey and assign all equipment contained in or appertaining to the United States Army Provisional Philippine Scout Hospital at Fort McKinley, Philippines, to the Republic of the Philippines and to assist by grants-in-aid the Republic of the Philippines in providing medical care and treatment for certain Philippine Scouts hospitalized therein;

H. R. 2735. An act to authorize the transfer of certain military prisoners and confinement facilities to the control and management of the Attorney General;

H. R. 2736. An act to authorize advances for clothing and equipment to cadets at the Military Academy and to midshipmen at the Naval Academy, and for other purposes; and

H. R. 2737. An act to authorize the reimbursement of certain naval attachés, observers, and other officers for certain expenses incurred while on authorized missions in foreign countries; to the Committee on Armed Services.

H. R. 1899. An act to amend section 2 of the Act entitled "An act to incorporate the National Society of the Daughters of the American Revolution";

H. R. 2395. An act to amend title 18 of the United States Code, entitled "Crimes and Criminal Procedure," to provide basic authority for certain activities of the United States Secret Service, and for other purposes;

H. R. 2924. An act to amend section 4164 of title 18, United States Code, relating to conditional release of Federal prisoners; and

H. R. 3899. An act to amend certain titles of the United States Code, and for other purposes; to the Committee on the Judiciary.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Eleven postmasters.

EXPRESSION OF SYMPATHY TO PRESIDENT AND PEOPLE OF EL SALVADOR IN RECENT EARTHQUAKES

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 105, which was read by the legislative clerk, as follows:

Whereas earthquakes of major proportions in El Salvador on May 6 and 7, 1951, have resulted in the loss of many lives, untold suffering, and the destruction of millions of dollars worth of property, rendering homeless and destitute thousands of people: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the deepest sympathy of the Congress and the people of the United States be extended to the President and the people of El Salvador in this dark hour of their suffering and distress.

Mr. CONNALLY. Mr. President, this is a resolution expressing the sympathy of Congress and the American people for the people of El Salvador who have suffered as a result of the earthquakes which recently occurred in El Salvador. I ask unanimous consent for the present consideration of the concurrent resolution.

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

There being no objection, the concurrent resolution (H. Con. Res. 105) was considered and agreed to.

The preamble was agreed to.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. BYRD:

An address delivered by him on Armed Forces Day, May 18, 1951, at Newport News, Va.

By Mr. TAFT:

An address on the subject United States Relations with Western Europe Viewed Within the Present World-Wide International Environment, delivered by him before the American Assembly, on May 21, 1951.

By Mr. BENTON:

An address on price and materials controls delivered by Senator SPARKMAN before the National Industrial Conference Board, in New York, N. Y., May 17, 1951.

By Mr. MARTIN:

Program No. 41 in a series of addresses entitled "Happenings in Washington," broadcast by him to the people of Pennsylvania on May 19 1951.

By Mr. WILEY:

Address entitled "The Meaning of 'I Am an American Day'—1951," delivered by him at I Am an American Day ceremonies in Juneau Park, Milwaukee, Wis., May 20, 1951.

By Mr. MUNDT:

An address entitled "Faith in America," delivered by Dr. J. Goodner Gill, vice president of Rider College, at the annual spring banquet of the New Jersey Association of

Schools of Business, in Newark, N. J., May 11, 1951.

By Mr. MURRAY:

Statement by George J. Burger, vice president of the National Federation of Independent Business, on conditions in the rubber industry, which appears in the Appendix.

Preliminary report by Arthur E. Morgan on America's prospects in India and the East.

By Mr. THYE:

Article entitled "What Will Beef Roll-Back Mean?" published in the June 1951 issue of the Farm Journal.

By Mr. CLEMENTS:

Three prize-winning essays on the subject, the Continuation and Furthering of Our Mode of Life as Characterized by the Four Freedoms, in a contest sponsored by the Henderson Woman's Club, Henderson, Ky., by Miss Suzanne Snyder, Miss Bernadette Wurth, and Miss Bettye Cobb, winners of first, second, and third prizes, respectively.

By Mr. JOHNSON of Texas:

Editorials regarding the universal military training and service legislation, from the Washington News, the Birmingham Post, the New Orleans Times-Picayune, the St. Louis Post-Dispatch, and the Buffalo Courier-Express.

By Mr. SCHOEPPEL:

Editorial entitled "The Blinding Glare From a Senator's Searchlight," published in the San Antonio Express, commenting on a colloquy between Senator SMITH of New Jersey and Defense Secretary Marshall in the hearing before the Armed Services and Foreign Relations Committees.

By Mr. LANGER:

An article under the headline RFC Scandal Revealed, written by Robert Young, and published in the Washington Times-Herald of May 22, 1951.

An article entitled "American Farmer 'Most Underpaid,' Brannan Asserts," written by Harlan Trott, and published in the Christian Science Monitor of April 24, 1951.

An article entitled "Resignations Near 1,000 Mark, 70 Percent at Joyfield Quit," published in the Voice of Branch 1, of the National Association of Letter Carriers, May 1951.

By Mr. McCARTHY:

Editorial entitled "Silent Generals," from the Washington Star of May 22, 1951, and an article entitled "These Days," by George Sokolsky, published in the Washington Times-Herald of May 22, 1951.

NATIONAL MARITIME DAY

Mr. O'CONOR. Mr. President, I ask unanimous consent that a statement which I prepared concerning Maritime Day be inserted in the RECORD as a part of my remarks.

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

STATEMENT BY SENATOR O'CONOR

It is appropriate, indeed, that today, May 22, the anniversary of the sailing in 1819 of America's first steamship, the *Savannah*, has been set aside for annual observance as National Maritime Day. If anything needs to be recalled, and to be emphasized, to the American people, it is the part, the great part, which the merchant marine plays in the economic life of our country in peacetime and in the defense of our freedoms in wartime. Only thus can we ever hope to bring home to our people the deplorable treatment which has been accorded to this great instrument of peace and national prosperity.

The American merchant marine has been rightly called the fourth arm of American defense. It has been our national good fortune that the wars of our generation have been fought on foreign soil—and if again we are forced to meet an aggressor we shall hope to keep him beyond the seas. How can this be done without a bridge of ships to keep our forces fed as well as supplied and equipped with the vast machinery needed to make modern war?

The privately owned merchant fleet flying the United States flag today totals, 1,310 ships of over 15,500,000 deadweight tons, but even this fleet is not enough to meet the needs created by the present emergency—the military needs in Korea and the civilian emergency needs of the democracies of the world. Already 272 Government cargo vessels have been withdrawn from our reserve fleet of Victory ships and Liberty ships, and these are either already in service or being prepared for service.

In the operation of these Government-owned ships use is being made of the experience and resourcefulness of American operators in the shipping industry under a policy which takes care so far as possible to see that these ships supplement our private fleets and are not operated in competition against them. Congress passed Public Law 591 providing that only after a public hearing in each case should it be ascertained that their operation is needed in the public interest, and that not United States private ships are available on reasonable terms to supply the particular need. The remainder, including some 123 Liberty ships, are either in service or being put into service by the newly organized National Shipping Authority, within the Maritime Administration.

The United States merchant marine faces a most severe competition from foreign-flag ships. This country has set standards of safety, of wages, and of maintenance aboard American-flag ships high enough to encourage our best young men to follow the calling of the sea. It is, therefore, essential if we are to have for our national strength in time of peace or war a strong and vigorous merchant marine, that our shipping industry receive from this country a wholesome, dependable and substantial support. The long-range shipping bill now before this body and various bills for the granting of aid to the democracies of the world embody provisions supporting our merchant marine along the lines which I have indicated and which I believe to be of such high importance.

This country cannot sit back, however, and assume that our present fleet can meet every emergency that may arise. Despite the fact that a fleet of 25 of the new mariner class dry cargo carriers is being constructed in 5 of the shipyards of this country, which ships will have substantially twice the speed of the Victory ships which are laid up in the reserve fleet, more of them will be needed. And, of highest urgency, we must also bear in mind the need of new and fast passenger carriers available to do a vital troop-carrying job in case of need.

On this point I would like to insert in the RECORD, as a part of my remarks, a statement by Frank J. Taylor, president of the American Merchant Marine Institute, Inc., which presents forcefully the need for new passenger vessel construction.

(By Frank J. Taylor, president, American Merchant Marine Institute, Inc.)

Any appraisal of the American merchant marine that would be made on the occasion of the annual observance of National Maritime Day, May 22, would have to give recognition to the fact that this country possesses a merchant fleet that is out of balance because it lacks sufficient passenger liners.

With the completion of the *Constitution* this month and the launching of the superliner *United States* next month, the passenger-ship construction program in this country is virtually completed and little has been done about initiating new construction. Our merchant marine today is comprised of many fast and modern freighters, the largest tanker fleet in the world, and representative refrigerated units and bulk carriers, but the number and tonnage of our passenger liners are completely out of proper proportion for both our commercial needs and more important, for requirements of national defense.

Including ships in active service and in lay-up, the United States has 3,492 vessels, but of these only 79 can be listed as passenger liners. Of these only 47 are in service, the balance being in lay-up because they are either unsuitable or obsolete. When the over-all size of the American fleet and its passenger carriers are compared with those of other maritime nations, Americca's lack of balance is even more noticeable.

Great Britain, with 2,605 ships of all types, has 279 passenger vessels. Holland, with 500 vessels, has 89 in the passenger category. France, with 519 ships, has 72 liners. Italy, with 423 ships, can boast of 48 passenger carriers. Soviet Russia includes in its fleet of 432 ships 63 vessels for passengers.

That other countries realize the need for passenger liners can be readily seen in the fact that foreign nations have on order or under construction 97 liners as contrasted with the 2 presently being built in the United States.

To correct this shortage of passenger liners, Congress should take prompt action on the long-range shipping legislation now before it, which would provide a stimulus for new construction in that it would create economic conditions that would make it possible for shipowners to build more liners.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD a statement I have prepared for insertion in the RECORD on today, May 22, National Maritime Day.

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

STATEMENT OF SENATOR MAGNUSON

Today, May 22, I am pleased to call to the attention of the Senate the fact that this is National Maritime Day, which commemorates the sailing in 1819 of America's first steamship, the *Savannah*.

I want to take a few moments to describe the tremendous job which the American Merchant Marine has been doing in the past year, and to tell the needs of the Nation in connection with the shipping industry.

I recently returned from the Far East where it was my privilege to visit the fighting front in Korea and to talk with the men responsible for our battle against Red aggression.

You will be pleased to learn that those fighting men are strong in their praise for the work of the American shipping industry.

The war in Korea, coming suddenly as the Communists began their swift move of aggression last June, did not find America unprepared so far as its shipping was concerned.

Our privately owned vessels immediately moved in to fill the tremendous need which developed, almost overnight, for transport for men and matériel.

As the need grew, the Federal Maritime Board and the Maritime Administration began breaking out vessels from the reserve fleet which we had so wisely provided, following the end of World War II.

By late April 1951 we had withdrawn from the reserve fleets and placed in operation a total of 149 Victory cargo ships.

Then the Nation turned to the flotilla of Liberty ships, also in our reserve fleet. The National Shipping Authority since March 13 has moved rapidly to call 125 of these vessels out of mothballs. Already approximately half that number are at sea, hauling bulk cargoes of coal, grain and ores of the type

they handled so efficiently and economically in World War II.

The Federal Government, working in close cooperation with the United States shipping industry, has seen to it that the men and the weapons needed for the battle against communism have been delivered wherever needed—and on time.

We owe a salute to the men who have sailed those ships, for they have done a splendid job.

These men and ships are making it possible for the United States to demonstrate its ability to meet commitments which arise from its role as a world leader.

We must look to the future, however. We must keep our Merchant Marine strong so that it can enable this Nation to meet commitments which will come in years which lie ahead.

We need a long-range shipping program which will insure strength in all phases of the shipping industry.

We must plan for an accelerated shipbuilding program on all coasts. In addition to the 25 Mariner-class vessels which are under contract, we need more fast cargo ships which will not only be suitable for operation under war conditions but which also can serve as the future replacement vessels for our commercial fleets. The Victory and the Liberty ships of which I spoke a few moments ago are doing a grand job, yes, but we must remember they are old and cannot economically be operated for many more years. We also have additional passenger vessels, of a type which easily can be converted for use as troop transports. And we need additional vessels for our tanker fleet.

And there is another thing we must have. That is a firm resolve to keep our shipping industry strong, and to make sure that post-emergency operation of merchant ships remains in private hands. Past experience has shown the wisdom and the actual economy of private operation.

A wise, long-range program looking to the future will insure new and speedy ships to enable us to meet all competition and will insure a healthy, strong merchant marine that can step into any breach.

A combination like that will remain the fourth arm of our defense; it will keep America's economy strong and offer us protection against the aggressive designs of any warlike nation, or combination of nations.

TRADE AGREEMENTS EXTENSION ACT OF 1951

The Senate resumed the consideration of the bill (H. R. 1612) to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

The VICE PRESIDENT. The question before the Senate is on the amendment of the Senator from Nevada [Mr. MALONE], in the nature of a substitute for the bill H. R. 1612.

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

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. I believe the junior Senator from Nevada now has the floor, by unanimous consent?

The VICE PRESIDENT. That is true.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Aiken	Brewster	Byrd
Anderson	Bricker	Cain
Bennett	Bridges	Capehart
Benton	Butler, Nebr.	Carlson
Case	Ives	Murray
Chavez	Jenner	Neely
Clements	Johnson, Tex.	Nixon
Connally	Johnston, S. C.	O'Conor
Cordon	Kem	O'Mahoney
Dirksen	Kerr	Pastore
Douglas	Kilgore	Robertson
Duff	Knowland	Russell
Dworshak	Langer	Saltonstall
Eastland	Lodge	Schoeppel
Ellender	Long	Smathers
Ferguson	Magnuson	Smith, Maine
Fulbright	Malone	Smith, N. J.
George	Martin	Smith, N. C.
Gillette	Maybank	Sparkman
Green	McCarthy	Stennis
Hayden	McClellan	Taft
Hendrickson	McFarland	Thye
Hennings	McKellar	Tobey
Hickenlooper	McMahon	Underwood
Hill	Millikin	Welker
Hoey	Monroney	Wherry
Holland	Moody	Wiley
Humphrey	Morse	Williams
Hunt	Mundt	

Mr. JOHNSON of Texas. I announce that the Senator from Delaware [Mr. FREAR], the Senator from Colorado [Mr. JOHNSON], and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

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

The Senator from New York [Mr. LEHMAN] is absent by leave of the Senate on official business, having been appointed a member of the United States delegation to the World Health Organization, which met in Geneva, Switzerland.

Mr. SALTONSTALL. I announce that the Senator from Maryland [Mr. BUTLER], the Senator from Montana [Mr. ECTON], and the Senator from Vermont [Mr. FLANDERS] are absent on official business.

The Senator from Utah [Mr. WATKINS] is absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

The Senator from Nevada.

Mr. WHERRY. Mr. President, will the Senator from Nevada yield so that I may propound a question to the distinguished Senator from Georgia?

Mr. MALONE. I am happy to yield.

Mr. WHERRY. Mr. President, I have asked the Senator from Nevada to yield so that I may propound a question to the distinguished Senator from Georgia [Mr. GEORGE] with reference to the subject matter we discussed yesterday afternoon.

Mr. GEORGE. If the Senator will permit me, and it is agreeable to him, I should like to make a brief statement. I shall cover the point which I think he has in mind without elaborating on it.

Mr. WHERRY. I shall be very happy to have the distinguished Senator from Georgia make any observation he may care to make so that we may have his viewpoint with respect to the striking out of the amendment.

Mr. GEORGE. The amendment to which the Senator referred yesterday, when consideration of the conference report superseded proceedings on the pending bill, is the amendment to which he is now referring, I assume.

Mr. WHERRY. I have reference to the striking out by the committee of section 8 on page 11.

Mr. GEORGE. Yes. Mr. President, both for the purpose of clarifying the RECORD and because I may have somewhat overstated the fact in the RECORD, I should like to say, first, that the section was stricken out because the committee believed it was impossible of administration. It would be necessary intermittently to make readjustments in order to administer the provision as it was written.

Second, the committee was of the opinion that we would lose in concessions from other countries becaue of the fact that we could not make firm, binding, and positive agreements.

Third, the price supported product exports were five times as much as imports. That is about the ratio.

Fourth, section 22, together with the escape clause, to which I called attention yesterday, would cover the problem. That was the opinion of the committee.

With reference to section 22, I wish to make clear precisely what can and cannot be done under it in view of the amendment striking out subsection (f) of section 22.

If the fact of interference by imports with a program of price support is shown—in other words, it must first be shown—the President must act under section 22.

Under section 22, this is the present requirement—

> Whenever the Secretary of Agriculture has reason to believe that any article or articles are being or are practically certain to be imported into the United States under such conditions and in such quantities as to render or tend to render ineffective, or materially interfere with, any program or operation undertaken under this title, as amended, or section 32, Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, or any loan, purchase, or other program or operation undertaken by the Department of Agriculture, or any agency operating under its direction with respect to any agricultural commodity or product thereof, or to reduce substantially the amount of any product processed in the United States or from any agricultural commodity or product thereof with respect to which any such program or operation is being undertaken, he—

The Secretary of Agriculture—

> shall so advise the President, and if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this section to determine such facts. Such investigation shall be made after due notice—

And so forth.

> (b) If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts—

He shall then proceed to put into effect the remedies provided in section 22. It then becomes mandatory upon the President to put into effect the remedies provided in section 22.

Mr. WHERRY. That is correct.

Mr. GEORGE. That was the point. Upon that point I somewhat overstated the law, and I wish to make it clear. It is not mandatory unless the President finds that the facts reported to him are

true—that is to say, unless as stated in subsection (b):

If, on the basis of such investigation and report to him of findings and recommendations made in connection therewith, the President finds the existence of such facts—

He then must proceed.

It was the opinion of the committee—and I think this is important, and I wish to make it clear—that if further strengthening of section 22 was desirable, it should be done by way of amendment to that section in the Agricultural Adjustment Act, or in the act in which section 22 was originally inserted. That would not be a proper function of the Finance Committee, and we did not feel that we should undertake to amend that act. We did feel justified in removing the inhibition against the full operation of section 22, notwithstanding there might be in existence a trade agreement which, under the law prior to the amendment removing subsection (f), would have prevented the action by the President.

I think that is a sound position. Although I shall not put the testimony into the RECORD now, nevertheless in the record before the committee will be found the testimony of the Federal Farm Bureau's representatives and of representatives of the Cotton Council and of the Farmers Union. In other words, representatives of the farmers themselves appeared before the committee; and although they did not ask for section 8, which was a House amendment, and which was stricken, yet they agreed that it would be hard to administer, and that also the procedure might be more costly than if that amendment were stricken out.

What they did request was the elimination of subsection (f) of section 22, so that the way would be open to obtain proper relief in the event any of the price-support programs were being interfered with by the Trade Agreements Act. That is the status of the matter. Those are substantially the reasons why the committee struck out the provision, but not without first having eliminated the troublesome subsection (f) of section 22.

With that statement and explanation, I hope the Senator can see at least the position taken by the committee.

Mr. WHERRY. Yes. Mr. President, I thank the distinguished Senator for his explanation of the committee's attitude regarding amendment 8, on page 11, which apparently was written in on the floor of the House, and which has to do with a provision which I think—at least, from first reading it; and I approach it in that light—is a meritorious one.

I cannot help but feel that it is most illogical to permit the importation into the United States of agricultural products on concessions so low, while the support prices for the same commodities are so high, that farmers of another country get the benefit of the support prices. We have had situations where surpluses of those supported commodities have been dumped on the open market; and in the case of potatoes we even dumped them into the ocean. It seems to me that is an illogical result.

Mr. GEORGE. The committee agreed substantially with the view just expressed by the Senator.

Mr. WHERRY. Yes.

Mr. GEORGE. However, the committee was of the opinion that the escape-clause provisions now to be inserted into the act, plus the treatment given to section 22, certainly make it entirely open to amend section 22 in any way that the proper Senate committee might wish to amend it.

Mr. WHERRY. Yes. Mr. President, I thank the distinguished Senator for that observation.

I say again, for the record, that I am in complete sympathy with the recommendation as to elimination of subsection (f) on page 13. I think its elimination goes a long way in helping the situation.

Mr. GEORGE. Its elimination is absolutely necessary.

Mr. WHERRY. Yes, but that does not completely clarify the situation, although that provision will correct an abuse which has been practiced at least during the past 2 years by the State Department, by means of which the State Department has had authority even to override what Congress did with reference to the importation of agricultural products, under section 22.

Mr. GEORGE. But now, with the amendment striking out subsection (f), that would not be the case.

Mr. WHERRY. That is true.

Mr. GEORGE. While the President would not in the first instance be compelled to act, yet if he finds upon the reports made to him by the Tariff Commission that there is cause for action, he must act; and then he has full power to act.

Mr. WHERRY. Yes.

Mr. President, if the Senator from Georgia will permit, I should like to ask another question. I do not wish to belabor this point, but I desire to get the most complete interpretation I can from the distinguished chairman of the committee.

I think we are in agreement about the illogical result and I think we are in agreement about subsection (f).

However, if in the final analysis we are to get protection from the importation of agricultural products when price supported surpluses of those products exist in this country, or when such importation would be detrimental for other reasons, we must go back to section 22 must we not?

Mr. GEORGE. That would be true——

Mr. MILLIKIN. Mr. President, if the Senator will permit an interruption——

Mr. WHERRY. I am glad to.

Mr. MILLIKIN. Let me say that the escape clause procedure, as such, is also available.

Mr. GEORGE. That is true.

Mr. WHERRY. I understand that, but there is nothing mandatory about it.

Mr. MILLIKIN. No; there is nothing mandatory about it.

Mr. WHERRY. That is the point I wish to make. I deeply appreciate having the Senator from Colorado raise that point.

Mr. MILLIKIN. The only reason why I intervened was that I understood the Senator thought the sole relief was under section 22. It can also be taken under the regular escape-clause procedure.

Mr. WHERRY. That is correct, and I thank the Senator for his observation. However, in the final analysis, even though there is available a discretionary or permissive action under the escape clause, if anything final is to be done, we have to rely upon the provisions of section 22, with respect to agricultural products.

Mr. GEORGE. That is true, but the Secretary of Agriculture is required to make a request to the President; and if there appears to be sufficient on the face to indicate that the Secretary of Agriculture is correct, then the Tariff Commission must make the investigation; and if the President finds that its report sets forth the facts as contended by the Secretary of Agriculture, the President then must act.

Mr. WHERRY. Yes.

Mr. GEORGE. I endeavored to point out that if it is desirable further to strengthen section 22, I think undoubtedly it could be done, but that does not come appropriately within the jurisdiction of the Finance Committee.

Mr. WHERRY. The point I desire to raise then, is with respect to the final relief which might be had. I was sure yesterday that I understood section 22, because I happen to be a member of the Agricultural Subcommittee of the Committee on Appropriations. We have in the past gone over the amendments to the Agricultural Adjustment Act very carefully, especially in regard to agricultural price supports. But the provision in question in section 22 begins with the words "and if the President agrees that there is reason for such belief"; that is, the belief that products are being imported into the United States under conditions and in quantities so as to render support programs ineffective. If he believes that, and if he has reason for that belief, "the President shall cause an immediate investigation," and so forth. Last year it was pointed out to the Secretary of Agriculture and to the Secretary of State that this was not merely a provision which possibly could be overridden by an international agreement; not merely a permissive escape clause. We felt that—the State Department and the Department of Agriculture permitted an import concession, when support prices were so high, and potatoes, for example, in such great surplus, that it was ridiculous such concessions were tolerated. Yet the Secretary of State said that made no difference. He, of course, relied upon subsection (f) of section 22, which it is now proposed to amend.

Mr. GEORGE. Yes.

Mr. WHERRY. But the Secretary of State said, what is important is that we must transact business with our neighbors, and the small amount we lose in supporting the price on surplus potatoes, while imported potatoes are permitted to come in for less, is insignificant compared with the desirability of maintaining the pleasant relations

which we have with our sister country across the border.

I believe the committee amendment tightens the requirements under which section 22 of the Agricultural Adjustment Act shall be applied, although the provisions of section 22 are still permissive.

I wish to thank the distinguished Senator from Georgia and the Senator from Colorado for their great work on this bill, and especially for the amendment to subsection (f) to section 22, on page 13. To me that helps tremendously. But, in the final analysis, it is my contention that the language contained in the House bill remedies the situation, and constitutes a mandatory provision.

Mr. GEORGE. The language of the House provision would have the effect of almost killing the entire Trade Agreements Act.

Mr. WHERRY. I do not want to do that, as the Senator knows.

Mr. GEORGE. I fear it would, because I do not think the provision could be administered.

Mr. WHERRY. For that reason I should like to ask the distinguished Senator regarding the five points which he made; first, that the House provision was deleted because it would be impracticable to administer. If the Senator does not mind, I should like to know in what particular is the provision so impractical of administration.

Mr. GEORGE. It would be necessary to change the tariff with every price fluctuation which interfered with one of the support-price programs, and that would happen again and again. It would become necessary to reimpose and to readjust until there would be no finality, and there would be no actual certainty; consequently, we could not negotiate with respect to farm products. The situation to which the Senator refers may have been unfortunate, but I think it important to bear in mind that our exports of price-supported farm products amounts to about five times our total imports of price-supported farm products. We had better handle the one-fifth as proposed by the bill as reported to the Senate, with such tightening up of section 22 by the appropriate committee as may be deemed necessary. I think, however, that the President would scarcely disregard the recommendations of his own Secretary of Agriculture. If, with a price-support program being administered, because of trade agreements or concessions there is a resultant rapid increase in imports, I think the President, while he has discretionary power, certainly would listen to his Secretary of Agriculture, and, if the Tariff Commission found certain conditions to exist and so reported to the President, I apprehend that there would now be no doubt about action.

Mr. WHERRY. Mr. President, if the Senator will permit, personally I cannot see yet wherein there is any impracticability of administration. It might be that there would be, in the case of retroactive agreements, but certainly, as to future trade agreements one could be written under which, in no event, should the concession go below the support price. I can see nothing impractical at all about that. As the support price on the great crops changes annually, it might become necessary to write a provision, including a statement of what that support price is, but I can see nothing very impractical about that. For example, the farmers who take open contracts to produce corn do not know what the support price is going to be until it is finally determined by the Department of Agriculture. Certainly there should be no distinction between a domestic farmer and a foreign farmer, so far as the support price is concerned.

Mr. GEORGE. I may say to the Senator, that such a provision might be written into the bill, but it must be borne in mind that the thing which changes is the price of the imported commodity, and when it changes, it becomes necessary to make a readjustment; the result of which would be to destroy certainty in the administration of the House provision. My purpose in rising this morning was to emphasize the fact that in the opinion of the committee it is not administratively easy, at least.

Mr. WHERRY. Mr. President, if the Senator will yield further, so that I may make another observation or two, I admit that all reciprocal trade agreements are very complex in form. That is true. It is difficult to write into a bill the many things which would not only please one country but which would also please all other participating countries. But I can see no difficulty at all about providing in a reciprocal trade agreement that whenever a concession is to be made, it shall not fall below the support price, depending upon what the support price is, annually.

There may be further explanation which could be made as to the difficulty of administering such a provision. If the distinguished Senator from Georgia, or the ranking minority member of the committee, has anything further to say about its administration, or will supply the information for the RECORD, I should like to have it. We do not want to pass a bill to extend reciprocal trade agreements which will destroy the exportation of our agricultural surpluses, and certainly we want to import commodities on a basis which is fair and equitable.

With reference to our huge exports of agricultural products to a considerable extent they have been caused by the programs designed to aid other countries. A large volume of our agricultural products have been sent abroad through the generosity of the American people. When that comes to an end, then the question will be, Shall we have those markets for our export products, and what will the support price be at such time?

Mr. GEORGE. Let me call the Senator's attention to the fact that traditionally we have had large exports of farm products. For a relatively long period of time, cotton alone constituted more than 50 percent, or at least 50 percent of our exports.

Mr. WHERRY. I think that is true.

Mr. GEORGE. Also, it may be said that apples and various other farm commodities are exported. I think, if the Senator will take a very careful view of it and will read the House provision in the light of this one fact, namely, that when the price of the import goes below the parity price of the commodity——

Mr. WHERRY. I understand.

Mr. GEORGE. A readjustment will become necessary. When it comes up, that is when the import price in this market comes up to parity, then it will become necessary to make another readjustment. The result would be that we could not write firm, definite agreements with respect to farm commodities which were available under the support-price program.

Mr. WHERRY. Mr. President, if the Senator from Nevada will yield further, I did not want to labor the point, but my reason for asking these questions is that I feel the House provision would accomplish the purpose of straightening out what I consider to be a very illogical position which we have taken in permitting the importation of agricultural products in direct conflict with price-support programs on agricultural products in this country. I am not sure what can be done about it. I certainly will consider the judgment of the distinguished chairman of the committee and also the judgment of the ranking minority member of the committee, the distinguished Senator from Colorado [Mr. MILLIKIN]. They have heard the testimony and have weighed the evidence, and they have given the Senate the benefit of their best judgment. But I shall hold the matter in abeyance, as I desire to look up a few facts myself. I hope the amendment will not be voted upon today.

I am rather interested in the Senator's statement that the Farm Bureau and, I understood him to say, the Farmers' Union, and I believe, some cotton organization, feel that the House provision should be deleted and that we should rely upon the provisions as outlined in the Senate committee text. But, regardless of whether an amendment is to be made to the Agricultural Adjustment Act or whether an amendment is to be made to this bill, I cannot help but feel, after the consideration that has been given to the question, that some more effective action should be taken. Either section 22 should be amended or modified to make it a mandatory provision, or we should do something as to the agreements.

We talk about preserving price supports. To my mind, the quickest way to ruin the price-support program is to permit the importation of products at a concession so low that the taxpayer has to pay the difference between what the product would normally sell for in the open market and the support price. We are thus subsidizing the farmers of foreign nations. If we do that, we shall ruin the very program which we are undertaking to strengthen agricultural production in the United States.

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

Mr. WHERRY. I do not have the floor.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. THYE. Will the Senator from Nevada yield?

Mr. MALONE. I yield.

Mr. THYE. Much of the discredit cast on the price-support program has been due to potatoes which were imported and added to the surplus stocks of potatoes in this country. Is not that correct?

Mr. WHERRY. I think so; yes. I offered an amendment on the floor to prevent the importation of potatoes, but it was rejected.

Mr. THYE. Potato producers have no support program to protect them if there should be an abundant harvest. The same is true with respect to apples in the Northwest, and I could refer to some other crops which are likewise affected by imports which have on a number of occasions ruined the market at the harvest season of a particular crop.

Mr. WHERRY. That is correct. The farmers have been criticized on the floor, and we have been told that taxpayers pay a large amount of money to boost prices so that farmers may enjoy parity, which will reflect the increased cost of labor and the increased cost of materials they have to buy. The statement has been made that such a program makes all prices high. What hurts is the continuation of a support price for the world. That is what we are doing so long as we permit imports to come in with concessions so low that the farmers of other nations receive the benefit of our support price.

It seems to me that the House provision strikes at a situation which is very illogical, namely, that concessions should not be made so low that foreign agricultural products could be imported to undersell our own domestic surpluses, and foreign farmers receive the benefits of support prices. There is justification for the House provision.

No Member of the Senate has greater respect than I have for the Senator from Colorado [Mr. MILLIKIN], the distinguished ranking minority member of the Finance Committee, and for the distinguished Senator from Georgia [Mr. GEORGE], the chairman of that committee. That is one committee which has a reputation for working overtime. No doubt the committee has gone into the question very carefully, much more so than any of us will do in connection with the pending bill, but we have had the problem before us previously, and we shall have it again. If we are to continue to support farm prices in this country, we cannot permit the support program to be ruined by permitting unlimited quantities of foreign agricultural products to be imported when the payment of the support prices falls upon the taxpayers.

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

Mr. MALONE. I yield.

Mr. MILLIKIN. I should like to say to the distinguished Senator from Nebraska that he has very ably argued the provisions of the House bill. They were also argued by the minority members of the Senate Committee on Finance, but the votes were against the line of argument which the Senator from Nebraska has been following. Personally, I reserve the right to take my own position on the question.

Mr. WHERRY. Mr. President, will the Senator from Nevada yield to me so I may ask the Senator from Georgia one more question?

Mr. MALONE. Yes; I am glad to yield to the Senator from Nebraska.

Mr. WHERRY. With respect to the difficulty in administering the House provision, I wish to ask the distinguished Senator from Georgia whether any suggestion was made as to permitting a leeway, let us say, of 5 percent either way before any adjustment is made, or something of that kind? Was any rule or measuring stick suggested to the committee for its consideration in connection with the House provision?

Mr. GEORGE. I do not recall that there was. As I told the Senator, the farm organizations said that they had full sympathy with the purpose of the provision, but they thought it would not be possible of administration. They said they thought it would be more harmful than helpful. Those who appeared before the committee at least took a definite position against section 8, but did insist upon a proper escape clause, and particularly the elimination of subsection (f) of section 22. They thought that would meet their problem. I have become convinced that it would, while having every sympathy with the House provision. If there should be any tightening up so as to make it completely mandatory upon the President to cause investigation to be made or take place under section 22, then, as I said before, that would be a matter which should address itself to the Committee on Agriculture and Forestry, because our committee has no jurisdiction over that particular matter.

TRADE AGREEMENTS ACT EXTENDS POWER OVER DOMESTIC ECONOMY—CONTINUED FROM MAY 21

Mr. MALONE. Mr. President, free trade, as practiced under the 1934 Trade Agreements Act, is only one of the factors used to destroy our economic system.

If a deliberate attempt had been made from the beginning to destroy it, starting 18 years ago, a better job could not have been done.

Also, there is effective free trade if tariffs are lowered below the differential between the living-standard costs here and in the competitive nations, unless the wages and investments in a particular business are written down to meet the competitive level of such foreign country living-standard nations.

TARIFFS OR SUPPORT PAYMENTS

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

Mr. MALONE. I yield.

Mr. WHERRY. In the light of that statement, I should like to ask the distinguished Senator from Nevada a question Does he not feel that we must make a choice; that we must either have support prices, which the taxpayer has to pay, or there must be protection, so that the imports will not drag the prices so low as to ruin the American producer? Is that not true? There must be one or the other.

Mr. MALONE. The distinguished Senator from Nebraska has put his finger squarely on the sore spot. In other words, there has been a deliberate removal of the tariff or import-fee protection for the wages and investments in this country during the past 18 years, and the substitution of subsidies to uphold a tottering economy.

The establishment of subsidies is a sharpshooting game. Many times groups have attempted to secure protection for their own particular industry through sharpshooting based upon no principle at all.

Amendments have been offered to bills to protect our fur industry, to protect our oil industry, and other industries, through quotas or subsidy payments.

Such proceedings would all be unnecessary if there were a tariff established on a fair and reasonably competitive principle, administered by a Foreign Trade Authority, such as the Interstate Commerce Commission, which is free to determine freight rates for the carriers on the basis of a reasonable return on investment.

FOREIGN TRADE AUTHORITY—ICC

Mr. President, the junior Senator from Nevada served 8½ years on the Nevada Public Service Commission. What was the criterion used by that commission with respect to rates? Exactly the same as that used by the Interstate Commerce Commission—a fair and reasonable return.

How is that established? First, all the factors are considered, and the commission arrives at a fair value of the property, considering, of course, the replacement value, and the first cost.

Amortization and all other necessary factors are included. Having arrived at a fair value of the property, the commission then decides what is a fair rate of interest under the conditions obtaining in intrastate commerce, since it is a matter of State regulation.

The same rules are applied as are applied by the Interstate Commerce Commission in the regulation of interstate commerce.

Mr. President, I say to the distinguished Senator from Nebraska that he would feel it necessary to try to protect intrastate railroad engaged in business in Nebraska if it were not for the fact that there is in existence the Interstate Commerce Commission.

If it were not for the existence of that Commission, the Senator from Nebraska would be here trying to get a lower rate for the farmers, or perhaps it would be necessary to try to have higher rates established for the railroads. He does not have to bother, however, because Congress has established the Interstate Commerce Commission, which takes care of such matters on an established principle.

NO SHARPSHOOTING

Mr. President, similar action is what the Senator from Nevada wants to have taken in connection with foreign commerce—the establishment of proper tariff principles on the bases of fair and reasonable competition, so there will be no need for sharpshooting.

ALL INDUSTRY AND LABOR AFFECTED

American producers of coal, of furs, of zinc and lead in Missouri, are always injured by imports of such products if the imports are priced below the fair and reasonable competition level. Let us lay down a proper principle, and sharp-shooting practices will not be necessary.

We now have radio communication, and whenever a regulation is issued, whenever a tariff rate is changed, the news is available to everyone, so the next day it will be known exactly who is obtaining protection and who is not. It is impossible to keep such news from the public—and it should not be kept from the public.

SIX FACTORS TO DESTROY ECONOMIC SYSTEM

Mr. President, the six factors used in the last 18 years in preparing for the destruction of the economic system of this country include—

First. The removal of the metal base for our money, and the utter debasement of the currency of the United States of America.

There is absolutely no brake on the printing press money now. Congress has proved that it will make the change in the backing of the fictional metal base for the money. When we come to the point where we do not have enough gold in Fort Knox to have 40 percent value behind the currency, Congress changes the figure to 25 percent.

Perhaps it will not be long before they, perhaps, will change it to 15 percent, and then to 10 percent unless a definite move is made to control inflation. Congress is trained to do what the President asks it to do, and it seems that we simply cannot stop the printing of paper money, and inflation is the natural result.

Second. The free-trade program initiated through the 1934 Trade Agreements Act by the President, by his State Department, and the continual lowering of tariffs and import fees without any regard for the fair and reasonable competitive principle, and with the apparent objective from the beginning of one economic world, has laid the foundation for averaging the living standards of this country with those of the other nations of the world. Some say that was done to prevent war. Well, we have followed this path now for 18 years, and this is the second war within 10 years—world war III.

It is wearing us down "keeping us out of war."

Third. Income and other taxes are levied without restraint. They have in many cases reached the point where the law of diminishing returns takes over, and investment of venture capital is disturbed.

Just the mere fact that there is tampering with the tariffs, that there is continued tinkering with the tariffs, threatening the tariffs and import fees, not only prevents venture capital from going into a new business, but runs private capital out of the business stream of the nation.

Fourth. Subsidies are paid to producers in lieu of the tariff or import fee. As has been said, there has been a gradual substitution, of subsidies for tariffs. As a matter of fact, when the tariff and import fees are removed or substantially lowered below the differential, then the subsidies must be substituted to make up the difference, to hold our standard of living.

Fifth. The Securities and Exchange Commission, with its engineers and hand-raised economists insisting upon their own judgment as to the success of a venture before allowing stock or shares to be sold when, as a matter of fact, the real objective should be to guarantee that the truth and the facts are told to prospective investors, not to determine the feasibility of the project, because when that is finally determined without any doubt, there is no need to sell stock. This action prevents many new business developments.

Sixth. Emergency economic controls contribute greatly to socialization and nationalization of industries and complete economic control by the President of the United States.

Such control was voted by the Senate with little question.

The junior Senator from Nevada debated the question and voted against the proposal.

REGULATION OF NATIONAL ECONOMY—FIXING FOREIGN POLICY

The Constitution of the United States pointedly separates the regulation of the national economy and the fixing of foreign policy.

The regulation of foreign commerce is one of the chief factors in the regulation of the national economy, and the Constitution fixes the responsibility for such regulation in the legislative branch of the Government, the Congress of the United States.

The President is charged with the responsibility of fixing foreign policy.

The Constitution pointedly separates the regulation of the national economy and the fixing of foreign policy.

1934 TRADE AGREEMENTS ACT

In 1934 Congress passed the 1934 Trade Agreements Act, which transferred its constitutional responsibility—not its authority—to the executive branch of the Government.

The President now has both the fixing of foreign policy and the regulation of the national economy through one of the chief factors, the regulation of foreign commerce and the fixing of tariffs and import fees.

CONGRESS MAKES APPROPRIATIONS

That leaves the Congress, and particularly the dignified Senate, with little else to do but make appropriations, and Congress usually makes the appropriations which the President suggests. Sometimes Congress cuts the appropriations which he suggests as much as 5 or 10 percent; but already he has at least 20 percent in the appropriation that he did not expect to get, so he has a little velvet left.

At least that has been the custom in the 4½ years the junior Senator from Nevada has been a Member of this body.

ABSOLUTE DISCRETION OF THE PRESIDENT

Mr. President, there has been considerable debate about the amendments which are in H. R. 1612.

Let us examine those amendments. I say again categorically that the power in the President is absolute to further reduce tariffs and import fees, just as it was under the original 1934 Trade Agreements Act.

Under House bill 1612, together with the amendments reported by the Senate Committee on Finance, the President's power to leave present trade agreements intact, or to make new ones, is absolute. The peril point provision and the escape clause are merely suggestive to the President, and provide a means of accomplishing something which the entire history of the State Department's action in the trade agreements field emphasizes will not be done under any consideration.

We have the much discussed peril point provision. By the way, nearly all the tariffs which have been tampered with by the State Department over a period of years are now well below the peril point.

That is brought about through the Trade Agreements Act, or through agreements to lower tariffs. They are not really trade agreements.

It is also brought about by manipulation of the currencies of foreign nations, such as the British Empire.

After they had made trade agreements for 16 years with the United States Government they lowered the price of their currency from $4.02 a pound to $2.80 a pound. At that moment they lowered the tariffs of the United States Government more than 30 percent.

So the two amendments mean nothing in tangible results, however they may form a cushion upon which to rest a troubled conscience.

BE YOUR BROKER—ENGLAND

Mr. President, if there is any doubt about this, let anyone pick up one of the leading magazines.

I believe that the page which I have before me was torn from Look or Life magazine. However, one can pick up almost any magazine of national circulation and see an advertisement such as I am about to read. This is what it says:

> Be your own importer. Because of the devalued pound you can enjoy unusual savings on these London-tailored skirts.
>
> If you went to Europe what would you bring back?
>
> Probably lace from France. Maybe damask from Ireland. And certainly a British cashmere, a British skirt. But now you can have your British skirt, even if the only ship you've seen is a canoe. For now you can shop on London's Bond Street—by mail. And you shop at Palmer's, Ltd., a favorite with smart women for over 80 years.

SHUT WEST VIRGINIA COAL MINES

I note that the distinguished Senator from West Virginia [Mr. NEELY] is in the chair. One can shop for his own clothes in England now, just as one can shop for his own fuel in the Middle East, and shut down coal mines in West Virginia. There is no difference, except that in shopping for clothes in England we shut down textile mills in New England and in the South, and I fear perhaps some which are now growing in the West, or will grow if we ever have the long expected period of peace which has been 18 years in coming.

I continue to read from the advertisement:

Here are skirts you can't buy in the most distinguished shops this side of the ocean.

I am reading this because this is a case in point.

OUR ECONOMY AFFECTED FROM 3,000 MILES

Our tariffs are lowered by the action of a country 3,000 miles away from the eastern shore of our country.

They manipulate the actual effective value of our tariffs merely by manipulating their money system.

There is no provision in any trade agreement that has ever been made by the State Department to take care of manipulation of currency in a foreign country. There is no suggestion of the inclusion of a provision that when there is manipulation of currency in a foreign country there shall be a corresponding adjustment in tariffs.

A FARCE ON THE FACE OF IT

So, on the face of it, it is a farce and a misrepresentation when they say they want reciprocal trade.

It is not reciprocal trade that they want. They may deceive a great many people as they have done for a long time.

However, I think the situation is improving. We are like a man who has been through a great sickness. This may be the last time—and I predict that it will be—that the Senate will ever vote to extend such an agreement or give such power to a thoroughly discredited State Department and Executive.

For 2 years more he will have the absolute power of life and death over the workingmen and the investors of this Nation if the act is extended.

I continue to read from the advertisement to which I have referred:

Wait till you touch the firm British-loomed pure woolens. See the impeccable Gor-Ray tailoring, smooth as a glove at waist and hips, with permanized pleats that swing free for your country stride. These skirts are every inch aristrocrats—British as an Oxford accent and midmorning tea.

Mr. President, we are very much controlled right now by the Oxford accent. Our State Department is filled with Oxford accents. So now they can buy their clothes from England by mail.

Reading further:

They've been translated into American sizes—12 to 20, zippered in the American fashion—and priced for value-conscious Americans.

The devalued British pound makes this buy possible—

That is a case in point, Mr. President. I hope the sponsors of this legislation are listening because I do not believe they thoroughly understand how we are in the power of another nation, without any action by Congress, and without any action by the State Department, except the action which has already been taken.

ENGLAND OR RUSSIA MIGHT TAKE OFFENSE

To sign a trade agreement with a foreign nation which we know manipulates currency values is as senseless as allowing the transfer of Berlin to the Russian zone without any means of ingress or egress.

It was felt, I suppose, that we might offend Russia if we asked for such a concession.

At least that was the excuse which the State Department advanced for not asking for a right of way, that to do so might offend the Russians.

I suppose the State Department is afraid of offending the British or some of the other nations if we asked for the inclusion of a clause stating that if they manipulate their currency, which results in a lowering of our tariffs by 30 or 31 percent, we may compensate for it also by a comparable raise in the tariff. I suppose they thought it might offend the British Empire.

Mr. President, we are dealing with the British Empire, which takes in about half of the countries of the world, including Australia, Canada, India. That is the British Empire we are talking about, not only England.

I read further:

The devalued British pound makes this buy possible—a skirt you'll wear for years, wear with pride—for a mere $10, plus duty. We even pay the postage.

Mr. President, they even pay the postage.

Actually, we shopped the best stores and couldn't find skirts to equal them at this unbelievably low price. So mail this coupon today. In 3 weeks your Gor-Ray skirt will be on your doorstep.

Send this order direct to London. (Airmail from any part of the United States, 15 cents; ordinary mail, 5 cents.) Palmers, Ltd., 96 New Bond Street, London W. I. (Palmers, Ltd., as agents for Gor-Ray).

Enclosed find . (Send cash, banker's draft or international postal order.)

Send me Koneray size color.
Roedean size color.

Size	12	14	16	18	20
Waist	25″	27″	29″	31″	35″
Hip	36″	38″	40″	42″	44″
Length (to hem)	31½″	32″	32″	31½″	31″

Name
Address
City Zone State

Pay $2.75 per skirt United States customs duty to your postman.

I say again that it could just as well be the fuel imported and laid down at $1.70 or $1.80 a ton on the east coast, and shut down part of the coal mines in West Virginia and some of the oil wells in Texas and California where producers ship their fuel a considerable distance from the point of production to the point of steam power generation, and to run the industries of our country.

GOLD EXODUS

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

Mr. MALONE. I am happy to yield to the Senator from Idaho.

Mr. DWORSHAK. The press reports that British banks are taking many million dollars' worth of our gold out of the Treasury. We recognize, of course, that at the rate of $35 an ounce gold can be sold at probably 40 percent or 50 percent more in European markets. Is gold protected in any way under the reciprocal trade agreements?

Mr. MALONE. It is fortunate that the distinguished Senator from Idaho brought up that point at this time. The junior Senator from Nevada had just stated that we have destroyed our currency by removing the metal base from the money.

Not only is our gold supply not protected, but if I were an Englishman, a Frenchman, or the national of any of the other 16 nations, I could take ECA or Marshall-plan money and buy gold from the United States Treasury at $35 an ounce, take it home with me, and sell it at a great increase.

Seventy dollars was the figure when I was there. I do not know what it is now, but I suppose it is around $60 at least. In a free market, of course, we know what gold is worth and what people will pay for it.

I was in South Africa, where an enormous amount of gold is produced. We guarantee the $35 price. The South Africans could sell their gold any place in the world where they could get more than $35 an ounce, and they could sell it to us if they could not get more than $35 an ounce elsewhere.

OUR METHODS

They could let us keep it until the price went up, and then they could buy it with ECA money and sell it back to us again at the increased price. It is not a bad system for anyone who can take advantage of it.

There is one other item which I discussed in the Senate, I believe in 1947. In accordance with the usual run of things, it is about time for something to be done about it. It usually takes about 3 years for something to take effect after it first comes before the Senate. It runs like smallpox or measles; a certain time elapses, and then the effect is produced. An analogy may be found in the action we took yesterday on the conference report on the third supplemental appropriation bill.

ARMING RUSSIA AND SATELLITE NATIONS

The junior Senator from Nevada had explained all along beginning in March 1948, that we were arming Russia with the materials they needed with which to fight a world war III with us, and to consolidate their gains in iron-curtain countries and in China.

It was all explained on March 4 and 5, 1948, when the Marshall plan first came before the Senate. Only 3½ years ago, approximately. The progress in that case has not been bad. I presume that in about another 2 years we will take action against this free-trade robbery.

In about another year or two we ought to get around to replacing the metal base under our currency and stop inflation.

That is what we need, Mr. President, to stop inflation. We need a metal base to which we can tie our currency.

Otherwise we have nothing; our currency is like a loose balloon, it will continue to soar. Let us not have it go any higher.

What would that base be? It would be gold, would it not?

DID NOT WANT MARSHALL PLAN MONEY

In 1947 I went through the coal mines and through the steel mills in Birmingham. After I had gone through the mines and mills, I found that none of

the owners of steel mills wanted any Marshall plan money. They wanted to deal with their local banks. I met a Mr. Jones in charge of a steel mill. Incidentally, I mentioned all this on the floor of the Senate in 1948, but it may have grown a little dim with age. Mr. Jones had obtained $12,000,000 for improvements, and I asked him where he was getting the money for the improvements. He was very proud of new furnaces and buildings he was erecting. I said to him, "Are you getting the money from the Bank of England?"

He said, "No. I am getting it from the local banks in Birmingham."

I said, "Don't you want any of this great Marshall plan money?"

He said, "I just want them to stay out of my hair. If we take it, we will be nationalized. We may escape that if we do not take the money."

WE ARE ON OUR WAY TO NATIONALIZATION, TOO

They did not escape nationalization, and we are riding in the same direction. The same thing will happen to our coal mines, railroads, and banks. We are getting to the point where we will be able to do nothing else. If anyone has any doubt about it, let him go out on the street and ask the first 10 men he meets, "Who is running the railroads?" They will not know, unless it be by accident. The Government of the United States is running the railroads. I would say that not over one man out of a 100 in the United States knows it. So we are about ready for nationalization of industries. We may turn the railroads back this time, but perhaps never again. Someone may introduce a bill providing for the purchase at par of the common stock of the railroads, which, with the execption of the Santa Fe Railroad and the Pennsylvania, have not paid any interest or dividends for 25 years, except in wartime. It will be said that we should pay for the stock at par. We will do exactly what was done in England. We will pay so much for each railroad, and guarantee payment out of the United States Treasury. That is what was done in England.

BRITAIN WANTED TO BORROW OUR GOLD

Mr. President, in connection with my discussion of gold, I wish to refer now to what the late Mr. Bevan had to say to me in London, after I returned there from Birmingham, England. I considered Mr. Bevan a good, rough, tough man who knew his business. He had come up the hard way, through the mines. I wanted to see Mr. Cripps and Mr. Churchill. Mr. Churchill was sick, and I saw Anthony Eden in his place—not a very good substitute; but I did see him.

However, Mr. Bevan turned out to be just as tough as I had thought he was. My opening statement to him was that I thought he and I should get along all right because both of us had come up the same route.

We had quite a long talk. Finally, in sizing me up—unfortunately, he has since died—he said, "You know, I was not facetious, although some people thought I was, when I suggested, a few months ago"—it was in the spring of 1948 that I talked to him—"that you should lend your gold to us. We need it to support our currency."

Of course, when he said "lend," Mr. President, he referred to one of the gift loans that the record shows we so often make.

Mr. President, ordinarily I am very serious with dealing with representatives of other governments; but that remark of his was a little too much for my Irish sense of humor, which got the best of me, unfortunately; and I said, "Mr. Bevan, for 15 years we have had an administration in the United States which claims that gold is not necessary to back up a currency; and, to judge from the press reports of your statements, you agree with that position. So when did this great change come over you?"

Unfortunately, Mr. President, that ended the interview.

I wish to say again that we should keep the record straight. If any Member of the Senate takes issue with the points I am making, I hope he will do so while I am on the floor of the Senate so that we may debate the matter. Under the provisions of the pending measure, the President's power will be absolute, just as it was when the 1934 Act was first placed on the statute books.

Nothing good will come of either the peril-point amendment or the escape clause because the entire policy and program and announced objectives of the State Department contravene the purpose of the amendments. Therefore, Mr. President, all that the amendments can possibly amount to will be a nice cushion for the troubled consciences of Senators who vote for adoption of the amendments.

Mr. President, in regard to the advertisement I read a few moments ago, as it appears in a leading magazine, I wish to insert in the RECORD at this point, as a part of my remarks, an editorial appearing in the Doylestown Daily Intelligencer, of Doylestown, Pa. The editorial is entitled "Philadelphia and the Tariff." I read from it:

> Strange indeed is it to find the Philadelphia Bulletin teaching free-trade doctrines in the heart of the great industrial empire of southeastern Pennsylvania which owes its wealth to the American protective tariff.
>
> How quickly the new generations forget the lessons of the past.

Mr. President, they have been living off subsidies long enough now.

I read further from the editorial:

> Protectionism made Philadelphia—at least took it out of the slow tailspin it was in prior to the Civil War, and built it up during the war and during the reconstruction era into one of the major manufacturing centers of all the world.
>
> And now a great newspaper that has benefited most conspicuously from the wealth which protectionism helped to create in and around the City of Brotherly Love, ridicules and belittles the foundations upon which its own and its community's prosperity were built.

So the Doylestown Daily Intelligencer chides the Philadelphia Bulletin.

Mr. President, one of the reasons why the full impact of the present policy has not yet been felt is that we are still arming the mendicants of the world, if you please, with the industrial machinery they need in order to be able to destroy Philadelphia under the free-trade system.

The editorial in the Doylestown Daily Intelligencer goes on to say:

> Now get to the $64 question. Why is it that a skirt which, made in America, would sell for $25, can be manufactured by the British to sell for $12.75, tariff duty included?
>
> Most of the difference in cost has to do with the standards of living of the workman in England, as compared with his American counterpart. The Briton is working on a wage which is only a fraction as much as that of the American.

Mr. President, if there is any doubt about that, just take a quick glance at chart No. 3, which now is displayed here in the Senate Chamber. This chart compares the wages paid in the manufacturing industries in the United States with those paid in similar industries in the United Kingdom. The chart shows that in the United States the average is $1.41, as compared with an average of 39 cents in the United Kingdom. However, the Philadelphia Bulletin wants free trade. Mr. President, we thank God for a little newspaper like the Doylestown Daily Intelligencer, which has the guts to speak out. Perhaps it has more guts than the Senate has; I am not sure yet.

I read further from the editorial:

> The items of daily life which are considered necessities by the American—an automobile, all sorts of electrical equipment, etc.—are rare luxuries among the working classes in England.
>
> And here's the point—

The editorial now is referring to the advertisement to which I have previously referred—an advertisement by an English manufacturer, appearing in an American magazine:

> Every skirt sold by mail out of the production of the British mills is one less sold from the output of American labor.
>
> Carrying the Bulletin argument to its logical extreme, we would buy this country's skirts out of the cheaper British market, and let our own factories shut down—and our American garment workers go on relief.

Mr. President, there seems to be no difference of opinion as to what the effect would be. Nevertheless we are met with a proposal from the great—and it is great—and dignified Senate Finance Committee that for two more years we put into the hands of a thoroughly discredited State Department the fate of every workingman and every industry and every investor in the United States. Mr. President, if any Senator has any fault to find with that statement or takes any exception to it, I shall be happy to have him debate it with me at some length.

I now submit the entire editorial from the Doylestown Daily Intelligencer for printing at this point in the RECORD.

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

[From the Doylestown (Pa.) Daily Intelligencer for March 29, 1951]

PHILADELPHIA AND THE TARIFF

Strange indeed is it to find the Philadelphia Bulletin preaching free-trade doctrines

in the heart of the great industrial empire of southeastern Pennsylvania which owes its wealth to the American protective tariff.

How quickly the new generations forget the lessons of the past.

Protectionism made Philadelphia—at least, took it out of the slow tailspin it was in prior to the Civil War, and built it up during that war and during the reconstruction era into one of the major manufacturing centers of all the world.

And now a great newspaper that has benefited most conspicuously from the wealth which protectionism helped create in and around the City of Brotherhood Love, ridicules and belittles the foundations upon which its own and its community's prosperity were built.

The Bulletin editorial, which appeared a few days ago, was entitled "Skirts From England." It refers to the fact that British manufacturers are offering mail order business to American women through advertisements in our magazines. The offer is to sell skirts direct by mail for $10 apiece. The point which gives the Bulletin concern is that when the mailman brings the skirt, he will collect an additional $2.75 as custom duty.

Says the Bulletin:

"Here is a tax which American women pay which puts any 2 or 3 percent sales tax in the shade. It is not often the weight of this tariff duty on the American consumer is brought home so plainly. Usually it is hidden in the price paid at the stores. When women pay their $2.75 they will know at first hand what is meant by a trade barrier and a tariff."

Now, let's look into this briefly.

The whole tenor of the British advertisement is that of offering a bargain. The ads speak of a "mere" $10 plus duty. Some of them broadly intimate that the American equivalent of these skirts would cost at least $25 apiece.

Assuming this to be the fact, which it quite likely is, then the Bulletin seems to be wasting its tears over the distress of American women who are thus able to buy $25 skirts for $12.75—but can't get them for $10.

Now get to the 64-dollar question. Why is it that a skirt which, made in America, would sell for $25, can be manufactured by the British to sell for $12.75, tariff duty included?

Most of the difference in cost has to do with the standards of living of the workmen in England, as compared with his American counterpart. The Briton is working on a wage which is only a fraction as much as that of the American. The items of daily life which are considered necessities by the American—an automobile, all sorts of electrical equipment, etc.—are rare luxuries among the working classes in England.

And here's the point. Every skirt sold by mail out of the production of the British mills is one less sold from the output of American labor.

Carrying the Bulletin argument to its logical extreme, we would buy this country's skirts out of the cheaper British market, and let our own factories shut down—and our American garment workers go on relief.

Does that begin to bring out the amazing position which the Bulletin has taken in this matter?

Philadelphia is a major wool center. The products run into the millions in value, the employees far into the thousands. Whole square miles are occupied by the various types of woolen mills and associated industries, as a ride through northeast Philadelphia will quickly verify.

The Bulletin philosophy would put all these out of business—give the market to the British—and do so, not because the British are more efficient in this line of production (they are not) but because the British worker is willing to work for less money than the American, is content with lower living standards, and is no longer in a position to do anything about it, under socialist semidictatorship, even if he is discontented with his "austerity."

But the matter goes still one step further in its disturbing implications.

The difference in living standards between American and British workmen does not account for the whole difference in price between the $25 American skirt and the $10 British counterpart.

An additional reason why the American skirt is so costly is that, concealed in its price, are the extravagant American taxes, which are high among other reasons because so many American dollars have been diverted to helping finance the British experience in socialism—direct loans, the Marshall plan, ECA, etc.

American prices are automatically driven up by high taxes, a principal share of the revenue of which is turned over to foreign competitors to help subsidize lower price on commodities sent to this country to compete with American production.

Moreover, the price-differential due to low foreign standards of living, and no longer equalized by protective tariffs, is not a phenomenon to be found solely in the field of stylish skirts for women. It covers a list as long as your arm. Glassware, shoes, dishes, watches—these are but a few of an extensive and growing number of articles where the American Government has put American producers (and working people) behind the eight ball.

Sometime the day of reckoning will arrive.

TWO BASIC PHILOSOPHIES

Mr. MALONE. There are in this country two opposing philosophies of government, the second headed, of course, by the State Department, where it germinated. That is where it has put its roots down, with a subservient Congress carrying it along. There have been for generations two well-defined philosophies in the matter of our domestic production and foreign trade. There is no mystery or secret about the results of either.

One school of thought would maintain our economic structure, our wage and living standards, through an adjustable floor under wages and investments, for convenience called tariffs or import fees, based upon a fair and reasonable competitive principle.

The second school of thought has always held that our markets must be divided with all foreign countries through the removal of such a floor under wages and investments, and that direct competition must be established between the workers of this Nation and the workers of countries which have lower wage and living standards, resulting in leveling the standards of living.

Let us see what the effect would be. The State Department has from the beginning preached that by such action we shall raise to our standard the living standards of foreign nations, such as India, China, the 16 Marshall plan countries, and, in fact, all others. I have seen all these countries. The conclusion of the advocates of the second philosophy is that, as a result of the division of our wealth, and of the division of our markets, which are the basis of our national income, the wage and living standards of all the other nations of the world would be raised. The thought of dividing our markets with all the other nations of the world, 150,000,000 people as against nearly 2,250,000,000, reminds me of a man who might stand at the edge of a city reservoir with a glass of water in his hand, and who might say, "I think it is well that I average the level of the water in my water glass and the water in the city reservoir," and who, thereupon, empties his glass into the reservoir. His glass would be empty, but the affect on the reservoir would be imperceptible. That is exactly what would happen if we were ever to have a period of peace without an emergency. Can anyone remember a time when we did not have an emergency in this country? There have been 18 years of emergencies. We are praying for peace. Peace would wreck our economic system within a very short time.

The first philosophy I mentioned immediately establishes a market for the nations of the world in this country, on a fair and reasonable competitive basis, and the objective is to maintain our standard of living, through tariffs and import fees based on that principle of a fair and reasonable competition, maintaining our standard while assisting other nations to raise theirs. It is not an overnight job.

THEORISTS RUN THE COUNTRY

When those espousing the second philosophy come into government, one would believe from their attitude that the reason for everyone not being rich is that no one ever thought of it; that all that is necessary is the printing of money which will result in everyone in this country being rich; that all that is necessary is the dividing of our markets with the nations of the world, and all the nations will live exactly as we do. The dream is wonderful. But we find, unfortunately, that the old-timers, who have met business payrolls, and who know what it is to run a business, to manufacture something, or to render professional service, to meet payrolls and rent bills, do not agree with that theory; and the unfortunate part is that when the theory is tried out, and when it finally falls flat, it is then too late.

THEORISTS RUN THE COUNTRY

We find these hand-raised economists, who have never run a business, and who could not run a business, occupying offices in the State Department and in the White House. Their theory is that the more one spends, the wealthier he becomes; that all we have to do is have an emergency, in order that the money may be taken from the taxpayers of America, and everyone will become rich almost immediately—everyone, that is, except the taxpayers. What seems to be given very little thought is that it would slowly drain the heart's blood of American business and industry, and destroy the working man's wages.

The second philosophy, that of the hand-raised economists in this administration, immediately puts the workers and investors of this Nation into direct competition with the sweatshop labor of the world, and it can only result in a leveling of our own standards. It has never been denied that "one economic world" is the objective.

THE MAIN NEED IS MARKETS

Now it is said, "Well, we do not write off the tariff entirely, we only lower the tariff, we give them the benefit of a market." That is one thing which they found out through the Marshall plan. The junior Senator from Nevada, on the Senate floor, explained that the possession of manufacturing equipment is not the objective. Anyone may construct a plant and get the credit with which to do it, if he has the markets. It is possession of the markets which must come first. Any industrial engineer in America will verify that, and the junior Senator from Nevada worked in that business during the last 15 years of his professional career.

When the basis of income is divided, there is then but one way to meet the situation. Either the workers in this country will become unemployed, and the investment lost, or there will be a lowering of the wages and the writing off of enough of the investment to meet the competition. When we shall have finally used up the substance of this country—and how long that will take is a matter of conjecture—we shall be in a position similar to that of the man who has lived on not only his life's savings, but the credit based upon a character built up through a lifetime: How long does it take him to rebuild it?

FLEXIBLE IMPORT FEE SUBSTITUTE

The substitute which I am today offering for the pending bill proposes two things. First, it proposes to establish a definite principle of fair and reasonable competition as the criterion of establishing a market in this country for the goods of foreign nations. It establishes fair and reasonable competition, not a barrier to keep the goods of other countries from entering the United States. The substitute does not mention high or low tariffs, but simply provides for a tariff structure ensuring fair and reasonable competition.

It seems to me that adoption of the proposal would mean that the United States of America was going a long way to establish a market for the goods of foreign nations on the basis of fair and reasonable competition. No laborer, no worker, in the United States of America, no investor that I have ever seen, has ever complained when asked to compete on a fair and reasonable basis.

FOREIGN TRADE AUTHORITY

Second, Mr. President, the substitute establishes a foreign trade authority. All it would do would be to turn the Tariff Commission into a foreign trade authority, because that more nearly represents its functions. The Tariff Commission has had long experience. It knows its business. Of course persons can be appointed to the Tariff Commission who have a philosophy which would destroy the principle of the bill, but the present members know their business, and know how to arrive at a fair and reasonable competitive basis.

So there would be established an independent foreign trade authority to determine the tariffs and import fees on the basis of fair and reasonable competition, a principle laid down by Congress in the same manner as Congress long ago laid down the principle of a reasonable return on investments as a basis of determining freight rates of common carriers, and placed the Interstate Commerce Commission in complete charge of the matter. That action would return to the Congress the responsibility which the Constitution placed in the legislative branch of the Government, and it would take that duty away from an entirely irresponsible State Department.

I suppose that the distinguished Senator from Wisconsin [Mr. McCarthy], who does me the honor to be listening to what I have to say, will agree with that statement. What we are doing, I will say to the distinguished Senator from Wisconsin, is simply extending for 2 years the authority over the working men and investors of this country, an authority exercised by a thoroughly discredited State Department, an authority which it has been using to remake the economic map of this country. That is the bill which the Finance Committee has reported to the Senate. The amendment in the nature of a substitute which I have offered would operate on the same principle as the law which established the Interstate Commerce Commission. A firm principle would be established. There is no principle at this time.

FIRM PRINCIPLES ABANDONED

Mr. President, all established principles for the fixing of tariffs and import fees have been abandoned. For 75 years the tariff-and-import-fee system has been utilized in establishing a market for the goods of foreign nations, with a tariff or import fee representing the differential, between the cost and productiveness of an hour of American labor and an hour of foreign labor. The principle has been abandoned by the State Department in favor of the sharpshooting and horse-trading method of lowering tariffs and import fees beyond any fair and reasonable competitive position. For what? For some mythical or fancied advantage in some other field. The sharpshooting comes about through the effort to protect a particular product which someone happens to be interested, or by selecting a certain industry to suffer especially. There is no principle whatever attached to it.

SUBSIDIES ARE NOT NEEDED UNDER FLEXIBLE TARIFF

Farm products are protected by a subsidy. I am in favor of a subsidy when tariffs and import fees are removed or utterly destroyed; but, Mr. President, 80 to 85 percent of the farm products of the Nation do not need subsidies if they have a tariff or an import fee protection on the basis of fair and reasonable competition. Such protection is removed when surplus farm products from other nations are brought into this country, not on a basis of fair and reasonable competition, but at lower prices.

Mr. President, I heard the debate with reference to potatoes coming in from Canada, and about buying kerosene with which to burn them. It seemed to the discredit of the Department of Agriculture that it was burning potatoes. I thought the Agriculture Department was wrong in recommending the system in the first place, instead of such tariffs as I am discussing, but I have noticed since I have been a Member of the Senate, during the past 4½ years, that it does not make much difference what the Secretary of Agriculture recommends, and it does not make any difference what the President recommends. The Senate of the United States has to vote on the question. If a bill does not pass, it does not become a law. That is something which we might remember when we blame the President, the Secretary of Agriculture, the Secretary of the Interior, or the Secretary of the Treasury. They are working under laws passed by Congress, many of which have to be renewed at certain intervals. What do we do? I think we vote by rote.

ITO NOT ABANDONED

Much credit is being given the State Department for announcing that the International Trade Organization would not be pressed upon Congress, but little attention is being paid to the fact that chapter 4, the commercial policy chapter of the International Trade Organization charter, has been adopted with the general agreement on tariffs and trade. Under GATT, all the commerical policy aspects of the International Trade Organization have been adopted for which further congressional legislation is not absolutely required, and it is expected that legislation will be offered to complete the adoption of the commerical policy chapter of the International Trade Organization charter.

In that regard, much has been made of the promise of the Secretary of State that he will not press the International Trade Organization. I want to read a paragraph from a release of the State Department of December 15, 1950, only 6 months ago, in which it is said:

> As a result of this review the interested agencies have recommended and the President has agreed that while the proposed Charter for an International Trade Organization should not be resubmitted to the Congress—

The junior Senator from Nevada stated on the floor of the Senate less than a year ago that he dared those supporting this recommendation to bring it before the Senate. The reason why it did not come to the Senate floor was because they knew it would be defeated. So they say that the proposed Charter for an International Trade Organization should not be resubmitted to the Congress.

I read further from the press release:

> Congress should be asked to consider legislation which will make American participation in the General Agreement more effective. The many serious problems now facing our Congress and the legislatures of other countries require that we concentrate on the trade programs that are most urgently needed and will most quickly produce concrete results.

So, Mr. President, we shall be asked to pass on legislation that will make all the GATT provisions effective. When that is done, I should like to have someone explain to me how far away we shall be from the International Trade Organization. Almost everything that can be done under the International Trade Organization, as proposed, can be done under GATT.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the release by the Department of State, No. 1221, dated December 6, 1950.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Without objection, it is so ordered.

The release is as follows:

DEPARTMENT OF STATE,
December 6, 1950.

The governments participating in the General Agreement on Tariffs and Trade, now meeting in Torquay, England, will shortly take up the question of the future administration of the agreement.

In anticipation of this discussion, the executive agencies of this Government have reviewed the status of legislation affecting American participation in the General Agreement. This includes the Reciprocal Trade Agreements Act, which is scheduled to expire on June 12, 1951, the proposals to simplify our customs laws and regulations, and the proposed charter for an international trade organization.

As a result of this review the interested agencies have recommended and the President has agreed, that while the proposed charter for an international trade organization should not be resubmitted to the Congress, Congress should be asked to consider legislation which will make American participation in the General Agreement more effective. The many serious problems now facing our Congress and the legislatures of other countries, require that we concentrate on the trade programs that are most urgently needed and will most quickly produce concrete results.

We must, of course, continue the Trade Agreements Act. This has become a fundamental part of our foreign policy. In addition, we should continue to build upon the trade-agreements program by developing machinery for the administration of the General Agreement so as to permit it to operate more continuously and effectively.

The General Agreement on Tariffs and Trade came into force provisionally on January 1, 1948. It is the first multination trade agreement concluded under the Trade Agreements Act. It is a landmark in the history of international commercial relations and represents the most constructive effort ever undertaken for the simultaneous reduction of trade barriers among the nations of the free world. Thirty-two governments are at present parties to the agreement and seven more are expected to join at the conclusion of the tariff negotiations now being conducted at Torquay, England.

The general agreement has achieved remarkable results. There has not, however, been any administrative machinery to permit continuing consultation among the participating countries on the problems that arise in interpreting and applying the agreement. This has been a serious handicap, since it has been difficult to handle matters of this kind solely through the semiannual sessions of the participants themselves. It is important that this handicap be removed promptly if the agreement is to do its full part in increasing trade among the free nations and in eliminating the commercial causes of international friction.

To meet the need for improved organization, the United States will suggest to the other governments concerned the creation of the necessary administrative machinery, including a small permanent staff. Appropriate legislative authority for this purpose will be sought in connection with renewal of the trade-agreements program.

Before United States participation in the general agreement can be made fully effective it will be necessary to simplify our customs laws and regulations in some respects. Certain provisions of the agreement cannot be applied until this has been done. The customs-simplification bill introduced in the Congress last spring would accomplish most of the needed improvements in the customs laws. Congressional action in this field will again be requested next year.

Mr. MALONE. The purpose of placing the release in the RECORD, Mr. President, is to bring forcibly to the attention of the Senate that the State Department is not yet through with legislation proposed to make effective the General Agreement on Tariffs and Trade initiated in Geneva in 1947, and continued to this date. It is my understanding that at Torquay, the whole multilateral agreement was extended for 3 years.

PRESENT POLICY CONTINUED

There is an announced policy of the State Department, as well as of the President. That policy has been announced every few months during the last several years. We now have before us a bill which does not direct the President to do anything. I categorically say again that it does not direct the President to do anything. Therefore, who believes that there will be any change in the policy of the President of the United States and the State Department in relation to trade? It has been the announced policy to divide the markets of the United States with the foreign countries by fostering imports in order to make relief under the ECA and Marshall plan unnecessary. What does that mean? It simply means that our income is divided, so that we shall arrive at the point of having the same standard of living other countries have. It means that there will be no trade-balance deficit. What is a trade-balance deficit? It is just the same as the deficit of an individual who spends more money than he makes.

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

Mr. MALONE. I yield.

Mr. KEM. Does the Senator from Nevada look with favor on the proposal that the administration of the ECA be placed in the State Department under Mr. Acheson?

Mr. MALONE. I believe it will make little difference if the former Director of ECA, Mr. Hoffman, is placed at the head of the State Department, and Mr. Acheson is placed in charge of ECA. I think that could be done without a ripple being observed.

Mr. Hoffman has advocated the same things Mr. Acheson has advocated. Mr. Acheson and Mr. Hoffman were very close together in their views on international trade. If it were possible to do more to arm Russia, through the Marshall Plan countries, as well as arming Communist China, and giving those nations the materials necessary to consolidate their gains, Russia to consolidate her gains and Communist China and the iron curtain countries theirs, I do believe that Mr. Acheson might improve upon that situation. That would be by reason of his having more experience, Mr. President. Mr. Acheson has had a little more experience in giving things away, and arming our enemies, and making it impossible for us to do business in the world today, than Mr. Hoffman has had. But give Mr. Hoffman time, give him time.

THE ITO THROUGH THE BACK DOOR

At this point, Mr. President, I should like to discuss the back door entrance to the ITO through GATT. Do not forget "GATT." Senators are going to hear a great deal about GATT in the next year or so, because the State Department has given their promise not to bring up the ITO. Their promise, of course, means nothing so far as I can see, because the issue will be evaded.

They have changed their international policy in the last 30 days. I see these changes coming about, although it is said there will be no change. So the junior Senator from Nevada does not believe they have had a change of heart either as to the Far East or in regard to ITO. They are simply going to reach their goal in another way, through kidding the American public. How long they can do that remains to be seen. But in reaching the ITO through the back door of GATT, Mr. President, the State Department in its release from which I have just quoted, number 1221, dated December 6, 1950, which will be found in the RECORD, announced that interested agencies have recommended, and the President has agreed, that the proposed charter for an international trade organization should not be resubmitted to the Congress.

Mr. President, I might say that ITO was here for two consecutive years at least as a must on the President's must list. The Senate has learned over a period of 16 to 18 years what a must list is, and we have been "musted" to the point where now just a suggestion has about the same effect as a demand.

This announcement seems like an amazing change of heart on the part of an administration which has assured the Congress for the last few years that the charter for an international trade organization was an integral part of the foreign economic policy of this Nation. That is what they said, Mr. President.

First, there was the 1934 Trade Agreements Act, under which the division of markets was initiated. Second, there was the Marshall plan, or ECA, which makes up the trade balance deficits of the 16 Marshall-plan countries, while we are dividing the markets of our Nation so there will be no further trade balance deficits. Then, Mr. President, there was the proposal of the International Trade Organization, which proposal was simply to put into the hands of 55 or 58 or 60 nations, whatever number should join the ITO, the handling of tariffs and other economic matters.

Our Nation was the key to the ITO. If we did not join the ITO there was nothing to divide, so there would be no ITO. Any other Nation could hold out, and there would yet be an ITO, but that was not true with respect to the United States. We are the only Nation that has any markets to divide.

SAN FRANCISCO CONFERENCE AN EXAMPLE

So, Mr. President, that is what they are after. That is what they were after in the San Francisco Conference in 1945, when the junior Senator from Nevada was an observer there representing the Senate Military Affairs Committee. The Senator from Nevada was not a Member

of the Senate at that time. He observed that conference for 4 months. What did he find? At the end of the conference he was asked a question in an interview. The question was "What do you think of this great international conference?" "Well," the junior Senator from Nevada said, "there were 50 nations there. The other 49 nations were there with market baskets on their arms, and there was only one nation there to put anything into those baskets." That ended the interview. But the result is as he then stated it would be. The International Trade Organization, composed of 55, or 58, or 60 nations, depending upon how many were to come into the organization, would, had we accepted it, put our tariffs through a series of manipulations and regulations, and the ITO would have had authority over allocation and production entirely. We would have been a part of the organization, but a very small part of it, because each nation would have only one vote.

What are we doing now? We are going into the ITO through the back door, using GATT as the door. Every piece of legislation coming to Congress from now on with relation to foreign trade will be a step toward the International Trade Organization; but it will not be called ITO.

Mr. Thorp and Mr. Acheson and others have said repeatedly before committees that each of the three things mentioned earlier were an integral part of the plan for world recovery. Everyone recovers but us. We are the ones who pay the bill. The mere fact that other nations were nearly 100-percent recovered—from 95 to 98 percent recovered—when we initiated the Marshall plan seems to have very little to do with it. Within a year the natural recovery would have been well over 100 percent. That was not the goal. The goal was the leveling of the living standards of the world, including our own.

Does this announcement regarding the ITO mean that the State Department has given up its plans for "one economic world"? Let us look at the facts. The press release mentioned that instead of continuing agitation for the passage of legislation allowing ratification of the charter for the ITO, the State Department will seek further extension of the 1934 Trade Agreements Act. That is what is before us today, Mr. President, with certain new amendments. Also an effort will be made to have the new Customs Simplification Act passed by the Congress. The Customs Simplification Act is another subterfuge. It is time for the Senate to scrutinize all the proposed simplification acts and other acts allegedly for the benefit of the United States, and every move by the thoroughly discredited State Department.

What this really means is that the State Department has decided that the opposition to the International Trade Organization is so strong that it must find some other way to bring about free trade. Thus, instead of asking the Congress to approve or disapprove the Charter of the International Trade Organization, the State Department will try to extend the 1934 Trade Agreements Act with certain amendments which would put a large part of the ITO Charter into operation without asking the advice and consent of the Senate.

SENATE OUGHT TO RATIFY TRADE AGREEMENTS

Mr. President, it seems to the junior Senator from Nevada that the least the Finance Committee could do would be to amend the bill so as to make trade treaties treaties in fact, subject to approval by two-thirds of the Members of this august body. It has been so long since a treaty requiring a two-thirds vote has been submitted to the Senate, that I suppose the school children of the country have forgotten that there is any such a thing as a requirement that a treaty be ratified by a two-thirds vote of the Senate.

Some of the smart, hand-raised economists in the State Department do not understand the realities of the situation. Make no mistake about it; they are smart. All they lack is an anchor. All they lack is experience to tie what they know to the realities. But let no one suppose that they are not smart. Unless one understands what he is talking about, he had better not try to argue with one of them on theory.

They do not understand that there is reality to this question, a hard side to it. However, they do understand how to draft legislation, how to wet down the Congress and allay the fears of the Senate when they come before a Senate committee. The Secretary of State testified that he had no intention of bringing up the International Trade Organization. Was not that a great statement? It looked like a great surrender to a fine Senate committee. However, it was only the same old story in different words. It was not a surrender. It was going in the back door.

Another phase of the State Department's plan to circumvent a ratification of the ITO charter is the proposal to simplify the customs laws and regulations. A portion of the press release which I quoted says that before United States participation in the general agreement can be made fully effective it will be necessary to simplify our customs laws and regulations in some respects.

Mr. President, what are the "respects"? Certain provisions of the GATT cannot be implemented until this has been done. The customs-simplification bill introduced in the Congress last spring would accomplish most of the needed improvements in the customs laws. Thus we see that the State Department has found a way to avoid asking the Senate for advice and consent in making a treaty. Two simple procedures can bring about almost the same result. A change in the customs laws is necessary to make GATT—the General Agreement on Tariffs and Trade—more effective. This more effective GATT is made permanent and stronger by a change in some of the administrative procedures and the establishment of a permanent staff.

I am bringing this matter before the Congress at this time to serve as a warning of the devious ways in which the administration plans to hoodwink the Congress after the elections have shown that the people are becoming increasingly aware of the fact that the State Department and the President have been using every means at their command to bring about free trade and one economic world.

Mr. President, how plain does an administration have to make it to the Senate that its objective is one economic world? When we spend more than we earn it is called deficit financing, and we make up the deficit through any subterfuge we can thrust through a trusting Congress, and which Congress can convince a trusting people is necessary.

I hope it is not necessary to review the things which have been done. Everything is new as it comes along. Everything will solve all our problems. First we had lend-lease. Then we had UNRRA. Then we made a loan—perhaps it was a gift loan—of $3,750,000,000 to England.

Those who knew the truth in Europe and elsewhere knew that at first there was no intention of giving money to any other nation besides Great Britain. But we were advised that unless other nations were taken in under the cover it would probably be very difficult to get through another loan of several billion dollars to the British Empire.

MARSHALL PLAN WAS AN INNOCUOUS PARAGRAPH

So Mr. Marshall—the same Mr. Marshall who had trouble in remembering critical things at the Pearl Harbor investigation, and at a recent investigation—had a certain paragraph in his speech at Harvard. I doubt to this day if Marshall knew what was in his speech. It was only a small paragraph. However, there had been a great many conversations with representatives of the British Empire up to that point. When the newspapers headlined the subject the next morning Mr. Bevan—the same Mr. Bevan whom I described a while ago as wanting to borrow our gold to bolster their economy—took the ball on the first bounce and in 30 days told the Congress of the United States what it was going to cost us. He did not miss it by much. It was $17,000,000,000 for 5 years. Added to what we had already given in outright gifts to the world up to that point, since World War II, it amounted to about $37,000,000,000 or $38,000,000,000—a little more than—if you like comparisons, Mr. President—the total valuation for tax purposes of the 11 Western States, including California, Oregon, and Washington, and 14 Southern States, including Texas. That is how much it amounted to. Congress took it in its stride. The cushions here are soft, and the air is conditioned. Spending a billion dollars is a matter of only a few minutes' work. Seventeen billion dollars took us only a week. Unusual delay, Mr. President. Since that time it has taken less time.

HOW TO GET AROUND OPPOSITION TO ITO

Mr. President, it has become clear that the change in Congress would make it difficult to allow ratification of the charter for the ITO. Therefore this means was devised of getting around the opposition.

Let us take a closer look at the GATT and the ITO. The heart of the International Trade Organization charter is chapter IV, entitled "Commercial Policy." That is what international trade agreements deal with principally. In all essentials the chapter is identical with the text of the Geneva Agreement on Tariffs and Trade.

What is GATT? In the hearings before the Senate Finance Committee entitled "Extension of Reciprocal Trade Agreements Act," on H. R. 1212, held in February 1949, part I, pages 60–151, we find a comparison between the relevant clauses of the GATT and the ITO Charter. It is an illuminating document, and I warmly recommend the hearings for the Senate's attention and study.

The 1934 Trade Agreements Act, as interpreted by the State Department, has allowed the United States to lead the way to the formation of GATT, which puts into operation the most important provisions of the ITO.

The Customs Simplification Act would allow freer entry of commodities and would make the importation of low-cost, competitive imports even easier.

In other words, Mr. President, the administration wants to simplify the customs law, so there would be no delay at customs, or so it sounds.

Mr. President, the simplification of our laws will bear watching if proposed by the State Department.

A closer look at the Customs Simplification Act shows that the act is not exactly what its title implies. At this point I wish to say that very little legislation which has been proposed in Congress in the 4½-year period during which I have been a Member of this august body turns out upon examination to be what it appears to be. Most of the legislation is full of sleepers. There is at least one sleeper, and probably more. Usually the legislation is introduced to carry out the objective of the department which is proposing the legislation. Such an objective may have nothing whatever to do with the title. In other words, the objective of the bill may have nothing to do with the objective as announced in the title of the bill.

It is only fair to make the administration of our customs laws simpler. We are all in favor of it, if it can be done. I believe few persons would argue that the elimination of excess red tape is not a worth-while endeavor. However, under the innocuous title of "Customs Simplification" we find some provisions which go far beyond mere simplification.

Without going into detail, I do wish to point to a few facts in the Customs Simplification Act which shows that the bill would do more than just simplify.

The Antidumping Act is amended as the material injury to a domestic industry or material retarding of the establishment of a new industry in the United States must be in evidence before the Secretary of the Treasury will declare the existence of dumping. No judgment can be exercised. Mr. President, by this device the administration gives its blessing to dumping, which is the selling of foreign goods far below the actual cost of production.

Moreover, any antidumping duty imposed on dumped goods in consequence of a declaration of the Secretary of the Treasury is reduced by the amount of any countervailing duties in effect.

Countervailing duties, it may be recalled, are imposed on imported goods produced with the help of grants or a bounty. What does it mean? It means that the administration severely reduces a penalty which is imposed on goods which are imported at artificially low prices.

Why am I going into these provisions? I am going into them because the Senate for the 4½ years during which the Senator from Nevada has been a Member of the Senate has had a habit of taking everything as a separate bill, as a separate objective, with no connection whatever with what has gone before or what may come in the future. That is why the junior Senator from Nevada previously pointed out six principles or six different methods of approach to wreck the economic system of the United States. Mr. President, you have to watch all the gates when you are dealing with a department of this Government.

The administration also seeks to amend the law which provides for the imposition of countervailing duties by requiring material injury to a domestic industry, or material retarding of the establishment of a new industry. The upshot of these amendments is that the administration feels that the payment of one penalty, even in the case of an offense covering both dumping goods and selling goods subsidized, is sufficient. Thus, dumping and selling subsidized foreign goods in the United States is practically legalized, except for material injury to a domestic industry. How material the injury must be is not defined.

Mr. President, I should like to ask how many Members of the Senate knew that these provisions were included in a customs simplification bill? One would naturally visualize the cutting of some red tape, so that it would not be necessary to do so much paper work or look up so many regulations. In other words, one would think that the Customs Simplification Act would speed up the entry into this country of any product which is entitled to come in, but not destroy the safeguards around American workingmen and American investors. I say it is time we started reading these bills.

Thus, Mr. President, dumping and selling foreign-subsidized goods in the United States is practically legalized, except in cases of material injury to a domestic industry. How material the injury must be is not defined; that is left to one of the hand-raised economists or one of the administration's stalwarts, who holds his job, in most cases, at least, not because of his qualifications, but because of some inside way of getting the job. I think the distinguished Senator from Wisconsin has described that method several times.

Section 3 of the Customs Simplification Act amends the requirement that all imported goods bear labels giving the name of the maker and the country of origin.

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

Mr. MALONE. I am glad to yield.

Mr. LANGER. I am interested in the Senator's opinion of the amendment dealing with fur-bearing animals, offered last year by the Senator from Wisconsin. Will the Senator give us his opinion of it?

Mr. MALONE. I am happy to do so. I believe that amendment constitutes the only possible relief from a free-trade administration that is utterly destroying the economy of the United States, except when it can use new taxpayers' money from the Treasury, thus continually increasing the public debt and increasing the taxes in its efforts to get money with which to pay subsidies and to let large contracts so as to keep our employment and our economy afloat. I say that the amendment of the Senator from Wisconsin is the only possible relief; but if the flexible-import-fee principle were adopted on the basis of fair and reasonable competition, I feel that the distinguished Senator from Wisconsin would be the first to say that the adoption of his amendment would not be necessary.

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

Mr. MALONE. I am glad to yield.

Mr. McCARTHY. For the information of the very distinguished senior Senator from North Dakota, let me say that I intend to submit the amendment again this year, and I hope it will be adopted.

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

Mr. MALONE. I am glad to yield.

Mr. LANGER. I should like to ask the distinguished Senator from Wisconsin whether it is true that the fur-raising industry of the United States is practically wrecked by the importation from Russia of animal skins.

Mr. McCARTHY. Unquestionably that is true, and that situation is much more serious than many of my colleagues realize. I am very much concerned about it.

I may state that an increased number of farmers are making a substantial part of their income by means of the production of ranch-raised furs. They were doing rather well until Russia began dumping her furs into the United States.

We also know that the income from Russian furs which are dumped in the United States furnishes a major part of the funds used to finance Russian espionage work in this country. There can be no question about that.

As the Senator knows, shortly after I submitted my amendment the first time, the FBI arrested six men who were working in Amtorg, the Russian trading company which has been dumping Russian furs in the United States. At that time it developed beyond any dispute that they were using the money to purchase, for example, Geiger counters and many other instruments which they could not clear through our regular export licensing channels. In that way they were smuggling those instruments out of the United States. It also developed that they were using considerable parts of the funds thus obtained to finance their espionage work in the United States.

As the Senator knows, at that time the Senate adopted the amendment. However, the House of Representatives had not adopted it, and the State Department did a very effective job of lobbying, and succeeded in getting the conferees to knock out the amendment.

Since that time, I think the Senate and the House may have gotten a better picture of the situation; and I hope that this year, when the Senate adopts the amendment, the conferees will abide by the vote of the Senate on the amendment, and will finally, at long last, permit us to have, first some relief for a great segment of our farming population and, second, will deal, not a death blow, but at least a rather heavy blow to the Communist conspiracy in the United States, by cutting off its funds.

Mr. MALONE. Mr. President, I am very glad that the distinguished Senator from Wisconsin has brought up that matter at this time.

I would say to him, for the RECORD—although, of course, I believe he is fully familiar with the fact, if we could reestablish a principle so that any farm products which were imported would be imported on a basis of fair and reasonable competition, from 80 to 85 percent of the farm products would not need a tariff. However, until that time and until the country comes to its senses—Mr. President, I should apologize for making that statement, for the country has come to its senses. The resolutions coming to us from labor, which I have read, and the resolution coming from the Farm Bureau in my State, which I am about to read in the course of these remarks, and what I hear when I go home and when I go to other States of the Union proves to me, that the country is at least 2 or 3 years ahead of the Senate of the United States. The country has realized the utter futility of the present free-trade program which destroys American industries and also would lower the standard of living in a futile effort to preserve our industries, after really destroying them.

However, judging by the unanimous vote on the part of the Finance Committee, it has not yet caught up with the Senate, and of course is a long way behind the people of the country. I am in hopes that the members of that committee will have an opportunity to go home this summer—unless there is another emergency or some other police action—so that at that time they can obtain at least some idea of how far ahead of them the country is, and then will get their feet on the ground in regard to some of these matters.

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

Mr. MALONE. I am glad to yield.

Mr. McCARTHY. Let me say that I think this measure is infinitely better than the one we passed last year. However, it contains one provision which gives me considerable concern, and I think it will interest the able senior Senator from North Dakota [Mr. LANGER]. I refer to a provision to the effect that if the Senate Finance Committee or the House Ways and Means Committee finds that a certain industry is being wrecked because of unusual tariff concessions, either of those committees may require a hearing by the Tariff Commission. As the senior Senator from North Dakota pointed out the other day, one such hearing has been pending for some 13 years before the Tariff Commission.

Mr. LANGER. I beg the Senator's pardon; the hearing has been pending before the Federal Trade Commission.

Mr. McCARTHY. I beg the Senator's pardon.

I wonder whether this provision would be strengthened considerably by including in it words to the effect that after the Finance Committee or the Ways and Means Committee refers the problem of a certain industry to the Tariff Commission, if the Commission does not act within a reasonable period of time—for instance, let us say, within 6 months or a year—at the end of that period, if no action has been taken, the tariff will revert to what it was prior to the making of the agreement which caused the difficulty.

What does the Senator think about that?

Mr. MALONE. I believe it would be a good provision. However, I wish to say again, as I have said to the Senate at least four or five times either today or yesterday—and I make this statement categorically—that there is nothing in this measure which directs the President to do anything.

I have several amendments to offer, and I hope the Senate will adopt them, because in that case the President will be directed to do these things.

However, I say again, so as to keep the record straight, that many inaccurate statements are made to the effect that this measure requires the President to do certain things. The actual fact is that the bill as now constituted would not require the President to do anything which he does not choose to do.

I make that statement categorically; and if any Senator wishes to debate it, I hope he will do so before the vote is taken.

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

Mr. MALONE. I yield.

Mr. LANGER. I ask unanimous consent that I may submit certain matters for the RECORD or the Appendix, for 5 or 6 minutes, without causing the distinguished Senator from Nevada to lose the floor.

Mr. MALONE. I shall be glad to yield for that purpose, with that understanding.

Mr. GEORGE. I do not wish to be captious or to raise objections unnecessarily. I, of course, shall have no objection to the insertion of matters in the RECORD, but I do not think that one speech should be interrupted by another.

Mr. LANGER. I will take but 5 or 6 minutes.

Mr. GEORGE. I understand that, but we shall never finish consideration of the pending bill, if this practice is permitted to continue. At this time I raise no objection, but I serve notice now that I shall object hereafter to extraneous matters being brought before the Senate. In this case, however, I raise no objection.

Mr. LANGER. I thank the distinguished Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none, and it is so ordered.

(At this point Mr. MALONE yielded to Mr. LANGER, who submitted Senate resolution 142 and various matters for the Appendix and the body of the RECORD, which appear elsewhere under the appropriate headings. Mr. MALONE also yielded to Mr. MAGNUSON to address questions to Mr. GEORGE regarding the pending bill, which appear at the conclusion of the speech of Mr. MALONE.)

1949 AMENDMENTS REJECTED

Mr. MALONE. Mr. President, in line with the inquiry of the Senator from Wisconsin and the senior Senator from North Dakota as to the application of amendments proposed 2 years ago to protect against the importation of certain furs and other materials, I recall at least three amendments which had been offered. One of them was offered by the distinguished Senator from Wisconsin to protect furs through a system of quotas, I believe. If that is an incorrect statement, I shall be glad to correct it. There was at least one amendment offered by the distinguished senior Senator from Nebraska [Mr. BUTLER] dealing with agricultural products. One of the principal amendments offered at the time of the consideration of the last extension of the act, and which I understand may be offered again this year, was one dealing with the quota on oil imports, with which I heartily agreed. I had predicted a glut of oil imports at least a year before the bill came before the Senate, in 1949, for an extension of 3 years, but making it retroactive so that the President would not have to adhere to the peril-point procedure. The Senate never did find out by how much the President exceeded the peril-point recommendations of the Tariff Commission during the negotiations at Annecy, France.

In 1948, in a radio address to a number of West Virginia people, I predicted that imports of oil from the Middle East and other sources could conceivably close down a large number of oil-producing wells and coal mines which furnish fuel a considerable distance from the source for generating steam power and for manufacturing and industrial purposes, because fuel could be imported into this country for estimated figures of $1.70 or $1.80 a barrel. The distinguished Senator from Texas [Mr. CONNALLY] offered an amendment with relation to quotas on oil imports, which would have been entirely unnecessary under a tariff system with fair and reasonable competition as a basis.

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

Mr. MALONE. I yield.

Mr. LANGER. Is not the Senator from Nevada forgetting other important amendments, for example, an amendment dealing with mercury? We were entirely dependent upon Spain and Portugal for mercury.

Mr. MALONE. That is correct.

Mr. LANGER. At the same time, every mercury mine in the United States,

including one in which former President Hoover was interested, was closed.

Mr. MALONE. That is correct.

Mr. LANGER. There was also an amendment with reference to manganese. There is manganese in Arizona, New Mexico, and some other States——

Mr. MALONE. Including Nevada.

Mr. LANGER. But we are almost totally dependent upon the Far East for manganese. Does the Senator remember the discussion?

Mr. MALONE. The junior Senator from Nevada does remember the additional amendments.

Mr. LANGER. There was also the matter of tungsten, which we used to get from China. There was some tungsten discovered in Idaho which took care of the situation for a short time during World War II. As a matter of fact, this country is today totally dependent upon other countries for this very strategic and necessary metal.

I am sure the Senator remembers the other metals which were discussed so ably by the junior Senator from Colorado [Mr. MILLIKIN]. He went into detail with respect to one mining product after another, which, through deals made by the State Department, were coming in from other countries, with the result that our industries were lagging and American labor was not being employed.

That is typical of what happened in World War II, when President Roosevelt stopped production of gold in Colorado, keeping 2,000 men out of employment, while at the same time gold was being shipped into this country from Canada.

When the Senator from Nevada mentioned oil and one or two other products, I am sure he forgot that we tried to amend a measure similar to the one now pending so as to take care of the mining industry of the United States. I hope the Senator will take some time to dwell upon the mining situation, with which he is perhaps as familiar as is any other Senator on the floor, coming, as he does, from the State of Nevada.

Mr. MALONE. I thank the Senator. I do recall the amendments to which reference has been made. I mentioned oil only as an example. I am glad the Senator has seen fit to mention other products and other amendments. Such amendments would have been unnecessary if we had had a tariff and import fee system established on a principle, not on a policy such as the State Department has pursued during the past 18 years.

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

Mr. MALONE. I yield.

Mr. LANGER. Does the Senator remember that the testimony showed that as to mercury, during the war, a flask cost $205, but that after the war was over, mercury was permitted to come in at $85 a flask? As soon as the American mines were closed the price of mercury shot right up again, and millions of American dollars went to other countries, while the producers in this country were closed down entirely.

THE WHOLE CONCEPT OF TRADE AGREEMENTS WRONG

Mr. MALONE. Mr. President, the junior Senator from Nevada remembers those things only too well. That is one of the reasons, I will say to the distinguished senior Senator from North Dakota, why I am in the Senate today. Eighteen years ago, when the 1934 Trade Agreements Act was passed, its announced objective was fallacious. It was the beginning of the destruction of a long-range policy and a sound principle of building up the standard of living in this Nation above the standards of living in other nations of the world. I made up my mind at that time that the new policy was wrong. I certainly tried to gather industrial information, on its effects. This was available in the field, where businessmen and miners operate 3,000 miles away from the capital in Washington, which is a long distance, especially when we consider the way in which Washington is now being run, mostly controlled, I am sorry to say, from foreign sources. There is no question in my mind that we are following a British policy, supporting the British colonial system, and our free-trade system has a great deal to do with supporting it.

EXTENSION OF TRADE AGREEMENTS ACT IS SURPRISING

Mr. President, the junior Senator from Nevada was astounded when H. R. 1612 was reported to the Senate. It seemed impossible that the Trade Agreements Act, should be extended after all the testimony involving the precision-instrument industry, the crockery industry, and almost every other industry except, perhaps, the automobile industry, heavy machinery, farm machinery, heavy road machinery, and certain other types of machinery and intricate fabricated goods which producers are not yet able to manufacture in foreign countries even with the lower wages that are paid there. Emphasis should be put on the words "not yet." But I will say to the distinguished Senator from North Dakota that if foreign producers are given 5 years it will be found that automobiles, heavy machinery, and other materials will be manufactured there and shipped to America in competition with the products manufactured here by high-standard-of-living labor and with the money of investors of this country.

It is only 3 years ago that a British or other European concerning making generators could underbid us by $250,000 on a generator costing $500,000 or $600,000. Such things are going on all the time. They are going on with respect to a half-a-million-dollar generator, and Diesel engines, down to a dress such as that described in the advertisement which was read into the RECORD today by the junior Senator from Nevada from a national magazine. Nothing is being overlooked. What is there foreign nations cannot do? The Ford organization has established itself in Europe. General Motors has established itself there. Typewriter companies are going to Scotland and Japan.

FREE IMPORTS OF GOODS ARE LIKE FREE IMMIGRATION

I ask Senators to look at the chart which appears in the back of the Senate Chamber, and then I ask them how they can vote to put into our country the products of sweatshop labor of Japan, at 12 cents an hour, that of France at 21 cents an hour, the low rates of wages paid in all other countries, with the exception of Canada.

Labor in the other countries is paid practically nothing by comparison with what is paid labor in this country. They have nothing that we call decent working conditions. Anyone who can vote to permit the entry of products manufactured by such low-paid labor would have to be in favor of free immigration, because there is no difference between the importation of the products of cheap labor and the importation of the labor itself. If any Senator would like to debate that question I should be very happy to go into it in more detail.

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

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. MALONE. I yield.

Mr. LANGER. Is not all the Senator has mentioned, and much more, of a perfect pattern with what we have seen happening during the past 20 years? Our Government has sent billions upon billions of dollars to foreign countries, for example, to build roads. One was a road through Canada, the Alcan Highway. Not only did we build it, but we even agreed to maintain it for 5 years after the war. Is it not true that in Austria, and in one foreign country after another, we have built thousands and thousands of miles of highway? Is it not true that in Austria, for example, our Government has built beautiful homes and apartment houses at the very time when our veterans cannot find homes for themselves in this country? Is it not true that in one year our Government shipped 34,000 boxcars to England and France, at a time when our own farmers could not ship their own grain to market by reason of the shortage of boxcars? Is it not true that our Government began to build a road to South America, and that after the building had proceeded as far as it could proceed, some of the machinery, almost new, was dumped?

Have we not had one illustration after another of the pattern being followed of wasting American taxpayers' money in behalf of the peoples of other countries, at a time when an investigation by a House committee disclosed that it will require $15,000,000,000 merely to take care of the highways of the United States over a 5-year period; that it is going to require $5,000,000,000 to develop our health program in this country for the next 5 years; at the very time we are having a terrific housing shortage of our own? Is it not all a part of one pattern, whether it be called the point 4 program, the ECA program, the Marshall plan program? In the last analysis does it not all simmer down to the fact that we, with 7 percent of the world's population, are trying to take care of the remaining 93 percent of the world's population scattered all over the earth, even though in this country there

are vast numbers of families trying to exist on $2,000 a year? Is not that a condition we should wipe out in America? And is not action on the bill now pending before us at least the taking of one step in the right direction?

THE COUNTRY IS RETURNING TO SANITY

Mr. MALONE. I should like to say to the Senator from North Dakota that there are signs of returning sanity in this country. The signs are more prevalent out where the people themselves are. There are very few of those signs in Washington, D. C. Washington is made up of people who work for the Government of the United States, or of people who work for people who work for the Government, or of people who sell something to those who work for the Government. Then there are 80 or 90 ambassadors, ministers, and consuls here, very fine, wonderful people, but they are here for one purpose, which is to get something for their countries. That, however, is not their fault. They have been encouraged to believe that the United States Treasury is a bottomless pit.

With respect to some of the matters mentioned by the distinguished Senator from North Dakota, such as the building of Austrian roads, he is probably better informed than is the junior Senator from Nevada. Wherever the junior Senator from Nevada has been, however, the policy as stated by the Senator from North Dakota has obtained.

UNITED STATES AID IN ACTION

The junior Senator from Nevada went to Central America and saw the full length of the Central American road. It is true that the United States is putting up the money to build that road. The Senate Committee on Public Works made a trip there to find out what was happening to the money. We found that we had some very good men down there. The specialists working in connection with the point 4 program, which the Senator mentioned, are just beginning to swarm in.

UNITED STATES IS THE BEST TAX COLLECTOR

The Central American countries have no tax system at all. The people in those countries who have money will not pay taxes. The people in those countries who do not have money cannot pay taxes. So if roads are to be built, the money must come from some place else. The United States has the only perfect taxing system in the world, so it is the only source of ready money.

UNITED STATES SENDS SPECIALISTS ALL OVER AT OUR EXPENSE

The United States State Department is responsible for planting in the foreign nations the seed of the belief that all they have to do is to ask and they shall receive. Therefore, it was of much interest to the junior Senator from Nevada to find out, for example, what the situation was in Honduras. The President of Honduras is a very fine man. We had there an agricultural specialist and a health specialist, and about 30 other specialists paid through different funds. Specialists were beginning to come there under the point 4 program. After we had discussed the matter with the President for a little time, the junior Senator from Nevada said to the President, "Would it not be possible for you to take over these specialists?" Most of them are down there, because they cannot make a living in this country at the business they are teaching, at least not in competition with other engineers and specialists whom I know. I put the proposition to him the hard way.

So I said to the President of Honduras, "Would it be possible for you to take these men? If you want a road specialist, take him over on your payroll. Borrow him from the United States Government, just as the State of Nevada or the State of North Dakota might do, and pay his salary. He would be temporarily released."

He replied, "Yes, that would be perfectly possible."

The junior Senator from Nevada asked, "Why is it not done?" The President of Honduras replied that no one had ever asked him. That seemed to settle that question. The administration probably never even thought of that. All we do is to send men, materials, and money.

Mr. President, I wish to discuss the question of minerals, which the distinguished Senator from North Dakota [Mr. LANGER] brought up.

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

Mr. MALONE. I yield.

Mr. LANGER. As a preliminary to my question, let me say that North Dakota is not particularly interested in mining, except from the standpoint of coal. Is it not true that in the Senator's campaign in Nevada he defeated his Democratic opponent primarily upon the basis of the development of the mining industry in the Senator's State and neighboring States?

Mr. MALONE. I will say to the distinguished Senator from North Dakota that it was not exactly based upon the development of the mining industry. We have other industries, such as the chemical industry, the livestock and farming industry, and many others. Our industrial picture is pretty well rounded out. The issue was on the general principle of development of the United States of America, and Nevada going right along with it.

NO PROMISES

Since the distinguished Senator from North Dakota has brought up the matter of the campaign, it may be well to point out that the junior Senator from Nevada did not make any promises. Several times during the course of the campaign he said that he did not have the answers to all economic problems. The difficulty in this country is being caused by men who have had some experience, by men who know something about the economics of the country and who are searching for approaches to the proper answers. In business a man goes to his office every day and plans his work for the day, for the week, for the month, and if possible, for the year. He is never able to get too far ahead. He must continue planning every day. However, he is trying to approach the right answers. The harm is not done by men who have experience and who are trying to approximate the right answers. The harm is being done by men who come up with all the answers, and who do not even know the problems. Then when other problems are created by the answers to the problem in sight, the theorists guess at the answers. We have gone so far afield in many of our policies that if peace should ever prevail in this country, the destruction of our economic system would be almost inevitable.

CONSULTANT TO MILITARY AFFAIRS COMMITTEE

The distinguished Senator from North Dakota [Mr. LANGER] mentioned tungsten and mercury. During the war the junior Senator from Nevada was a special consultant to the Senate Military Affairs Committee, in connection with the question of strategic minerals, and also in connection with the examination of military establishments. The Senator from Nevada made a report, which no doubt is still available. That report was submitted to the Senate. The junior Senator from Nevada wrote the report, as a matter of fact. No doubt it is still available to the committee, and it is just as good today as it ever was.

PRICE RISE CAN YIELD PRODUCTION

The junior Senator from Nevada pointed out that if we were to raise the price of tungsten and mercury in this country by a very small amount in the aggregate, we could become almost self-sufficient in the production of tungsten and mercury. Luckily the War Production Board had authority to make such an increase. It listened to the committee. It raised the price of tungsten from about $17 a unit to about $28. In 6 months we were practically self-sufficient in the production of tungsten in this country. The same situation was true with respect to mercury.

The distinguished Senator from North Dakota is exactly correct in his statement that a flask of mercury sold at approximately $200, and that we were practically self-sufficient in the production of mercury.

When the war was over, the mines in this country were closed by the simple expedient of dropping the foreign price of mercury, which was selling under the market, and reducing the tariff on import fee.

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

Mr. MALONE. I yield.

Mr. LANGER. Is it not true that American citizens had invested many millions of dollars in equipping mercury mines, and that some of them have now been closed for 2 or 3 years because the Department of State permitted foreign mercury to come in? In time of war, the price of mercury will shoot up, and we shall have to pay Spain, Portugal, or any other country which produces it whatever price is asked. It will require perhaps a year to get our mercury mines into operation again.

FREE TRADE CLOSED MINES

Mr. MALONE. That is exactly true. While we were practically self-sufficient

at the peak of World War II, conditions which were brought about almost exactly as the senior Senator from North Dakota has described closed the mines. For example, the State Department made a deal—one of its famous trade agreements, an agreement to lower tariffs—lowering the tariff on tungsten from 50 cents a pound to 38 cents a pound. That closed every tungsten mine in the United States except one. It hung on for a while, but finally closed.

In conversation with one of the State Department officials, the junior Senator from Nevada stated that by reducing the duty the Department had closed the mines. It was just that simple. The $9, $10, or $11 a day paid to the miners here eliminated the chance to compete with tungsten produced with the 40 or 50 cents a day miners in Burma or China.

The State Department official said, "We did not lower the tariff very much." The junior Senator from Nevada said, "No; that is true. But if you take a blow-torch and cut a couple of feet off the end of the Potomac River bridge, you do not cut very much off the bridge, but you have no bridge." He went away muttering to himself. I never did understand what he thought about the question. However, the tariff was never raised.

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

Mr. MALONE. I am delighted to yield to the distinguished Senator from Idaho.

Mr. WELKER. Does the Senator from Nevada recall that on page 1360, volume 2, of the Senate committee hearings, there is a list of American businessmen or producers who support the trade-agreements extension?

Mr. MALONE. I do not recall the page, but I remember that there is such a list.

Mr. WELKER. There is a list of approximately 34 of them.

I read with interest yesterday the press release of the distinguished junior Senator from Nevada to the effect that those who favor the extension represent what we call big business. Will the junior Senator from Nevada enlighten the junior Senator from Idaho upon his conclusions in that respect?

SMALL BUSINESS AND BIG BUSINESS

Mr. MALONE. I shall be very happy to explain what I mean by that statement.

The junior Senator from Idaho will remember that for several years we have had in the Senate a small-business committee. I believe it has been in existence during the entire period the junior Senator from Nevada has served in the Senate. This committee is very active. It holds hearings. It goes to various places, meets a great many people, and collects a great deal of information. As a matter of fact, I suppose it has as much information on business as has any other committee in the Senate.

BIG AND SMALL BUSINESS DEFINED

The question arises as to what is small business and what is big business. Finally the conversation fades out, because no one has a definition. The junior Senator from Nevada defined big business; and still cannot think of a better definition. It is a business—either an individual, a corporation, or a partnership—which is big enough and of such a nature that it can install plants in the foreign low-wage countries and take advantage of the markets in those areas, and also ship the product back here under free trade.

A small business is a business either not large enough or of such a nature that it is impossible for it to install foreign plants and to control any type of foreign manufacturing or production, paying low wages in competition with wages in this country. That is the explanation which the junior Senator from Nevada makes. The United States Chamber of Commerce and the National Association of Manufacturers are guided by men who, in general, can do just what I have described. In other words, the volume of business in the membership leans toward large business, like General Motors, which can put up a factory anywhere in the world where conditions are favorable, like Ford Motors, or like Remington Rand, which is now going into Japan, as it has already gone into Scotland. It was only recently announced that a certain number of its employees in New York had been discharged.

With that kind of definition it can be easily understood why free trade can not be the solution of the labor problem, because with free trade it is possible to put slave labor and sweatshop labor of Europe and Asia in direct competition with the high-wage standard of living of this country.

ONLY EMERGENCIES CURE UNEMPLOYMENT CAUSED BY FREE TRADE

The junior Senator from Nevada, if he thought it could be done successfully, could understand why some people would advocate free trade. He does not believe it could be successfully done without the unemployment which would ensue in this country, as evidenced by the 5 or 6 millon unemployed when the great police action was instituted in Korea by the President of the United States, and the 10 or 12 million partially unemployed. Mr. Sawyer, the Secretary of Commerce, a few months after the Korean affair started, said that we had cured the unemployment problem. So we had. The same thing obtained before World War II. We had 9,000,000 unemployed when World War II came along. The record shows that we had that number of unemployed at the time of Pearl Harbor. We also had somewhere between 12 and 17 million partially unemployed.

So, Mr. President, the junior Senator from Nevada believes that even if we were successful in our free-trade outlook of leveling living standards, unemployment insurance would soon be used up and Social Security benefits would soon be used up. Then we would go into a different form of government. We would go into nationalization and socialization of industry as has happened in England. I am sure business would not take to it.

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

Mr. MALONE. I am happy to yield.

Mr. WELKER. I wish to say publicly that I know of no one who has made such a study of tariffs and trade as has the distinguished Senator from Nevada. His remarks are instructive and enlightening not only for the people of Nevada but for the people of my State of Idaho, and I am sure the distinguished senior Senator from North Dakota [Mr. LANGER] shares my feeling as we consider all the industries in the West which are so vital to us. I wonder if I may ask the Senator one more question.

Mr. MALONE. I would be very happy to have the Senator do so.

Mr. WELKER. Is it not correct to say that the bill would continue to permit foreign goods to come into the United States with few, if any, concessions given to the exports we ship to other countries?

NO RECIPROCITY

Mr. MALONE. I would say to the distinguished Senator from Idaho that it is true, unfortunately, under the system that we have inaugurated. The free-trade system has been sold to the country under the guise of reciprocal-trade agreements. There is no such act as a reciprocal-trade act. It is not a bill to establish reciprocal trade. The State Department advertises it as a Reciprocal Trade Act. That is a farce and a subterfuge on the face of it. The words "reciprocal trade" do not occur in the act itself. There is no indication that it is a reciprocal-trade act. However, they have run the Government for 18 years on catchwords and phrases.

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

Mr. MALONE. I will yield very shortly; however, I would like to finish my answer. They have sold free trade to this country under the guise of reciprocal trade. I will demonstrate how it is a defeat for us. The junior Senator from Idaho understands there is no such thing as an actual trade agreement made under the act. The agreements made are tariff-reduction agreements.

We lower tariffs almost on a unilateral basis. The record shows that the recipient nation, with which we have made a bilateral agreement, almost without exception and almost immediately, will manipulate its currency, set up a quota system, set up an embargo system, and set up specifications. They will have currency of one value when we made the agreement and of another value when we realize what has happened. It is a one-way street. That is the program established by the State Department, which is wholeheartedly and enthusiastically for giving away the markets of the United States.

There is no record—at least that the junior Senator from Nevada has ever heard of—that there has been a raising of any of our tariffs. It has always been a lowering of tariffs. We always give something away without getting an honest concession in return.

THE STERLING BLOC

As a direct example, I cite the experience at Torquay, England. The British Empire, which includes practically half of the nations of the earth, has established a so-called sterling-bloc sys-

tem. Mr. President, the sterling-bloc system works in a peculiar way. The dollars earned by the member countries are given to London to be doled out according to need. In addition, Great Britain has blocked the use of sterling balances held in London by the member countries. An Italian banker whom the junior Senator from Nevada visited in Rome in 1947 said: "We thought we were getting along very well. We had 25,000,000 pounds in sterling all ready for use after the war. Suddenly our sterling balances were blocked. So we could spend only a certain amount of it each month."

Instead of having 25,000,000 pounds in sterling to spend, he had nothing. He could buy only certain things and could spend only 10 or 15 percent of it a year, or whatever the percentage was.

INDIA WAS FORCED TO STAY IN STERLING AREA

The same thing was true in India when the junior Senator from Nevada was in India and had his long visit with Nehru. I believe it was in 1948. I believe they had seven or eight hundred million pounds in sterling, for which they had furnished material during the war to the British Empire. They had received that much credit. When they started to spend the money they were allowed to spend, I believe, only 8 or 10 percent each year. It really amounted to a restriction. In other words, it was a long-range credit. They held it over Mr. Nehru. He did not have any hopes of trading out the whole seven or eight hundred million pounds. Then he had to submit to other restrictions. He could only trade in certain ways with other countries. So India stayed in the sterling bloc. I do not recall if it was an absolute condition.

I urged him to make a long-range deal, man to man, because he has manganese and everything else that we need. In fact, he has more material than he can use. However, he could not deal openly and aboveboard and freely with other nations as long as he was in the sterling bloc.

MOST-FAVORED-NATION CLAUSE

To come back to the point which the distinguished Senator from Idaho has made, the Trade Agreements Act does not operate to our advantage at all. The other nations trade only when it is to their advantage to trade. We trade anyway. There is in our trade agreements what is called a most favored-nation clause under which we operate.

So when we make a bilateral trade treaty with any nation, every other nation in the world immediately is allowed to benefit from that reduction in the tariffs. The benefit to us is illusory.

Therefore, when England said point-blank that she did not want to make any more concessions at Torquay, England had already gotten any advantage she could get by means of lowering any of her own tariffs or import fees. She still had her imperial preference, and that was worth more to her.

So England said, "We will not play ball."

MOST-FAVORED-NATION CLAUSE A TRICK

The United States then went ahead and made many bilateral trade treaties with other nations, and immediately all the nations of the British Empire obtained the advantage of those concessions to the other nations, in the same way, as I have described, that Mexico benefited in regard to reductions of duties on lead and other materials.

As I have said, until last year we had a trade agreement with Mexico covering lead and certain other materials; but finally Mexico wished to increase her tariffs and we terminated the agreement. Thereupon the tariffs reverted to the 1930 tariffs. Following that, at Torquay we most carefully made with another nation agreements in regard to the same products. The result was that while Mexico was raising her tariffs on them, as she had announced she would do, she obtained the same advantage which she had before, and in some instances I believe she obtained a greater advantage than she had before, without giving us anything in return.

As proof of that statement, Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing changes in United States tariffs, due to termination of Mexican trade agreements, which were canceled by the Torquay negotiations.

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

Changes in United States tariffs due to termination of Mexican trade agreements which were canceled by Torquay negotiations

Tariff Act of 1930—par.—	Description of product	Mexican trade agreements rate of duty	Rate of duty on termination of agreement	Torquay rate of duty
1	Naphthenic acids	12½% ad val	25% ad val	6¼% ad val.
93	Zinc sulphate	½¢ per lb	¾¢ per lb	3/10¢ per lb.
202 (a)	Floor and wall tiles:			
	Not wholly or in part of cement, if valued at not more than 40 cents per square foot (except quarries or quarry tiles and ceramic mosaic tiles).	5¢ per sq. ft., but not less than 25% nor more than 35% ad val.	10¢ per sq. ft., but not less than 30% nor more than 70% ad val.	5¢ per sq. ft., but not less than 25% nor more than 35% ad val.
	Wholly or in part of cement:			
	Valued at not more than 40 cents per sq. ft	5¢ per sq. ft., but not less than 25% nor more than 35% ad val.	10¢ per sq. ft., but not less than 50% nor more than 70% ad val.	4¢ per sq. ft., but not less than 20% nor more than 28% ad val.
	Valued at more than 40 cents per sq. ft	30% ad val	60% ad val	24% ad val.
207	Fluorspar containing more than 97% of calcium fluoride	$4.20 per ton	$5.60 per ton	$2.10 per ton.
210	Common yellow, brown, red, or gray earthenware, plain or embossed, composed of a body wholly of clay which is unwashed, unmixed, and not artificially colored; common salt-glazed stoneware; all the foregoing (except earthenware and stoneware crucibles):			
	Not ornamented, incised, or decorated in any manner, and manufactures wholly or in chief value of such ware, not specially provided for.	10% ad val	15% ad val	5% ad val.
	Ornamented, incised, or decorated in any manner, and manufactures wholly or in chief value of such ware, not specially provided for.	10% ad val	20% ad val	5% ad val.
217	Vials and ampoules, wholly or in chief value of glass, not specially provided for, if unfilled:			
	If holding more than 1 pint	½¢ per lb	1¢ per lb	½¢ per lb.
	If holding not more than 1 pint and not less than ¼ pint	¾¢ per lb	1½¢ per lb	¾¢ per lb.
	If holding less than ¼ pint	25¢ per gross	50¢ per gross	25¢ per gross.
339	Table, household, kitchen, and hospital utensils, and hollow or flat ware, not specially provided for, composed wholly or in chief value of tin or tin plate, not plated with platinum, gold, or silver.	22½% ad val	40% ad val	12%-20% ad val.
391	Lead-bearing ores, flue dust, and mattes of all kinds	¾¢ per lb. on lead content	1½¢ per lb. on lead content	¾¢ per lb. on lead content.
392	Lead bullion or base bullion, lead in pigs and bars, lead dross, reclaimed lead, scrap lead, antimonial lead, antimonial scrap lead, type metal, Babbitt metal, solder, all alloys or combinations of lead not specially provided for.	1 1/16¢ per lb. on lead content	2⅛¢ per lb. on lead content	1 1/16¢ per lb. on lead content.
407	Packing boxes (empty), and packing box shooks, of wood, not specially provided for.	7½% ad val	15% ad val	3¾% ad val.
702	Sheep and lambs	$1.50 per head	$3 per head	75¢ per head.
711	Bobwhite quail, valued at $5 or less each	25¢ each	50¢ each	25¢ each.
1111	Blankets, and similar articles (including carriage and automobile robes and steamer rugs), made as units or in the piece, finished or unfinished, wholly or in chief value of wool, not exceeding 3 yards in length, any of the foregoing if hand-woven:			
	Valued at not more than $1 per pound	20¢ per lb. and 20% ad val	30¢ per lb. and 36% ad val	30¢ per lb. and 30% ad val.
	Valued at more than $1 but not more than $1.50 per pound	20¢ per lb. and 20% ad val	33¢ per lb. and 37½% ad val	30¢ per lb. and 30% ad val.
	Valued at more than $1.50 per pound	20¢ per lb. and 20% ad val	40¢ per lb. and 40% ad val	30¢ per lb. and 30% ad val.

Changes in United States tariffs due to termination of Mexican trade agreements which were canceled by Torquay negotiations—Continued

Tariff Act of 1930—par.—	Description of product	Mexican trade agreements rate of duty	Rate of duty on termination of agreement	Torquay rate of duty
1513	Dolls, parts of dolls (including clothing), and doll heads, of whatever material composed (except those composed wholly or in chief value of any product provided for in paragraph 31, Tariff Act of 1930, and except those composed in any part, however small, of any of the laces, fabrics, embroideries, or other materials or articles provided for in paragraph 1529 (a), Tariff Act of 1930):			
	Other than products of Cuba	35% ad val	70% ad val	35% ad val.
1513	Toys and parts of toys, not specially provided for, wholly or in chief value of china, porcelain, parian, bisque, earthenware, or stoneware:			
	Toys in the forms of musical instruments and capable of emitting sound (except toys in the forms of stringed instruments or accordions).	35% ad val	50% ad val	35% ad val.
1516	Wax matches: Other than products of Cuba	20% ad val	40% ad val	10% ad val.

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

Mr. MALONE. I yield for a question.

Mr. WELKER. First, Mr. President, let me say that I wish to express thanks for the profound answers which have been given me by the distinguished Senator from Nevada. I am sorry that every American workingman, who is as proud of his job as he is of the country which gives him that job, cannot hear the enlightening words of the Senator from Nevada, as he speaks at this time. I know of the study and the hard work he has given to this measure. It seems almost disgraceful that only six or seven Senators are now in the Chamber listening to the Senator's able address. However, I assure the Senator from Nevada that I shall do my part to carry the message to the people I represent.

My concluding question is this: Is it not a fact that the bill is, in effect, another wealth-division means whereby we would divide our wealth with those who live in foreign countries, inasmuch as we have to pay for our imports with hard-earned American dollars? I should like to have the Senator's observations on that point.

AMENDMENTS TO H. R. 1612 USELESS

Mr. MALONE. Mr. President, the distinguished Senator from Idaho has put his finger squarely on the sore spot. The present policy can end with no other result. In other words, I again make the categorical statement that none of the amendments to H. R. 1612, neither the peril-point amendment, the escape-clause amendment, nor any of the others—will direct the President to do anything at all. To the contrary, he will be able to continue to do exactly as he has been doing.

We have had three of these international tariff-cutting conferences, and we have suffered each time. The last time, at the Torquay Conference, the tariffs on at least 3,000 or 4,000 products were either bound so that we could not raise them, or were lowered again. So in the main, the tariffs are now below the peril points, due to the fact that for so long a time we have followed a policy of lowering our tariffs and due to the inflation which has occurred, which has brought the value of our dollar down to about 35 or 40 cents, in terms of purchasing power.

Of course the result of a decrease in the purchasing power of the dollar is a lowering of the tariffs. The same effect occurs when a foreign nation lowers the value of its currency, as was done by all the nations of the British Empire and the British Commonwealth of Nations, and as was subsequently done by France, about 30 countries in all. The nations of the British Commonwealth lowered the value of the pound from $4.03 to $2.80, and that resulted in the immediate lowering of the United States tariffs by approximately 30 or 31 percent.

EVEN FOREIGN RETAILERS ADVERTISE HERE NOW

Earlier in my remarks I read into the RECORD a British advertisement from a leading American magazine, and similar advertisements have appeared in many of our newspaper and magazines—for instance, the New York Times, the New York Herald-Tribune, Look magazine, the United States News and World Report—in fact, practically all the leading newspapers and magazines in this country. Practically all of them carry full-page advertisements of that sort. The advertisement to which I have already referred advises the readers to "Be your own broker. All you need to do is send $10 to us, at a cost to you of a 5-cent stamp, when sent by regular mail, and we will send you at once a very fine skirt."

The advertisement was inserted in that magazine by a London concern, and those who read the advertisement were led to believe that the dress for which they thus would pay $10 could not be purchased in the United States for less than $20 or $25. Perhaps that is so. It may be true in view of the difference between the wages paid in Britain and the wages paid in the United States. I implore all Members of the Senate to consider the difference between the wages paid in our country and those paid in Britain. The average hourly wage in manufacturing industries in the United States is $1.41, and the average hourly wage in manufacturing industries in Britain is 39 cents.

The advertisement to which I have referred went on to say that it was possible for that firm to sell for $10 a dress which would cost not less than $20 or $25 in the United States because of the lowering of the value of the pound from $4.03 to $2.80; and the advertisement advised its readers to "Be your own broker."

Mr. President, I say to the distinguished Senator from Idaho that there is nothing in this measure which would prevent the State Department from calling another Torquay Conference on the day following the passage of the bill or at any time up to the date of the expiration of the act; and now it is proposed that we extend the act for 2 years. Of course, the present act will expire on June 12, unless it is extended. In my humble opinion, the President or the Secretary of State is very likely to call another conference of that sort.

Mr. WELKER. Mr. President, I thank the Senator from Nevada very much for his answers to my inquiries.

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

Mr. MALONE. I yield.

WOODPULP AND PAPER IMPORTS ARE HURTING DOMESTIC INDUSTRY

Mr. JOHNSTON of South Carolina. In South Carolina we have a great many pulp mills. They sell millions upon millions of dollars' worth of paper. If this measure becomes law, how will it affect our pulp mills?

Mr. MALONE. I would say to the distinguished Senator from South Carolina that the 18-year-old policy has already affected them. The tariffs on wood pulp coming into the United States from Canada were lowered. At this moment I do not have before me a complete history of the wood-pulp industry, but it is very easily secured.

Of course, generally speaking, during the war we had some difficulty securing all the wood pulp we needed. At that time I was special consultant to the Senate Committee on Military Affairs, and I remember that many factories were built with American capital in Canada—and I think rightly so; I think that was a very good idea. However, the tariffs on wood pulp were lowered, and that resulted in the destruction of some of the pulp mills in the United States, just as has occurred in the case of other of our industries—for instance, just as occurred in the case of the mercury industry and the tungsten industry in the United States, because of the competition of tungsten imported from Burma, China, and Mexico and, in the case of mercury, because of competition of mercury imported from Spain and other nations.

Of course I do not know the exact conditions which exist in the pulp mills in South Carolina. However, in this connection we should consider the difference between the wages which are paid in the United States and the wages

which are paid in other countries where industries competitive with American industries are located. For example, in Canada the average hourly wage in manufacturing industries is 92 cents, but in the United States it is $1.41, as we see by the chart which now is on display in this Chamber.

Also, when we consider the chart showing the comparative hourly earnings in selected industries, we see that in the United States the average is $1.59, whereas in Canada it is 90 cents.

It is impossible, except for the most developed industries, to overcome the competition of lower-paid labor without an adequate tariff or import fee.

Mr. JOHNSTON of South Carolina. As the Senator said a few moments ago, a decrease or reduction in the value of the dollar, causes the cut to be doubly severe, does it not?

FLEXIBILITY NOT NEW

Mr. MALONE. That is correct. The reason given by the junior Senator from Nevada is founded upon a long period of study, extending over many years. I may say it does not embarrass me to say that, because of having been 30 years in the engineering business, and 15 years, the latter part of it, in industrial engineering. It is necessary to know where raw materials come from, and to know their comparative cost. A fixed tariff never does work very well. That is why, over a period of years, and for as much as 75 years, we built this country upon a tariff. It was a fixed tariff. Immediately following World War I, there was talk of flexible import fees or tariffs. Then, in 1930, there was placed in the Tariff Act, in section 336 a provision that the Tariff Commission could raise or lower tariffs, by as much as 50 percent, upon a proper showing, and in an investigation initiated on its own motion, or on the request of any interested party and after a proper hearing. This provision worked well. But the 1934 Trade Agreements Act, with this avalanche of pressure on the part of an internationally minded State Department, to the effect that we must give away our markets, almost obliterated the tariff. There are very few people know about section 336 of the Tariff Act of 1930, and that, if we do not extend this tariff bill for 2 years, we shall still have the flexible tariff provision of the 1930 Tariff Act to fall back on. This is applicable in every case where tariffs have not been covered by agreements, such as we have described in the course of this address.

EQUALIZE TRADE IN MAN-HOURS

I would say to the distinguished Senator from South Carolina and to the Senator from Idaho that what we are trying to do, and what we have done over a period of years in our awkward way, improving it from time to time—and I think the suggestion which the junior Senator is making here as a substitute has considerable merit—what we are trying to do is to equalize the trade in the hours of labor. If we are to be fair to our fellowmen and to foreign nations, it must be said that we are trading hours of labor, and that, if we take any advantage of a man, we are hurting him, and, if he takes any advantage of us, he is hurting us. The only kind of fair trade is trade upon an even basis.

Mr. President, how is that to be done? There are two things to be considered, which are major factors, and they can be taken into consideration through this bill which is offered as a substitute for the Senate Finance Committee's bill as reported. There are two major factors. First, the cost of labor; second, its productiveness. Then, of course, there is a certain transportation cost connected with getting it here. But, in the first place, it must be kept in mind that the labor in Canada is 92 cents an hour, while in the United States it is $1.41 an hour. That is one consideration. The other is efficiency. Those two factors enter into a consideration of this particular case. That may or may not absolutely represent the difference in cost, because that labor may be using older machinery, which may not be so efficient. Canadian labor in general, I think, is as efficient as labor in the United States, but nevertheless it is necessary to have an import fee in order to even up those hours of labor. Either we are trying to take advantage of another country, or we are trying to divide our markets and wealth with them, if we deny that that is true; so then there is the question, what is a tariff?

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

Mr. MALONE. Let me finish this one statement, after which I shall be happy to yield to the Senator from South Carolina. What is the idea of a tariff? What is the idea of an import fee on a flexible basis? Flexibility means that we are not freezing a tariff for 3 years, as is being done under one of these trade agreements, where a tariff cannot be changed without another conference. That is, under certain conditions it might be changed, but we are so bloody by the time we get it changed that we lose more than we gain for the moment. So the tariff, which the foreign trade authorities will set with full latitude under the principle of fair and reasonable competition, will be determined in the same manner as the Interstate Commerce Commission fixes freight rates on the basis of reasonable return on investment. All these factors are taken into consideration. When we trade 1 hour of labor, we are trading 1 hour equal here with another hour abroad under the flexible import-fee system. I am now happy to yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. I observe from the Senator's chart that the rate in the United States is $1.41 an hour, while that in France is 21 cents an hour. It is true that in France the industries can use a great deal of machinery which we in America cannot use because they require a great deal of labor; but it is also true that, when they purchase the machinery, they get it at a very much cheaper price than we can obtain the latest machinery in America for. Is not that true?

Mr. MALONE. I think it is true.

Mr. JOHNSTON of South Carolina. That also offsets the capital investment, does it not?

Mr. MALONE. I understand that is correct.

Mr. JOHNSTON of South Carolina. So, comparing that labor with American labor, we cannot go into a field to compete with them, can we?

Mr. MALONE. We cannot, unless, in any specific country, the economics of the situation permit it.

Mr. JOHNSTON of South Carolina. I am interested in another field, that of textiles. I notice the Senator lists textiles on the chart. The designation on the chart is "wool textiles." Both wool textiles and cotton textiles are manufactured in South Carolina. As the Senator probably knows, in South Carolina work in the factories represents 28 percent of the textile hours covered in the entire United States. That, of course, involves employment of many people. How would the pending bill affect the textile workers of South Carolina who receive $1.49 an hour, when they have to compete probably with workers in France getting 21 cents an hour, or, in Germany, 29 cents an hour?

EFFECT OF LOW TARIFFS ON TEXTILE INDUSTRY

Mr. MALONE. Let us take the item on the chart "Wool Textiles." The chart shows the wages paid by comparison, though not in cents per hour. Take the United Kingdom wage as representing 100 percent, the wage in United States of America is 378 percent. In other words, we in America pay four times the wages paid in the United Kingdom. That would be paid at the switch in the Senator's State. We pay 378 percent more in wages in this country than our competitors in the United Kingdom pay. Is your worker in South Carolina 378 percent more efficient? The only way we are going to maintain an industry, as I think we are finding out now, is through an emergency, when contracts can be made, when it is possible to buy everything that anyone can produce, because we are taking money out of the Treasury for deficit financing. In 18 years we have found that we always have an emergency, we are never without one, and we always have some reason for taking money out of the Federal Treasury.

MODERN MACHINERY AVAILABLE EVERYWHERE

When we reach a peaceful period, if we ever do, industry in South Carolina will crumble and fade away in the night, because our textile worker is not 378 percent more efficient than his British counterpart. We cannot possibly compete. I want to say one more thing, which I thought of while the Senator was speaking. By way of illustration, the junior Senator from Nevada was in South Africa. As a matter of fact, I have been in all these countries with one particular purpose, namely, to find out what kind of machinery was used even in the coal mines and in the steel mills of the Ruhr, and in Birmingham, England, and in the chemical plants and chemical centers of Germany. I was interested in the economics of the country and as to how the

tariffs, import fees, and trade agreements worked. I found in South Africa that the people were very friendly. I was a visitor, and they were friendly because I was interested in their business. We flew over manganese deposits and chromite deposits. The idea of buying manganese from Russia is the craziest ever suggested. There is more manganese in South Africa, Brazil, and India than can be used in the next hundred years. Why do we have to buy it from Russia? The suggestion that we must do so is just an excuse for giving them what they want.

In South Africa I had dinner with the Prime Minister, or whatever his title may be. I said to him, "If I were younger and were not in the United States Senate, I would stay here and produce manganese." We cannot make a pound of steel without using manganese. I am sure I could get all the money necessary to buy equipment. He had already offered a long-term lease to anyone, not only to me. If I had had an opportunity to stay there, does the distinguished Senator from South Carolina believe I would have installed second-hand machinery? No; I would have purchased the latest machines that United States factories make, and I could have produced more manganese, for the labor put into the operation, than could any man in the United States because the machinery would be new.

In South Africa at that time the wage for Negro labor was 40 cents a day. Superintendents and foremen would have to be trained and their pay would have to be raised, but it would take some time before they would develop sufficiently to be able to do the work of a man in this country. But they could be paid $6 or $7 a day, and that would still leave several dollars.

I notice in newspapers all over the country the idiotic statement that we do not need any protection in this country because of our know-how and our improved machinery.

Mr. JOHNSTON of South Carolina. I am very much interested in textiles, for the reason that I have been closely associated with that industry. I worked for 10 years as a laborer in cotton mills. I know what happens in that industry in times of depression. The work is reduced to 3 days a week instead of 5 days a week. That is what I fear may come about if our labor is thrown into competition with that of other countries where labor works so cheaply.

Mr. MALONE. That is exactly what will happen.

Mr. JOHNSTON of South Carolina. I was talking during the week end with the operator of a chain of mills. I learned that that chain uses more cotton than is grown in the State of South Carolina. The places where the mills are located are not in the largest textile-manufacturing county in South Carolina, by any means. Henderson County manufactures more textiles, and Spartanburg and Greenville are also much larger producers. I do not want anything done that will affect the industries which do so much for my State.

Mr. MALONE. Nothing can happen so long as we have an emergency. Whether we have our troops in Iran to settle the oil dispute, or whether they are in Europe or in Korea, unless there is a war at the end of all this preparation, foreign products will come into this country in such volume that our own mills will close down or severely curtail production. It will hurt not only South Carolina, but every other State. The farmers will be injured. What will they do? They will come to the Senate to get us to make up the difference in their income. The problem comes right back to the taxpayers of the United States. I am in favor of subsidies to keep the farmers alive until such time as Congress wakes up and lays down a principle so that they can live.

Mr. JOHNSTON of South Carolina. The Senator from Nevada does not have to tell me about that. Girls in the cotton mills in my State earn as much as $60 a week, in many instances, working five days a week. If they are cut to 4 days a week, their income is reduced by one-fifth. If they work only 3 days a week, they lose 40 percent of their wages. The man from whom they buy their clothing is affected. Everyone with whom they do business is affected. Automobile dealers and others all along the line are affected. When it comes to paying State and National income taxes, they are affected across the board. It will injure the individual taxpayers throughout the United States. The manufacturers of shoes and clothing will not sell as much as they previously sold.

Mr. MALONE. I am interested in what the Senator says, because he is carrying the point down to the detail which is necessary to understand the problem. The protection which may be afforded affects mining and agriculture. It affects not only the cotton business, but the precision-instrument business; it affects textiles not only in the South, but in New England. It affects the little textile industry which I am trying to nurse along out west. It affects every industry in the United States. What happens when they all go down at once, when unemployment starts all over the country? I should like to ask the distinguished Senator what he thinks will happen when peace, for which we all pray, arrives. When we use up our unemployment insurance, are we going to lower the wages and our standard of living and meet the competition of the United Kingdom, France, and Japan, or will we nationalize a few industries, as has been done in England?

Mr. JOHNSTON of South Carolina. I certainly hope we shall not nationalize them. The next thing would be to lower the tariff to meet the competition.

Mr. MALONE. Mr. President, I am happy that the distinguished Senator from South Carolina is interested. I want to point out, since he has just mentioned the fact that the cotton mills are on a 4-day workweek, that I was informed this morning that the sewing-machine manufacturers in certain areas have cut off a day from their workweek.

Mr. President, this is at the height not only of ordinary prosperity, but war prosperity. I understand, of course, that what is now going on is merely a police action, but nevertheless it has the effect of war on the economy.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement showing the cost of imported sewing machines. Yesterday I had two comparable models of portable sewing machines available for inspection on the floor of the Senate. One was a domestic model, the other an imported Japanese machine. I went into the differentials yesterday. I now ask that the statement be printed in the RECORD.

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

COST OF IMPORTED SEWING MACHINES

Two comparable models of portable sewing machines are available for inspection on the floor. One of them is a domestic model, the other an imported Japanese machine.

Here are some interesting data regarding those machines:

Man-hours of labor for making the head:	
Japanese machine (hours)	10
Domestic machine (hours)	8
Wages per day of production worker:	
Japanese machine	$0.90
Domestic machine	$15.50
Total labor cost per machine:	
Japanese	$1.11
Domestic	$15.50
Wholesale price, including motor and stand or case:	
Japanese machine	$28.00
Domestic machine	$84.00
Retail price:	
Japanese machine	(1)
Domestic machine	$110.00
Tariff rate (Japanese machine):	
Before GATT (percent ad valorem)	15
After GATT (percent ad valorem)	10
Imports from Japan (Japanese machines):	
Value, 1929–49	$1,450,000
Value, 1950	$4,845,000
Number, 1950	227,000

[1] What the market will bear.

In 1950, compared with 227,000 machines from Japan, the United Kingdom supplied 13,098 machines, with Italy supplying 39,394, and Germany 26,000, although the duty reductions at GATT were made with countries other than Germany, Italy, or Japan. This, of course, is an obvious case of a third nation getting all the benefit under most-favored-nation clause.

GOLD PRODUCTION AND CURRENCY BASE

Mr. MALONE. Mr. President, I do not like to get too far afield from several matters that have been mentioned before commenting on the questions asked by the senior Senator from North Dakota and the junior Senator from Idaho. There was the matter of the shutting down of the gold industry here during the war, while we were selling gold-production machinery, heavy dredges, some of which cost seven or eight hundred thousand dollars to manufacture, to South Africa and to Canada and to other foreign nations. That was a fact well known by almost everyone. However, at the time I was simply a consultant to the Military Affairs Committee, and was so busy I had but little time to work on

that matter, and probably could have done nothing about it had I had time to work on it at that time.

Early in my address I pointed out that Marshall plan nations can buy gold from our Treasury, with Marshall plan or ECA money, and then sell it wherever they desire at whatever price they can obtain, which of course has been much more than the $35 they needed to purchase the gold from our Treasury. There are several subterfuges used by foreign nations. I do not blame the nations for making use of those subterfuges, Mr. President. I want that distinctly understood.

Two or three years ago I was in Toronto, Canada, and talked before a mining organization there. At that time the Canadians could not mine gold for $35 an ounce any more than we could in the United States. At this time practically all our gold mines, with the exception of a couple of low-cost producers, are shut down. Perhaps there may be some small mines in operation, but not very many. Most production is down. Why? Because with the inflation, wages are up, costs are up, and the gold remains at $35 an ounce. Canada has had the same trouble. But since we were the Nation which was guaranteeing the $35 an ounce for gold, what did Canada do? There are some smart people in Canada. I hand it to them. Out of the Canadian treasury they paid as high as $7 an ounce bounty or margin for the gold. If a miner produced an ounce of gold he received $7 an ounce out of the Canadian treasury, and he received $35 an ounce in America. So the producer received a total of $42, that is, $35 from the United States and $7 from the taxpayers of Canada. The Canadians mined the gold and sold it to us.

Mr. President, returning to the subject of the customs simplification plan that was proposed last year, I am given to understand a similar measure has been introduced in the present session of Congress. I have already explained how the simplification plan works. It results in goods coming in at a lower price than we can meet. There was never any idea of simplifying anything, except to bring in goods below our production costs.

RULE ON MARK OF ORIGIN EASED

Another section of the Customs Simplification Act amends the requirements for marking the name of the manufacturer and the country of origin on imported products. Thus, the immediate container in which coal tar products are imported need not be marked "Made in Germany." In that connection, the junior Senator from Nevada had a hard time finding the trademark on the Japanese sewing machine which was exhibited in the Senate Chamber yesterday. Finally, after the machine was brought back to the office, the trademark was found concealed under the electric motor.

Pen and pocketknives need not be marked "Made in Japan." Is that not a fine set-up? That ought to be emphasized. Butcher knives, table knives, and carving knives need not be marked with the name of the maker and the country of origin. Surgical instruments and scientific and laboratory instruments need not be marked. Thermostatic containers, and even medicines, need not carry identifying marks.

Thus the importation of goods from nations which use unfair trade practices, or which are in some other way offensive to the consumers in the United States, is greatly aided. No longer will an American be able to say, "I will not buy these goods since they are made in Germany or Japan." He will not know whether such products as those I have mentioned are of domestic manufacture or imported from Communist nations.

CHANGE IN VALUE FOR CUSTOMS

Fourth. Certain changes are made also in the valuation of certain products. Instead of levying the duty on the higher of either the export value or the foreign value, the Customs Simplification Act provides that the export value be taken.

This makes it possible to declare a specially low export value and bring into the United States an ever-increasing amount of low-cost foreign goods, by taking a value which will reduce the duty payable to the lowest one possible.

In the past, when the export value or United States value could not be ascertained, it was customary to take a value which was based on the cost of production, including a certain amount of profit. This will be changed under the new bill however, for a constructed value which no longer includes a specific amount of profit. Thus, the way is opened, again, to allow imports of unfairly priced foreign articles.

At this point I should like to mention that one of the statements often made by the proponents of free trade is that the consumers of this country have a right to lower-cost products if they can obtain them anywhere else in the world. I invite attention to the fact that it has not been brought to the attention of the junior Senator from Nevada that there are any products coming in from foreign lands which do not take what the traffic will bear. In other words, if there is no competition here the price is high. For example, take the case of Scotch whisky. No Scotch whisky is manufactured in this country—at least of the quality which has been imported. Therefore, even when the devaluation of the pound and the franc was made, there was no decrease in the cost of the Scotch whisky, because the price was raised in accordance with the devaluation, approximately 30 percent. So I say that to make a statement of that kind is to assume that the people of foreign nations do not understand trade, that they do not understand that they can get for their product what the traffic will bear. They do understand it. Therefore, there is no such thing as the consumer profiting by free trade, because those who ship goods into this country simply take what the traffic will bear on the market.

Let us consider item number 5 in the bill to simplify the customs rules and regulations.

Fifth. Certain imports were dutiable on the basis of American selling price. Particularly coal tar products are in this category. Now, however, under the Customs Simplification Act this American selling price as a base for duty will be changed, to an equivalent regular tariff. This means that price changes for domestic products will no longer have any bearing on the duty imposed on imported coal tar products. The flexible tariff provision, section 336 of the Tariff Act of 1930, is also amended by eliminating the use of American selling price from the determination of the value of imported products which are being investigated under the "Equalization of costs of production" principle.

So, Mr. President, it will be seen that the American selling price is eliminated by this simplification process.

Sixth. Last but not least, the Customs Simplification Act provides for changes in the internal-revenue taxes imposed on certain imported products, such as wines, perfumes containing distilled spirits, and oleomargarine.

This listing, although by no means exhaustive, should serve as warning that the Congress had better beware of the administration's proposals, especially if they are so innocuously named as "simplification" bills.

We are facing a determined effort by the administration to bring about the end of the ITO in devious, back-handed ways, since the opposition to the Charter itself has grown stronger. Let us step cautiously in this Congress in voting for Customs Simplification Acts, and the extension of the 1934 Trade Agreements Act with new amendments, lest we find our hands tied even more than they are now tied in regulating the domestic economy.

I wish to call the attention of the Senate again to the fact that we must not only watch the bill under consideration, but we must watch all the approaches. There is no use in closing the gate to a corral if two strands of the wire are missing and the animals can go through the fence.

LEGISLATION FULL OF SLEEPERS

The temper and tempo of legislation coming to the floor of the Senate have not changed in 18 years. Some have said that Roosevelt was to blame. Others have said that Truman is to blame. I say that neither is to blame. We are in an undertow with this legislation. We are not told the truth. We are not told what are the real objectives of legislation which comes to the floor of the Senate. We are not told about the hidden paragraphs, the "sleepers" in these bills. I have just named six sleepers in the simplification bill introduced last year. New York newspapers, Washington newspapers, and newspapers all over the United States say, "What a great thing the simplification of customs is."

What did we think about when we visualized this great effort at simplification? We thought there had been some delay in obtaining information from various sources, or there were some other burdensome regulations.

Who visualized the situation as meaning that if we should pass this bill we would be aiding and abetting the adoption of the International Trade Organization? There are some great men on the Senate Finance Commitee. I would follow them a long way, but not this far.

The Senate Finance Committee was told, "We will not ask for the adoption of the International Trade Organization." However, the witnesses did not say, "We will ask for a simplification with six sleepers in it which will help toward the adoption of the International Trade Organization." They did not say, "We have adopted the commercial policy chapter, chapter No. 4 in the International Trade Organization's charter, through GATT." They did not tell us that. I have read the record. They did not tell us that by the adoption of chapter 4 of the International Trade Organization, they had adopted everything of a commercial policy nature in the charter of the International Trade Organization which did not need special legislation by the Congress.

They did not tell us that they were coming forward with special legislation—not the International Trade Organization, but legislation to chink up the cracks—in addition to the customs simplification. So we go along blindly, taking on faith legislation coming down from an administration which is utterly discredited before the country—especially the State Department.

Mr. President, as I have already explained, GATT has been substituted for ITO. We now have pending legislation which would chink up the cracks and make the GATT virtually an international trade organization, which the State Department has promised not to bring before the Congress. Credit is being given the State Department for announcing that the International Trade Organization would not be pressed upon Congress. I have heard members of the Senate Finance Committee say, "They have promised us not to bring the International Trade Organization before the Senate."

However, little attention is paid to the fact that chapter IV, the commercial policy chapter of the ITO Charter, has been adopted, and further congressional legislation is not required. It is expected that other legislation will be offered to complete the adoption of the commercial policy of the International Trade Organization. The pending bill on the simplification of customs would complete the job.

TARIFFS AND SUBSIDIES

I have previously touched on the difference between subsidies and tariffs. The specific difference between tariffs and import fees established upon the principle of fair and reasonable competition to establish a market in this country for foreign nations' goods and the payment of subsidies to bolster our economic structure under a free trade principle is that under tariffs and import fees the ultimate consumer of the specific goods pays the tariffs or import fees and there is no incentive for the importation of goods unless there is a definite market on that basis, whereas the payment of subsidies encourages the goods produced by the cheaper labor to be brought into the country to compete with the higher living standard products of this Nation, and then subsidies collected in taxes from all of the people are paid to the domestic producer to support the economic structure until such time as we care to let it go down or reduce our standard of living to a certain extent.

Mr. President, a tariff or import fee paid into the United States Treasury is new money. It is money that can be used to reduce the national debt. It is money that can be used to reduce taxes. It is money that can be used to run the Government of the United States. It is revenue money. When it is paid into the United States Treasury, for the privilege of bringing in a product on a basis of fair and reasonable competition, it is new money. A product will not be brought in unless a need for it exists on the basis of fair and reasonable competition.

On the other hand, let us remember what a subsidy means. Of course, a tariff is paid by the ultimate consumer of the goods. What is a subsidy? A subsidy is assessed against all the people. In other words, it might result in bringing in all the potatoes in Canada, all the wheat in Canada, all the steel from anywhere. What would we do? When those goods became a glut on the market, and when the number of persons affected was of sufficient magnitude to force Congress to move, what would we do? We would put a subsidy on the products to hold up the economic structure and help the industries that are affected, as we do with agriculture. What is the result? We establish a market for foreign goods on our own parity price, regardless of what the cost is.

We did that in the case of dried eggs. We have stored the domestic eggs. We bought them for 90 cents to $1.25 a dozen and stored them in caves out in Kansas and in various storehouses throughout the country. The merchants of the country bought dried eggs abroad at lower prices. They bought them from China. We eat those eggs.

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

Mr. MALONE. I am happy to yield.

Mr. CARLSON. While the distinguished Senator from Nevada is talking about imports, I wonder whether he has mentioned oil imports. I have not heard him mention oil imports into our country. It may be of interest to note that we produce approximately 7,000,000 barrels of oil daily, and that we are importing 1,000,000 barrels daily. Based on the employment of personnel, with 275,000 persons producing 7,000,000 barrels of oil daily, the importation of 1,000,000 barrels of oil undoubtedly eliminates 50,000 jobs in this country.

That, however, is not the important problem immediately, as I see it. The immediate problem from the standpoint of the oil industry, in my opinion, is to develop our potential production as rapidly as we can in order that we may have oil for defense purposes. I do not believe that any Senator or anyone else feels that we can depend on foreign oil once the chips are down. Therefore, I think it is very important that we give some consideration to the problem, which is very important from a domestic and national standpoint and also from a defense standpoint.

OIL AND NATIONAL SECURITY

Mr. MALONE. Mr. President, I am glad that the distinguished Senator has brought up the point. We did mention oil earlier in the day, although not in connection with national security. I think it is one of the most important angles in the whole discussion.

The reason why we are not producing mercury today, for example, which is absolutely necessary in any defense establishment, is because of so-called free trade, which means the lowering of the tariff below the differential of costs and below a fair and reasonable competitive level. There is no principle governing the situation. We are not producing tungsten today, although we have started to produce a little of it since some lucrative contracts have been handed out. I may say that more of them have been handed out to foreign countries because those making them are willing to pay more for foreign minerals and oil. I am not sure about oil, but I do know about minerals. The reason why we are not prepared, in our stockpiles, to defend ourselves is because over the entire period since World War II we have refused to pay for the domestic product the price which makes up the difference between the labor costs and the other factors that directly affect production in this country as compared with the foreign producer. People who say, "We must buy where we can buy cheapest," would be horrified to know, as they would if they analyzed their statement, that they are advocating the lowering of wages and the writing off of investments in this country to meet the lower price.

I say to the distinguished Senator from Kansas that I am perfectly familiar with what was happening last year before the so-called police action was undertaken in Korea. The junior Senator from Nevada remembers well that the junior Senator from West Virginia said that 35,000 coal miners were out of work in West Virginia because of the importation of cheap oil from the Middle East, which was coming in for $1.70 to $1.80 a barrel. He said that there was unemployment on the railroads; there was nothing to keep the railroads going. It was quite a speech which the Senator from West Virginia made, I assure the Senator from Kansas. At that time I discussed the matter with the distinguished junior Senator from West Virginia, who said he would vote in favor of any industry in the United States which was in the same condition the coal industry in West Virginia was in, because of the competition of the 850,000 to 1,000,000 barrels of oil a day which were being imported last year. That importation caused exactly what the Senator from West Virginia said it would, namely, serious unemployment. There was a reduction in the oil production of Texas and California, and I assume that there was a cut in the oil production of Kansas. So there was widespread unemployment, amounting to more than 5,000,000 or 6,000,000 persons. In fact, when the so-called police action began in Korea on June 27, there was unemployment amounting to 10,000,000 or 12,000,000 persons, and part of the reason for it was

the long-range free-trade policy the State Department has followed.

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

Mr. MALONE. I am glad to yield.

Mr. CARLSON. I think it is important for us to give consideration to the defenses of our country, particularly in relation to the production of oil. We must know where our potential reserves of oil are, and we must be active in developing them. It is not possible to develop an oil field over night; it takes 3 or 4 or 5 years to do so. At the present time throughout the oil-producing regions of the United States there is a shortage of tubular goods. We need the pipe in order to be able to explore new fields and study the potential oil production in great areas.

I am one Senator who does not believe that we can depend upon foreign sources of supply of oil when we reach a critical period involving the defense of our country.

Mr. MALONE. Mr. President, I am very glad the distinguished Senator from Kansas has brought up this point, because it is one of the most important ones facing our country in connection with its national security.

The State Department has continually worked on the theory that the administration should have the Government pay more for strategic and critical minerals and materials coming from foreign countries than it would pay for such minerals and materials which were produced in the United States. The result is that in time of emergency we are confronted with the same situation which confronted us last year when we were without sufficient mercury, and tungsten, and oil. Suddenly our authorities said, "We need to increase our production of oil by 1,000,000 barrels a day." The distinguished Senator from Kansas is familiar with that demand, is he not?

Mr. CARLSON. Yes.

INCREASED OIL RESERVES DISPROVED ADMINISTRATION BEFORE

Mr. MALONE. That occurred because we allowed some millions of barrels of oil a day to be imported from foreign countries, under the theory promulgated first by Secretary of the Interior Ickes, that great tower of strength for the administration, who advocated his idea that we had to conserve our domestic oil resources and that we had to save and conserve all the tungsten and all the mercury that were available in our country because we would need it for national defense.

I have been in the mining business for 30 years, which is a long period of time, and I have seen these policies come and go.

In 1925 our great Department of the Interior estimated our total oil reserves to be 5,000,000,000 barrels. If Secretary Ickes had come along then and had imposed his policy not only would we need today an additional million barrels of oil a day, but we would need, instead, an additional 6,500,000 barrels a day, because Secretary Ickes would have shut down the oil wells in order to save our reserves of oil for national defense purposes.

Mr. President, it will take us 50 years to recover from the policies of Mr. Ickes, but we are recovering from them. The policy we are discussing here today is another of the policies from which we must recover.

The result of following the Ickes policy was that the development of oil wells in the United States was curtailed or almost discontinued and prospecting in the United States was virtually discontinued. Before World War I began, we were virtually out of supplies of tungsten; and if some of the learned, hand-raised, so-called economists of the present administration had had their way, there would not have been any United States production of tungsten at the time when World War II began, for it was their theory that our supplies of tungsten were insufficient, and that all production of tungsten in the United States should be stopped. However, during World War II we used a great deal of oil and mercury and tungsten; but notwithstanding that fact, today we have in reserve more oil and more mercury and more tungsten than there was known to be in reserve when those economists were complaining about the situation and were saying that we were about to run out of those minerals. Contrary to their theory, larger and larger reserves of oil and mercury and tungsten have been developed in our country because of the dollar incentive which was held out to prospectors and potential producers.

However, today the situation is entirely different; today we are in the hands of some of the so-called experts of the administration who are virtually in control of the Government's departments.

EXPERTS FIRED

At the beginning of the so-called police action in Korea, or the present emergency, I was happy to see that three or four men who knew something about minerals were called in to help the Department of the Interior. I said to the Secretary of the Interior that as soon as the top officials in the administration found out those men were being used by the Department, their services would be ended; they would be dismissed. Well, Mr. President, since then most of them have been dismissed, and today very little is being done to increase mineral production in the United States.

Of course, under the present policy, very little can be done other than to give money from the Treasury to those who will go into the mining business. That is so because we have no tariff or import fees based on the principle of fair competition. Therefore, when the present emergency is over, the investments in those industries will be destroyed. The hotels in Washington are full of men who have come here to get money from the taxpayers because they have learned their lesson and they know that now the Government is going to be a partner in giving away the taxpayers' money.

So, if it is free trade that we want, the Government will be a partner in the various businesses. The result will be that at the end of the emergency a man who has invested funds in such an industry will simply walk off and forget it, for after the war his investment will be gone. Foreign competition will ruin the investments and will end the employment of thousands of our workers.

In my humble opinion, our national security is gravely threatened by the present policy; yet there are those who urge that the policy be continued.

FOREIGN PURCHASES HURT OUR INDUSTRIES

Mr. President, the present policy of "getting the materials where we can get them the cheapest for our consumers" means—and all our working men an investors should be told this—that the Government wishes to utilize the 12-cents-an-hour labor in Japan, the 21-cents-an-hour labor in France, the 19-cents-an-hour labor in Germany, the 39-cents-an-hour labor in the United Kingdom, the 62-cents-an-hour labor in Australia, and the 92-cents-an-hour labor in Canada, as compared with the $1.41-an-hour labor in the United States. Perhaps the administration thinks that our workingmen are making too much money and that the standard of living of the American workingmen is too high. What a fallacy that opinion is, Mr. President. If any Member of the Senate disagrees with my statement regarding that policy, I should like to debate the matter with him for a little while, if this matter is of interest to any other Member of the Senate.

Already today, Mr. President, the distinguished Senator from Idaho has referred to the definitions I have given of large business and small business. A few days ago I defined large business. I cannot think of a better definition than that one, namely, that a large business may be defined as an individual, partnership, or corporation large enough and of a nature capable of establishing in foreign, low-wage countries plants not only able to serve the immediate foreign area but also able to produce goods for importation into the United States under the present free-trade provisions, to compete with the goods produced by investors and workingmen in the higher-standard-of-living brackets in the United States.

Small business, on the other hand, may be defined as any business too small, or not of such nature as to lend itself to foreign investments.

I shall not today go into the subject of point 4, but I want to say we are now encouraging it further through the so-called point 4. What is the point 4 program of the President? It is a very simple arrangement: He will finance industry, he will borrow money from the Treasury, and establish industries in foreign countries. Not only that, but he will write off the taxes, so that such industries will not need to pay taxes. Foreign investors will have a gratuity. We can develop industry in foreign nations, not only to compete with our own labor and with our own investors, but, if one is wealthy enough to do it, or if he can get some money from the Government with which to do it, then he can keep his entire profit. It is not as it is here, where one makes a real profit and pays taxes on it. If a man will simply leave this country and take a little Government money with him, manufacture

something which he can sell not only in another country but also on the market in this country, through free trade, then everything will be all right.

SUBSTITUTE FOR H. R. 1612

Under my substitute amendment, formally introduced as Senate bill 981, the so-called peril point would automatically become the tariff, except that it would be adjustable to conform to any changed conditions. What is the peril point, the great peril point upon which we have dwelt so much during the past 2 or 3 years? I will tell the Senators what it is. It is a suggestion coming to the President of the United States through the Tariff Commission. The Tariff Commission reports to him what is known as a peril point, which he may exceed in his tariff negotiations. Under the conditions set forth in the substitute for H. R. 1612, the Tariff Commission changed into a foreign trade authority would have sufficient latitude to determine what the peril point is, exactly as the Tariff Commission now determines it; and, after a determination of the peril point, it becomes the tariff under the flexible import-fee system. There is no discretion on the part of the President, who is internationally minded and one-economic-world-minded.

ESCAPE CLAUSE AND PERIL POINT WOULD NOT BE USED

Guided by the Secretary of State, it is well known where his sympathies lie. Time and time again, the Secretary of State and his assistants have testified before committees. Their platform or program is well known. Every Member of the Senate should know, if he does not, that they will not use the peril point, that they will not use the escape clause, so that, within a year, or probably after 2 years, I predict that the Senate will do exactly in this matter as it did yesterday regarding the conference report on war goods and strategic materials to Russia and China. It will take about 2 years, I suppose, for it to soak in.

FIXED TARIFFS INADEQUATE

No frozen tariff has ever been completely satisfactory, even if properly adjusted in the beginning. Within a few months or years, conditions may change, through such things as inflation—and especially now, when absolutely no effort is being made to control inflation. Regardless of what anyone may say, inflation can be controlled, but the man who controls it is not going to be popular. The matter of inflation is to me like a man putting on weight. Someone says to him, "Why do you not reduce?" He says, "Well, if I could have as much fun reducing as I had in putting on weight, I would reduce." But there is no fun taking off weight. Likewise, there is no fun when inflation stops. Inflation is described as a time when new money is printed to the extent of several billion dollars a year, as we printed it last year, and when everybody is getting more money every day. Prices, too, are increasing every day. The printing of money keeps up the prices.

Mr. President, there is very little difference—in fact, there is but one difference between an individual, in his unbusinesslike practices, and the Government, in its unbusinesslike practices. The individual is through when his bank quits him, but a government is not through with its unbusinesslike practices until the money it prints becomes worthless. Remember that, for future reference. That is especially applicable to inflation now, when the curve on the inflation chart is going up, over the months, at an angle of 20° to 30°. It is now especially necessary to have a flexible tariff or import fee, if it is for the purpose of establishing fair and reasonable competition. If we want the privilege of giving away industry, and if we wish to divide the markets of the United States with the nations of the world, which is the announced objective of this administration, then a flexible import fee is unnecessary. But I do not go along with that kind of practice, and that is why the junior Senator from Nevada has determined at least to explain the system and to discuss the various factors before a vote is taken.

MANIPULATION OF CURRENCY IN ADDITION TO INFLATION

On the subject of the manipulation of currency, I may say that the United Kingdom in reducing the pound from $4.03 to $2.80, took 30 percent off the tariff of the United States of America, immediately, as explained in advertisements by the United Kingdom, which have appeared in leading magazines, for the purpose of selling her products in this country. "Be your own broker," they say, "be your own broker." When everyone in this country becomes his own broker and buys everything from some foreign nation, it will not be hard to visualize what will happen to the United States. Whence comes the income that one uses when he acts as his own broker? It is all right if but a few follow such a course, but let it become a general practice, and see where we go.

Within a very short time, a fixed tariff is thrown out of gear by inflation of the currency and manipulation of the currency systems. Under the substitute offered by me tariffs may be almost immediately adjusted, whereas, under the trade-agreements negotiations by the State Department under the 1934 Trade Agreements Act, a tariff is frozen for a specified length of time, usually 3 years. I understand that all the trade agreements were extended at Torquay for the period of a full 3 years. Not only the trade agreements which were made this time at Torquay, England, but also the trade agreements which were made previous to that time are then frozen for 3 years. So tariffs are frozen for 3 years, with inflation going on and with manipulation of the money systems throughout the world. Just how any sane person can look at this subject dispassionately and consider how the United States of America could in any way benefit from it is more than the junior Senator from Nevada can understand. Certainly there is not a chance on earth of winning under it. But I may say there are a few people who approach it honestly. The Senate is not approaching it honestly. There are a few people who approach it honestly, and when they do, they say it is necessary to level the standards of living of the nations of the world in order to have peace, perpetual peace, or a guaranty of peace. So that there is no competition; there is no rivalry.

WE CAN'T LEVEL LIVING STANDARDS

The junior Senator from Nevada ran into that idea in India and in other foreign countries. A few persons in this country say that we must level the standard of living, that we must not have a standard of living higher than other nations enjoy. Anyone who will approach the question honestly will acknowledge to himself that if we divided the markets with the nations of the world, it would mean a lower standard. The junior Senator from Nevada can sit down with such a man and discuss the question dispassionately with reference to what it might mean. Such a man understands that if we divide the markets it means a lowering of our wages, and our standard of living; investments must be written off to meet competition or prevent unemployment in connection with a lower standard of living. But any person, Mr. President, who claims that we can divide the markets in this country, lower the tariffs and import fees, and allow the slave-labor nations of the world to compete with our higher living standard, and still maintain our standard of living, is either deceiving himself or he has not developed far enough to understand the subject.

ESCAPE CLAUSE CAN BE EXTENDED WITHOUT EXTENSION

The President, the next point is the escape clause. It has been argued that if it is necessary to extend the 1934 Trade Agreements Act for two more years, there should be available an escape clause for the manufacturers, industrialists, and workers who are already brought under the terms of the trade agreements. Nothing could be further from the truth.

Senate bill 1040, which was in the Senate Finance Committee when the pending bill was reported, provided for an independent escape clause to be included in all existing trade agreements. The committee could have reported the independent escape-clause bill as a substitute for House bill 1612, extending for 2 years the authority of the thoroughly discredited Secretary of State. It was not necessary to extend the 1934 Trade Agreements Act and subject the workingmen and investors to two more years of uncertainty in order to provide an escape clause applicable to existing trade agreements.

I wish to emphasize that, Mr. President. Even if the junior Senator from Nevada had not submitted a separate escape clause, the Senate Finance Committee had ample authority to write off House bill 1612, with the exception of the escape clause, and to report it. What then would have happened? Not a bit of interference with any existing trade agreement would have occurred. They would have been on their own, and the trade agreements would have existed under the same provisions of extension or cancellation. We could have extended the act at the expiration of 3 years, or we could have canceled it without any

extension. The tariffs which had not been adjusted or had not been frozen under the provisions of the 1934 Trade Agreements Act would have come immediately under the flexible import fee provision of the 1930 Tariff Act, section 336. In other words, the Tariff Commission would have taken over any such tariffs and adjusted them, up 50 percent or down 50 percent, in accordance with the law.

So, Mr. President, I repeat that it is a fallacy to say it is necessary to extend the act two, three, or any number of years in order to give an opportunity to apply an escape clause if the President or the State Department made up their minds to utilize it. But, of course, Mr. President, there is no chance of utilizing an escape clause, no matter how it is included and made available to them. That is the judgment of the junior Senator from Nevada.

The fact is that an industrially-inexperienced State Department has the power to disturb the tariff or import fee structure which constitutes the floor under wages and investments, and to discourage private venture capital, not only from creating new business organizations, but to some extent to drive it out of existing industries. A business may be entirely successful today, paying wages based on a high-living standard, while a lowering of the tariff or import fee would immediately put it in direct competition with the low-living-standard nations, and destroy investments.

That was true in the case of tungsten mining following World War II, as indicated by the distinguished Senator from Idaho. It is also true in the case of mercury mining, which was mentioned by the distinguished senior Senator from North Dakota, and in the case of the textile industry, mentioned by the distinguished Senator from South Carolina. He expressed his fears for the industry if further cuts are made, or when we arrive at a peacetime period when industry must stand on its own feet.

LABOR ORGANIZATIONS AND FREE TRADE

The American Federation of Labor is definitely on record with a resolution opposing free trade or the manipulation of the tariffs and import fees to the point that lower-wage foreign labor is placed in competition with the American workers.

The United Mine Workers are definitely opposed to the free-trade principle.

The CIO is the only national labor organization that approves free trade.

The Nevada labor organizations, local 407, CIO, International Union of Mine, Mill, and Smelter Workers, Pioche, Nev.; White Pine County Central Labor Council, Ely, Nev.; Central Trades Labor Council, at Reno, Nev.; and the local lodge No. 705, International Association of Machinists, Sparks, Nev., a division point on the Southern Pacific Railroad, have passed resolutions opposing free trade or any manipulation of the fair and reasonable competition principle that favors foreign low-cost labor over American workers.

Mr. President, the Nevada State Farm Bureau, of Ely, Nev., on December 2, 1949, passed the following resolution:

DOMESTIC AND FOREIGN POLICY—RESOLUTION 17

Whereas the selective free-trade policy adopted by the State Department, based upon the Trade Agreements Act of 1934, is lowering the American living standards through the lowering of wages and is causing unemployment and a subsequent decline in the demand for agricultural products: Therefore be it

Resolved, That the Nevada State Farm Bureau adopts and recommends that the American Farm Bureau Federation support a domestic and foreign policy containing the following features:

I. Foreign policy: (a) Protection of private investments in foreign countries;

(b) Free convertibility of European currencies in terms of dollars;

(c) Consolidation of the European nations into a United States of Europe, and the erasing of all present trade barriers;

(d) Equal access to the trade of all nations of the world subject only to the action of the individual nations.

II. National policy: Set up a flexible import fee which would be based upon fair and reasonable competition administered by a reorganized, experienced Tariff Commission in the same manner as the long-established Interstate Commerce Commission adjusts freight rates for the carriers on a basis of the principle laid down by Congress of a reasonable return on the investment. Under a flexible import-fee principle, a market is immediately established for the goods of foreign nations on a basis of fair and reasonable competition with our own. Other nations in good conscience cannot ask for more. By so doing, America's domestic agricultural market would be greatly stabilized and cease to be a dumping ground for world surpluses. We are a land of agricultural abundance striving to maintain a standard of living unparalleled by any other nation in the world; be it further

Resolved, That the lowering of import fees and tariffs without regard to the differential of the cost of production due largely to the difference in living standards of this Nation and of foreign competitive nations has a demoralizing effect on our agricultural markets as well as those of other industries, thereby causing unemployment and loss of revenue to the American farmer.

FREE TRADE AND FREE IMMIGRATION

Mr. President, I want to say that no one can logically support free trade and oppose free immigration. The result will be the same in either case. There is little difference between the importation of the products of the sweat shop labor and the importation of such labor itself. We all know that there is a well established quota on immigration from foreign nations. The very same legislators who would vote for free trade and have been voting for it for 18 years in some form or another, would violently oppose free immigration, because that would immediately mean Mexican labor and Italian labor and European labor of all kinds would be coming in. Everyone wants to come to the United States of America. But they would violently oppose that. I venture to guess that there would be no vote cast on the Senate floor for free immigration.

But, Mr. President, when it comes to a question as to whether or not we will extend for 2 years the right and the full authority to a Secretary of State and a thoroughly discredited State Department, to dominate the workers, the investors and the industrialists of this country for another 2 years, to give them the power to remake the industrial map of the Nation, then a bill comes out of the Senate Finance Committee by unanimous vote. There is objection to it and it has amendments which mean nothing, except to put a little pressure on a President of the United States who does not recognize pressure in the case of trade with foreign nations at all because he, under 18-year-old advice, has announced his policy practically of a one economic world.

THE 1934 TRADE AGREEMENTS ACT

Mr. President, the argument is made that Congress should not refuse to extend the free trade principle through the extension for 2 years of the State Department's authority further to manipulate tariffs and import fees. However, it must be remembered that it was the British Empire—the sterling bloc countries—which refused to enter into further trade agreements at the Torquay Conference simply because they wanted to protect the Empire preferential rates, and could see nothing to be gained by further bargaining. We are apparently the only nation in the world that has no interest in protecting our own people. Our one objective appears to be to divide our markets. We have no principle established to protect our people in any way whatsoever. We have abandoned any such principle.

KARL MARX AND FREE TRADE

Mr. President, I want to say that free trade was an established Karl Marx principle to "hasten the revolution" as he so aptly put it. Karl Marx, the outstanding Communist revolutionist of all time, made a very significant address more than 102 years ago on the subject of free trade before the Democratic Club—a very significant name—of Brussels, Belgium, on January 9, 1848. He said at that time, referring to a celebrated political writer:

> In his celebrated work upon political economy, he (Ricardo, the leading economist of his time) says: "If instead of growing our own corn * * * we discover a new market from which we can supply ourselves * * * at a cheaper price, wages will fall and profits rise. The fall in the price of agricultural produce reduces the wages, not only of the laborer employed in cultivating the soil, but also of all those employed in commerce or manufacture."
>
> * * * Besides this, the protective system helps to develop free competition within a nation. Hence we see that in countries where the bourgeoisie is beginning to make itself felt as a class, in Germany for example, it makes great efforts to obtain protective duties. They serve the bourgeoisie as weapons against feudalism and absolute monarchy, as a means for the concentration of its own powers for the realization of free trade within the country.
>
> But, generally speaking—

I am still quoting Karl Marx—

> the protective system in these days is conservative, while the free trade system works

destructively. It breaks up old nationalities and carries antagonism of proletariat and bourgeoisie to the uttermost point.

Mr. President, the final pronouncement of Karl Marx in his address was:

In a word, the free trade system hastens the social revolution. In this revolutionary sense alone—

I am still quoting from Mr. Karl Marx in his famous address made before the Democratic Club in Brussels on January 9, 1848—

In this revolutionary sense alone, gentlemen, I am in favor of free trade.

Mr. President, the principle has not changed in the 102 years since the outstanding Communist of all time said, in effect, that free trade destroys the working man. Now, since the investment in industry has risen from a few dollars per employed man to an average of approximately $10,000 per employed man, the investor is an equal victim. So the administration is following the line of communism, and following the line which Mr. Karl Marx described when he said:

In this revolutionary sense alone, gentlemen, I am in favor of free trade.

In other words, the conflict between the bourgeoisie and the proletariat hastens the revolution. That would seem, even at this late date, to be an objective.

Approval of the 2-year extension of the 1934 Trade Agreements Act constitutes approval of the system of reshuffling the private lives of our citizens. Let us see just how this operates, how we reshuffle industry and remake the industrial map of the United States, which has grown up over a period of 175 years, but mostly in the past 75 years, on the basis of a simple principle.

When World War II came along there was a concentration of industry in the heavy-industrial field. For 9 years before that time the administration had been working toward the free-trade setup of dividing the markets of this country, and it had just about caught up with them. There were about 9,000,000 unemployed when World War II came along, and perhaps 12,000,000 to 15,000,000 partially unemployed. Nevertheless, World War II did come along.

Instead of allowing economics to reestablish the industrial map of the United States, which had been disturbed during the emergency, what did we do? We continued the manipulation of the tariffs and import fees to establish the manufacturing industry. Then, as the Secretary of State and his assistant have said many times, the Marshall plan or the ECA was a temporary expedient to make up the balance of payments until the markets could be divided on the basis which I have described.

The distinguished Senator from South Carolina [Mr. JOHNSTON] is fearful that the production of certain textiles will be abolished in its entirety, or, if those industries are to survive, that the standard of living will be lowered. The mining industry, the crockery industry, the precision-instrument industry, and many other industries will be trimmed down or abolished, and we shall buy those materials from foreign countries. We shall have to have a greater population in the heavy-industrial areas for the manufacture of automobiles, heavy farm machinery, heavy road machinery, and in various other industries which can be carried on in concentrated areas. I call attention to the fact that the administration and the State Department are engaged in a deliberate effort to reshuffle the population of this country and to remake the industrial map.

ARE TARIFFS A MAJOR FACTOR IN OUR PRESENT INTERNATIONAL ECONOMIC TROUBLES?

Most of our economic troubles arise in Western Europe, and tariffs are major factors in this area's economic troubles. Until they are straightened out, Western Europe will remain a frustrated, unstable economic area. Those countries should not impose tariffs on each other.

Free trade is a beneficial institution for nations whose economies complement each other, as do those of England, France, Holland, Belgium, Italy, Spain, and Portugal. Western Europe, without tariff barriers and without managed currencies, could, to all practical purposes, become a self-contained economic area. We would do the distressed peoples of Europe a great service to insist—which our State Department will not do—that all tariffs between them be abolished.

There are two reasons for free trade in Western Europe: First, the economies are not highly competitive, and secondly, the standard of living is sufficiently uniform to permit free interchange of labor values. Those nations do not need to protect their industries from those of their neighbors: In the main they need the products of their neighbors.

We can visualize the effect of free trade on Western Europe by looking at our own country. Suppose that the rich agricultural area of New York had been blocked off by tariffs from the industrial area of Pennsylvania? Suppose that the western cattle raiser, the wheat farmer, the cotton grower, had had to hurdle trade barriers to get their produce into the Northeastern States? Suppose the watchmakers in Massachusetts and the steel workers of the Mahoning Valley had been cramped up in a small free-trade area? We all know what would have happened: America would never have become prosperous or strong.

About 1,200 years ago Europe was on its way to becoming a United States of Europe under the unified rule of Emperor Charlemagne, but unfortunately the Emperor had three sons instead of one, and to keep them all happy he split Europe three ways, and they have been fighting ever since, recently at our expense. If they continue to fight at our expense we too shall go broke.

The incredibly inept efforts of our present administration to cure the results instead of the causes of Europe's economic troubles are without parallel in diplomatic history.

On the pretext that we must not interfere in internal affairs, which means that we must not interfere with power-hungry, selfish politicians, we are pouring our own national treasure down the drain of a tariff-ridden hopelessly inefficient economic structure.

Personally, I would be willing to have all the nations of Europe "hate our guts" for forcing them into economic unity. At least they would have someone on whom to center their common dislike, and they might wind up by liking each other.

To effect a workable free-trade program, the nations involved must do more than abolish tariffs; they must stop juggling their currency for political advantages. Until the recent devaluations most of Europe's moneys have had strictly artificial values. The best way to set the rate of exchange is to let the people themselves set it by their voluntary transactions. That is what happens in a black market. The people know the true value, and trade on that basis. What is a black market? It is a true market. It is something which is developing in this country very fast at the present time, for different reasons.

Large-scale trading requires an open market and free interchangeability of currency, which, in effect, would give Western Europe a common currency. If the one-world planners really wish to make a good start in Western Europe, they can do so by making our help dependent upon honest money and free trade in the European area.

It may be remembered that in 1948 and 1949 the junior Senator from Nevada suggested, in amendments to ECA bills, that any help we give be contingent upon free interchangeability of currencies between other nations and ourselves. I also suggested that we lend the money to private industry in such areas, if we really intended to develop the industry, instead of giving it to the Socialist governments to preserve their own kind of government.

The politicians might curse the planners, but the people would bless them. Because the struggle for markets has always been a major cause of European wars, an economically unified Europe might well become a peaceful Europe.

WHAT ROLE DO TARIFFS PLAY IN WORLD TRADE?

Tariffs have three legitimate functions: First, to raise revenue; second, to hold an umbrella over essential infant industries and protect them from being overwhelmed by established foreign competition; and third, to put a floor under the living standards of the people. We have used tariffs for 75 years for the purpose of putting a floor under the living standards of our people.

Properly planned tariffs between truly competitive nations do not seriously interfere with international trade. Rather they stimulate competition, initiative, and product improvement.

Tariffs played a vital role in the development of America.

Our industrial system and our standard of living could never have been possible without them.

Moreover, the fact that American industries were protected encouraged for-

eign capital to come in on a permanent basis with the knowledge that no ruinous competition of cheap foreign goods could destroy the investment.

The great obstacle to intercontinental trade today is not tariffs. It is the meddling of politicians into the field of trading.

If government would let the private citizen alone, they would soon have international trade back on its feet, but in the face of the existing bureaucratic restrictions this appears impossible.

As a general rule, today the person who wishes to sell is frequently required to secure an export permit before goods can be sold internationally, and the person who wishes to buy must first secure an import permit and then apply for another permit to get the funds needed to pay for the goods.

The most earnest and ethical of politicians could not avoid delay and discrimination in administering such a cumbersome piece of machinery.

This method is excused on the ground that it was needed to break up the big, bad international cartels, but the monstrosity that has been substituted for these cartels, mostly imaginary, is many times more restrictive than the worst possible combination of cartels.

Government control of international trade is part and parcel of the planned economies that sprang up after the war; if you are controlling the people's lives in the field of the domestic economy, you must also control their economic relations with other nations because they are both part of your master plan for socialistic prosperity.

The master plan does not have a chance unless the planners are the masters.

The amount of Government interference in exports and imports is an accurate measurement of Government interference with the people's liberty.

Freedom is like a ball of twine: Cut out just one small section and it falls apart.

Unfortunately the people are unaware of this truth and during emergencies they grant the Government "small" powers over their lives, believing that they will remain small.

But in order to control policy A, the Government must control policy B, which in turn cannot be controlled if the people are allowed to control policy C, which in turn, and so forth, forever. We are getting very close to the "forever."

Ambitious politicians have always been the greatest enemies of the people, and in modern times, due to the highly technical development of our economic lives, they have increased opportunities to bilk the people out of their freedom.

How many Americans know that the economic agreements arrived at in the United Nations could supersede the provisions of our Constitution?

The people are greatly handicapped and their liberty placed in jeopardy because they have no simple set of principles to guide their judgment in voting on high-sounding trade and tariff treaties, which, in their jungle of legal and technical language, contain hidden bear traps. Some of the bear traps were explained this afternoon in the matter of the customs simplification bill. The time is long past when the Senate can take at its face value any legislation that is sent to it. It is necessary to examine it very carefully.

WHAT SHOULD THE BASIC TARIFF POLICY OF THE UNITED STATES BE?

It should be just about everything that it is not now.

It should be a policy that protects the American people and reflects the traditional aims and customs of our Nation.

At present our tariff policy has been used as an instrument of power politics, and the interests of the American worker have been ignored.

As previously stated, tariffs have three legitimate functions: First, to raise revenue; second, to protect essential infant industries; and third, to place a floor under the workers' standard of living.

America is not particularly concerned about tariff revenue nor protection of essential industry, but our standard of living is of prime concern. At least it is of prime concern to everybody except the present administration.

To understand the broad outlines of what is happening, it is only necessary to remember one principle regarding foreign trade: When we export, we export unemployment; when we import, we import unemployment.

When exports and imports balance as to value and number of hours worked, we break even, and presumably both nations benefit because they get something that they needed in exchange for something they did not need.

Today we have no such balance. That is the purpose of a tariff or import fee, if administered and adjusted on the basis of fair and reasonable competition. A flexible tariff automatically makes up the differential between the cost and the productiveness of the hours of labor. Today the tariffs and import fees are lowered below, as will be admitted, any peril point or any fair and reasonable basis. Therefore we are importing unemployment. Only in an emergency, when we can take money out of the United States Treasury which belongs to the taxpayers of this Nation to make up that balance, can we survive.

For example, in the lead industry, exports of pigs and bars have dropped more than 90 percent since 1938. To make matters worse, since the same year the imports of lead pigs and bar lead have gone up 24,000 percent. That means that 240 times as much lead came into the country. In other words, in 1948, we imported 247,000 tons of unemployment for the lead workers of America.

The same thing is happening or may easily happen to other industries because Congress has given up its tariff powers to the starry-eyed economic planners.

When this embarrassing subject is brought up, someone usually starts talking fast about postwar America's selling too much abroad and not buying enough in return.

That is a trick statement because it ignores the fact that most of what we export is not sold, but is a gift from the American taxpayer to foreign countries.

In the official record, exports and imports fall into three categories: Merchandise, services, and income on investments.

In 1946, 1947, and 1948 our imports of services and income on investment were $3,000,000,000 more than our exports.

It is true that in the merchandise category our imports during that 3-year period were about $25,000,000,000 less than our exports. But here is the joker: About $18,000,000,000 of this was paid for out of gifts and loans, leaving a difference of only $7,000,000,000.

Looking at the matter in this way, we find that we bought about the same volume of goods abroad that we actually sold abroad.

Mr. President, how should we regulate our tariffs?

We do not want to freeze anybody out of our markets. We want to help all other countries; but we do not want to put the welfare of the American worker and the standard of living of the entire Nation on the sacrificial altar.

I have proposed to the Congress a means of helping other nations without penalizing America. That means is the flexible-import-fee principle that can guarantee fair and reasonable competition between American workers and the workers of other nations.

For example, a product that is fairly priced in America at $5 would not have to meet the competition of a foreign equivalent dumped into our markets at $3. Instead, the tariff on this item should be about $2, the amount needed to provide for fair competition. That arrangement would put a floor under American prosperity.

WE FINANCE OUR OWN EXPORTS

Mr. President, we have made much of the fact that we must keep up our exports to foreign countries, for various reasons. One of the reasons we give is that we must import as much as we export. Naturally over the years when we give away such enormous amounts of money, the money we give away to others in order to enable them to buy our exports is taken from the pockets of our taxpayers. Furthermore, by means of that process we really have imported unemployment; I repeat, Mr. President, that in that way we have imported unemployment to the extent that we have developed trade above the amount of the legitimate trade. By "legitimate trade" we mean the natural trade between two nations, when one nation buys from another something which the first nation cannot conveniently produce for itself. Legitimate trade is not when the first nation gives to the other nation the money with which to buy the products.

WHAT IS TRADE?

Mr. President, let us start at the bottom in considering trade. One thing of which we can be reasonably sure is that no individual or nation is going to buy anything from another individual or nation if it can conveniently be produced at home. That being true, what do we do? Through our State Department, through our great planners, we say we must keep up our exports. So we give

away approximately $5,000,000,000 or $6,000,000,000 or $7,000,000,000 a year to foreign nations or people, to enable them to purchase our exports; and we call that trade. However, all we do by that means is take the money from the pockets of our own taxpayers and give it to the foreigners, to enable them to purchase the goods produced by our own industries and workers. Instead of doing that, we might as well have our own Government buy those goods directly from our own producers and then give the goods back to them as a gift, because everyone knows that the so-called loans we make to foreign countries are never repaid; they are gifts, not loans. If we continue that policy, we find that we pay for the goods in two ways, both by importing unemployment and by paying for the goods we export and sell abroad.

Mr. President, I have before me a very interesting table which illustrates exactly what I am saying. It shows the situation existing from 1909 to January 1, 1951. In the first column of the table the year is shown; in the second column we find the total production of exportable goods, in billions of dollars. That production ranges from $17,400,000,000 in 1909 to $147,200,000,000 in 1950.

In column 2 we find the exports of United States merchandise, in billions of dollars. Those exports range from $1,700,000,000 in 1909 to $10,100,000,000 in 1950.

In column 3 we find the percentage of exportable goods exported—in other words, the percentage which column 2 is of column 1. It ranges from 9.8 percent in 1909 to 6.9 percent in 1950. However, during that period the percentage falls as low as 6.5 and goes as high as 12.4.

In column 4 we find listed the United States Government grants and loans from the year 1909 to the year 1950, inclusive; these are the grants and loans we have given or made to foreign nations during that period of time. It runs as high, during the war years, as $14,016,000,000. Last year, 1950, it was $4,509,000,000.

In the next column, 5, there are shown exports minus United States grants and loans. In other words, exports of United States merchandise, as shown in column 2, in billions of dollars, minus column 4, which shows United States Government grants and loans in 1950 of $4,509,000,000, amounted to $5,600,000,000.

By the way, the percentage of the entire exports of United States merchandise in billions of dollars, as against the amount of exportable goods produced, in billions of dollars, was 6.9. But, after subtracting the billions of dollars which we give to foreign nations, with which to buy our products, we come up with 3.8 percent for 1950.

In other words, considering the billions of dollars which we gave to foreign nations, the percentage of exports runs as high as 12.4 percent, during war years. In 1925, it ran, as high as 10.2 percent; in 1946, 9.6 percent, and in 1947, 12.1 percent. But when, for example, in 1947, we subtract the amount of money which we have given away to other nations for them to buy our goods, we come back to a percentage of 7.9, even immediately following World War II. So the figure on exports runs as high as, let us say, from 6 or 7 to 9 or 10 percent on an average, with the money that we give away, and when we subtract the money we give away, and measure our foreign trade which we would have if we did not give them the money with which to buy our products, we come back to 3½ to 5½ percent, on an average, as the legitimate trade. This figure measures the amount of foreign trade which we actually have. The remainder comes from the pockets of the taxpayers. The legitimate trade of from 3½ to 5½ percent we have always had. So the great amount of trade which we are supposed to be developing for the United States has not materialized. But we have expended vast sums of money, under the excuse of lend-lease, under the excuse of UNRRA, under the excuse of the $3,750,000,000 gift loan to England, and the $17,000,000,000 representing from $4,500,000,000 to $5,000,000,000 a year under the Marshall plan and the ECA.

So, legitimate trade may still be defined as trade which comes naturally between two countries. As in the case of individuals, two countries buy things from each other which they cannot conveniently produce for themselves. Where do they buy, when we do not give them the money with which to buy? When they buy something which they cannot conveniently produce for themselves, they buy it from the country where they can get the quality they want at the lowest cost. So when we get through, we finally go broke in our frantic effort to show a good balance sheet. It is like the man who goes to a bank and requests a loan of $5,000 or $10,000, because his grocery business did not show the right volume, and who says to the banker, "If I had $5,000 or $10,000 to throw around the neighborhood the chances are I could increase my business." If he had plenty of other security, and if he argued long enough, the banker might let him have the money. But, after he had done that for a while, I am afraid his unbusinesslike practices would be ended when his security was not enough for an additional loan. As I said a while ago, earlier in my address, while an individual is through with his unbusinesslike practices when his bank quits him, the Government is not finished with its unbusinesslike practices until the money it prints has no value. We are on the way to finding out the meaning of that method of stopping our unbusinesslike practices, I fear. I did not insert it in the RECORD at the point I should have liked, but I should like now to read a letter from the Senator from Alabama [Mr. SPARKMAN]. It is dated May 17. Speaking of the Small Business Committee, he said:

DEAR GEORGE: We are all aware of the critical problem facing smaller manufacturers. Many of them have been restricted or prohibited from engaging in their normal civil production. At the same time, defense contracts have not been available to the smaller manufacturers in any volume. The resulting paradox is that small business is in real difficulty at a time when our national economy is operating at nearly an all-time high.

SMALL BUSINESS IS SUFFERING

Mr. President, that is a very sincere letter from a very sincere Senator, and it voices the very problem into which we are running headlong. It is that, under the free-trade system, small business is being scrapped, while large business, defined earlier in my address as business large enough and of such a nature as to establish foreign plants, and not only to manufacture goods for the markets in the low-wage countries within selected areas, but to ship the goods back into this country, prospers.

The objective in assisting these nations in the manner I have just described, through the division of our markets, is reached through the lowering of the tariffs and the import fees on specific products, without regard to the differential of cost of production and without regard to the difference between wages and standards of living here and in the competitive country.

TORQUAY COULD HAVE BEEN STOPPED

Congress should not only refuse to extend the 1934 Trade Agreements Act, but it should have passed Senate bill 1122, terminating the President's authority.

However, Mr. President, the Torquay Conference has adopted the lower tariffs and import fees arrived at by that conference, so that the bill is no longer applicable. If we had passed Senate bill 1122 before the results of the Torquay Conference were adopted, we could have saved the investors and workingmen of this country untold hardship. That can not now be done, and the substitute should be passed in place of the bill which has been reported by the Senate Finance Committee, House bill 1612.

The State Department, through the policy it has adopted under the 1934 Trade Agreements Act, has reversed a hundred-year-old policy of having tariffs and import fees as a floor under wages and investments, and based upon fair and reasonable competition. It has deliberately set out to transfer American jobs and investments to foreign nations under the one-economic-world program, and to lower our standards of living to the level of that of the Asiatic and European nations.

The dual objectives announced by the State Department are not compatible with favoring the imports of competitive nations and of preserving our own living standards. I have heard the testimony of Mr. Acheson to the effect that the State Department would probably not utilize the authority provided by House bill 1612 if it were to be passed by the Senate. The question is, Why should it, since the division of the markets of this Nation was completed at the supersecret conference at Torquay? It was kept secret, Mr. President, and the results have now been adopted.

The bilateral agreements consummated at Torquay with approximately 40 nations, on several thousand products, further reducing tariffs, will be subject to the most-favored-nations clause, making the terms of each trade agreement

available to every other nation, effective before June 12, the expiration date of the present act, even if the act is not continued.

ADOPT THE SUBSTITUTE

Mr. President, the adoption of the flexible import fee bill as a substitute for H. R. 1612 would make into law the present tariff rates as established through the operation of the Trade Agreements Act. It will not return the tariffs to the old level of the 1930 Tariff Act. By returning to congressional jurisdiction the authority of the tariff policy of the United States, Congress can regain control over those parts of the domestic economy which are regulated and controlled by the determination of tariff rates. The substitute for the pending bill will establish fair and reasonable competition between the products of domestic manufacturers and those of countries in which low wages and lower living standards make possible low-cost production. The flexible provision of the substitute provides for the orderly review of existing tariffs by a reconstituted Tariff Commission, with the title of "Foreign Trade Authority."

By adjusting tariff rates to the levels necessary for orderly marketing of domestic manufactured products, the flexible provision will bring about savings in the domestic budget by making unnecessary large expenditures for—

(a) Agricultural subsidies;

(b) Mining incentive payments;

(c) Government loans to domestic enterprises for the expansion of production;

(d) Loss of revenue through speeded-up amortization procedure.

It is a well-known fact that private investment is not forthcoming in sufficient volume for those industries whose economic health is endangered by unfair competition from low-cost imports. In other words, there has been several billions of dollars' worth of contracts which have been let in connection with certificates of necessity, so that expenditures made by investors can be written off and amortized within 5 years. Of course that kind of amortization is necessary because there is no protection, no floor under wages and investments, so it is likely that the investment would be lost at the end of the emergency. The Government loses the tax money, making it necessary to raise additional taxes, simply because there is no protection for private investments. The private investor prefers not to invest in industries which during normal times are robbed of their markets by the removal of tariff and import fees on their products.

Mr. President, American small business is against free trade, for, unlike big business, it cannot take advantage of foreign slave-labor wage rates. I should like to read from a statement which is applicable at this time:

Mr. President, it has been said that business favors free trade. What kind of business? Big business, the kind in a financial position to install branch plants in foreign low-wage countries and ship its products into this country under the free-trade program, is for free trade, for the simple reason that it can take advantage of the slave-labor wage rates abroad. On the other hand, small business, which cannot take advantage of foreign cheap labor and which cannot possibly compete with the importation of slave-labor products, except by writing down the wages and investments to conform to the world standards, is against free trade while there remains a wide difference in the American standards and those abroad.

Shall Congress permit the administration to continue to undermine American business? Congress must decide whether it wants to maintain our American standard of living or continue the present administration's foreign trade policy. We can't do both; we must choose between the two.

Our standard of living is seriously threatened by foreign sweatshop labor competition, permitted and encouraged by the administration's foreign trade policy. It is idiocy to say that we can compete with foreign low-wage markets on a free-trade basis without lowering our standard of living. Through the ECA, the World Bank, and other means, we have financed the installation of the latest industrial machinery in the same foreign countries which offer us competition. The difference is that their wage rates are low and their standard of living is low. As a matter of fact, in many of the countries which are dumping their products here at prices which will close our factory doors and force American workers into unemployment, the total paid for labor is often less than is paid here for social security and insurance alone.

Any one economic-world plan will bring about a leveling of the standards of the world. Any leveling means the lowering of our American standards.

The issue is clear-cut. One must be on one side or the other.

On the one side we have the one-worlders, the starry-eyed impractical do-gooders, those who love Europe more than they love America, and big business; on the other side, we have the American workingman who wants employment and wants to maintain his standard of living, the American investor in American enterprise, the Americans who are interested in the preservation of the American way of life, and small business.

It has been brought to my attention, and rightfully so, the interest independent business has in this proposition. It has a vital stake in what may be done to reduce its position in our economy. Independent small business of this Nation, we understand, numbers approximately 4,000,000 units, all employers of labor.

The interest of small business, through their accredited spokesman, the National Federation of Independent Business, and I say accredited because it is believed they have the largest individual membership of independent business and professional men of any business organization in the Nation, has been brought to my attention through the federation's Nation-wide poll of its members on three bills to investigate international trade agreements which are permitting foreign producers to flood American markets with low-tariff, low-priced slave-labor goods.

The association presented both sides of the question to its members. I quote from their official publication, the Mandate, Bulletin No. 158:

"Pro. Agreements reached by the United States Government with England are permitting the British producers to flood American markets with low-cost goods. This has caused great unemployment and suffering among American labor, is driving some old and respected American producers to bankruptcy, and is depriving our Government of much-needed taxes it would normally get."

"Con. These agreements promote international trade, enable foreign nations to rebuild themselves, and enable them to repay loans made to them by the United States."

It is significant to report the results of that poll. Eighty-four percent of its Nation-wide members urge Congress to investigate low-tariff international trade agreements; 12 percent of its members were against the proposition; 4 percent, no vote.

More recently the organization again polled its Nation-wide membership on the proposition, and presented both sides of the story for the consideration of the membership. I quote from their official publication, the Mandate, Bulletin No. 169, both the pro and the con:

"Pro. Under present and proposed reciprocal trade treaties, increased quantities of goods from many low-wage, low-living-standard foreign countries are being dumped in the United States. As a result, many American businessmen are failing and many American workers are losing their jobs. Unless our domestic industries remain strong and their employment is maintained at a high level, there can be no continued national prosperity, and without this prosperity we cannot remain the leader of the free world we are today.

And then the contrary position:

"Con. This is a plea for our Nation to return to the old high tariff policies which have caused so much turmoil in the world. As a nation we realize we have to export in order to maintain our prosperity. But to have a healthy export business we must import. And we can't import if we boost tariffs high every time American businesses suffer. This bill places our Nation in the position of seeking the right to compete freely in foreign markets, yet of denying foreigners the same right in our own land."

It is interesting to note the result of the Nation-wide poll. Eighty percent voted to protect American businessmen and their employees from cutthroat foreign competition by dumping of foreign products on our markets by low wage, low-living-standard foreign producers; 16 percent against; 4 percent, no vote.

In the face of the opinion of independent business and professional men of this Nation, which in number is the largest single segment of our economy, and we believe is the largest employer of labor, collectively, it behooves the Congress of the United States to take a determined and definite stand on international trade.

The proper solution to the problem, in the opinion of the junior Senator from Nevada, is the establishing of a flexible import-fee principle, by which the American worker and investor would be protected against unfair slave-labor competition. It is not a question of high tariff or low tariff. Under the flexible import-fee principle, the tariff, or import fee, on goods from a given foreign country would be lowered in proportion to the raising of the standard of living in that country, and when the standard of living there approximated our own, we then would have reached the utopia of free trade.

Free trade is impossible for a prosperous America as long as there remains a wide difference in the American wage standards and those abroad.

Mr. President, I think it is time that we understand where and how we arrive at the policies of the administration in power. I intend to show that the Democratic Party has always been for free trade, that is to say, has always been for the destruction of the floor under wages and investments. In this statement, I intend to show the position of the Democratic Party on tariffs from 1856 to and including 1948.

I read an excerpt from the 1856 platform:

Resolved, That there are questions connected with the foreign policy of this country which are inferior to no domestic question whatever. The time has come for the people of the United States to declare themselves in favor of free seas and progressive free trade throughout the world, and, by

solemn manifestations, to place their moral influence at the side of their successful example.

That was in 1856. At that time the Democratic party declared for free seas and progressive free trade throughout the world.

In 1860 there was no mention of tariffs.

In 1864 there was no mention of tariffs.

In 1868 plank 6 of the platform read as follows:

And a tariff for revenue upon foreign imports.

Not a tariff based upon any fair and reasonable competition, nor a tariff for protection of the laborer and investor, nor for a platform under wages and investments, but a tariff "for revenue upon foreign imports."

In 1872 plank 6 of the Democratic platform read as follows:

And recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in their Congressional districts, and to the decision of the Congress thereon, wholly free from Executive interference or dictation.

We denounce the present tariff, levied upon nearly 4,000 articles, as a masterpiece of injustice, inequality, and false pretense. It yields a dwindling, not a yearly rising revenue. It has impoverished many industries to subsidize a few. It prohibits imports that might purchase the products of American labor. It has degraded American commerce from the first to an inferior rank on the high seas. It has cut down the sales of American manufacturers at home and abroad, and depleted the returns of American agriculture—an industry followed by half our people. It costs the people five times more than it produces to the Treasury, obstructs the processes of production, and wastes the fruits of labor. It promotes fraud, fosters smuggling, enriches dishonest officials, and bankrupts honest merchants. We demand that all customhouse taxation shall be only for revenue.

Mr. President, we can begin to see where the idea springs from. The free-trade platform of the Democratic Party did not start in 1934. It started, according to the record, in 1856.

In the platform of 1880 there is no mention of tariffs.

I read from the platform of 1884:

The Democratic Party is pledged to revise the tariff in a spirit of fairness to all interests. But, in making reduction in taxes, it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government, taxes collected at the customhouse have been the chief source of Federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of reform must be subject in the execution to this plain dictate of justice; all taxation shall be limited to the requirements of economical government. The necessary reduction and taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country. Sufficient revenue to pay all the expenses of the Federal Government, economically administered, including pensions, interest, and principal of the public debt, can be got under our present system of taxation from the customhouse taxes on fewer imported articles, bearing heaviest on articles of luxury and bearing lightest on articles of necessity. We, therefore, denounce the abuses of the existing tariff, and, subject to the preceding limitations, we demand that Federal taxation shall be exclusively for public purposes, and shall not exceed the needs of the Government, economically administered.

In other words, there was no talk of any tariff or import fee as a floor under wages and investments, or on any basis of fair and reasonable competition. The platform denounced such a tariff and import fee.

In 1888 the Democratic platform, under the head of "Tariff reform," read as follows:

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations. In the interests of American labor, which should in no event be neglected, the revision of our tax laws contemplated by the Democratic Party should promote the advantage of such labor by cheapening the cost of necessaries of life in the home of every workingman and at the same time securing to him steady and remunerative employment.

They ended up on both sides of the question that time. They were to have a tariff to safeguard a man his job and free trade in order to give him the products which he need for consumption.

Continuing:

Upon this question of tariff reform, so closely concerning every phase of our national life, and upon every question involved in the problem of good government, the Democratic Party submits its principles and professions to the intelligent suffrages of the American people.

Reduction of revenue

Resolved, That this convention hereby endorses and recommends the early passage of the bill for the reduction of the revenue now pending in the House of Representatives.

They end up on the free trade side, as usual, after playing pretty close to the rail all the way.

In 1892 the platform with respect to tariff legislation, in section 3, read as follows:

SEC. 3. We denounce Republican protection as a fraud—a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic Party that the Federal Government has no constitutional power to impose and collect tariff duties, except for the purposes of revenue only, and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered.

We denounce the McKinley tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation; we endorse the efforts made by the Democrats of the present Congress to modify its most oppressive features in the direction of free raw materials and cheaper manufactured goods that enter into general consumption, and we promise its repeal as one of the beneficent results that will follow the action of the people in entrusting power to the Democratic Party. Since the McKinley tariff went into operation there have been 10 reductions of the wages of the laboring men to 1 increase. We deny that there has been any increase of prosperity to the country since that tariff went into operation, and we point to the dullness and distress, to the wage reductions and strikes in the iron trade, as the best possible evidence that no such prosperity has resulted from the McKinley Act.

Continuing to read from the 1892 platform of the Democratic Party:

We call the attention of thoughtful Americans to the fact that, after 30 years of restrictive taxes against the importation of foreign wealth in exchange for our agricultural surplus, the homes and farms of the country have become burdened with a real estate mortgage debt of over $2,500,000,000, exclusive of all other forms of indebtedness; that in one of the chief agricultural States of the West there appears a real estate mortgage debt averaging $165 per capita of the total population, and that similar conditions and tendencies are shown to exist in the other agricultural-exporting States. We denounce a policy which fosters no industry so much as it does that of the sheriff.

Reciprocity

SEC. 4. Trade interchange on the basis of reciprocal advantages to the countries participating is a time-honored doctrine of the Democratic faith, but we denounce the sham reciprocity which juggles with the people's desire for enlarged foreign markets and freer exchanges, by pretending to establish closer trade relations for a country whose articles of export are almost exclusively agricultural products, with other countries that are also agricultural, while erecting a customhouse barrier of prohibitive tariff taxes against the richest countries of the world, that stand ready to take our entire surplus of products, and to exchange therefor commodities which are necessaries and comforts of life among our own people.

1896 PLATFORM

Tariff resolution

We hold that tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the country, and not discriminate between class or section, and that taxation should be limited by the needs of the Government, honestly and economically administered. We denounce as disturbing to business the Republican threat to restore the McKinley law which has twice been condemned by the people in national elections, and which, enacted under the false pleas of protection to home industry, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade, and deprived the producers of the great American staples of access to their natural markets.

Until the money question is settled we are opposed to any agitation for further changes in our tariff laws, except such as are necessary to meet the deficit in revenue caused by the adverse decision of the Supreme Court on the income tax. But for this decision by the Supreme Court, there would be no deficit in the revenue under the law passed by a Democratic Congress in strict pursuance of the uniform decisions of that Court for nearly 100 years, that Court having in that decision sustained constitutional objections to its enactment, which had previously been overruled by the ablest judges who have ever sat on that bench. We declare that it is the duty of Congress to use all the constitutional power which remains after that decision, or which may come from its reversal by the Court as it may hereafter be constituted, so that the burdens of taxation may be equally

and impartially laid, to the end that wealth may bear its due proportion of the expense of the Government.

1900 PLATFORM

The free list as a remedy

Tariff laws should be amended by putting the products of trusts upon the free list, to prevent monopoly under the plea of protection.

The Dingley tariff law

We condemn the Dingley tariff law as a trust-breeding measure, skillfully devised to give the few favors which they do not deserve and to place upon the many burdens which they should not bear.

1904 PLATFORM

Tariff legislation

The Democratic Party has been and will continue to be the consistent opponent of that class of tariff legislation by which certain interests have been permitted, through congressional favor, to draw a heavy tribute from the American people. This monstrous prevention of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the Government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican Party.

We denounce protection as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically administered, and so levied as not to discriminate against any industry, class, or section, to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the commonweal, and not by the friends of its abuses, its extortions, and its discriminations, keeping in view the ultimate ends of "equality of burdens and equality of opportunities," and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal Government in all its integrity and virility, but in simplicity.

Again we have the announcement, in the platform of 1904, in favor of a tariff for revenue only and not of protection or a floor under wages and investments.

1908 PLATFORM

Tariff

We welcome the belated promise of tariff reform, now offered by the Republican Party, as a tardy recognition of the righteousness of the Democratic position on this question; but the people cannot safely intrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican Party. We call attention to the significant fact that the promised relief is postponed until after the coming election—an election to succeed in which the Republican Party must have that same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress as to correct the admittedly existing tariff inequities.

We favor immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list; material reductions should be made in the tariff upon the necessaries of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

Existing duties have given the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber and logs, and that those articles be placed upon the free list.

Mr. President, we had an example this afternoon of the concern over the free list when the distinguished Senator from South Carolina [Mr. JOHNSTON] indicated his worries over the wood-pulp industry in his State. I think we have finally reached the point where even some of the members of the Democratic Party realize that the only way by which our industries can exist is to have a floor under wages and investments that is represented by something, and we have gotten used to calling it a tariff or an import fee.

I read now the 1912 platform of the Democratic Party:

1912 PLATFORM

Tariff reform

We declare it to be a fundamental principle of the Democratic Party that the Federal Government, under the Constitution, has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of Government honestly and economically administered.

The high Republican tariff is the principal cause of the unequal distribution of wealth. It is a system of taxation which makes the rich richer and the poor poorer. Under its operations the American farmer and laboring man are the chief sufferers. It raises the cost of the necessaries of life to them, but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.

We favor the immediate downward revision of the existing high, and in many cases prohibitive, tariff duties, insisting that material reductions be speedily made upon the necessaries of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.

We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metal, and chemical schedules and the farmer's free-list bill, all of which were designed to give immediate relief to the masses from the exactions of the trusts.

The Republican Party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest; and having been faithless to its pledges of 1908, it should no longer enjoy the confidence of the Nation. We appeal to the American people to support us in our demand for a tariff for revenue only.

That is a very consistent plank in the Democratic Party's platforms from 1906 to and including 1912—in other words, tariff duties for revenue only, without regard to any principle of fair and reasonable competition or a floor under wages and investments.

I read now the Democratic Party's 1916 platform:

1916 PLATFORM

Tariff

We reaffirm our belief in the doctrine of a tariff for the purpose of providing sufficient revenue for the operation of the Government economically administered and unreservedly indorse the Underwood tariff law as truly exemplifying that doctrine. We recognize that tariff rates are necessarily subject to change to meet changing conditions in the world's production and trade. The events of the last 2 years have brought about many momentous changes. In some respects their effects are yet conjectural and wait to be disclosed, particularly in regard to our foreign trade.

Two years of a war which has directly involved most of the chief industrial nations of the world and which has indirectly affected the life and industry of all nations, are bringing about economic changes more varied and far-reaching than the world has ever before experienced. In order to ascertain just what those changes may be, the Democratic Congress is providing for a nonpartisan tariff commission to make impartial and thorough study of every economic fact that may throw light either upon our past or upon our future fiscal policy with regard to the imposition of taxes on imports or with regard to the changed and changing conditions under which our trade is carried on. We cordially indorse this timely proposal and declare ourselves in sympathy with the principle and purpose of shaping legislation within that field in accordance with clearly established facts rather than in accordance with the demands of selfish interests or upon information provided largely if not exclusively, by them.

That is the first indication of any sane approach to the problem of establishing a nonpartisan tariff commission to find out what the situation really is.

I read now the 1920 Democratic Party platform:

1920 PLATFORM

The tariff

We reaffirm the traditional policy of the Democratic Party in favor of a tariff for revenue only—

Now we are back to where we began—

and we confirm the policy of basing tariff revisions upon the intelligent research of a nonpartisan commission, rather than upon the demands of selfish interests, temporarily held in abeyance.

Mr. President, I misjudged the 1916 platform, where it looked as if the Democrats might be looking for a tariff that would put labor and investments in this country on a competitive basis with labor and investments in other countries. However, evidently they were looking for a way to obtain revenue from tariffs on a basis which would not affect imports—in other words, to get enough revenue, and to have a nonpartisan commission study tariffs from that standpoint, to secure from taxes on imports sufficient income to run the Government without

in any way having a floor under wages and investments—or, in short, a tariff arrangement not based upon any policy at all.

Mr. President, in that connection I may say that the Underwood tariff was in effect during World War I. The situation then was similar to the situation now, when the tariff has little or no effect, when an emergency exists, and when we are taking from the Treasury money with which to finance a war.

The war in Europe began in 1914, and we entered it in 1917. I remember that war very well, having taken to France early in 1918 a battery of field artillery. In 1914, when that war began, the Underwood tariff was in effect. At that time the war in Europe was of little or no concern to us, because the other nations of the world needed all the products they could obtain. The other nations then were purchasing the products of the United States, therefore, the low tariff then existing had no noticeable effect.

Following the war, along about 1921 or 1922, as I remember very well, a special session of Congress was called to save the economy of the United States which then was suffering because of the imports which were coming into the United States so rapidly. Unemployment was mounting in our country. So the Underwood tariff was opened—it being the tariff act in effect at that time—and tariffs were raised, in order to protect American industry and to put some kind of floor under wages and investments.

1924 PLATFORM

Tariff and taxation

The Fordney-McCumber Tariff Act is the most unjust, unscientific, and dishonest tariff tax measure ever enacted in our history.

That is the Democratic platform speaking of the Fordney-McCumber Tariff Act, and this platform was adopted in 1924. It continues:

It is class legislation, which defrauds all the people for the benefit of a few; it heavily increases the cost of living, penalizes agriculture, corrupts the Government, fosters paternalism, and, in the long run, does not benefit the very interests for which it was enacted.

We denounce the Republican tariff laws which are written in great part in aid of monopolies and thus prevent that reasonable exchange of commodities which would enable foreign countries to buy our surplus agricultural and manufactured products with resultant benefit to the toilers and producers of America. Trade interchange, on the basis of reciprocal advantages to the countries participating, is a time-honored doctrine of Democratic faith. We declare our party's position to be in favor of a tax on commodities entering the customhouses that will promote effective competition, protect against monopoly, and at the same time produce a fair revenue to support the Government.

The greatest contributing factor in the increase and unbalancing of prices is unscientific taxation. After having increased taxation and the cost of living by $2,000,000,000, under the Fordney-McCumber tariff, all that the Republican Party could suggest in the way of relief was a cut of $300,000,000 in direct taxes; and that was to be given principally to those with the largest incomes. Although there was no evidence of a lack of capital for investment to meet the present requirements of all legitimate industrial enterprises, and although the farmers and general consumers were bearing the brunt of tariff favors already granted to special interests, the administration was unable to devise any plan except one to grant further aid to the few. Fortunately, this plan of the administration failed, and, under Democratic leadership aided by progressive Republicans, a more equitable one was adopted, which reduces direct taxes by about $450,000,000.

This followed what almost amounted to a catastrophe after World War I, when unemployment was mounting so rapidly that a special session of the Congress was called to raise the tariffs to form some kind of floor under wages and investments. We come again to this doctrine of "trade interchange, on the basis of reciprocal advantages to the countries participating, is a time-honored doctrine of Democratic faith." I continued reading:

1928 PLATFORM

Tariff

The Democratic tariff legislation will be based on the following policies:

(a) The maintenance of legitimate business and a high standard of wages for American labor.

Now we are approaching the millennium. The Democratic Party has a tariff which supports the standard of American wages. I continue:

(b) Increasing the purchasing power of wages and income by the reduction of those monopolistic and extortionate tariff rates bestowed in payment of political debts.

We are now on the other side. We are adjusting the tariffs, in order to hold a high standard of wages, and we are reducing tariffs, so that what we buy will be cheaper. That is the customary sitting on the fence. I continue:

(c) Abolition of logrolling and restoration of the Wilson conception of a fact-finding Tariff Commission, quasi-judicial and free from the Executive domination which has destroyed the usefulness of the present Commission.

(d) Duties that will permit effective competition, insure against monopoly, and at the same time produce a fair revenue for the support of Government. Actual difference between the cost of production at home and abroad, with adequate safeguard for the wage of the American laborer, must be the extreme measure of every tariff rate.

This is a departure from 58 years of the Democratic platform. They are now talking about a floor under the wages of American labor. I continue:

(e) Safeguarding the public against monopoly created by special tariff favors.

We are now getting back on the other side. I continue:

(f) Equitable distribution of the benefits and burdens of the tariff among all.

Wage earner, farmer, stockman, producer, and legitimate business in general have everything to gain from a Democratic tariff based on justice to all.

That would be a low tariff on what one would buy, a high tariff on what he would sell. It is a double standard for everybody. I continue:

1932 PLATFORM

We advocate a competitive tariff for revenue, with a fact-finding Tariff Commission free from Executive interference, reciprocal tariff agreements with other nations, and an international economic conference designed to restore international trade and facilitate exchange.

We condemn the Hawley-Smoot tariff law, the prohibitive rates of which have resulted in retaliatory action by more than 40 countries, created international economic hostilities, destroyed international trade, driven our factories into foreign countries, robbed the American farmer of his foreign markets, and increased the cost of production.

1936 PLATFORM

Foreign policy

We shall continue to foster the increase in our foreign trade which has been achieved by this administration; to seek by mutual agreement the lowering of those tariff barriers, quotas, and embargoes which have been raised against our exports of agricultural and industrial products; but continue as in the past to give adequate protection to our farmers and manufacturers against unfair competition or the dumping on our shores of commodities and goods produced abroad by cheap labor or subsidized by foreign governments.

This was the one particular reason for the lowering of those tariff barriers, quotas, and embargoes "which have been raised against our exports of agricultural and industrial products"—abroad, presumably, and which have increased by leaps and bounds under the policy and program of our State Department within the past 18 years. I continue:

1940 PLATFORM

We shall * * * observe and advocate international respect for the rights of others and for treaty obligations; cultivate foreign trade through desirable trade agreements; and foster economic collaboration with the republics of the Western Hemisphere.

I think this is the nearest approach to what we really have, and it is to "cultivate foreign trade through desirable trade agreements, and foster economic collaboration with the republics of the Western Hemisphere." Of course, we have now forgotten the Western Hemisphere. I continue:

1944 PLATFORM

V. We shall uphold the good-neighbor policy, and extend the trade policies initiated by the present administration.

That was very short and to the point. Since that time they have been fostering and promoting the trade policies initiated by this administration. I continue:

1948 PLATFORM

We pledge ourselves to restore the reciprocal trade agreements program formulated in 1934 by the Secretary of State Cordell Hull and operated successfully for 14 years, until crippled by the Republican Eightieth Congress. Further, we strongly endorse our country's adherence to the International Trade Organization.

Mr. President, the Democratic platform now comes to the International Trade Organization which the administration has now denounced before the Senate Finance Committee. At least, the State Department has said that it will not be again suggested. But, as has been explained earlier in my address today, they are approaching it through the back door. Through the organization known as GATT they have adopted the important Commercial Policy Chapter of the International Trade Organization Charter. They adopted it inso-

far as it can be adopted without special legislation by Congress, but warning has been given Congress that legislation will be proposed to make it effective.

It will be remembered that earlier in my address I pointed out six-sleepers in proposed legislation introduced last year and again in the Eighty-second Congress, to simplify customs regulations; the idea of simplification being that we adopt the remainder of chapter IV on Commercial Policy of the International Trade Organization Charter.

Mr. President, I have been informed that the tariff schedule to which I have referred cannot be printed in the Appendix, so I ask unanimous consent that it be printed in the body of the RECORD at the conclusion of my address.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

(At this point Mr. MALONE yielded to Mr. MCCARTHY to insert certain matters in the RECORD, which, on request of Mr. MALONE, and by unanimous consent, were ordered to be printed at the conclusion of his speech.)

Mr. GEORGE. Mr. President, may I ask whether the Senator from Nevada desires to conclude his first speech on this matter tonight?

Mr. MALONE. I might complete the first speech tonight.

Mr. GEORGE. If the Senator from Nevada desires, we will proceed, Mr. President, if the speech can be completed at any reasonably early hour. The Senator may again speak on this amendment. He has some 10 or 11 other amendments on which he can speak, so there will be no lack of opportunity for him to speak.

Mr. MALONE. It makes little difference; and if the distinguished Senator would like to recess until tomorrow, with the understanding that the Senator from Nevada will have the floor——

Mr. GEORGE. No; if the Senator wishes to continue it is quite agreeable to me. I am not too well, but I will remain.

Mr. MALONE. I do not like to continue, in consideration of the Senator's statement. If someone else would take the place of the distinguished Senator from Georgia, I should feel much better about it.

Mr. President, I now conclude my first speech, for the reason just stated.

MALONE EXHIBIT 1

TABULATION OF ITEMS ON WHICH THE UNITED STATES GRANTED TARIFF CONCESSIONS AT TORQUAY

The following tabulation shows each item, identified by tariff paragraph and statistical class, on which the United States granted a concession at Torquay; the rate of duty before the concession was made and the rate afterward; the country or countries with which each concession was initially negotiated; and the value of United States imports for consumption in 1949 of each of the concession items:

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 1—CHEMICALS, OILS, AND PAINTS				*Thous. of dol.*
1	Acetic or pyroligneous acid containing by weight more than 65 percent acetic acid.	¾¢ lb	⅝¢ lb	Canada	591
	Chloroacetic acid (include mono- and trichloroacetic acid)	2½¢ lb	1¼¢ lb	Canada	9
	Citric acid	17¢ lb	8½¢ lb	Canada	
	Formic acid	3¢ lb	2⅔ lb	Germany	
	Lactic acid containing by weight of lactic acid:				
	Less than 30 percent	2¢ lb.; 25% min	1¢ lb.; 12½% min	Benelux	
	30 percent, but less than 55 percent	4¢ lb.; 25% min	2¢ lb.; 12½% min	Benelux	
	55 percent or more	9¢ lb.; 25% min	4½¢ lb.; 12½% min	Benelux	
	Oxalic acid	6¢ lb	4⅔¢ lb	Germany	
	Phosphoric acid	2¢ lb	1¢ lb	Canada	(1)
	All other acids and acid anhydrides n. s. p. f.:				
	Naphthenic acids:				
	Liquid	25% plus ¼¢ gal. I. R. tax	6¼% [3] plus ¼¢ gal. I. R. tax	Benelux	439
	Solid	25%	6¼% [3]	Benelux	
	Acids and acid anhydrides, n. e. s.	25% plus 3¢ lb. (or 4½¢ lb.) I. R. tax.[5]	12½% plus 1½¢ lb. (or 2¼¢ lb.) I. R. tax.[5]	Canada	1
2	Acetylene, butylene, ethylene, and propylene derivatives (except vinyl acetate and synthetic resins made in chief value therefrom):				
	Acetylene derivatives:				
	Acetaldehyde	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	(1)
	Aldol or acetaldol	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Butyraldehyde and crotonaldehyde	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Paracetaldehyde or paraldehyde	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Homologues, polymers, ethers, esters, salts, and nitrogenous compounds and mixtures of one or more acetylene derivatives, n. s. p. f.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	(1)
	Butylene, ethylene, and propylene derivatives:				
	Butylene chlorohydrin, dichloride, glycol, and oxide	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Ethylene chlorohydrin, diamine, dichloride, glycol, and oxide.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	(1)
	Glycol monacetate	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Propylene chlorohydrin, dichloride, glycol, and oxide	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	
	Ethanolamine, mono-, di-, tri-, and all other hydroxy alkyl amines and alkylene diamines.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	132
	Allyl, crotonyl, vinyl, and other olefin or unsaturated alcohols.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	68
	Artificial mustard oil	6¢ lb. plus 30%	3¢ lb. plus 15%	Germany	
	All other glycols or dihydric alcohols, n. e. s.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada, Germany	
	Homologues, polymers, ethers, esters, salts, and nitrogenous compounds and mixtures of one or more butylene, ethylene or propylene derivatives, n. s. p. f.	6¢ lb. plus 30%	3¢ lb. plus 15%	Canada	290
	Ethylene dibromide	6¢ lb. plus 30%	3¢ lb. plus 15%	Germany	
3	Acetone, ethyl methyl ketone, and their homologues, and acetone oil	20%	10%	Canada	
4	Mixtures of amyl, butyl, hexyl or propyl alcohols or fusel oil	6¢ lb	3¢ lb	Benelux	(1)
5	Salts derived from vegetable oils, animal oils, fish oils, animal fats and greases, n. e. s., or from fatty acids thereof.	25% plus 3¢ lb. (or 4½¢ lb.) I. R. tax.[5]	12½% plus 1½¢ lb. (or 2¼¢ lb.) I. R. tax.[5]	Canada, Germany	
	Fatty alcohols and fatty acids sulphated, n. e. s., salts of fatty acids sulphated, n. e. s.	12½% [5]	12½% [5]	Canada, Germany	1
	Nicotine and nicotine sulfate	25%	12½%	Canada, Germany	
	All alkaloids, salts, and derivatives, n. e. s.	25%	12½%	Canada, Germany	30
	Derivatives of barbituric acid, n. e. s.	25%	12½%	Canada, Germany	(1)
	Ergot derivatives (ergosterol, ergosterin)	25%	12½%	Canada, Germany	18
	Urine concentrates and derivatives	12½%	12½%	Germany	
	Solutions of urine concentrates and derivatives	12½%	12½%	Germany	
	Vitamins and vitasterols:				
	Of animal origin	12½%	12½%	Germany	35
	Other	12½%	12½%	Germany	2
	Eucalyptol, n. e. s.	12½%	12½%	Germany	
	Medicinal preparations of vegetable origin (chrysarobin, papain, digitalin, etc.).	25%	12½%	Canada, Germany	13
	Medicinal preparations of animal origin (ox-gall, bile compounds, gland extracts, etc.).	12½%	12½%	Germany	85

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 1—CHEMICALS, OILS, AND PAINTS—continued				*Thous. of dol.*
5	Medicinal preparations n. s. p. f. not containing alcohol (except Haarlem oil).	25%	12½%	Canada, Germany	378
	Salts and compounds of gluconic acid and combinations and mixtures of any of the foregoing; ergotamine tartrate, n. s. p. f.	15%	12½%	Canada, Germany	8
	Ammonium sulfocyanate or thiocyanate	12½%	12½%	Germany	(1)
	Ammonium compounds, n. e. s. (except ammonium silico-fluoride):				
	Ammonium-chrome alum	12½%	12½%	Germany	7
	Other	25%	12½%	Canada, Germany	
	Barium sulfide	25%	12½%	Canada, Germany	
	Barium compounds, n. e. s.	12½%	12½%	Germany	6
	Magnesium salts and compounds, n. s. p. f.	12½%	12½%	Germany	8
	All potash salts, n. s. p. f.	12½%	12½%	Germany	20
	Sodium compounds:				
	Alginate	20%	12½%	Canada, Germany	8
	Other, n. s. p. f.	25%	12½%	Canada, Germany	119
	Laundry sour containing not less than 20 percent of sodium silicofluoride and not less than 10 percent of oxalic acid, n. s. p. f.	15%	12½%	Canada, Germany	
	Chemicals elements, compounds, mixtures, salts, n. s. p. f. and not containing alcohol:				
	Beryllium, oxide or carbonate	12½% [8]	12½%	Canada, Germany	(1)
	Tellurium compounds	12½%	12½%	Germany	
	Caesium chloride, zinc arsenate and wood impregnating materials, containing salts of arsenic or salts of chromium, or both.	12½%	12½%	Germany	5
	"Other" (except textile assistants)	25%	12½%	Canada, Germany	[65] 2,365
6	Ammonium aluminum sulphate or ammonia alum	¾¢ lb	⅜¢ lb	France	
7	Ammonium perchlorate	1¢ lb	¾¢ lb	France	
	Ammonium phosphate (not fertilizer)	1½¢ lb	¾¢ lb	Canada	(1)
9	Argols, tartar, and wine lees, containing 90 percent or more of potassium bitartrate.	5¢ lb	2½¢ lb	France	
10	Balsams, crude, not containing alcohol:				
	Copaiba	5%	2½%	Brazil	40
	Fir or Canada	5%	2½%	Canada	18
12	Barium compounds:				
	Carbonate, precipitated	1½¢ lb	1½¢ lb	Germany	
	Chloride	2¢ lb	1⅜¢ lb	Germany	(1)
	Dioxide	6¢ lb	4½¢ lb	Germany	
	Hydroxide	1¼¢ lb	1¼¢ lb	Germany	
	Nitrate (not fertilizer grade)	2¢ lb	1¢ lb	Germany	8
	Oxide	2½¢ lb	2¢ lb	Germany	
15	Theobromine	40¢ lb	32½¢ lb	Benelux	326
18	Tetrachloroethane	30%	15%	France	
	Trichloroethylene	10%	7½%	France	2
21	Chemical compounds, mixtures, and salts, of which gold, platinum, rhodium, or silver are chief value.	25%	12½%	Canada	5
23	Preparations in capsules, pills, tablets, lozenges, troches, ampoules, jubes, or similar forms, including powders, noncoal-tar:				
	Medicinals:				
	Of animal origin	12½% min. [10]	12½% min	Canada	135
	Eucalyptal, n. e. s.	12½% min	12½% min	Canada	
	"Other" (except Haarlem oil)	25% min	12½% min	Canada	316
	Salts and compounds of gluconic acid, and combinations and mixtures of any of the foregoing; ergotamine tartrate, n. s. p. f.	15% min	12½% min	Canada	152
	Nonmedicinals:				
	Selenium dioxide and tellurium compounds	12½% min. [12]	12½% min	Canada	
	Chemicals, drugs, and similar substances	25% min	12½% min	Canada	10
24	Extracts for dyeing, coloring, or staining, containing alcohol:				
	20 percent or less	20¢ lb. plus 25%	20¢ lb. plus 12½%	Canada	
	Over 20 and not over 50 percent	40¢ lb. plus 25%	40¢ lb. plus 12½%	Canada	
	Over 50 percent	80¢ lb. plus 25%	80¢ lb. plus 12½%	Canada	
	Brewers' yeast, alcoholic (containing 20 percent or less alcohol)	20¢ lb. plus 25% [14]	20¢ lb. plus 12½%	Canada	1
	Flavoring extracts, fruit flavors, esters, oils, and essences, containing alcohol:				
	20 percent or less	15¢ lb. plus 18%	15¢ lb. plus 9%	Benelux	3
	More than 20 and not more than 50 percent	30¢ lb. plus 18%	30¢ lb. plus 9%	Benelux	10
	More than 50 percent	60¢ lb. plus 18%	60¢ lb. plus 9%	Beneluz	(1)
26	Chloral hydrate	20%	17½%	Canada	
	Thymol, n. e. s. (except thymol obtained or derived from eucalyptus oil).	35%	17½%	Germany	1
27 (a)	Coal-tar intermediates (except phthalic anhydride, anthracene, phenol, cresols, naphthalene, azoic components and textile assistants) and finished coal-tar products.	7¢ lb. plus 40%	3½¢ lb. plus 25%	Germany	426
	Anthracene, 30 percent or more pure	7¢ lb. plus 40%	3½¢ lb. plus 20%	Germany	
	Azo, salts (including diazo salts, levamine salts, and variamine blue salts).	7¢ lb. plus 40%	3½¢ lb. plus 20%	Germany	8
	Fast color bases	7¢ lb. plus 40%	3½¢ lb. plus 20%	Germany	(1)
	Fast color salts	7¢ lb. plus 40%	3½¢ lb. plus 20%	Germany	1
	Naphthol AS and derivatives	7¢ lb. plus 40%	3½¢ lb. plus 20%	Germany	
28 (a)	Ink powder	7¢ lb. plus 45%	3½¢ lb. plus 22½%	Benelux	
28 (a)	Acetanilide, acetphenetidine, acetylsalicylic acid, and other coal-tar medicinals (except 2-benzyl-4, 5-imidazoline hydrochloride, methylphenethylhydantoin, phenylbenzyl-aminomethyl imidazoline hydrochloride, and all other medicinals derived from imidazoline or hydantoin; and except diethylamino-acetoxylidide or xylocaine).	7¢ lb. plus 45%	3½¢ lb. plus 25%	Germany, France	[65] 36
	Sodium benzoate	7¢ lb. plus 45%	3½¢ lb. plus 25%	Germany	
	Styrene	7¢ lb. plus 45%	3½¢ lb. plus 22½%	Canada	[65] 1
	Synthetic phenolic resin and all resinlike products prepared from any article provided for in pars. 27 and 1651.	7¢ lb. plus 45%	3½¢ lb. plus 22½%	Canada	156
	Vanillin	7¢ lb. plus 45%	3½¢ lb. plus 22½%	Canada	7
29	Cobalt compounds:				
	Oxide	10¢ lb	5¢ lb	Benelux	385
	Sulfate	5¢ lb	2½¢ lb	Benelux	
	Linoleate	10¢ lb	5¢ lb	Benelux	
30	Collodion and other liquid solutions of pyroxylin, of other cellulose esters or ethers, or of cellulose.	30¢ lb	15¢ lb	Denmark	1

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 1—CHEMICALS, OILS, AND PAINTS—continued				*Thous. of dol.*
31 (a) (1)	Cellulose acetate, and compounds, combinations, or mixtures (except of acrylic resins), not made into finished or partly finished articles:				
	Sheets	25¢ lb	12½¢ lb	Canada	(1)
	Powder or flakes	25¢ lb	12½¢ lb	Canada	(1)
	Blocks, rods, tubes, briquets, or other forms, n. e. s.	25¢ lb	12½¢ lb	Canada	6
	Waste	25¢ lb	12½¢ lb	Canada	
31 (b) (1)	All compounds of cellulose (except cellulose acetate) not made into finished or partly finished articles:				
	Transparent sheets more than 3/1000 inch and not more than 32/1000 inch in thickness:				
	Of pyroxylin, and compounds, combinations or mixtures of which pyroxylin is the component material of chief value.	25¢ lb	22½¢ lb	Sweden	
	Other	30¢ lb	22½¢ lb	Sweden	
	Other forms:				
	Of pyroxylin, and compounds, combinations or mixtures of which pyroxylin is the component material of chief value.	25¢ lb	20¢ lb	Sweden	
	Other:				
	Sheets, n. e. s.	30¢ lb	20¢ lb	Sweden	
	Rods	30¢ lb	20¢ lb	Sweden	
	Tubes	30¢ lb	20¢ lb	Sweden	
	Other	30¢ lb	20¢ lb	Sweden	42
31 (b) (2)	Manufactures of transparent sheets, bands, and strips not exceeding 3/1000 inch in thickness of cellulose film, cellulose (except cellulose acetate) chief value.	50%	25%	France	1
	Smokeless powder	60%	30%	Canada	2
31 (c)	Sheets, bands, and strips of transparent cellulose film exceeding 1 inch in width, but not exceeding 3/1000 inch in thickness, made from cellulose, except cellulose acetate.	45%	22½%	Germany	3
34	Drugs of animal origin, advanced in value:				
	Fish oils, n. e. s.	5%+1½¢ lb. I. R. tax	5%+1½¢ lb. I. R. tax	Canada	74
	Halibut-liver oil	10%	5%	Canada	106
	Drugs of animal origin	5% [5]	5% [5]	Canada	2,003
35	Drugs advanced in value:				
	Pyrethrum or insect flowers	5%	2½%	Peru	
	Derris root and tuba or tube root	5%	2½%	Peru	
	Cube (timbo or barbasco) root	5%	2½%	Peru	183
36	Coca leaves	5¢ lb	2½¢ lb	Peru	78
37	Ethers and esters containing not more than 10 percent alcohol:				
	Diethyl sulfate and dimethyl sulfate	25%	12½%	France	
	Ethyl chloride	15¢ lb	7½¢ lb	Canada	
	Ethyl ether (or sulfuric ether)	4¢ lb	2¢ lb	Canada	
	Ethers and esters, n. s. p. f.	25% [5]	12½% [5]	Germany	12
38	Extracts for dyeing, coloring, or staining:				
	Chlorophyll	15%	7½%	Canada	(1)
	Logwood	10%	7½%	France	11
	Tanning extracts:				
	Hemlock, chestnut, and divi-divi	15%	7½%	Italy	1
	Valonia	3¾%	3¾%	Turkey	85
39	Flavoring extracts, fruit flavors, esters, oils, and essences, not containing alcohol.	10%	7½%	Benelux	69
40	Formaldehyde solution or formalin	1¾¢ lb	⅞ lb	Benelux	
	Formaldehyde, solid, or paraformaldehyde	8¢ lb	4¢ lb	Canada	
41	Gelatin, edible:				
	Valued less than 40 cents per pound	2½¢ lb. plus 10%	2¢ lb. plus 10%	Benelux	72
	Valued more than 80 cents per pound:				
	Photographic	7¢ lb. plus 20%	5¢ lb. plus 15%	France, Germany	39
	Other	7¢ lb. plus 20%	5¢ lb. plus 15%	France, Germany	3
	Agar agar	25%	18%	Korea	471
	Pectin	25%	12½%	Canada	(1)
	Casein glue	30%	15%	Canada	(1)
	Glue, animal, n. s. p. f., valued less than 40 cents per pound	2½¢ lb. plus 10%	2¢ lb. plus 10%	Germany	43
43	Ink and ink powders, n. s. p. f.:				
	Printing and lithographic	10%	5%	Canada	6
	Writing and copying	10%	5%	Canada	2
	Other	10%	5%	Canada	11
	Drawing ink	15%	7½%	Canada	7
44	Iodine, resublimed	10¢ lb	5¢ lb	Korea	(1)
46	Lead compounds:				
	Acetate white	2½¢ lb	1¼¢ lb	Canada	
	Acetate, brown, gray, or yellow	2¢ lb	1¢ lb	Canada	
	Nitrate	3¢ lb	1½¢ lb	Germany	
	Arsenate	3¢ lb	1½¢ lb	Canada	
	Resinate	3¢ lb	1½¢ lb	Canada	
47	Licorice extract in paste, rolls, or any other form	15%	12½%	Turkey	133
49	Magnesium compounds:				
	Manufactures of carbonate of magnesia	2¢ lb	1¢ lb	Canada	
	Sulphate (Epson salts)	¾¢ lb	⅜¢ lb	Germany	10
50	Manganese borate and resinate	20%	12½%	Benelux	
52	Animal and fish oils, fats, and greases:				
	Seal oil	3¢ gal. plus 2.7¢ lb., I. R. tax	3¢ gal. plus 1½¢ lb., I. R. tax	Canada	2
	Other animal and fish oils, fats, and greases, n. s. p. f.:				
	Marine-animal and fish oils, n. s. p. f. (except shark and dogfish oil and shark-liver oil and dogfish-liver oil).	20% plus 3¢ lb., I. R. tax [5]	10% plus 1½¢ lb., I. R. tax [5]	Canada	3
	Animal oils and fats, n. e. s., edible (includes edible chicken fat).	20%	10%	Canada	(1)
	Animal oils, n. s. p. f., inedible (except neatsfoot oil)	10% plus 2.7¢ lb., I. R. tax	10% plus 1½¢ lb., I. R. tax	Canada	
	Animal fats and greases, n. s. p. f.	10% plus 2.7¢ lb., I. R. tax	10% plus 1½¢ lb., I. R. tax	Canada	(1)
53	Rapeseed (colza) oil, n. e. s. (not denatured)	6¢ gal. plus 4½¢ lb., I. R. tax.[15]	5¾¢ gal. plus 2¼¢ lb., I. R. tax.[15]	Canada	
	Expressed or extracted vegetable oils, n. s. p. f.:				
	Corn or maize oil, edible	3¢ lb., 10% min., 20% max	10%	Benelux	
	Expressed or extracted, n. e. s., edible	20% [16]	10% [16]	Canada	(1)
	Expressed and extracted oils, n. s. p. f.	20%	10%	Canada	
55	Alizarin assistant, Turkey red oil, sulphonated oil, soaps, containing castor oil, and all soluble greases used in processes of softening, dyeing, or finishing.	35% [5]	17½% [5]	Germany	(1)

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 1—CHEMICALS, OILS, AND PAINTS—continued				*Thous. of dol.*
58	Essential or distilled oils, not containing alcohol:				
	Clove	7½%	6¼%	France	36
	Patchouli	12½%	6¼%	Indonesia	167
	Other, n. s. p. f. (except vetivert):				
	Camphor oil (artificial sassafras oil)	25%	6¼% [3]	France	105
	Cajeput	7½%	6¼%	France, Indonesia	3
	Cedar-leaf	7½%	6¼%	France	3
	Fennel	7½%	6¼%	France	3
	Ho	25%	6¼% [3]	France	18
	Juniper	7½%	6¼%	France	12
	Orris	7½%	6¼%	France	24
	Pine needle	7½%	6¼%	France	18
	Guaiac wood	7½%	6¼%	France	56
	Guayacan, essence of	7½%	6¼%	France	----------
	Other (including natural sassafras and rosewood)	7½%	6¼%	France	598
59	Opium, containing 8.5 percent and over of anhydrous morphine, crude.	$18 lb. of anhydrous morphine content; $1.80 lb. of opium, min.; $3 lb. of opium, max.	$9 lb. of anhydrous morphine content; $0.90 lb. of opium, min.; $1.50 lb. of opium, max.	Turkey	2,324
60	All mixtures containing essential or distilled oils, or natural or synthetic odoriferous or aromatic substances, not marketable as perfumery, cosmetics, or toilet preparations and not containing more than 10 percent of alcohol.	30¢ lb. plus 20%	20¢ lb. plus 15%	France	1,032
61	Perfumery, including cologne:				
	Containing alcohol	30¢ lb. plus 20%	20¢ lb. plus 18¾%	France	1,121
	Not containing alcohol	20%	18¾%	France	22
	Toilet waters:				
	Containing alcohol	30¢ lb. plus 20%	20¢ lb. plus 18¾%	France	86
	Not containing alcohol	20%	18¾%	France	3
	Articles of perfumery, whether in sachets or otherwise, and all preparations used as applications to the hair, mouth, teeth, or skin, such as cosmetics, dentrifices, tooth soaps, pastes, theatrical grease paints, pomades, powders, and other toilet preparations:				
	Containing alcohol	30¢ lb. plus 20%	20¢ lb. plus 18¾%	France	52
	Not containing alcohol	20%	18¾%	France	46
63	Phosphorus	8¢ lb	4¢ lb	Canada	(1)
	Phosphorus oxychloride	6¢ lb	3¢ lb	Canada	1
65 (a)	Artists', school, students', or children's paints or colors, not exceeding 1½ pounds each, net weight, assembled in paint sets, etc.	50%	35%	Germany	23
66	Chemical pigments, n. s. p. f.	25%	12½%	Norway	61
	Mineral-earth pigments, n. s. p. f. (except Vandyke brown or Cassel earth or Cassel brown).	25%	12½%	Canada	1
67	Blanc fixe or precipitated barium sulphate	1¼¢ lb	⅝¢ lb	Germany	(1)
	Barytes ore:				
	Crude	$3.50 ton	$3 ton	Canada	193
	Ground or manufactured	$7.50 ton	$6.50 ton	Canada	2
68	Blue pigments and all blues containing iron ferrocyanide or ferricyanide (including bleaches, Prussian, Chinese, and Berlin blues).	5¢ lb	4¢ lb	Benelux	2
69	Decolorizing, deodorizing, or gas-absorbing chars or carbons, whether or not activated, and all activated chars and carbons.	25%	22½%	Benelux	1
70	Chrome yellow, green (chromic oxide), and other chromium colors	25%	12½%	Germany	1
71	Lampblack	20%	10%	Germany	----------
	Black pigments, n. s. p. f. (not including gas or carbon black and acetylene black).	20%	10%	Germany	1
72	Lead pigments:				
	Litharge	2¼¢ lb	1¼¢ lb	Canada	40
	White lead (basic carbonate)	2 1/10¢ lb	1 1/20¢ lb	Canada	73
73	Synthetic iron-oxide and iron-hydroxide pigments n. s. p. f.	15%	10%	Canada	120
78	Potassium compounds:				
	Ferrocyanide or yellow prussiate of potash	3¢ lb	2¢ lb	Benelux	----------
	Bromide	10¢ lb	5¢ lb	Benelux	----------
	Bicarbonate	1½¢ lb	1¢ lb	Germany	2
81	Sodium compounds:				
	Ferrocyanide (yellow prussiate)	1½¢ lb	1¢ lb	Benelux	----------
	Phosphate (except pyro phosphate) containing by weight:				
	Less than 45 percent of water	1½¢ lb	½¢ lb.[3]	Benelux	----------
	45 percent or more of water	¾¢ lb	¼¢ lb.[3]	Benelux	----------
	Sulphate, anhydrous	$3 ton	$1.50 ton	Germany	5
	Sulphite	⅜¢ lb	3/16¢ lb	Germany	(1)
	Bisulphite, and metabisulphite	⅜¢ lb	3/16¢ lb	Germany	----------
	Thiosulphate (hyposulphite)	⅜¢ lb	3/16¢ lb	Germany	(1)
83	Rice starch	1¢ lb	¾¢ lb	Benelux	18
	Wheat starch	1¢ lb	¾¢ lb	Benelux	8
84	Dextrine made from potato starch or potato flour	1⅛¢ lb	1⅛¢ lb	Benelux	77
	Dextrine, n. s. p. f., dextrine substitutes, burnt starch or British gum, and soluble or chemically treated starch.	1¼¢ lb	1⅛¢ lb	Benelux	32
85	Strontium:				
	Carbonate, precipitated, and oxide	25%	12½%	Germany	6
	Nitrate	25%	12½%	Germany	----------
86	Strychnine alkaloid, sulfate, and salts n. s. p. f.	20¢ oz	10¢ oz	Canada	(1)
87	Thorium nitrate, thorium oxide (thoria), and other salts, n. s. p. f., and gas-mantle scrap.	35%	30%	Brazil	----------
	Cerium compounds	35%	30%	Brazil	----------
88	Tin bichloride, tin tetrachloride, and other chemical compounds, mixtures, and salts, tin chief value.	25%	12½%	Canada	1
92	Vanilla beans	15¢ lb	7½¢ lb	France	3,491
93	Zinc chloride	¾¢ lb	65/100¢ lb	Benelux	3
	Zinc sulphate (white vitriol)	¾¢ lb	3/10¢ lb.[3]	Benelux	6
94	Collodion emulsion, liquid and solid forms	25%	18¾%	Germany	----------
95	Azides, fulminates, fulminating powders, and like articles	12½¢ lb	10¢ lb	Canada	----------
97	Tar and pitch of wood and tar oil from wood	1¢ lb	½¢ lb	Canada	(1)

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 2—EARTHS, EARTHENWARE, AND GLASSWARE				*Thous. of dol.*
201 (b)	Brick, n. s. p. f., not glazed, enameled, etc.	$1.00 M	$0.50 M	Canada	94
202 (a)	Floor and wall tiles, not wholly or in part of cement, valued at not more than 40 cents per square foot:				
	Ceramic mosaics:				
	Valued at not more than 28⅝¢ square foot	7¢ sq. ft.; 35% min.; 49% max.	5¢ sq. ft.; 25% min.; 35% max.	Benelux	3
	Valued at more than 28⅝¢ square foot	10¢ sq. ft.; 30% min.			
	"Other," unglazed	10¢ sq. ft.; 30% min.; 70% max.	5¢ sq. ft.; 25% min.; 35% max.	Italy	24
	"Other," glazed	10¢ sq. ft.; 30% min.; 70% max.	5¢ sq. ft.; 25% min.; 35% max.	Italy	14
	Floor and wall tiles, wholly or in part of cement:				
	Valued at not more than 40 cents per square foot	10¢ sq. ft.; 50% min.; 70% max.	4¢ sq. ft.; 20% min.; 28% max.[3]	Italy	19
	Valued at more than 40 cents per square foot	60%	24% [3]	Italy	4
204	Magnesite, dead burned and grain, and periclase	23/40¢ lb	23/60¢ lb	Austria	182
205 (e)	Manufactures (other than statues, statuettes, and bas-reliefs) of which plaster of paris is the component material of chief value, n. s. p. f.	35%	17½%	Canada	7
207	Clay, Gross-Almerode:				
	Unwrought and unmanufactured	$1 ton	50¢ ton	Germany	7
	Wrought or manufactured	$2 ton	$1 ton	Germany	
	Clays and earths, n. s. p. f.:				
	Unwrought and unmanufactured	$1 ton	50¢ ton	Germany	16
	Wrought or manufactured	$2 ton	$1 ton	Germany	(1)
207	Bentonite:				
	Unwrought and unmanufactured	75¢ ton	37½¢ ton	Canada	(1)
	Wrought or manufactured	$1.625 ton	81¼¢ ton	Canada	
	Feldspar, crude	25¢ ton	12½¢ ton	Canada	108
	Clays or earths artificially activated with acid or other material	¼¢ lb. plus 30%	⅛¢ lb. plus 15%	Germany	1
	Silica, crude, n. s. p. f.	$3.50 ton	$1.75 ton	Canada	
	Fluorspar, containing above 97 percent of calcium fluoride	$5.60 ton	$2.10 ton [3]	Canada	493
208 (g)	Phlogopite (amber) waste and scrap, valued not more than 5 cents per pound.	15%	12½%	Canada	6
208 (h)	Mica, ground or pulverized	15%	12½%	Canada	17
209	Talc, steatite, or soapstone, ground, washed, powdered, or pulverized (except toilet preparations), valued not over $14 per ton.	10%	8¾%	Canada	42
210	Common yellow, brown, red, or gray earthenware and manufactures of, composed of a body wholly of clay which is unwashed, unmixed, and not artificially colored, n. s. p. f., and common salt-glazed stoneware:				
	Not ornamented, not decorated, etc.	15%	5% [3]	Benelux	6
	Ornamented, decorated, etc.	20%	5% [3]	Benelux	5
211	Earthenware (nonvitrified) and stoneware table and kitchen articles:				
	Plain white, yellow, brown, etc.:				
	Plates, not over 6⅝ inches in diameter and valued at 75 cents or more per doz., or over 6⅝ but not over 8⅛ inches in diameter and valued at 90¢ or more per doz., or over 8⅛ but not over 9⅛ inches in diameter and valued at $1.30 or more per doz., or over 9⅛ inches in diameter and valued at $1.55 or more per doz.; cups valued at $1 or more per doz.; saucers valued at 55 cents or more per doz.; and other articles valued at $2 or more per doz.	10¢ doz. plus 45%	10¢ doz. plus 25%	Italy	46
	Other (i. e. valued at less than the value specified above in respect to the like article).	10¢ doz. plus 45%	10¢ doz. plus 45%	Italy	
	Having a body composed wholly of clay:				
	Plates, not over 6⅝ inches in diameter and valued at 75 cents or more per doz., or over 6⅝ but not over 8⅛ inches in diameter and valued at 90¢ or more per doz., or over 8⅛ but not over 9⅛ inches in diameter and valued at $1.30 or more per doz., or over 9⅛ inches in diameter and valued at $1.55 or more per doz.; cups valued at $1 or more per doz.; and saucers valued at 55 cents or more per doz.	10¢ doz. plus 50%	10¢ doz. plus 20% [3]	Italy	[65] 1,000
	Other articles (other than plates, cups, and saucers) valued at $2 or more per doz. pieces.	10¢ doz. plus 50%	10¢ doz. plus 25%	Italy	
	Articles valued at less than the value specified above in respect to the like article.	10¢ doz. plus 50%	10¢ doz. plus 45%	Italy	
	Having a body not wholly of clay:				
	Articles valued at less than the value specified above in respect to the like article.	10¢ doz. plus 50%	10¢ doz. plus 45%	Italy	[65] 400
211	Earthenware (nonvitrified) and stoneware and manufactures of, n. s. p. f. (other than table and kitchen articles):				
	Plain white, yellow, brown, etc.:				
	Having a body not artificially colored, and composed wholly of clay:				
	Valued $10 or more per dozen	10¢ doz. plus 45%	5¢ doz. plus 25%	Benelux, Italy	[65] 15
	Valued $3 or more, but less than $10 per dozen	10¢ doz. plus 45%	10¢ doz. plus 35%	Italy	[65] 15
	Having a body not wholly of clay, and valued $10 or more per dozen.	10¢ doz. plus 35%	5¢ doz. plus 25%	Benelux, Italy	[65] 10
	Decorated, colored, etc.:				
	Having a body composed wholly of clay:				
	Valued $10 or more per dozen	10¢ doz. plus 50%	5¢ doz. plus 25%	Benelux, Italy	[65] 700
	Valued $3 or more, but less than $10 per dozen	10¢ doz. plus 50%	10¢ doz. plus 35%	Italy	[65] 750
	Having a body not wholly of clay, and valued $10 or more per dozen.	10¢ doz. plus 35%	5¢ doz. plus 25%	Benelux, Italy	[65] 50

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 2—EARTHS, EARTHENWARE, AND GLASSWARE—continued				*Thous. of dol.*
212	China and porcelain, vitrified and nonabsorbent, table and kitchen articles and utensils:				
	Domestic or household ware, not containing 25 percent or more calcined bone:				
	Plain white, not painted, colored, etc.:				
	Plates, not over 6⅝ inches in diameter and valued at more than $2.55 per doz., or over 6⅝ but not over 7⅞ inches in diameter and valued at more than $3.45 per doz., or over 7⅞ but not over 9⅛ inches in diameter and valued at more than $5 per doz., or over 9⅛ inches in diameter and valued at more than $6 per doz.; cups valued at more than $4.45 per doz.; saucers valued at more than $1.90 per doz.; and other tableware, kitchenware, and table and kitchen utensils (except plates, cups, and saucers) valued at more than $11.50 per doz. pieces.	10¢ doz. plus 60%	10¢ doz. plus 35%	Denmark, France	[65] 10
	Decorated, colored, etc.:				
	Plates not over 6⅝ inches in diameter and valued at more than $2.55 but not more than $4 per doz., or over 6⅝ but not over 7⅞ inches in diameter and valued at more than $3.45 but not more than $5.40 per doz., or over 7⅞ but not over 9⅛ inches in diameter and valued at more than $5 but not more than $8 per doz., or over 9⅛ inches in diameter and valued at more than $6 but not more than $9.75 per doz.; cups, valued at more than $4.45 but not more than $7 per doz.; saucers, valued at more than $1.90 but not more than $3 per doz.; and other tableware, kitchenware, and table and kitchen utensils (except plates, cups and saucers), valued at more than $11.50 but not more than $18 per doz. pieces.	10¢ doz. plus 45%	10¢ doz. plus 35%	Germany	862
212	China and porcelain sanitary articles:				
	Closets, bowls, lavatories, sinks, etc.:				
	Plain white, not painted, colored, etc	60%	35%	Canada	(1)
	Decorated, colored, etc	70%	35%	Canada	1
214	Crushed or ground stone, n.s.p.f. (except Cornwall stone and marble chip or granite).	10%	7½%	Canada	8
	Diamond bort, manufactured (diamond dies)	20%	15%	France	80
	Feldspar, ground	15%	7½%	Canada	
217	Unfilled vials and ampoules, n. s. p. f.:				
	Holding less than ¼ pint	50¢ gross	25¢ gross	Canada	2
	Holding not less than ¼ pint, and not more than 1 pint	1½¢ lb	¾¢ lb	Canada	
	Holding more than 1 pint	1¢ lb	½¢ lb	Canada	
218 (a)	Biological, chemical, metallurgical, pharmaceutical, and surgical articles and utensils of all kinds wholly or in chief value of glass.	85%	42½%	Germany	76
218 (b)	Tubes (except gauge glass tubes), rods, canes, and tubing finished or unfinished wholly or in chief value of glass (except fusible enamel rods and canes).	65%	32½%	France, Germany	2
218 (d)	Plated or cased glass containing 24 percent or more lead oxide	50¢ ea.; 30% min.; 50% max.	30%	Benelux	[63] 1
218 (e)	Bottles and jars, wholly or in chief value of glass, whether or not fitted with or designed for use with ground-glass stoppers, of the character used or designed to be used as containers of perfume, talcum powder, toilet water, or other toilet preparations:				
	Produced by automatic machine (except by automatic machine to which molten glass is automatically fed).	25%	12½%	France	4
	Not produced by automatic machine:				
	Unfilled bottles (not including jars)	50%	45%	France	133
	Filled bottles and jars:				
	Filled with toilet preparations	20%	18¾%	France	(1)
	Filled with other preparations	75%	45%	France	
	Bottles, vials, and jars, wholly or in chief value of glass, fitted with or designed for use with ground-glass stoppers, for holding merchandise other than toilet preparations, if produced by automatic machine.	25%	12½%	France	(1)
218 (f)	Table and kitchen articles and utensils, composed wholly or in chief value of glass:				
	Blown or partly blown, in the mold or otherwise, if cut or engraved, valued $3 or more each (including bubble glass).	30%	22½%	Sweden	[65] 100
218 (f)	Glassware, other than bulbs and table and kitchen articles and utensils:				
	Christmas tree ornaments valued at $7.50 or more per gross	50%	30%	Germany	959
	Blown or partly blown, in the mold or otherwise, if cut or engraved, valued $3 or more each, n.e.s. (except engraved ornamental glassware valued $8 each or over, but including bubble glass).	30%	22½%	Sweden	[65] 60
219	Cylinder, crown, and sheet glass:				
	Not over 150 square inches	63/64¢ lb.[23]	0.8¢ lb.[24]	Benelux	159
	Over 150 and not over 384 square inches	1 5/64¢ lb.[23]	0.8¢ lb.[24]	Benelux	100
	Over 384 and not over 720 square inches	1 9/32¢ lb.[23]	1¢ lb.[24]	Benelux	33
	Over 720 and not over 864 square inches	1 3/8¢ lb.[23]	1¢ lb.[24]	Benelux	6
	Over 864 and not over 1,200 square inches	1 37/64¢ lb.[23]	1.3¢ lb.[24]	Benelux	3
	Over 1,200 and not over 2,400 square inches	1 49/64¢ lb.[23]	1.3¢ lb.[24]	Benelux	13
	Over 2,400 square inches	1 31/32¢ lb.[23]	1.6¢ lb.[24]	Benelux	40
223	Plate, cylinder, crown, and sheet glass, made into mirrors, finished or partly finished:				
	Over 144 and not over 384 square inches	8¢ sq. ft., 25% min	7½¢ sq. ft., 22½% min	France	4
	Over 384 and not over 720 square inches	10¢ sq. ft., 25% min	10¢ sq. ft., 22½% min	France	2
	Over 720 square inches	12¢ sq. ft., 25% min	11½¢ sq. ft., 22½% min	France	11
224	Cylinder, crown, and sheet glass, when bent, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, painted, ornamented or decorated—additional duty.	5%	2½%	Benelux	
	Cylinder, crown, and sheet glass, when colored (except glass not plate glass and not less than ¼ of inch in thickness, when obscured by coloring prior to solidification)—additional duty.	5%	2½%	Benelux	97
	All glass described in tariff pars. 221, 222, and 223, when bent, beveled, ornamented, colored, etc. (except glass not plate glass and not less than ¼ of 1 inch in thickness, when obscured by coloring prior to solidification)—additional duty.	5%	2½%	Benelux, Austria[28]	

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 2—EARTHS, EARTHENWARE, AND GLASSWARE—continued				*Thous. of dol.*
228 (a)	Cathetometers, interferometers, photometers, polarimeters, polariscopes, refractometers, saccharimeters, spectrographs, spectrometers, spectroscopes, frames, mountings, and parts.	60%	50%	Germany	103
	Colorimeters, frames, mountings, and parts	60%	50%	Germany	3
	Haemacytometers, frames, mountings, and parts	60%	50%	Germany	2
	Ophthalmoscopes, slit lamps, corneal microscopes, optical measuring or testing instruments, testing or recording instruments for ophthalmological purposes, frames, mountings, and parts.	60%	50%	Germany	59
228 (b)	Opera and field glasses (not prism-binoculars), valued at more than $1 each.	20%	17½%	France	254
	Telescopes, valued more than $2 each	25%	22½%	France	21
	Frames, mountings, and parts of frames and mountings therefor	25%	22½%	France	3
228 (b)	Sextants, octants, mirrors for optical purposes, and projection lenses	45%	35%	Germany	[6] 125
230 (a)	Glass windows, stained, or painted and parts thereof, n. s. p. f.	40%	30%	Austria	2
230 (c)	Glass, ruled or etched in any manner	55%	27½%	Germany	6
	Manufactures of glass, ruled or etched in any manner:				
	For photographic reproduction or engraving processes	55%	27½%	Germany	1
	For measuring or recording purposes	55%	27½%	Germany	(1)
230 (d)	All glass, and manufactures of glass, or of which glass is the component of chief value, n. e. s.	40%	25%	Benelux	61
231	Opal, enamel or cylinder glass tiles and tiling	20%	15%	Benelux	2
232 (a)	Onyx, sawed or dressed, over 2 inches thick	$1 cu. ft	50¢ cu. ft	Italy	----------
	Granite:				
234 (a)	Paving blocks, wholly or partly manufactured	20%	15%	Benelux	----------
	Hewn, dressed, pointed, pitched, lined, or polished	20%	15%	Benelux	67
	SCHEDULE 3—METALS AND MANUFACTURES OF				
301	Pig iron:				
	Not containing dutiable alloy:				
	Not containing more than 5/100 percent of phosphorus	75¢ ton	60¢ ton	Benelux	1,874
	Containing more than 5/100 percent of phosphorus	75¢ ton	60¢ ton	Benelux	2,711
	Containing dutiable alloy:				
	Not containing more than 5/100 percent of phosphorus	75¢ ton	60¢ ton	Benelux	1
	Containing more than 5/100 percent of phosphorus	75¢ ton	60¢ ton	Benelux	5
	Molybdenum content in excess of 3/10 percent contained in any of the articles provided for in par. 301—additional duty.	65¢ lb	35¢ lb	Canada	----------
302 (d)	Ferromanganese containing not less than 4 percent carbon	1 1/16¢ lb.[30]	5/8¢ lb.[30]	Canada	7,188
302 (e)	Manganese silicon:				
	Containing not over 45 percent manganese	1 7/8¢ lb.[31] plus 15%	1 5/16¢ lb.[31] plus 7½%	Canada	----------
	Containing over 45 percent manganese (include silico-manganese)	1¢ lb.[31] plus 10%	1 5/16¢ lb.[31] plus 7½%	Norway	----------
	Ferromanganese containing not over 1 percent carbon	1 5/16¢ lb.[31] plus 10%	1 5/16¢ lb.[31] plus 7½%	Norway	(1)
	Spiegeleisen containing not more than 1 percent carbon, and manganese boron.	1 7/8¢ lb.[31] plus 15%	1 5/16¢ lb.[31] plus 7½%	France	1
302 (f)	Ferromolybdenum, molybdenum metal and powder, calcium molybdate, and other compounds and alloys of molybdenum.	50¢ lb. [32] plus 15%	25¢ lb.[32] plus 7½%	Canada	----------
302 (i)	Ferrosilicon, containing silicon:				
	30 percent and less than 60 percent	1 1/2¢ lb.[33]	1¢ lb.[33]	Canada	19
	60 percent and less than 80 percent	2¢ lb.[33]	1½¢ lb.[33]	Canada	22
	80 percent and less than 90 percent	2½¢ lb.[33]	2¢ lb.[33]	Canada	----------
	Silicon metal	8¢ lb.[33]	4¢ lb.[33]	Canada	17
302 (j)	Silicon aluminum and aluminum silicon	5¢ lb	2½¢ lb	Canada	36
302 (k)	Chrome or chromium metal	25%	12½%	Norway	----------
302 (l)	Chromium carbide	25%	12½%	Canada	----------
	Vanadium carbide	25%	12½%	Canada	----------
	Chromium nickel	25%	12½%	Canada	----------
	Chromium silicon and ferrochromium silicon	25%	12½%	Canada	----------
	Chromium vanadium	25%	12½%	Canada	----------
	Manganese copper	25% [34]	12½% [34]	Norway	----------
302 (m)	Ferrophosphorus	25%	12½%	Canada	----------
	Ferrozirconium and zirconium ferrosilicon	25%	12½%	Norway	----------
	Ferroboron	25%	12½%	Canada	----------
	Ferroaluminum vanadium, ferromanganese vanadium, ferrosilicon vanadium, and ferrosilicon aluminum vanadium.	25%	12½%	Canada	----------
302 (n)	Titanium	25%	20%	Canada	} 22
	Barium, boron, strontium, thorium, vanadium	25%	12½%	Canada	
	Calcium metal	25%	17½%	Canada	5
302 (n)	Zirconium metal	25%	12½%	Benelux	2
	Alloys of 2 or more of the metals specified above in 6250.590, 6250.620, and 6250.640 (part).	25%	12½%	Canada	----------
	Alloys, n. s. p. f., of one or more of the metals specified above in 6250.590, 6250.620, and 6250.640 (part) or the metals columbium or niobium or tantalum with 1 or more of the metals aluminum, chromium, cobalt, copper, manganese, nickel, or silicon:				
	Calcium silicide (calcium silicon)	25%	12½%	Canada, Norway	15
	Zirconium silicon	25%	12½%	Norway	----------
	Other	25%	20%	Norway	[6] 5
302 (o)	Alloys, n. s. p. f., used in the manufacture of steel or iron and containing not less than 28 percent of iron, not less than 18 percent aluminum, not less than 18 percent silicon, and not less than 18 percent manganese.	12½%	6¼%	Canada	----------
304	All products dutiable under par. 304 (except hollow bars and hollow drill steel), valued above 16 cents per pound.	15% [35]	12½% [35]	Sweden	81
	Hollow bars and hollow drill steel:				
	Valued above 16¢ lb	15% [35] plus 3/8¢ lb	12½% [35] plus 3/8¢ lb	Sweden	----------
	Valued above 5 and not above 8 cents per pound	15% [35] plus 3/8¢ lb	10% [35] plus 3/8¢ lb	Canada, Sweden	----------
305	All steel or iron in the materials and articles enumerated or described in pars. 303, 304, 307, 308, 312, 313, 315, 316, 317, 318, 319, 322, 323, 324, 327, and 328 containing more than 0.2 percent molybdenum—additional duty on molybdenum content.	65¢ lb	35¢ lb	Canada	----------
307	Boiler or other plate of iron or steel, except crucible and saw-plate steel (including common or block sheets), not thinner than 10/1000 inch, and skelp, sheared or rolled in grooves:				
	Valued not over 3 cents per pound:				
	Skelp	10% [35]; 0.175¢ lb. min.[35]	0.175¢ lb.[35]	Benelux	----------
	Other	10% [35]; 0.175¢ lb. min.[35]	0.175¢ lb.[35]	Benelux	(1)

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 3—METALS AND MANUFACTURES OF—continued				*Thous. of dol.*
308	Sheets of iron or steel, common or black, and boiler or other plate iron or steel thinner than 10/1000 inch and skelp n. e. s., valued 3 cents or less per pound:				
	Thinner than 10/1000, not thinner than 8/1000 inch:				
	Skelp	10% [35]; 0.175¢ lb. min.[35]	0.175¢ lb.[35]	Benelux	
	Other	10% [35]; 0.175¢ lb. min.[35]	0.175¢ lb.[35]	Benelux	
	Thinner than 8/1000, not thinner than 22/1000 inch:				
	Skelp	10% [35]; 0.225¢ lb. min.[35]	0.225¢ lb.[35]	Benelux	
	Other	10% [35]; 0.225¢ lb. min.[35]	0.225¢ lb.[35]	Benelux	
312	Beams, girders, joists, angles, channels, tees, columns, post, and other structural shapes:				
	Not assembled, manufactured, or advanced	1/16¢ lb. [35]	1/10¢ lb.[35]	Benelux	11,648
	Machined, drilled, punched, assembled, fitted, fabricated for use or otherwise advanced.	10% [35]	7½% [35]	Benelux	35
313	Hoop, band, or scroll iron or steel, n. s. p. f., and barrel hoops, 8 inches or less in width, valued 3 cents per pound or less:				
	Thinner than 3/8, not thinner than 10/1000 inch	0.15¢ lb.[35]	0.125¢ lb.[35]	Benelux	13
	Thinner than 10/1000, not thinner than 8/1000 inch	0.2¢ lb.[35]	0.175¢ lb.[35]	Benelux	
	Thinner than 8/1000 inch	0.3¢ lb.[35]	0.275¢ lb.[35]	Benelux	
	Bands or strips of iron or steel, n. s. p. f.	15% [35]	12½% [35]	Benelux	498
	Strips of iron or steel, n. s. p. f., cold hammered, blued, brightened, tempered, or polished.	15% [35]	12½% [35]	Benelux	
314	Hoop or band iron or steel, for baling cotton, etc., cut to lengths, or manufactured into hoops or ties:				
	Cotton ties	0.15¢ lb.[35]	0.1¢ lb.[35]	Benelux	282
	Other	0.15¢ lb.[35]	0.1¢ lb.[35]	Benelux	2
316 (a)	Wire, n. s. p. f.:				
	Copper	15% [34 35]	12½% [34 35]	Canada	14
	Brass	15% [34 35]	12½% [34 35]	Canada	
	Bronze (include phosphor bronze)	15% [34 35]	12½% [34 35]	Canada	9
	Other (except gold, silver, platinum, tungsten or molybdenum)	15% [35]	12½% [35]	Benelux	44
316 (b)	Forms containing over 50 percent of tungsten, tungsten carbide, molybdenum, molybdenum carbide, or combinations, n. s. p. f.:				
	Ingots, shot, bars, or scrap:				
	Tungsten or tungsten carbide	30%	25%	Benelux	4
	Molybdenum or molybdenum carbide	30%	25%	Austria	3
	Combinations of tungsten, molybdenum, etc.	30%	25%	Benelux	
	Sheets, wire, or other forms:				
	Tungsten or tungsten carbide	40%	30%	Benelux	10
	Molybdenum or molybdenum carbide	40%	30%	Austria	10
	Combinations of tungsten, molybdenum, etc.	40%	30%	Benelux	
318	Woven-wire cloth, gauze, fabric, or screen made of any metal or alloy n. s. p. f.:				
	Mesh finer than 30, not finer than 90 wires to the lineal inch in warp or filling.	3¢ sq. ft.[35]; 12% min.; [35] 24% max.[35]	2½¢ sq. ft.[35]; 10% min.[35]; 20% max.[35]	Benelux, Canada	6
	Mesh finer than 90 wires to the lineal inch in warp or filling	30% [35]	25% [35]	Benelux, Canada	36
322	Rail braces, and bars for railways	1/10¢ lb. [35]	1/20¢ lb.[35]	Canada	3
	Rails	1/10¢ lb.[35]	1/20¢ lb.[35]	Canada	76
325	Anvils weighing less than 5 pounds each	45%	22½%	Austria	(1)
326	Blacksmiths' hammers, tongs, and sledges, track tools, wedges, and crowbars.	1 3/8¢ lb	11/16¢ lb	Canada	1
327	Castings and forgings, n. e. s.:				
	Sadirons, tailors' and hatters' irons, not electric, andirons, plates, stove plates, castings, and vessels of cast iron.	10% [35]	5% [35]	Canada	2
	Castings or cast-iron plates, machined or advanced, not made into articles.	10% [35]	5% [35]	Canada	3
	Cast hollow ware, coated, glazed, or tinned, not including enameled, or ware containing electrical elements.	20% [35]	10% [35]	Benelux	
328	Welded cylindrical furnaces, and tubes or flues of plate metal, corrugated, ribbed, or reinforced.	25% [35]	12½% [35]	Canada	5
	Rigid tubes or pipes for electrical conduits	30% [35]	15% [35]	Canada	
329	Chains and parts (except power transmission chains and parts and anchor or stud-link chains):				
	Not less than 3/4 inch in diameter	1/8¢ lb	7/16¢ lb	Canada	1
	Less than 5/8, not less than 5/16 inch in diameter	1¢ lb	3/4¢ lb	Canada	(1)
331	Cut nails and spikes over 2 inches long	3/10¢ lb	3/20¢ lb	Canada	2
	Upholsterers' nails and thumbtacks of 2 or more pieces of iron or steel.	4½¢ lb	4¢ lb	Germany	126
	Tacks and brads, cut	15%	7½%	Sweden	
334	Steel wool	10¢ lb. plus 30%	5¢ lb. plus 15%	Canada	
336	Corset clasps, corset and dress steels	35%	17½%	France	
338	Wood screws of iron or steel	15%	12½%	Benelux	2
339	Table, household, kitchen, and hospital utensils, and hollow or flatware, n. s. p. f., whether or not containing electrical heating elements:				
	Plated with platinum	65%	32½%	France	(1)
	Not plated with platinum, gold, or silver:				
	Chief value of tin:				
	Containing electrical heating elements	40%	20%	France	
	Not containing electrical heating elements	40%	12% [3]	France	31
	Chief value of tinplate:				
	Containing electrical heating elements	40%	20%	France	
	Not containing electrical heating	40%	12% [3]	France	57
	Illuminating articles (candlesticks, candelabra, etc.):				
	Chief value of copper	30%	20%	France	111
	Chief value of brass	30%	15%	France	
	Chief value of other base metal (except aluminum, tin, tinplate, and pewter).	40%	20%	France	17
	Carbonated water siphons:				
	Chief value of copper	25%	20%	France	
	Chief value of brass	25%	15%	France	
	Chief value of pewter	25%	12½%	France	
	Chief value of other base metal (except aluminum, tin, and tinplate).	25%	20%	France	
	Other articles of base metal (except aluminum, copper, brass, tin, tinplate, and pewter):				
	Fly swatters	40%	20%	Benelux	
	"Other," not containing electrical heating elements	40%	20%	France	52

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 3—METALS AND MANUFACTURES OF—continued				*Thous. of dol.*
340	Circular saws	20%	10%	Canada	4
	Jewelers' or piercing saws	40¢ gross	20¢ gross	Germany	74
341	Engraved plates of steel for printing, n. e. s.	15%	12½%	Canada	32
	Electrotype, stereotype, halftone, photogravure, photo-engraved plates and plates of other materials than steel engraved or otherwise prepared for printing.	15%	12½%	Canada	224
	Engraved plates for designs on glass	15%	12½%	Canada	
	Lithographic plates of stone or other material engraved, drawn, or prepared.	15%	12½%	Canada	
342	Umbrella and parasol ribs and stretchers of metal and tubes for umbrellas.	60%	30%	Austria, Germany	32
343	Spring-beard needles	$1.50 M plus 50%	75¢ M plus 25%	Germany	(1)
	Latch needles	$2 M plus 60%	$1 M plus 30%	Germany	26
350	"Other" pins, including hat, bonnet, and shawl	20%	17½%	Austria	23
352	Twist and other drills, reamers, and other tools and cutting edges for such tools, of steel, or substitutes for steel, suitable for cutting metal, n. s. p. f.	50%	25%	Germany	62
353	Transformers and parts	15%	12½%	Canada	13
	Radio apparatus and parts	15%	12½%	Benelux	771
	Sockets, attachment plugs, and switches not over 10 amperes, cutouts, and fuses not over 30 amperes, and other wiring devices such as are used in house wiring.	35%	17½%	Canada	10
353	Electrical goods and parts, n.e.s., including signaling, welding, ignition apparatus, instruments (other than laboratory), and devices.	15%	12½%	Germany	397
	X-ray apparatus and parts (except X-ray tubes)	10%	8¾%	Sweden	137
	Articles having as an essential feature an electrical element or device, n. s. p. f.:				
	Motors:				
	Stationary, railway, vehicle, and other, n. e. s.	15%	12½%	Canada	629
	Parts of	15%	12½%	Canada	44
	Internal combustion engines, carburetor type, and parts	10%	8¾%	Canada	1
	Electric furnaces, heaters and ovens, and parts	15%	12½%	Canada	177
	Batteries, other than storage	35%	17½%	Canada	3
	Steam boilers operating with water under forced circulation at least 8 times the rate of evaporation, etc., and parts.	15%	13¾%	Canada, Germany	
	Television apparatus and parts (except cameras)	15%	12½%	Benelux	
	Calculating machines and parts specially constructed for multiplying and dividing, n. s. p. f.	15%	12½%	Sweden	178
	"Other" machines and parts which would be dutiable under par. 372 if of a kind which could be designed to operate without such electrical element or feature.	15%	13¾%	Canada, Germany	388
	"Other" and parts, such as locomotives, portable tools, refrigerators, and signs.	15%	13¾%	Canada, Germany	597
354	Pen, pocket, clasp, pruning, budding, and other knives with folding blades:				
	Valued not over 40¢ per dozen	1¼¢ ea. plus 50%	5⅝¢ ea. plus 25%	Germany	
	Valued over 40¢, not over 50¢ per dozen	5¢ ea. plus 50%	2½¢ ea. plus 25%	Germany	
	Valued over 50¢, not over $1.25 per dozen	11¢ ea. plus 55%	5½¢ ea. plus 27½%	Germany	2
	Valued over $1.25, not over $3 per dozen	18¢ ea. plus 55%	9¢ ea. plus 27½%	Germany	4
	Valued over $3, not over $6 per dozen	25¢ ea. plus 50%	12½¢ ea. plus 25%	Germany	4
	Pen, pocket, clasp, pruning, budding, and other knives with folding blades, assembled but not fully finished:				
	Valued not over $1.25 per dozen	15¢ ea. plus 55%	7½¢ ea. plus 27½%	Germany	
	Valued over $1.25, not over $3 per dozen	18¢ ea. plus 55%	9¢ ea. plus 27½%	Germany	1
	Valued over $3, not over $6 per dozen	25¢ ea. plus 50%	12½¢ ea. plus 25%	Germany	
	Blades, handles, or other parts for pen, pocket, and other knives with folding blades:				
	Valued not over $1.25 per dozen	11¢ ea. plus 55%	5½¢ ea. plus 27½%	Germany	
	Valued over $1.25, not over $3 per dozen	18¢ ea. plus 55%	9¢ ea. plus 27½%	Germany	
	Valued over $3, not over $6 per dozen	25¢ ea. plus 50%	12½¢ ea. plus 25%	Germany	
	Valued over $6 per dozen	11¢ ea. plus 55%	5½¢ ea. plus 27½%	Germany	2
355	Table, kitchen, butchers', and similar cutlery, cleavers, forks, and steels:				
	With handles of nickel-silver, or steel, other than austenitic:				
	Less than 4 inches long (exclusive of handle):				
	Table cutlery, forks, and steels	2¢ ea. plus 12½%	1¢ ea. plus 12½%	Germany	38
	Kitchen, butchers', and similar cutlery, cleavers, forks, and steels.	2¢ ea. plus 25%	1¢ ea. plus 12½%	Germany	4
	Table cutlery, forks, and steels	4¢ ea. plus 25%	4¢ ea. plus 17½%	Germany	19
	Kitchen, butchers', and similar cutlery, cleavers, forks, and steels.	4¢ ea. plus 25%	4¢ ea. plus 17½%	Germany	8
	With handles of "other" material, including wood or wood and steel:				
	Less than 4 inches long (exclusive of handle):				
	Table cutlery, forks, and steels	2¢ ea. plus 17½%	1¢ ea. plus 17½%	Germany	10
	Kitchen, butchers', and similar cutlery, cleavers, forks, and steels.	2¢ ea. plus 17½%	1¢ ea. plus 17½%	Germany	6
	4 inches long or over (exclusive of handle):				
	Table cutlery, forks, and steels	8¢ ea. plus 35%	4¢ ea. plus 17½%	Germany	22
	Kitchen, butchers', and similar cutlery, cleavers, forks, and steels.	8¢ ea. plus 35%	4¢ ea. plus 17½%	Germany	91
	Hunting, curriers', farriers', hay, tanners', painters', shoe, beet-topping, and similar knives, forks, and steels:				
	With handles of silver (except silver-plated) or metal other than iron or steel, aluminum, and nickel-silver.	16¢ ea. plus 35%	8¢ ea. plus 17½%	Sweden	1
	With handles of wood, or wood and steel or with handles of nickel-silver, or steel other than austenitic, if less than 4 inches long (exclusive of handle).	2¢ ea. plus 12½%	1¢ ea. plus 12½%	Sweden	10
	With handles of "other" material, if less than 4 inches long (exclusive of handle).	2¢ ea. plus 17½%	1¢ ea. plus 17½%	Sweden	(1)
356	Planing-machine, tannery, leather, tobacco, paper- and pulp-mill knives; shear blades; circular cloth, cork, and cigarette cutters; and other knives and blades used in power or hand machines.	20%	10%	Germany	38
	Knives or blades for meat-cutting, slicing, or chopping machines	20%	10%	Germany	9
357	Nail, barbers', and animal clippers and blades therefor:				
	Valued not over 50¢ per dozen	3½¢ ea. plus 45%	1¾¢ ea. plus 22½%	Germany	
	Valued over 50¢ and not over $1.75 per dozen	15¢ ea. plus 45%	7½¢ ea. plus 22½%	Germany	(1)
	Valued over $1.75 per dozen	20¢ ea. plus 45%	10¢ ea. plus 22½%	Germany	20
	Scissors and shears (except pruning and sheep shears) and blades therefor, valued over $1.75 per dozen.	15¢ ea. plus 35%	10¢ ea. plus 22½%	Germany	117

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 3—METALS AND MANUFACTURES OF—continued				*Thous. of dol.*
358	Razors and parts thereof (except safety razors, or safety razor blades, handles, frames):				
	Valued less than 75¢ per dozen	18¢ ea. plus 30%	15¢ ea. plus 15%	Germany	
	Valued 75¢ and less than $1.50 per dozen	25¢ ea. plus 30%	15¢ ea. plus 15%	Germany	
	Valued $1.50 and less than $3 per dozen	30¢ ea. plus 30%	15¢ ea. plus 15%	Germany	
	Valued $3 and less than $4 per dozen	30¢ ea. plus 30%	22½¢ ea. plus 15%	Germany	
	Valued $4 or more per dozen	30¢ ea. plus 30%	22½¢ ea. plus 15%	Germany	109
359	Dental instruments and parts thereof, wholly or in part of metal (except those in chief value of glass):				
	Burrs	35%	22½%	Germany	375
	Hypodermic needles and parts	30% [39]	17½%	Germany	8
	Extraction forceps and parts	30% [39]	17½%	Germany	19
	Other and parts	35%	17½%	Germany	44
360	Instruments, including mathematical apparatus, utensils, appliances, and parts, n. s. p. f., of metals, not plated with gold, silver, or platinum:				
	Laboratory scales, balances, and analytical weights	40%	30%	Germany	124
	Integrators, integraphs, planimeters, and map measures	40%	30%	Germany	21
	"Other"	40%	30%	Germany	121
	Drawing instruments and parts, wholly or in chief value of metal	45%	22½%	Germany	519
	Slide rules wholly or in chief value of synthetic resins	40%	20%	Denmark	[63] 1
361	Slip joint pliers valued not over $2 per dozen	60%	30%	Germany	
363	Swords and sidearms	50%	25%	Germany	8
365	Rifles over $50 each	25%	16¼%	Benelux	168
366	Pistols and revolvers, automatic, single shot, magazine, or revolving, valued over $8 each.	$3.50 ea. plus 55%	$1.75 ea. plus 27½%	Italy	12
	Parts of and fittings for automatic, single-shot, magazine, or revolving pistols and revolvers.	105%	52½%	Italy	1
368 (a)	Clocks and clock movements:				
	Valued not more than $1.10 each:				
	Lever movements of plate and bridge type construction:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	55¢ ea. plus 65%	27½¢ ea. plus 32½%	Germany	1
	More than 4 jewels	27½¢ ea. plus 32½%			(1)
	Over 2 inches in width	55¢ ea. plus 65%			(1)
	Other clocks and clock movements, n. e. s.	55¢ ea. plus 65%			1
	Valued more than $1.10, not more than $2.25 each:				
	Lever movements of plate and bridge type construction:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$1 each plus 65 percent	50¢ ea. plus 32½%	Germany	1
	More than 4 jewels	50¢ ea. plus 32½%			(1)
	Over 2 inches in width	$1 ea. plus 65%			1
	Other clocks and clock movements, n. e. s.	$1 ea. plus 65%			15
	Valued more than $2.25, not more than $5 each:				
	Lever movements of plate and bridge type construction:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$1.50 ea. plus 65%	75¢ ea. plus 32½%	Germany	1
	More than 4 jewels	75¢ ea. plus 32½%			1
	Over 2 inches in width	$1.50 ea. plus 65%			2
	Other clocks and clock movements, n. e. s.	$1.50 ea. plus 65%			20
	Valued more than $5, not more than $10 each:				
	Lever movements of plate and bridge type construction:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$3 each plus 65%	$1.50 each plus 32½%	Germany	1
	More than 4 jewels	$1.50 each plus 32½%			1
	Over 2 inches in width	$3 each plus 65%			23
	Other clocks and clock movements, n. e. s.	$3 each plus 65%			46
	Valued more than $10 each:				
	Lever movements of plate and bridge type construction:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$4.50 each plus 65%	$2.25 each plus 32½%	Germany	1
	More than 4 jewels	$2.25 each plus 32½%			5
	Over 2 inches in width	$4.50 each plus 65%			17
	Other clocks and clock movements, n. e. s.	$4.50 each plus 65%			144
	Jewels contained in clocks and clock movements of plate and bridge type construction, 1 7/100 inches, but not more than 2 inches in width, and having more than 4 jewels.	12½¢ each additional	12½¢ each additional	Germany	
	Jewels, n. e. s.	25¢ each additional	12½¢ each additional	Germany	
368 (c)	Parts of clocks and clock movements:				
	Valued not more than $1.10 each:				
	Pillar or bottom plates:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	27½¢ each plus 32½%	13¾¢ each plus 16¼%	Germany	
	More than 4 jewels	13¾¢ each plus 16¼%			
	Over 2 inches in width	27½¢ each plus 32½%			(1)
	Plates for assembly of all other clocks and clock movements, n. e. s.	27½¢ each plus 32½%			
	Valued more than $1.10, not more than $2.25 each:				
	Pillar or bottom plates:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	50¢ each plus 32½%	25¢ each plus 16¼%	Germany	(1)
	More than 4 jewels	25¢ each plus 16¼%			
	Over 2 inches in width	50¢ each plus 32½%			
	Plates for assembly of all other clocks and clock movements, n. e. s.	50¢ each plus 32½%			
	Valued more than $2.25, not more than $5 each:				
	Pillar or bottom plates:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	75¢ each plus 32½%	37½¢ each plus 16¼%	Germany	(1)
	More than 4 jewels	37½¢ each plus 16¼%			
	Over 2 inches in width	75¢ each plus 32½%			
	Plates for assembly of all other clocks and clock movements, n. e. s.	75¢ each plus 32½%			
	Valued more than $5, not more than $10 each:				
	Pillar or bottom plates:				
	1 7/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$1.50 each plus 32½%	75¢ each plus 16¼%	Germany	(1)
	More than 4 jewels	75¢ each plus 16¼%			
	Over 2 inches in width	$1.50 each plus 32½%			
	Plates for assembly of all other clocks and clock movements, n. e. s.	$1.50 each plus 32½%			

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 3—METALS AND MANUFACTURES OF—continued				*Thous. of dol.*
368 (c)	Parts of clocks and clock movements—Continued				
	Valued more than $10 each:				
	Pillar or bottom plates:				
	1 77/100 inches or more but not over 2 inches in width:				
	Not more than 4 jewels	$2.25 each plus 32½%	$1.12½ each plus 16¼%	Germany	
	More than 4 jewels	$1.12½ each plus 16¼%			
	Over 2 inches in width	$2.25 each plus 32½%			
	Plates for assembly of all other clocks and clock movements, n. e. s.	$2.25 each plus 32½%			
	Parts or pieces of assemblies or subassemblies attached to plates (except plates or jewels).	5¢ each additional	2½¢ each additional	Germany	
	Assemblies or subassemblies consisting of 2 or more parts or pieces, joined or fastened together (except jewels), n. e. s.	3¢ each part or piece plus 65%.	1½¢ each part or piece plus 32½%.	Germany	2
	Jewels in assemblies or subassemblies	25¢ each additional	12½¢ each additional	Germany	
	"Other" parts imported with complete movements (not exceeding in value 1½% of the value of such movements).	45%	22½%	Germany	(1)
	"Other" parts, n. s. p. f. (except jewels)	65%	32½%	Germany	8
368 (d)	Dials for clocks, imported separately	50%	25%	Germany	2
368 (g)	Taximeters	45%	42½%	Sweden	2
	Parts of	45%	42½%	Sweden	2
370	Pleasure boats, sail, steam, or motor propelled, valued not more than $15,000 each:				
	Motor propelled	15%	7½%	Canada	204
	Other	15%	7½%	Canada	93
	Internal combustion motorboat engines:				
	Carburetor type	15%	8¾%	Canada	13
	Other (include Diesel and semi-Diesel), weighing not more than 2,500 pounds each.	15%	8¾%	Canada	1
372	Sewing machines valued not over $10 each	10%	7½%	Germany	51
	Cash registers and parts	15%	12½%	Canada, Sweden	40
	Printing machinery, except for textiles:				
	Printing presses	25%	12½%	Germany, Italy [40]	269
	Parts of	25%	12½%	Germany, Italy [40]	22
	Other, except duplicating machines	25%	12½%	Germany	207
	Parts of	25%	12½%	Germany	43
	Bookbinding machinery and parts	25%	12½%	Canada	13
	Paper box machinery and parts	20%	12½%	Canada	39
	Knitting machines and parts:				
	Full-fashioned hosiery	40%	20%	Germany	
	Parts of	40%	20%	Germany	1
	"Other" (include flat, tricot machines, and warp looms)	27½%	20%	Germany	38
	Parts of	27½%	20%	Germany	43
	Looms:				
	Pile	40%	20%	Germany	1
	Other	40%	20%	Germany	47
	Parts	40%	20%	Germany	58
	Cream separators valued at more than $100 each	25%	12½%	Germany	58
	Parts of	25%	12½%	Germany	11
	Apparatus for generation of acetylene gas from calcium carbide, and parts.	15%	10%	Canada	3
	Other machines, finished or unfinished, n. s. p. f.:				
	Forged steel grinding balls	27½%	13¾%	Germany	
	Carburetor type internal combustion engines	10%	8¾%	Canada	33
	Parts of	10%	8¾%	Canada	17
	"Other" tobacco machinery and parts	15%	13¾%	Sweden	61
	Compressors, air and gas	15%	13¾%	Canada	23
	Parts of	15%	13¾%	Canada	1
	Food preparing and manufacturing machinery and parts, n. e. s.	15%	13¾%	Italy	1
	Brewing machines and parts	15%	13¾%	Canada	1
	Mining machinery and parts	15%	13¾%	Canada	100
	Machines for making paper pulp or paper, and parts of	15%	10%	Canada	426
	Calculating machines and parts specially constructed for multiplying and dividing, not having an electric motor as an essential feature.	15%	12½%	Sweden	86
	"Other" wrapping and packaging machinery and parts (include cigar bunching and cigarette packaging and wrapping machines).	15%	13¾%	Canada	153
	Sawmill and other woodworking machines and parts:				
	Reciprocating gang-saw machines	15%	13¾%	Canada	
	Parts of	15%	13¾%	Canada	5
	Other and parts	15%	13¾%	Canada	424
	Machinery and parts, n. e. s.	15%	13¾%	Canada, Germany	3,639
374	Aluminum metal and alloys, crude	2¢ lb	1½¢ lb	Canada	21,569
377	Bismuth	3¾%	1⅞%	Peru	834
380	German silver, or nickel silver, unmanufactured	20% [34]	10% [34]	Canada	
382 (a)	Bronze powder not of aluminum	14¢ lb	10¢ lb	Germany	14
	Aluminum bronze powder and powdered foil	12¢ lb	6¢ lb	Germany	12
388	Types, new	30%	15%	Germany	89
389	Nickel tubes or tubing:				
	Not cold-rolled, cold-drawn, or cold-worked	12½%	6¼%	Canada	
	Cold-rolled, cold-drawn, or cold-worked	17½%	8¾%	Canada	(1)
390	Bottle caps of metal, collapsible tubes, and sprinkler tops (except screw caps and patented closures):				
	Not decorated, enameled, plated, or embossed	15%	12½%	France	7
	Decorated, enameled, plated, or embossed	20%	17½%	Benelux	60
391	Lead, contained in lead-bearing ores, flue dust, and mattes of all kinds, not actually recovered (except lead contained in copper, gold, or silver ores or copper mattes).	1½¢ lb. [41]	¾¢ lb. [41]	Canada, Peru	
	Lead ores, flue dust, nes, and mattes	1½¢ lb. [41]	¾¢ lb. [41]	Canada, Peru	34,526
	Flue dust or fume containing lead and zinc, and other minerals or metals.	1½¢ lb. [41]	¾¢ lb. [41]	Canada, Peru	
392	Lead:				
	Bullion or base bullion	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	376
	Pigs and bars	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	80,048
	Reclaimed, scrap, dross, and lead, nes (except antimonial lead)	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	4,004
	Type metal and antimonial lead	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	2,256
	Babbitt metal and solder	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	269
	Alloys and combinations of lead, n. s. p. f.:				
	In chief value of lead	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	5
	Not in chief value of lead (include leady antimony and white metal).	2⅛¢ lb. [41]	1 1/16¢ lb. [41]	Canada, Peru	190
	Pipe, sheets, shot, glaziers' and wire	2⅜¢ lb.	1 5/16¢ lb.	Canada, Peru	101

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 3—METALS AND MANUFACTURES OF—continued				*Thous. of dol.*
393	Zinc-bearing ores (except pyrites containing not more than 3% zinc)	¾¢ lb.[42]	⅜¢ lb.[42]	Canada, Peru	16,008
	Zinc contained in zinc-bearing ores, nes, not recoverable	¾¢ lb.[42]	⅜¢ lb.[42]	Canada, Peru	
394	Zinc in blocks, pigs or slabs	⅞¢ lb.	7/10¢ lb.	Canada, Peru	29,341
	Zinc dust	⅞¢ lb.	7/10¢ lb.	Canada, Peru	4
395	Embossing rollers of metal	30%	15%	Germany	19
396	Bit braces	45%	22½%	Germany	658
	Pipe tools, wrenches, spanners, screw-drivers, vises, hammers and parts, of metal.	45%	22½%	Germany	26
	Calipers, rules, micrometers, and parts, of metal	45%	22½%	Germany	85
	Folding rules of aluminum and parts	65%[43]	32½%	Germany	
397	Articles or wares, n. s. p. f., whether partly or wholly manufactured:				
	Plated with platinum, but not in chief value thereof	65%	32½%	France	(1)
	Composed wholly or in chief value of iron, steel, lead, copper, brass, nickel, pewter, zinc, aluminum, or other metal, but not plated with platinum, gold, or silver, or colored with gold lacquer:				
	Lead rivets, nuts, washers, and screws, having shanks, threads, or holes not over 0.24-inch in diameter.	2¢ lb.; 15% min.; 30% max	2¢ lb.; 15% min.; 30% max	Germany	
	Lead manufactures, n. s. p. f.	2¢ lb.; 15% min.; 45% max	2¢ lb.; 15% min.; 30% max	Germany	29
	Wire fencing and netting composed of wires smaller than 5/100-inch, not smaller than 3/100-inch in diameter, if coated with zinc or metal before weaving.	30%	25%	Germany	
	Tin manufactures, n. s. p. f.	22½%	12%	France	25
	Tin plate manufactures, n. s. p. f:				
	Containers	22½%	12%	France	76
	Other	22½%	12%	France	88
	Heating and cooking stoves, n. s. p. f., and parts	22½%	12½%	Canada	8
	Styluses	22½%	11¼%	Canada	
	Blow torches and incandescent lamps operated by compressed air and kerosene or gasoline.	22½%	12½%	Sweden	4
	Parts of carbonated water siphons (except of lead, tin, and tin plate).	22½%	12½%	France	(1)
	SCHEDULE 4—WOOD AND MANUFACTURES OF				
404	Hardwood flooring:				
	Spanish cedar	5% plus $1.50 M bd. ft. I. R. tax.	5% plus 75¢ M bd. ft. I. R. tax.	Dominican Republic.	
	Lignum-vitae	7½% plus $3 M bd. ft. I. R. tax.	7½% plus $1.50 M bd. ft. I. R. tax.	Dominican Republic.	
	Lancewood, ebony, and boxwood	7½% plus $3 M bd. ft. I. R. tax.	7½% plus $1.50 M bd. ft. I. R. tax.	Dominican Republic.	
	Granadilla, rosewood, and satinwood	5% plus $1.50 M bd. ft. I. R. tax.	5% plus 75¢ M bd. ft. I. R. tax.	Dominican Republic.	
	Mahogany	5% plus $1.50 M bd. ft	5% plus 75¢ M bd. ft	Dominican Republic,	
	Plywood:				
405	Birch	20%	15%	Canada	1,969
	Parana pine	40%	25%	Brazil	25
	Other (except plywood of alder, red pine, and Spanish cedar and plywood with face ply of Western red cedar).	40%	20%	Benelux, Canada, and France.[44]	[45] 194
406	Blocks or sticks, heading and stave bolts, hubs for wheels, rough hewn, shaped, sawed or bored.	5%	2½%	Canada	246
407	Beer barrels or kegs, empty, of wood	15%	7½%	Canada	
	Packing boxes, empty, and packing box shooks of wood, n. s. p. f.	15%	3¾%[3]	Canada	295
411	Baskets and bags of willow (osier)	50%	25%	Benelux	697
412	Wood moldings and carvings to be used in architectural and furniture decoration.	40%	20%	Germany	7
	Paint-brush handles of wood	15%	10%	Canada	203
412	Manufactures wholly or in chief value of wood or bark, n. s. p. f.:				
	Broom and mop handles, not less than ¾ inch in diameter, not less than 38 inches long.	15%	10%	Canada	115
	Canoes and canoe paddles	15%	10%	Canada	8
	Horse-drawn carriages, drays, trucks, and other horse-drawn vehicles and parts.	16⅔%	10%	Canada	2
	Ice hockey sticks	15%	10%	Canada	26
	Toboggans	15%	10%	Canada	3
	SCHEDULE 5—SUGAR, MOLASSES, AND MANUFACTURES OF				
501	Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75 sugar degrees, and all mixtures containing sugar and water, testing by the polariscope above 50 sugar degrees and not above 75 sugar degrees.	0.4709375¢ lb.[34]	0.428125¢ lb.[34 46]	Dominican Republic, Peru.	[46] 5,349
	And for each additional sugar degree shown by the polariscopic test.	0.0103125¢ lb. additional for each sugar degree, and fractions of a degree in proportion.	0.009375¢ lb. additional for each sugar degree, and fractions of a degree in proportion.[46]	Dominican Republic, Peru.	
	Note: Computed rate for 96 degree sugar	0.6875¢ lb	0.625¢ lb		
502	Molasses and sugar sirups, n. s. p. f., containing soluble nonsugar solids equal to 6 percent or less of the total soluble solids, testing not above 48 per centum total sugars.	0.155¢ gal.[34]	0.135¢ gal.[34 47]	Dominican Republic.	[46] 23
	And for each additional per centum total sugars	0.1705¢ gal. additional for each 1%, and fractions of 1% in proportion.	0.151¢ gal. additional for each 1%, and fractions of 1% in proportion.[47]	Dominican Republic.	
	Note: Computed rate for 75% total sugars	4.7585¢ gal	4.212¢ gal		
	SCHEDULE 6—TOBACCO AND MANUFACTURES OF				
601	Cigarette leaf tobacco, unstemmed (other than smoke-cured tobacco having the flavor and aroma characteristic of smoke-cured Latakia leaf tobacco).	20¢ lb	15¢ lb	Turkey	45,345
605	Cigars and cheroots	$4.20 lb. plus 25%	$2.25 lb. plus 12½%	Benelux	[46] 5

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 7—AGRICULTURAL PRODUCTS AND PROVISIONS				*Thous. of dol.*
701	Beef and mutton tallow:				
	Edible	¼¢ lb. plus 1½¢ lb. I. R. tax.	⅛¢ lb. plus ¾¢ lb. I. R. tax	Canada	(1)
	Inedible	¼¢ lb. plus 1½¢ lb. I. R. tax.	⅛¢ lb plus ¾¢ lb. I. R. tax	Canada	104
702	Sheep and lambs	$3 head	75¢ head [3]	Canada	791
704	Reindeer meat, fresh, chilled, or frozen, n. s. p. f.	6¢ lb	3¢ lb	Norway	
706	Meats, fresh, chilled or frozen, n. s. p. f. (except edible offal)	6¢ lb.; 20% min	3¢ lb.; 10% min	Canada	7
707	Cream	20¢ gal.,[48] 56.6¢ gal.[49]	15¢ gal.[48] 56.6¢ gal.[49]	Canada	
708 (c)	Malted milk and compounds, or mixtures of, or substitutes for, milk or cream.	35%	17½%	Canada	(1)
710	Cheese:				
	Romano in original loaves made from cows' milk	5¢ lb.; 25% min.[8]	5¢ lb.; 20% min	Italy	[65] 1,600
	Pecorino in original loaves not suitable for grating	5¢ lb.; 25% min.[8]	5¢ lb.; 20% min	Italy	[65] 200
	Reggiano in original loaves	5¢ lb.; 25% min	5¢ lb.; 20% min	Italy	[65] 500
	Parmesano in original loaves	5¢ lb.; 25% min	5¢ lb.; 20% min	Italy	[65] 11
	Provoloni in original loaves	5¢ lb.; 25% min	5¢ lb.; 20% min	Italy	[65] 535
	Provolette	5¢ lb.; 25% min	5¢ lb.; 20% min	Italy	[65] 21
	Cheddar, not processed otherwise than by division into pieces	3½¢ lb.; 17½% min	3¢ lb.; 15% min	Canada	964
	Edam and Gouda:				
	Containing 40 percent or more of butterfat	3½¢ lb.; 15% min	3¢ lb.; 15% min	Benelux	395
	Other	5¢ lb.; 25% min	5¢ lb.; 20% min	Benelux	2
	"Other" cheese and substitutes for cheese	5¢ lb.; 25% min	5¢ lb.; 20% min	Italy, Norway	[65] 1,100
711	Bob White quail, valued $5 or less each	50¢ ea	25¢ ea	Benelux	(1)
	Game birds, other than Bob White quail, valued over $2.50 and not over $5 each.	10%	25¢ ea	Benelux	2
	Song birds, valued $5 or less each	50¢ ea	25¢ ea	Benelux, Germany	204
	Other birds n. s. p. f., valued over $2.50 and not over $5 each	10%	25¢ ea	Benelux	2
714	Horses, other than for breeding, and not for immediate slaughter:				
	Valued not over $150 per head	$10 head	$7.50 head	Canada	154
	Valued over $150 per head	15%	8¾%	Canada	174
717 (a)	Mackerel, fresh, whole or beheaded, or eviscerated, or both	¾¢ lb	½¢ lb	Canada	65
718 (a)	Fish, prepared or preserved in any manner, when packed in oil or oil and other substances:				
	Bonito and yellow tail:				
	Valued not over 9 cents per pound [51]	30½%	22%	Peru	2
	Valued over 9 cents per pound [51]	21%	15%	Peru	3,015
	Sardines neither skinned nor boned, but smoked before canning, valued over 18 not 23 cents per pound.[51]	20%	15%	Norway	[65] 6
	Anchovies, valued not over 9 cents per pound [51]	22% [8]	22%	Italy	2
	Antipasto, valued not over 9 cents per pound [51]	44%	22%	Italy	(1)
718 (b)	Fish not in oil or in oil and other substances, in airtight containers weighing, with contents, not over 15 pounds each:				
	Salmon	25%	15%	Canada	255
	Sardines in immediate containers weighing, with contents, less than 8 ounces.	12½%	10%	Norway	[65] 306
	"Other" sardines and "other" herring (include snacks, tidbits, rollmops, sprats).	12½%	6¼%	Norway	[65] 949
	Fish cakes, balls, and pudding	12½%	6¼%	Norway	184
719 (4)	Herring, pickled or salted (include sprats, pilchards, and anchovies):				
	In containers, not airtight, weighing, with contents, not more than 15 pounds each.	15%	12½%	Benelux	
	In containers, weighing, with contents, more than 15 pounds each and containing each not more than 10 pounds of herring.	½¢ lb.[52]	⅜¢ lb.[52]	Benelux	181
720 (a) (2)	Herring, smoked or kippered (except hard-dry smoked), whole or beheaded, not packed in oil or in oil and other substances and not packed in airtight containers weighing, with contents, 15 pounds or less each.	1¢ lb	⅝¢ lb	Norway	23
720 (a) (6)	"Other" fish, smoke or kippered, not in oil or in oil and other substances and not packed in airtight containers, weighing with contents not more than 15 pounds each.	10%	6¼%	Norway	8
721 (b)	Razor clams, canned	10%	7½%	Canada	13
	Clam chowder, clam juice, and clam juice in combination with other substances.	35%	17½%	Canada	4
721 (c)	Fish paste and fish sauce	15%	10%	Norway	51
721 (d)	Caviar and other fish roe (except sturgeon):				
	Not boiled or not packed in airtight containers	10¢ lb	5¢ lb	Canada	67
	Boiled and packed in airtight containers	15%	7½%	Norway	29
724	Hybrid seed corn (or maize), certified	25¢ bu. (56 lbs.)	12½¢ bu. (56 lbs.)	Canada	[65] 323
726	Oatmeal, rolled oats, oat grits, and similar oat products	10%; 40¢ per 100 lbs. min.; 80¢ per 100 lbs. max.	10%; 20¢ per 100 lbs. min.; 80¢ per 100 lbs. max.	Canada	14
	Oats, unhulled, ground	25¢ per 100 lbs	12½¢ per 100 lbs	Canada	4
728	Rye malt	30¢ per 100 lbs	22½¢ per 100 lbs	Canada	
	Rye flour and meal	30¢ per 100 lbs	22½¢ per 100 lbs	Canada	(1)
730	Mixed feeds	5%	2½%	Canada	58
	Dogfood, unfit for human consumption, canned and dried, containing grain products.	5%	2½%	Canada	(1)
732	Cereal breakfast foods and preparations, n. s. p. f.	10%	5%	Canada	23
736	Blueberries:				
	Frozen	10%	8¾%	Canada	610
	Otherwise prepared or preserved, n. s. p. f.	10%	8¾%	Canada	1
740	Figs, fresh, dried, or in brine:				
	Valued less than 7¢ pound	3¢ lb	2½¢ lb	Turkey	1
	Valued 7 cents or more per pound	3¢ lb	2½¢ lb	Turkey	588
742	Grapes (except hothouse), imported for consumption July 1 to the following Feb. 14, inclusive.	17½¢ cu. ft	12½¢ cu. ft	Canada	227
	Raisins made from seedless grapes:				
	Sultana	1½¢ lb	1¢ lb	Turkey	8
	Other	1½¢ lb	1½¢ lb	Turkey	
752	Cantaloups, imported for consumption Aug. 1 to Sept. 15, inclusive.	25%	20%	Canada	2
	Candied, crystallized, or glace apricots, figs, dates, peaches, pears, plums, prunes, prunelles, berries, and other fruits, n. s. p. f.	15%	12½%	France	8
	Guavas in brine, pickled, dried, desiccated or evaporated	31%	17½%	Dominican Republic.	1
	Bananas (except dried, desiccated, or evaporated), plantains, papayas, cashew apples, mameyes colorados, sweetsops, soursops, and sapodillas, in brine, pickled, dried, desiccated, evaporated, or otherwise prepared or preserved, n. s. p. f.	31%	17½%	Dominican Republic.	30
	Mixtures of 2 or more fruits, prepared or preserved	21%	17½%	Dominican Republic.	

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 7—AGRICULTURAL PRODUCTS AND PROVISIONS—continued				*Thous. of dol.*
753	Bulbs, bulb roots, or corms, cultivated for flowers or foliage:				
	Tulip bulbs	$3 M	$2 M	Benelux	3,760
	Lily bulbs	$6 M	$4.50 M	Benelux	412
	Narcissus bulbs	$5 M	$3 M	Benelux	1,093
	Lily of the valley pips	$6 M	$3 M	Denmark, Germany	57
	Bulbs, roots, rootstocks, clumps, corms, etc., n. e. s.	10%	7½%	Benelux	1,733
	Orchids, cut, fresh, dried, prepared, or preserved	25%	12½%	Denmark	25
754	Seedlings and cuttings of Manetti, multiflora, and brier rose, rugosa, and other rose stock 3 years old or less.	$1 M	50¢ M	Benelux	12
756	Chestnuts, including marrons, candied or prepared or preserved in any manner (include dried and peeled chestnut kernels).	8¢ lb	6¼¢ lb	Italy	54
757	Shelled filberts	8¢ lb	8¢ lb	Turkey	1,543
762	Sunflower seed	2¢ lb	1¢ lb	Canada	26
763	Grass and other forage crop seeds:				
	Vetch, other than hairy vetch	1½¢ lb	1¢ lb	Turkey	389
	Kentucky bluegrass seed	2¢ lb	1¼¢ lb	Denmark	17
764	Garden and field seeds:				
	Beet (except sugar beet) (include Swiss chard)	2¢ lb	1½¢ lb	Benelux	2
	Cabbage	5¢ lb	3¢ lb	Benelux, Denmark	51
	Canary	½¢ lb	¼¢ lb	France, Turkey	595
	Carrot	3¢ lb	1½¢ lb	Benelux	(1)
	Cauliflower	25¢ lb	12½¢ lb	Benelux, Denmark	68
	Kale	2¢ lb	1½¢ lb	Benelux	12
	Kohlrabi	5¢ lb	4¢ lb	Benelux, Denmark	3
	Parsley	2¢ lb	1¢ lb	France	(1)
	Parsnip	3¢ lb	2¢ lb	Benelux	5
	Radish	2¢ lb	1½¢ lb	Benelux	94
	Spinach	½¢ lb	¼¢ lb	Benelux	247
	Turnip, other than rutabaga	2¢ lb	1½¢ lb	Benelux	176
	Rutabaga	2¢ lb	1½¢ lb	Benelux, Denmark	15
	Flower	3¢ lb	1½¢ lb	Benelux, Denmark	336
	Seeds, n. s. p. f. (except sesbania seed)	2¢ lb	1½¢ lb	Benelux	186
766	Beets, fresh (other than sugar beets)	10%	5%	Canada	28
768	Mushrooms, canned, or otherwise prepared or preserved (except dried).	5¢ lb.[53] plus 15%	4¢ lb.[53] plus 12½%	France	225
770	Onion sets	2½¢ lb	1¼¢ lb	Canada	(1)
774	Vegetables in their natural state:				
	Cauliflower, imported for consumption Aug. 6 to Oct. 15, inclusive.	25%	12½%	Canada	(1)
	Radishes, imported for consumption, Sept. 1 to following June 30, inclusive.	25%	12½%	Canada	(1)
	Horseradish, crude	3¢ lb	1½¢ lb	Sweden	25
775	Cucumbers, pickled	25%	17½%	Benelux	161
	Onions, pickled or packed in salt or in brime	15%	12½%	Benelux	264
777 (a)	Cocoa, unsweetened	1¢ lb.[52]	¾¢ lb.[52]	Benelux	2,079
	Chocolate, unsweetened	1¢ lb.[52]	¾¢ lb.[52]	Benelux, Dominican Republic.	1,563
777 (b)	Cocoa, sweetened, valued 10 cents or more per pound	15%	10%	Benelux	4
	Chocolate, sweetened:				
	In bars or blocks weighing 10 pounds or more each	1½¢ lb	1¢ lb	Benelux, Dominican Republic.	17
	In any other form, whether or not prepared, and valued at 10 cents or more per pound.	15%	10%	Benelux, Dominican Republic.	370
780	Hop extract	$2.40 lb	$1.20 lb	Benelux	
781	Mustard seed, whole	1¼¢ lb	⅞¢ lb	Canada, Denmark	665
	Marjoram leaves, in glass or other small packages	25%	12½%	France	1
783	Raw cotton (except linters):				
	Staple 1⅛ or more, but less than 1¼ inches	3½¢ lb	3½¢ lb.[54]	Peru	25
	Staple 1¼ or more, but less than 1½ inches	3½¢ lb	3½¢ lb.[54]	Peru	2,330
	Staple 1½ or more, but less than 1 11/16 inches	3½¢ lb	3½¢ lb.[54]	Peru	5,182
	Staple 1 11/16 inches and over	3½¢ lb	1¾¢ lb	Peru	1,692
	SCHEDULE 8—SPIRITS, WINES AND OTHER BEVERAGES				
802	Whiskey (except Scotch, Scotch type, Irish, and Irish type):				
	Aged in wooden containers at least 4 years prior to entry:				
	In containers holding each 1 gallon or less (in cases)	$1.50 pf. gal	$1.25 pf. gal	Canada	[65] 24,684
	In containers holding each more than 1 gallon (in casks or barrels).	$1.50 pf. gal	$1.25 pf. gal	Canada	[65] 1,564
	Other	$1.50 pf. gal	$1.25 pf. gal	Canada	[65] 156
	Arrack	$5 pf. gal	$2.50 pf. gal	Benelux	(1)
803	Champagne and all other sparkling wines, valued not more than $6 per gallon.	$2 gal	$1.50 gal	France	418
804	Still wines containing not more than 24% alcohol:				
	Still wines (except vermouth) produced from grapes:				
	Containing 14% or less of alcohol:				
	In containers holding each 1 gallon or less	40¢ gal	37½¢ gal	France, Germany	3,528
	In containers holding each more than 1 gallon	75¢ gal	62½¢ gal	France	14
	Containing more than 14%, but not more than 24% of alcohol:				
	Marsala-type in containers holding each 1 gallon or less	$1.25 gal	62½¢ gal	Italy	[65] 81
	"Other," n. e. s. (including ginger wine or ginger cordial):				
	In containers holding each 1 gallon or less	62½¢ gal	62½¢ gal	Denmark	151
	In containers holding each more than 1 gallon	62½¢ gal	62½¢ gal	Denmark	1
805	Liquid malt, malt sirup, and fluid malt extracts, n. e. s.:				
	For use in baking, manufacturing, etc	$1 gal	50¢ gal	Benelux, Canada	
	Other	$1 gal	50¢ gal	Benelux	
	Malt extract, solid or condensed:				
	For use in baking, manufacturing, etc	60%	30%	Benelux	
	Other	60%	30%	Benelux, Canada	
806 (a)	Grape juice, grape sirup, and similar grape products:				
	Containing or producing less than 1% alcohol	70¢ gal	45¢ gal	Canada	(1)
	Containing or producing 1% or more alcohol	70¢ gal. plus $5 pf. gal.[55]	45¢ gal. plus $2.50 pf. gal.[55]	Canada	

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 9—COTTON MANUFACTURES				*Thous. of dol.*
907	Filled or coated cotton cloths, n. s. p. f.	12½%	10%	Benelux	22
909	Cotton twill-back velveteens, in the piece, cut or uncut:				
	Valued less than 65 cents per square yard	25¢ sq. yd.; 25% min.; 44% max.	25¢ sq. yd.; 22½% min.; 44% max.	Italy	152
	Valued 65 cents or more per square yard				
911 (a)	Cotton blankets and blanket cloth, napped or unnapped:				
	Not Jacquard-figured:				
	Blankets	30%; 14¼¢ lb. min	15%; 7⅛¢ lb. min	Germany	1
	Blanket cloth	30%; 14¼¢ lb. min	15%; 7⅛¢ lb. min	Germany	
	Jacquard-figured:				
	Blankets	45%	30%	Benelux	(1)
	Blanket cloth	45%	30%	Benelux	(1)
911 (b)	Polishing, dust, and mop-cloths, wholly or in chief value of cotton, not pile fabric.	15%	12½%	Benelux	11
912	Miscellaneous articles of cotton, or cotton and rubber:				
	Fabrics with fast edges, not exceeding 12 inches in width, and articles made from them, n. s. p. f.	35%	17½%	Germany	11
	Garters, suspenders, and braces	20%	17½%	France	3
	Loom harness, healds, and collets of vegetable fiber	35%	17½%	Canada, France	
	Labels, for garments or other articles of vegetable fiber	15%	12½%	Benelux	1
916 (b)	Hose and half-hose, made or cut from knitted fabric of vegetable fiber, n. s. p. f.	30%	15%	France	5
923	Manufactures, wholly or chief value of cotton, n. s. p. f.:				
	Terry-woven towels valued 45 cents or more each	22½¢ lb.; 20% min.; 35% max.	22½¢ lb.; 15% min.; 35% max.	Benelux	4
	"Other" articles and manufactures of cotton n. s. p. f. (except articles of pile construction).	40%	30%	Austria	[55] 550
	SCHEDULE 10—FLAX, HEMP, JUTE, AND MANUFACTURES OF				
1001	Unmanufactured flax:				
	Straw	$1.50 ton	75¢ ton	Canada	21
	Tow	½¢ lb	¼¢ lb	Canada	224
1017	Wearing apparel of vegetable fiber other than cotton, n. s. p. f. (not including shirt collars and cuffs of flax).	20%	17½%	France	21
1021	Carpets, carpeting, mats, matting, and rugs, wholly or in chief value of flax or hemp, or a mixture of them, or a mixture of either or both with jute.	17½%	17½%	Benelux	70
	SCHEDULE 11—WOOL AND MANUFACTURES OF				
1102 (b)	Hair of the alpaca, llama, and vicuna:				
	In the grease	18¢ lb.[59]	9¢ lb.[59]	Peru	258
	On the skin	16¢ lb.[59]	8¢ lb.[59]	Peru	
	Washed	18¢ lb.[59]	9¢ lb.[59]	Peru	1,212
	Sorted, or matchings, if not scoured	19¢ lb.[59]	9¾¢ lb.[59]	Peru	2
	Scoured	21¢ lb.[59]	10½¢ lb.[59]	Peru	24
1105 (a)	Garnetted wool waste	14½¢ lb	12½¢ lb	Benelux	24
	Wool noils, carbonized	17¢ lb	16¢ lb	Benelux	222
	Wool thread or yarn waste	11½¢ lb	10¢ lb	Benelux	2,362
	Wool card or burr waste, not carbonized	10½¢ lb	9¢ lb	Benelux	349
	Wool wastes, n. s. p. f.	10½¢ lb	9¢ lb	Benelux	111
1106	Tops of hair (include camel's hair, mohair, wool, alpaca, and vicuna tops).	27¾¢ lb plus 12½%	27¾¢ lb. plus 6¼%	Benelux	3,024
	Other wool, advanced, but not further advanced than roving	27¾¢ lb. plus 12½%	27¾¢ lb. plus 6¼%	Benelux	105
1107	Yarns of wool and other hair (including mohair yarns, but excluding yarns of Angora rabbit hair):				
	Valued not over 60¢ per pound	30¢ lb. plus 20%	30¢ lb. plus 15%	Germany	(1)
	Valued over 60¢, not over $1 per pound	30¢ lb. plus 20%	30¢ lb. plus 15%	Germany	28
	Valued over $1, not over $1.50 per pound	30¢ lb. plus 20%	30¢ lb. plus 15%	Germany	66
	Valued over $1.50 per pound	30¢ lb. plus 20%	30¢ lb. plus 15%	Germany	3,243
1109 (a)	Green billiard cloths in the piece, weighing more than 11 ounces but not more than 15 ounces per square yard, wholly of wool:				
	Valued not over $1.25 per pound	37½¢ lb. plus 25%	37½¢ lb. plus 20%	Benelux	(1)
	Valued over $1.25, not over $2 per pound	37½¢ lb. plus 25%	37½¢ lb. plus 20%	Benelux	
	Valued over $2 per pound	37½¢ lb. plus 25%	37½¢ lb. plus 20%	Benelux	120
1109 (b)	Felts, belts, etc., woven, for machines:				
	Valued not over $1.25 per pound	37½¢ lb. plus 20%	37½¢ lb. plus 15%	France	
	Valued over $1.25, not over $2 per pound	37½¢ lb. plus 20%	37½¢ lb. plus 15%	France	1
	Valued over $2 per pound	37½¢ lb. plus 20%	37½¢ lb. plus 15%	France	3
1111	Blankets, hand-woven, not exceeding 3 yards in length, plain or embroidered:				
	Valued not over $1 per pound	30¢ lb. plus 36%	30¢ lb. plus 30%	Peru	1
	Valued over $1, not over $1.50 per pound	33¢ lb. plus 37½%	30¢ lb. plus 30%	Peru	(1)
	Valued over $1.50 per pound	40¢ lb. plus 40%	30¢ lb. plus 30%	Peru	5
	Carriage and automobile robes, steamer rugs, etc., made as units or in the piece, handwoven, finished or unfinished, not exceeding 3 yards in length, plain or embroidered:				
	Valued not over $1 per pound	30¢ lb. plus 36%	30¢ lb. plus 30%	Peru	(1)
	Valued over $1, not over $1.50 per pound	33¢ lb. plus 37½%	30¢ lb. plus 30%	Peru	(1)
	Valued over $1.50 per pound	40¢ lb. plus 40%	30¢ lb. plus 30%	Peru	2
1114 (d)	Outerwear and other articles of wool, knit or crocheted, n. s. p. f., valued over $5 per pound.	37½¢ lb. plus 20%	37½¢ lb. plus 20%	Austria	3,752
1116 (a)	Oriental, Axminster, Savonnerie, Aubusson, and other carpets and carpeting, mats, rugs, art squares, etc., not made on a power-loom, if wholly or in chief value of hair of the alpaca, llama, guanaco, huarizo, suri, misti, or a combination of the hair of two or more of these species.	15¢ sq. ft.; 22½% min	12½¢ sq. ft.; 11¼% min	Peru	[62] 3
1116 (b)	Oriental weave carpets, rugs, etc., of wool, produced on a power-driven loom.	30%	25%	Benelux	136
1117 (a)	Carpets, rugs, mats, etc., and parts of:				
	Valued not over 40 cents per square foot:				
	Axminster, n. s. p. f.	30%	25%	Benelux	24
	Wilton	40%	25%	Benelux	188
	Brussels	30%	25%	Benelux	18
	Velvet and tapestry	30%	25%	Benelux	165
	Carpets and rugs of like character (except Wilton), n. s. p. f.	30%	25%	Benelux	65
	Valued over 40 cents per square foot:				
	Axminster, n. s. p. f.	30%	25%	Benelux	119
	Wilton	30%	25%	Benelux	2,762
	Brussels	30%	25%	Benelux	22
	Velvet and tapestry	30%	25%	Benelux	93
	Carpets and rugs of like character	30%	25%	Benelux	608

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 11—WOOL AND MANUFACTURES OF—continued				*Thous. of dol.*
1117 (c)	Floor coverings, including mats and druggets, n. s. p. f., valued at more than 40 cents per square foot, wholly or in chief value of hair of the alpaca, llama, guanaco, huarizo, suri, misti, or any combination of them.	40%	30%	Peru	
1119	Tapestry and upholstery goods of wool (not including pile fabrics) weighing over 4 ounces per square yard:				
	Valued not over 80 cents per pound	37½¢ plus 25%	37½¢ lb. plus 22½%	Austria	(1)
	Valued over 80 cents, not over $1.25 per pound	37½¢ plus 25%	37½¢ lb. plus 22½%	Austria	
	Valued over $1.25, not over $2.00 per pound	37½¢ lb. plus 25%	37½¢ lb. plus 22½%	Austria	(1)
	Valued over $2 per pound	37½¢ lb. plus 25%	37½¢ lb. plus 17½%	Austria	39
	SCHEDULE 12—SILK MANUFACTURES				
1202	Spun silk or schappe silk yarn, or yarn of silk and rayon or other synthetic textile, and roving:				
	Singles:				
	Not bleached, dyed, or colored	40%	25%	Benelux, Italy	47
	Bleached, dyed, or colored	50%	30%	Benelux, Italy	8
	Plied:				
	Not bleached, dyed, or colored	50%	30%	Benelux, Italy	
	Bleached, dyed, or colored	50%	30%	Benelux	3
1203	Thrown silk not more advanced than singles, tram, or organzine	20%	10%	Canada	507
1204	Sewing silk, twist, floss, and silk threads or yarns, n. s. p. f.	40%	20%	Canada	10
1205	Woven fabrics, wholly of silk, or silk-mixed:				
	Exceeding 30 inches in width:				
	Jacquard-figured:				
	In the gray	65%	32½%	Italy	(1)
	Bleached, printed, piece-dyed, or yarn-dyed, if silk-mixed and valued over $5 per pound.	35%	32½%	Italy	114
	Not jacquard-figured:				
	Bleached, printed, piece-dyed, or yarn-dyed, if silk-mixed:				
	Valued $5 or less per pound	55%	27½%	Italy	6
	Valued over $5 per pound	30%	27½%	Italy	46
	Not exceeding 30 inches in width (includes umbrella silk or Gloria cloth), bleached, printed, dyed, or colored, if silk-mixed and valued over $5 per pound:				
	Not jacquard-figured	30%	27½%	Italy	21
	Jacquard-figured	35%	32½%	Italy	104
1207	Fabrics with fast edges of silk, not over 12 inches wide, and articles made therefrom:				
	Jacquard-figured:				
	Ribbons	25%	22½%	France	(1)
	Bandings, beltings, bindings, etc.	25%	22½%	France	
	Garters, suspenders, and braces	20%	17½%	France	(1)
	Not jacquard-figured:				
	Ribbons	25%	22½%	France	13
	Bandings, beltings, bindings, etc.	25%	22½%	France	3
	Garters, suspenders, and braces	20%	17½%	France	1
	Tubings	25%	22½%	France	32
	Cords and tassels	25%	22½%	France	(1)
1208	Knit fabric of silk in the piece	30%	27½%	France	36
1210	Silk wearing apparel, not knit or crocheted, not embroidered or of lace.	35%	32½%	France	1,277
1211	Other manufactures wholly or in chief value of silk, n. s. p. f.	35%	32½%	Italy	120
	SCHEDULE 13—MANUFACTURES OF RAYON OR OTHER SYNTHETIC TEXTILE				
1301	Yarns of rayon or other synthetic fiber:				
	Having not more than 20 turns twist per inch:				
	Singles, weighing per length of 450 meters:				
	Less than 150 deniers	27½%; 32½¢ lb. min	25%; 27½¢ lb. min	Benelux	203
	Plied, weighing per length of 450 meters:				
	150 deniers or more	25%; 27½¢ lb. min	25%; 25¢ lb. min	Benelux	(1)
	Less than 150 deniers	30%; 37½¢ lb. min	27½%; 32½¢ lb. min	Benelux	1
	Having more than 20 turns twist per inch:				
	Singles, weighing per length of 450 meters:				
	Less than 150 deniers	27½%; [60] 32½¢ lb. min.[60]	25%; [60] 27½¢ lb. min.[60]	Benelux	
	Plied, weighing per length of 450 meters:				
	150 deniers or more	25%; [60] 27½¢ lb. min.[60]	25%; [60] 25¢ lb. min.[60]	Benelux	
	Less than 150 deniers	30%; [60] 37½¢ lb. min.[60]	27½%; [60] 32½¢ lb. min.[60]	Benelux	(1)
1302	Filaments of rayon or other synthetic textile, not exceeding 30 inches in length other than waste (whether known as cut fiber, staple fiber, or by any other name).	20%	15%	Benelux	4,841
1304	Yarns of rayon or other synthetic textile, put up for handwork	30%; 27½¢ lb. min	27½%; 25¢ lb. min	France	(1)
	Sewing thread of rayon or other synthetic textile	30%; 27½¢ lb. min	27½%; 25¢ lb. min	France	(1)
1305	Rayon or other synthetic textile in bands or strips not exceeding 1 inch in width, suitable for manufacture of textiles.	25%; 27½¢ lb. min	25%; 25¢ lb. min	France	20
1306	Woven fabrics in the piece of rayon and other synthetic textile, n. s. p. f.:				
	Valued not more than $4 per pound:				
	Not Jacquard-figured	27½¢ lb. plus 45%	25¢ lb. plus 22½%	France, Italy	195
	Jacquard-figured	27½¢ lb. plus 45%	25¢ lb. plus 22½%	France, Italy	15
	Valued more than $4 per pound:				
	Not Jacquard-figured	27½¢ lb. plus 22½%	25¢ lb. plus 22½% [61]	France	138
	Jacquard-figured	27½¢ lb. plus 22½%	25¢ lb. plus 22½% [61]	France	49
1308	Fabrics with fast edges of rayon or other synthetic textile not over 12 inches wide and articles made therefrom:				
	Ribbons:				
	Jacquard-figured	27½¢ lb. plus 25%	25¢ lb. plus 25% [61]	France	48
	Not Jacquard-figured	27½¢ lb. plus 25%	25¢ lb. plus 25% [61]	France	224
	Other, including garters, suspenders, and braces:				
	Jacquard-figured	27½¢ lb. plus 25%	25¢ lb. plus 22½%	Benelux, France	2
	Not Jacquered-figured	27½¢ lb. plus 25%	25¢ lb. plus 22½%	Benelux, France	6
	Tubings	27½¢ lb. plus 25%	25¢ lb. plus 22½%	Benelux, France	
	Cords and tassels	27½¢ lb. plus 25%	25¢ lb. plus 22½%	France	1

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 13—MANUFACTURES OF RAYON OR OTHER SYNTHETIC TEXTILE—continued				*Thous. of dol.*
1309	Manufactures of rayon or other synthetic textile:				
	Knit fabric in the piece	27½¢ lb. plus 30%	25¢ lb. plus 30% [61]	France	9
	Wearing apparel, n. e. s., knit or crocheted:				
	Gloves and mittens:				
	Valued less than $1.50 per dozen pairs	27½¢ lb. plus 65%	25¢ lb. plus 65% [61]	France	
	Valued $1.50 or more per dozen pairs	27½¢ lb. plus 32½%	25¢ lb. plus 32½% [61]	France	(1)
	Hose and half-hose	27½¢ lb. plus 35%	25¢ lb. plus 35% [61]	France	3
	Underwear:				
	Valued not more than $1.75 per pound	27½¢ lb. plus 35%	25¢ lb. plus 35% [61]	France	
	Valued more than $1.75 per pound	27½¢ lb. plus 35%	25¢ lb. plus 35% [61]	France	2
	Outerwear and other articles, n. e. s.	27½¢ lb. plus 35%	25¢ lb. plus 32½%	France	34
1310	Handkerchiefs and woven mufflers of rayon or other synthetic textile:				
	Not hemmed	27½¢ lb. plus 60%	25¢ lb. plus 30%	France	(1)
	Hemmed or hemstitched	27½¢ lb. plus 65%	25¢ lb. plus 32½%	France	4
1311	Wearing apparel of rayon or other synthetic textile, not knit or crocheted, n. s. p. f.	27½¢ lb. plus 35%	25¢ lb. plus 32½%	France	59
1312	"Other" manufactures of rayon or other synthetic textile, n. s. p. f.	27½¢ lb. plus 35%	25¢ lb. plus 35% [61]	France	169
	SCHEDULE 14—PAPERS AND BOOKS				
1402	Leather board, or compress leather, counter board, and solid fiber shoeboard, not processed.	10%	7½%	Canada	128
1403	Filter masse or filter stock	20%	15%	Germany	12
1404	Tissue and papers similar to tissue, stereotype, copying, condenser, carbon, bibulous, pottery, waxing, india and bible papers, valued not more than 15¢ pound:				
	Weighing not over 6 pounds to the ream	3¢ lb. plus 10%	1½¢ lb. plus 5%	Norway	(1)
	Weighing over 6 and less than 10 pounds	2½¢ lb. plus 7½%	1¼¢ lb. plus 3¾%	Sweden	3
1405	Surface-coated paper:				
	Embossed or printed, not lithographically	4½¢ lb. plus 10%	2½¢ lb. plus 10%	Canada	16
	Covered with metal or its solutions, n. s. p. f., or with gelatin, linseed oil cement, or flock.	4½¢ lb. plus 10%	2½¢ lb. plus 10%	Germany	33
	Covered with metal or its solutions, and weighing less than 15 pounds per ream.	4½¢ lb. plus 10%	2½¢ lb. plus 10%	Germany	4
	Uncoated papers, decorated or covered with a design, fancy effect, pattern or character, not embossed or printed otherwise than lithographically, or wholly or partly covered with metal, etc.:				
	Wrapping paper	4½¢ lb. plus 10%	2½¢ lb. plus 10%	Benelux	2
	Other papers	4½¢ lb. plus 10%	2½¢ lb. plus 10%	Germany	1
	Gummed papers, n. s. p. f.	5¢ lb	2½¢ lb	Canada	(1)
	Printed matter (other than lithographic) composed of surface-coated and other papers dutiable under par. 1405, n. s. p. f.	4½¢ lb. plus 10%	2½¢ lb. plus 10%	France	7
1405	Boxes of paper, papier mache, or wood, covered or lined:				
	With surfaced-coated, parchment, lithographed, or similar papers.	5¢ lb. plus 5%	2½¢ lb. plus 5%	France	47
	With cotton or other vegetable fiber	5¢ lb. plus 10%	2½¢ lb. plus 10%	France	48
	Unsensitized photographic paper:				
	Basic	5%	2½%	Germany	137
	Baryta coated	5%	2½%	Germany	144
1406	Lithographic prints:				
	Cigar bands, printed in 8 or more colors, not in metal leaf	35¢ lb	25¢ lb	Benelux	
	Printed in metal leaf:				
	Labels and flaps, n. e. s.	60¢ lb	30¢ lb	Canada	
	Labels, flaps, and bands (except cigar bands) not exceeding 10 square inches, embossed or die-cut.	65¢ lb	32½¢ lb	Benelux	
	Fashion magazines or periodicals printed in whole or in part by lithographic process or decorated by hand.	8¢ lb	4¢ lb	Austria	11
	Decalcomanias, in ceramic colors, weighing per 1,000 sheets of 20 x 30 inches:				
	Not over 100 pounds	$1.25 lb. plus 15%	75¢ lb. plus 10%	Germany	2
	Over 100 pounds	30¢ lb. plus 15%	18¢ lb. plus 10%	Germany	35
1407 (a)	Drawing paper, and paper similar to drawing paper, weighing 8 pounds or more per ream, and valued less than 40 cents per pound:				
	Ruled, bordered, embossed, printed, lined or decorated (except by lithographic process).	3¢ lb. plus 25%	1½¢ lb. plus 12½%	Germany	
	Not ruled, bordered, embossed, etc.	3¢ lb. plus 15%	1½¢ lb. plus 7½%	Germany	4
1407 (b)	Sheets of writing, letter, and note paper, with border gummed or perforated, with or without inserts, prepared for use as combination sheet and envelope.	40%	20%	France	(1)
1409	Hanging paper not printed, lithographed, dyed, or colored	7½%	5%	Canada	3
1410	Printed matter not of bona fide foreign authorship (except books, including prayer books, pamphlets, music and tourist literature).	15%	10%	Canada	45
1410	Post cards (except American views), plain, decorated, embossed, or printed, except by lithographic process.	25%	15%	France	15
1413	Pulpboard in rolls for wallboard, surface stained, lined, or plate finished.	10%	7½%	Canada	1,344
	Stereotype-matrix mat or board, valued not more than ⅛ cent per square inch.	35%	20%	Germany	
	Ribbon fly catchers or fly ribbons of paper	27½%	20%	Benelux, Canada	
	Paper tubes for holding yarn and thread:				
	Parallel	1¢ lb. plus 25%	½¢ lb. plus 12½%	Germany	
	Tapered	3¢ lb. plus 35%	2¢ lb. plus 25%	Germany	(1)
	SCHEDULE 15—SUNDRIES				
1502	Lacrosse sticks, n. s. p. f.	10%	7½%	Canada	17
	Ice skates	15%	12½%	Canada	179
	Parts of	15%	12½%	Canada	
	Roller skates	15%	10%	Canada	(1)
	Parts of	15%	10%	Canada	
1503	Spangles, n. s. p. f.	27½%	17½%	Benelux	10

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 15—SUNDRIES—continued				*Thous. of dol.*
1504 (b)	Hats, bonnets, and hoods:				
	Not sewed and not blocked or trimmed:				
	Not bleached, dyed, colored, or stained:				
	Straw	15%	12½%	Italy	757
	Ramie	15%	12½%	Italy	160
	Other (chip, grass, cuba bark, osier, willow, real horsehair, and rattan).	25%	12½%	Italy	47
	Bleached, dyed, colored, or stained:				
	Straw	25¢ doz. plus 15%	25¢ doz. plus 12½%	Italy	213
	Ramie	25¢ doz. plus 15%	25¢ doz. plus 12½%	Italy	707
	Other (chip, grass, cuba bark, osier, willow, real horsehair, and rattan).	25¢ doz. plus 25%	25¢ doz. plus 12½%	Italy	43
	Not sewed, but blocked or trimmed:				
	Straw	$2.40 doz. plus 15%	$2.40 doz. plus 12½%	France, Italy	21
	Palm leaf	$2.40 doz. plus 15%	$2.40 doz. plus 12½%	France	1
	Other	$2.40 doz. plus 15%	$2.40 doz. plus 12½%	France	1
	Sewed (whether or not bleached, dyed, colored, or stained):				
	Straw, not blocked or trimmed	$3 doz. plus 25%	$2.50 doz. plus 25%	Italy	50
	Chip	$3 doz. plus 25%	$1.50 doz. plus 25%	France, Italy	(1)
	Other	$3 doz. plus 25%	$1.50 doz. plus 25%	France	1
1506	Paint brushes (including artists'), n. s. p. f.	50%	25%	Germany	13
	Hair pencils (including artists')	2¢ ea.; 10% min.; 40% max.	1¢ ea.; 10% min.; 40% max.	France	351
1513	Dolls, n. s. p. f.	70%	35%	Italy	111
	Toy marbles	70%	35%	Germany	(1)
	Toy games, containers, favors, and souvenirs	70%	50%	Germany	10
	Air rifles	70%	35%	Benelux, Germany	9
	Garlands, festooning, and Christmas tree decorations of tinsel wire, lame or lahn, bullions or metal threads.	70%	35%	Germany	12
	All other toys, n. s. p. f.:				
	In the forms of musical instruments and capable of emitting sound (except stringed instruments or accordions).	50%	35%	Germany	50
	Mechanical toys and parts, n. e. s. (except figures or images of animate objects wholly or in chief value of metal).	70%	50%	Germany	426
	Other toys	70%	35%	Germany	362
	Parts of toys, n. s. p. f. (except parts wholly or in chief value of china, porcelain, parian, bisque, earthenware, or stoneware).	70%	50%	Germany	
1514	Manufactures of artificial abrasives, not containing dutiable alloys:				
	Artificial abrasives in grains, or ground, pulverized, refined, or manufactured.	1¢ lb.	½¢ lb.	Norway	15
	Wheels, files, and other manufactures of artificial abrasives, n. s. p. f. (include manufactures of corundum or silicon except wheels in chief value thereof).	10%	5%	Canada	8
1516	Wax matches	40%	10% [3]	Italy	3
1517	Percussion caps	30%	15%	Canada	(1)
1519 (a)	Dressed coney and rabbit furs:				
	Not dyed	17½%	12½%	Benelux, France	1
	Dyed	20%	15%	Benelux, France	13
1523	Manufactures of human hair, n. s. p. f.	20%	17½%	France	132
1527 (a)	Jewelry of gold or platinum	40%	30%	France	223
	Parts of (include mountings)	40%	30%	France	15
1527 (c)	Articles valued over 20 cents per dozen pieces, to be worn on apparel or carried on or about or attached to the person, and parts thereof:				
	Gold or platinum:				
	Buckles	40%	30%	France	2
	All other articles (including chains, n. e. s., cigar cutters, cigar holders, cigar lighters, card, cigar, cigarette, and coin cases and holders, combs, mesh bags and purses, match boxes, stamp cases, millinery, military, and hair ornaments, pins, powder and vanity cases, watch bracelets, collar, cuffs, and dress buttons, and like articles).	40%	30%	France	24
	Parts of	40%	30%	France	1
	Other metals:				
	Valued over 20 cents but not over $5 per dozen pieces or parts:				
	Cigar and cigarette lighters and parts	110%	55%	Austria	4
	Mesh bags and parts	110%	55%	Germany	1
	Valued over $5 per dozen pieces or parts:				
	Cigarette cases and parts	45%	35%	Austria	4
	Compacts, powder, and vanity cases and parts	45%	35%	Austria, France	14
	Ladies' handbags, set with, and in chief value of, rhinestones and parts.	45%	35%	France	2
	Mesh bags and parts	110%	35% [3]	France	(1)
	Buckles and parts	45%	35%	France	1
	Other articles, n. e. s., and parts	45%	35%	France	64
1527 (d)	Stampings, galleries, mesh, and other metal materials suitable for manufacture of any articles dutiable under par. 1527:				
	Gold or platinum	75%	37½%	France	
	Other metal	80%	40%	France, Germany	248
1528	Imitation precious stones, cut or faceted, and imitation semiprecious stones, faceted.	10%	10%	Austria	8,495
	Synthetic precious and semiprecious stones, cut or faceted, for use in the manufacture of jewelry.	10%	10%	France	680
1529 (a)	Wholly hand-made laces, lace fabrics, and lace articles, exceeding 2 inches in width and valued $150 or more per lb.:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads	25%	22½%	Benelux	6
	Articles (except wearing apparel) in part of hand-made lace, but containing no machine-made material or article provided for in 1529 (a), if the lace exceeds 2 inches in width, and if the articles are valued $150 or more per pound:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal thread	25%	22½%	Benelux	3

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 15—SUNDRIES—continued				*Thous. of dol.*
1529 (a)	Articles (except wearing apparel) in part of hand-made lace over 2 inches in width, and in part of hand-made lace not over 2 inches in width, containing no machine-made material or article provided for in par. 1529 (a):				
	Valued more than $50 and less than $150 per pound:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal thread	60%	30%	Benelux	
	Valued $150 or more per pound:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal thread	60%	22½% [3]	Benelux	(1)
	Lace, lace fabrics, and lace articles (except veils and veilings) made on a Levers (including go-through) lace machine, whether or not embroidered:				
	Made full gauge on a machine of 12-point or finer:				
	Cotton, if made with independent beams	40%	35%	France	3,894
	Silk	40%	35%	France	811
	Not made full gauge on a machine of 12-point or finer:				
	Cotton	75%	65%	France	273
	Rayon or other synthetic textiles	75%	65%	France	280
1529 (a)	Flouncings, all-overs, neck-ruffllings, flutings, quillings, ruchings, tuckings, insertings, galloons, edgings, trimmings, gimps, and ornaments, and articles wholly or in part thereof, but not in part of lace, and not ornamented:				
	Cotton:				
	Flouncings and all-overs and articles wholly or in part thereof; Neck ruffllings, flutings, quillings, ruchings, tuckings, etc., and articles wholly or in part thereof				
	Flax, hemp, or ramie:				
	Flouncings and all-overs and articles wholly or in part thereof; Neck ruffllings, flutings, quillings, ruchings, tuckings, etc., and articles wholly or in part thereof	50%	45%	France	62
	Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads				
1529 (a)	Lace, lace fabrics, and lace articles (except veils or veilings) made on a bobbinet-Jacquard machine, whether or not embroidered:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textiles; Tinsel wire, lame or lahn, bullions, or metal thread	35%	25%	France	180
	Lace, lace fabrics, and lace articles (except veils and veilings), machine-made, n. e. s. (including Barmen):				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textiles; Tinsel wire, lame or lahn, bullions, or metal thread	60%	50%	France	58
	Lace, lace fabrics, and lace articles (except wearing apparel) in part of hand-made lace and in part of machine-made lace or net (semi-hand-made lace):				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads	90%	45%	Benelux	[6] 1
1529 (a)	Articles (except wearing apparel) in part of machine-made lace, n.e.s.:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads	90%	65%	France	[6] 5
	Veils and veilings made on any lace or net machine, whether or not embroidered:				
	Silk	45%	32½%	France	444
	Rayon or other synthetic textiles	45%	32½%	France	530
	Nets and nettings, not embroidered, made on a bobbinet machine:				
	Silk	45%	30%	France	254
	Rayon or other synthetic textile	45%	32½%	France	445
1529 (a)	Braids provided for in par. 1529 (a) (except hat braids) and articles in part of such braids, but not in part of lace and not ornamented:				
	Braids, loom woven and ornamented in weaving, or made by hand, or on a braid, knitting, or lace machine:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads	50%	45%	France	21
	Wearing apparel, in part of braids:				
	Cotton; Flax, hemp, or ramie; Wool; Silk; Rayon or other synthetic textile; Tinsel wire, lame or lahn, bullions, or metal threads	50%	45%	France	7

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 15—SUNDRIES—continued				*Thous. of dol.*
	Braids provided for in par. 1529 (a) (except hat braids) and articles in part of such braids, but not in part of lace and not ornamented—Continued				
	Articles (not wearing apparel), in part of braids:				
	Cotton				
	Flax, hemp, or ramie				
	Wool	90%	45%	France	
	Silk				
	Rayon or other synthetic textile				
	Tinsel wire, lame or lahn, bullions, or metal threads				
1529 (a)	Fabrics and articles (except wearing apparel), ornamented, but not in part of lace, however provided for in par. 1529 (a):				
	Embroideries, n. e. s., including edgings, insertings, and galloons:				
	Wool				
	Silk				
	Rayon or other synthetic textile				
	Flouncing and all-overs, neck ruffilings, flutings, quillings, ruchings, tuckings, trimmings, gimps, and ornaments, n. e. s.:				
	Wool				
	Silk				
	Rayon or other synthetic textile				
	Other ornamented fabrics and articles:				
	Wool				
	Silk				
	Rayon and other synthetic textile	50%	45%	France	458
	Ornamented fabrics and articles, n. e. s., wholly or in chief value of tinsel wire, lame or lahn, bullions, or metal threads.				
	Fabrics and articles of beads, bugles, and spangles:				
	Beaded ornaments and beaded trimmings				
	Other fabrics and articles (except beaded fringes) ornamented with beads, bugles, or spangles, or embroidered, tamboured, appliqued, or scalloped:				
	Beaded handbags				
	Plates for beaded handbags				
	Other				
	Leather and leather articles, ornamented				
1529 (a)	Wearing apparel, wholly or in part of lace (except handkerchiefs, cotton fabric gloves, veils, body-supporting garments, and articles wholly of hand-made lace):				
	Of machine-made lace:				
	Cotton				
	Flax, hemp or ramie				
	Wool	50%	45%	France	34
	Silk				
	Rayon or other synthetic textile				
	Tinsel wire, lame or lahn, bullions, or metal threads				
	Of hand-made lace:				
	Cotton				
	Flax, hemp, or ramie				
	Wool	50%	45%	France	76
	Silk				
	Rayon or other synthetic textile				
	Tinsel wire, lame or lahn, bullions, or metal threads				
	Wearing apparel in part of fringes, not containing lace or embroidery:				
	Cotton				
	Flax, hemp, or ramie				
	Wool	50%	45%	France	48
	Silk				
	Rayon or other synthetic textile				
	Tinsel wire, lame or lahn, bullions, or metal threads				
1529 (a)	Wearing apparel wholly or in part of net or netting, not ornamented:				
	Cotton				
	Flax, hemp, or ramie				
	Wool	90%	45%	France	(22)
	Silk				
	Rayon or other synthetic textile				
	Tinsel wire, lame or lahn, bullions, or metal threads				
1529 (b)	Silk handkerchiefs, ornamented, or wholly or in part of lace:				
	Valued not more than 70 cents per dozen and not made with hand-rolled or hand-made hems.	2¢ ea. plus 30%	2¢ ea. plus 20%	France	
	Valued more than 70 cents per dozen, or if made with hand-rolled or hand-made hems.	3¢ ea. plus 30%	2¢ ea. plus 20%	France	23
1529 (c)	Elastic fabrics, in part of india rubber	25%	20%	France	14
1530 (b) (4)	Cattle side upper leather: Grains	12½%	10%	Canada	97
1530 (b) (5)	Glove and garment leather, bovine	15%	10%	Canada	117
1530 (c)	Leather made from hides or skins of other than bovine species (except fancy leather):				
	Goat and kid (except shoe, glove, or garment)	15%	10%	France	87
	Sheep and lamb (except shoe, glove, or garment)	15%	10%	France	81
	"Other" glove and garment leather, n. e. s.	15%	10%	Canada	103
1530 (e)	Boots, shoes, or other footwear (including athletic or sporting boots and shoes) made wholly or in chief value of leather, n. s. p. f.:				
	Skating boots and shoes, McKay sewed, attached to ice skates	15%	12½%	Canada	(1)
	"Other" boots, shoes, or other footwear, n. e. s.:				
	Men's	20%	10%	Canada	100
	Youths' and boys'	20%	10%	Canada	12
	Boots, shoes, and other footwear with uppers and soles in chief value of wool felt.	35%	17½%	Canada	(23) 36
1531	Leather (except reptile), rawhide, and parchment manufactures, fitted with traveling, bottle, drinking, dining or luncheon, sewing, manicure, and similar sets.	25%	20%	Germany	27
1535	Fishhooks, n. s. p. f.	35%	30%	Norway	1,093
1536	Wax manufactures (except skiwax), n. s. p. f.	20% [5]	10% [5]	Germany	3
1537 (a)	Manufactures of quills	25%	12½%	France	8
	Manufactures of raffia palm leaf	25%	12½%	France	300
1537 (b)	Rubber heels and soles	25%	12½%	Canada	2
	"Other" gutta-percha manufactures, n. e. s.	25%	12½%	Germany	10
1539 (b)	Laminated products and manufactures of laminated products having a synthetic resin or resinlike binder:				
	Sheets or plates	15¢ lb. plus 25%	7½¢ lb. plus 12½%	Canada	(1)
	Manufactures, n. e. s.	50¢ lb. plus 40%	25¢ lb. plus 20%	Canada	15
	Manufactures of nonlaminated plastics having a synthetic resin or resinlike binder.	35¢ lb. plus 30%	25¢ lb. plus 20%	Austria, Canada	24
1540	Moss and sea grass, eelgrass, and seaweed, manufactured or dyed	5%	5%	Korea	195

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	SCHEDULE 15—SUNDRIES—continued				*Thous. of dol.*
1541 (a)	Musical instruments and parts thereof, n. s. p. f.:				
	Parts for brass wind instruments with cup pieces	40%	30%	France	7
	Mouth organs or harmonicas	40%	20%	Germany	251
	Parts thereof	40%	20%	Germany	1
	Organs (except pipe organs)	40%	20%	Canada	1
	Parts thereof	40%	20%	Canada	1
	Pianos:				
	Grand	40%	20%	Germany	11
	Other	40%	20%	Benelux	31
	Parts thereof (including actions)	40%	20%	Canada	7
	Wood winds:				
	Clarinets, assembled	20%	15%	France	
	Saxophones, assembled	20%	15%	France	
	Other, assembled	20%	15%	France	1,058
	Parts thereof	20%	15%	France	
	Bows	40%	20%	France	63
	"Other" musical instruments, n. e. s.	28%	20%	Austria	36
	"Other" parts, n. e. s.	28%	20%	Austria	(1)
	Violin bow hair	40%	20%	France	1
	Pitch pipes, tuning forks, tuning hammers, and metronomes	40%	20%	Germany	4
	Pipe organs	15%	10%	Canada	211
	Parts thereof	15%	10%	Canada	5
	Chin rests for violins	40%	20%	France, Germany	1
	Bridges for fretted stringed instruments, n. s. p. f.	50%	40%	France, Germany	(1)
	Strings for musical instruments:				
	Catgut, oriental gut, or other gut	40%	20%	Germany	6
	Steel or other metal	40%	20%	Germany	4
	Tuning pins	$1M plus 35%	50¢M plus 17½%	Canada	8
1541 (b)	Violins, violas, violoncellos, double basses, and parts, the foregoing made after year 1800:				
	Assembled instruments:				
	Valued less than $50 each	$1.25 ea. plus 30%	62½¢ ea. plus 17½%	France, Germany	45
	Valued $50 or more, but less than $100 each	$1.25 ea. plus 25%	62½¢ ea. plus 17½%	France, Germany	14
	Valued $100 or more each	$1.25 ea. plus 17½%	62½¢ ea. plus 17½%	France, Germany	7
	Unassembled parts	30%	20%	France, Germany	25
1544	Rosaries, chaplets, and similar articles of religious devotion:				
	Gold, silver, platinum, gold plate, silver plate, or precious or imitation precious stones.	50%	15% [3]	France	188
	Other material, valued not more than $1.25 per dozen	15%	15%	France	222
1547 (b)	Paintings in oil, mineral, water, or other colors, pastels and drawings and sketches in pen and ink, pencil or water color (whether or not works of art) suitable as designs for textiles, floor coverings, wallpaper or wall coverings.	10%	5%	France	101
1548	Peat moss, poultry and stable grade	50¢ ton	25¢ ton	Canada	971
1549 (a)	Pencils of lead or other material not metal, n. s. p. f.:				
	Of colored lead	50¢ gross plus 30%	50¢ gross plus 15%	Germany	2
	Of "other" material	50¢ gross plus 30%	50¢ gross plus 15%	Germany	2
	"Other" pencils stamped with names other than the manufacturers' or the manufacturers' trade name or trade-mark.	50¢ gross plus 25%	50¢ gross plus 15%	Germany	----------
1549 (b)	Black leads for pencils, not in wood or other material, and black leads exceeding 0.06 inches in diameter.	6¢ gross	3¢ gross	Germany	8
	Leads not exceeding 0.06 inch in diameter and not exceeding 2 inches in length known as refills.	10¢ gross	5¢ gross	Germany	(1)
	Colored or crayon leads, n. s. p. f.	40%	20%	Germany	5
1551	Photographic cameras (other than motion picture and box type), n. s. p. f., of which the lens is not the component of chief value, valued at $10 or more each.	20%	15%	Germany	[6] 2,050
1552	Common tobacco pipes and pipe bowls, wholly of clay and valued over 40 cents per gross.	22½%	11¼%	Benelux	8
	Finished tobacco pipes, with bowls of wood or root (except brier), valued less than $1.20 per dozen.	2½¢ ea. plus 40%	1¼¢ ea. plus 20%	Austria	(1)
	Tobacco pipes, partly finished, with bowls of wood or root (except brier), valued less than $1.20 per dozen.	2½¢ ea. plus 40%	1¼¢ ea. plus 20%	Austria	(1)
	"Other" tobacco pipes, including meerschaum, n. s. p. f.	5¢ ea. plus 60%	2½¢ ea. plus 30%	Austria, Turkey	2
	Pipe bowls of wood other than brier, valued less than $1.20 per dozen.	2½¢ ea. plus 40%	1¼¢ ea. plus 20%	Austria	2
	Pipe bowls, n. s. p. f.	5¢ ea. plus 60%	2½¢ ea. plus 30%	Austria	(1)
	Cigar and cigarette holders, n. s. p. f.	5¢ ea. plus 15%	2½¢ ea. plus 15%	Austria	15
	Mouthpieces for pipes, cigar, and cigarette holders	2½¢ ea. plus 15%	1¼¢ ea. plus 15%	Austria	6
	Cigarette paper (except cork paper):				
	In bobbins	30%	22½%	France	(1)
	Flat	30%	22½%	France	1
	Cigarette paper in blocks, cigarette books, and book covers	30%	22½%	France	3
	Cases for pipes, cigar and cigarette holders	30%	15%	Austria	2
	Meerschaum, unmanufactured	10%	5%	Turkey	14
1554	Handles and sticks for umbrellas, parasols, sun shades, and walking canes, wholly or in chief value of synthetic resin.	75%	37½%	Austria	(1)
1555	Textile wastes, n. s. p. f.:				
	Waste rags and clips:				
	Rayon	7½%	4%	Canada	12
	Silk	7½%	4%	Canada	10
	Waste of cotton-merino, including angola journal-packing waste	7½%	4%	Canada	2
	Press cloth waste	7½%	4%	Canada	1
	Other, including flax and jute-thread waste	7½%	4%	Canada	303
	Fur wastes, n. s. p. f.	7½%	4%	Benelux	73
	Lecithin and materials in chief value thereof	7½%	4%	Norway	2
	Other wastes, n. s. p. f., including materials consisting of shells, dust, particles of cocoa beans, and cocoa cake and cocoa cake meal.	7½% [5]	4% [5]	Canada, Sweden [6]	1,332
1556	Bleached beeswax	20%	15%	France	1
1558	Articles manufactured in whole or in part, n. s. p. f.:				
	Yeast:				
	Brewers' yeast, nonalcoholic	20%	10%	Canada	1
	Other yeast	20%	10%	Canada	4
	Fatty acids derived from vegetable oils, animal or fish oils, or animals fats and greases, n. e. s.:				
	Linseed oil	15% plus 4½¢ lb. I. R. tax	10% plus 4½¢ lb. I. R. tax	Canada	----------
	Cottonseed oil	15%	10%	Canada	11
	Soybean oil	15%	10%	Canada	----------
	Other	15% [5]	10% [5]	Canada	42
	Incense	20%	10%	Benelux	4
	"Other" (except tall oil or liquid rosin)	20%	10%	Italy, Indonesia, Peru.	555

See footnotes at end of table.

Tariff paragraph	Commodity description	Rate of duty: Jan. 1, 1951	Rate of duty: Under Torquay Agreement	Torquay negotiating country	Total United States imports for consumption, 1949
	FREE LIST				*Thous. of dol.*
1601	Acids and acid anhydrides:				
	Hydrochloric (muriatic)	Free	Bound free	Benelux	(1)
	Nitric	Free	Bound free	Norway	
	Valerianic	Free	Bound free	Benelux	2
1602	Licorice root (crude)	Free	Bound free	Turkey	1,627
1605	Albumen, n. s. p. f.	Free	Bound free	Benelux	
1609	Cochineal	Free	Bound free	Peru	21
1610	Antitoxins, serums, vaccines, viruses, and bacterins for therapeutic purposes.	Free	Bound free	Canada	9
1623	Bread, yeast-leavened, other than hard crisp rye	Free	Bound free	Norway	38
1643	Shoe machines, and parts of	Free	Bound free	Canada, Germany	181
1647	Chrome ore or chromite:				
	Chemical grade	Free	Bound free	Turkey	2,413
	Metallurgical grade	Free	Bound free	Turkey	18,384
	Refractory grade	Free	Bound free	Turkey	3,392
1657	Composition metal, copper chief value, n. s. p. f.	Free [34]	Bound free [34]	Benelux	964
1659	Copper acetate and subacetate (verdigris)	Free [34]	Bound free [34]	Benelux	
1664	Vanadium-bearing flue dust	Free	Bound free	Benelux	
	Metallic mineral substances, crude, n. s. p. f. (such as drosses, skimmings, residues, brass foundry ash, and flue dust).	Free	Bound free	Benelux	378
1667	Potassium cyanide	Free	Bound free	Germany	
	Cyanide salts and mixtures, n. s. p. f.	Free	Bound free	Germany	
1669	Ginseng	Free	Bound free	Korea	21
	Fish oils, n. e. s.	Free plus 1⅘¢ lb. I. R. tax	Bound free plus 1½¢ lb. I. R. tax.	Canada	(1)
1670	Dyeing and tanning materials:				
	Valonia (except valonia extract)	Free	Bound free	Turkey	106
	Tara	Free	Bound free	Peru	23
	Divi divi	Free	Bound free	Dominican Republic.	86
1671	Eggs of birds, fish, and insects	Free	Bound free	Canada	23
1672	Emery ore	Free	Bound free	Turkey	20
1673	Enfleurage greases	Free	Bound free	France	
1685	Limestone, crude, crushed, or broken, ground or pulverized, when imported to be used in the manufacture of fertilizer.	Free	Bound free	Canada	56
1686	Sandarac varnish gum, n. s. p. f.	Free	Bound free	France	9
1688	Animal soft hair, dressed (other than horse, cattle, and ox)	Free	Bound free	France	248
1695	Horses and mules for immediate slaughter	Free	Bound free	Canada	439
1700	Dross or residuum from burnt pyrites	Free	Bound free	Canada	28
1719	Vanadium ore or concentrates	Free	Bound free	Peru	272
1722	Angelica seed and root	Free	Bound free	Benelux	5
	Cube (timbo or barbasco) root	Free	Bound free	Peru	687
	Red squill	Free	Bound free	France	7
	"Other" seaweeds and vegetable substances, crude or unmanufactured (except lycopodium plants).	Free	Bound free	Korea	170
1727	Hempseed	Free plus 0.62¢ lb. I. R. tax	Bound free plus 0.62¢ lb. I. R. tax.	Turkey	17
	Kapok seed	Free plus 2¢ lb. I. R. tax	Bound free plus 1¢ lb. I. R. tax.	Indochina	
	Tucum nuts	Free	Bound free	Brazil	42
	Seeds and nuts, n. s. p. f., when oils therefrom are free	Free	Bound free	France	19
1728	Nux vomica	Free	Bound free	France	38
	Gentian	Free	Bound free	France	28
1732	Rapeseed (colza) oil, denatured, for mechanical or manufacturing purposes.	Free plus 4½¢ lb. I. R. tax [15]	Bound free plus 2¼¢ lb. I. R. tax.[15]	Canada	500
1757	Sugar beet seed	Free	Bound free	Germany	2
1762	Silk waste, n. s. p. f., unmanufactured	Free	Bound free	Korea	255
1763	Wild or tussah silk, unmanufactured	Free	Bound free	Korea	
1768	Coriander seed	Free	Bound free	France	106
1791	Typewriters	Free	Bound free	Canada	2,054
1793	Urea, n. e. s.	Free	Bound free	Germany	208
1796	Montan mineral wax	Free	Bound free	Benelux	299
	Ozokerite and other mineral wax, n. s. p. f.	Free [5]	Bound free [5]	Benelux, Germany	11
1803 (3)	Evergreen Christmas trees	Free	Bound free	Canada	2,092
1812	Gobelin tapestries used as wall hangings	Free	Bound free	France	2

[1] Less than $500.
[3] Although the negotiated rate is less than 50 percent of the rate on Jan. 1, 1951, it is not less than 50 percent of the rate on Jan. 1, 1945.
[5] Subject to internal revenue tax if derived from taxable oils.
[8] Temporary rate, schedule III of trade agreement with Argentina.
[10] Dutiable at 25 percent if uncompounded medicinal preparations.
[12] Dutiable at 25 percent if selenium dioxide.
[14] Dutiable at 20¢ lb. plus 12½% if a medicinal compound.
[15] Not taxable if used in the manufacture of rubber substitutes or lubricating oil.
[16] Subject to internal revenue tax if perilla oil.
[22] Not separately provided for in the statistical classification.
[23] Dutiable at not less than 30 percent if weighing less than 16 ounces, but not less than 12 ounces per square foot. Higher rates of duty, equivalent to those in effect on Jan. 1, 1945, apply to colored glass subject to the additional duty provided under tariff par. 224.
[24] Dutiable at not less than 20 percent if weighing less than 16 ounces, but not less than 12 ounces per square foot. Rates negotiated at Torquay will apply to colored glass subject to the additional duty provided under tariff par. 224.
[28] Only the additional rate on glass described in tariff par. 221 was negotiated with Austria.
[30] On the metallic manganese content.
[31] On the manganese content.
[32] On the molybdenum content.
[33] On the silicon content.
[34] Subject to internal revenue tax.
[35] Base duty; imports of these products are subject to additional duties under various provisions of the Tariff Act.
[37] Only the rate on tobacco machinery other than wrapping and packing machines and tobacco cutting and industrial cigarette-making machines, and parts was negotiated with Sweden.
[38] Dutiable at 2¢ each plus 12½ percent if table, carving, cake, pie, butter, fruit, cheese, or fish knives, forks, or steels.
[39] Dutiable at 35 percent if parts.
[40] Only the rate on flat-bed cylinder letter presses and parts was negotiated with Italy.
[41] On lead content.
[42] On zinc content.
[43] Dutiable at 45 percent if parts.
[44] Benelux, plywood of okoume; France, plywood of baboon; and Canada, "other" plywood.
[45] Concession effective only when quota provisions of Sugar Act of 1948 or equivalent legislation are in effect, whether or not the quotas are applied. If quota legislation terminated, the United States will establish quota with rate for quota quantity not lower than Torquay rate, provided President finds such quota and rate may be established giving due consideration to interests in United States sugar market of domestic producers and materially affected contracting parties. Any quota and rate so established to be subject to modification if found necessary to give effect to above consideration. Torquay concession will be restored if sugar quota legislation subsequently becomes effective.
[46] Excludes imports from Cuba and the Republic of the Philippines.
[47] Concession effective only when quota provisions of Sugar Act of 1948 or equivalent legislation are in effect, whether or not the quotas are applied.
[48] Applicable to entries of not more than 1.5 million gallons in any calendar year.
[49] Applicable to entries in excess of 1.5 million gallons.
[51] Including weight of immediate container.
[52] Net weight.
[53] On drained weight.
[54] The United States reserves the right to modify or suspend the concession granted on cotton having a staple 1⅛ or more but under 1 11/16 inches long during any period when imports into the United States of such cotton are not subject to limitation.
[55] On the alcohol content contained therein or that can be produced therefrom.
[59] On clean content.
[60] Subject to an additional cumulative duty of 22½ cents per pound.
[61] Only compensatory part of duty (expressed in cents per pound) was negotiate at Torquay; ad valorem part was negotiated at Geneva.
[63] Canada, entire class; Sweden, tall oil pitch.
[65] Estimate.

During the delivery of Mr. MALONE'S speech,

Mr. MAGNUSON. Mr. President, I wonder if the Senator from Nevada will yield to me, to allow me to ask the distinguished chairman of the committee a question about one provision of the bill, provided it be placed in the RECORD following the remarks of the Senator from Nevada?

Mr. MALONE. I should be happy to yield with the same understanding, and provided I do not lose the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, I wish to address an inquiry to the very distinguished chairman of the Finance Committee, as follows:

On page 12 of the bill, section 8, the committee has inserted the following:

> In any case where the Secretary of Agriculture determines and reports to the President and to the Tariff Commission with regard to any agricultural commodity that, due to the perishability of the commodity, a condition exists requiring emergency treatment.

I am wondering—as many others in my area are wondering—whether there is any definition of the products which might be determined to be perishable under this provision.

Mr. GEORGE. No; there is none in the bill, but it has reference to perishable agricultural and horticultural products. Ordinarily, I suppose, the words would take their usual significance.

Mr. MAGNUSON. A great number of persons in the Pacific Northwest are thinking in terms of fruit, such as apples and pears, and whether or not they would be included.

Mr. GEORGE. They would be included beyond all doubt.

Mr. MAGNUSON. I thank the Senator.

PREDICTIONS OF CONSTANTINE BROWN

Mr. McCARTHY. Mr. President, I should like to have placed in the RECORD the May 20 column of Constantine Brown entitled "Signs Indicate Kremlin May Strike This Year."

Before inserting this column, however, I should like to preface it with some of the past predictions of this reporter which have proven amazingly and tragically correct. Going back to November 29, 1941, he wrote:

> The Japanese Government's answer to last week's State Department note will in all likelihood be the salvos of her men of war. The earlier estimates of high officials in Washington that a crisis may be expected within the next 2 or 3 months has now been narrowed to a few weeks—even a few days.

That was written just 10 days before Pearl Harbor.

On June 6, 1950, a year ago, Constantine Brown told his public that—

> The start of the Communist invasion is set for the second half of this month.

The war in Korea began the following June 25. Bear in mind that this report of Constantine Brown's was written just 5 days after President Truman told the American people that "We are closer now to peace than we have been in the last 5 years." President Truman made that statement at a press conference on June 1, 1950.

Over the past 18 months—I can even say, since VJ-day—Constantine Brown has been constantly warning the public of the grave danger of a third world war. In February of 1950 he wrote:

> The United States is in a more critical situation than ever before in its history.

So I think we may read with complete confidence a list of excerpts from the column of Constantine Brown over the past 7 months, which covers the developments in Europe and the Near East, and which are the background and basis for his column of May 20.

Mr. President, I now ask unanimous consent to have these excerpts printed in the body of the RECORD, together with the column of Constantine Brown of May 20, 1951.

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

EXCERPTS FROM THE COLUMN OF CONSTANTINE BROWN SHOWING DEVELOPMENTS IN EUROPE AND NEAR EAST FROM OCTOBER 8, 1950, TO APRIL 28, 1951

October 8: In addition to some 40 Red divisions in the area between the Vistula and the Spree Rivers there are at least 100,000 German troops in the Russian zone.

October 9: The French Government is still adamant against the rearming of Western Germany. French and British politicians are equally adamant about providing Spain with war matériel to equip at least a portion of their first-line soldiers.

October 18: The present ministry [French], headed by Rene Pleven, is on the way out. The French Foreign Minister refused bluntly last week to permit the Turkish Republic to be added to the Atlantic Pact.

November 1: The French are waging a bitter battle in Washington [against] the rearmament of a limited German force.

November 2: The attitude of French Premier Rene Pleven and Defense Minister Jules Moch is regarded by most military men as actual sabotage of western military plans.

November 17: The American Government itself has not purged itself completely of its animosity toward the Franco government in Spain.

December 1: We have sent across the Atlantic nearly a billion dollars' worth of war matériel. None of the Atlantic Pact nations have made any effort to translate the blueprints for military preparedness into actuality.

December 19: Last week end Moscow fired a shot across our bow when it warned Great Britain and France that any plan to rearm Western Germany would break Russia's mutual assistance treaties with those two countries. Our French friends have procrastinated so long that it is too late to attempt to rearm the Germans.

December 20: The elevated and subway system which circles Berlin is controlled by the Russians. Nothing could be easier for the East Germans, who take their orders from Moscow, than to put 10,000 or 15,000 men on these trains between 2 and 6 a. m., bring them into western Berlin, occupy the telephone exchange by surprise, arrest Mayor Ernst Reuter and a number of other high West German officials, send squads of troops to the home of the Allied general and other officers, and then "invite" the Allies to leave Berlin immediately.

January 22: Across the Elbe River at least 40 Russian divisions and more than 2,000 planes are poised to strike whenever the Kremlin gives the order.

January 30: They (the French) are willing now to listen to those who would accept Soviet domination for a generation or two rather than take a chance by opposing a Russian aggression.

February 2: Unless the Prime Ministers on the European side of the Atlantic coalition take the necessary steps to transform their factories into war industries, it is unlikely that this country can produce enough for the rearmament of Western Europe.

February 4: The Russians are said to have today 175 divisions. The nations of the Atlantic Pact have an active military strength of only 11 divisions ready to fight. Spain, which is still being ideologically boycotted, actually has 40 divisions under arms. Yugoslavia has 15 battle-ready divisions and another 10 divisions trained but not equipped with modern arms. Greece has 10 divisions under arms and Turkey is estimated to have 20 divisions in full strength.

February 11: In 1937, as a member of Parliament, he [Attlee] visited in Barcelona [Spain] the British volunteer battalion which was fighting on the side of the Red Loyalists.

Mr. Attlee was moved by their bravery to the point of giving the Communist clenched-fist salute to the members of the unit. He also wrote them a letter of congratulations ending with the old Marxist slogan: "Workers of the world, unite."

February 16: Last Wednesday Secretary of State Acheson warned Russia that the "peace fabric" would be seriously damaged if an attack is made against Yugoslavia. But he carefully refrained from including Greece and Turkey.

February 20: The United States Government, committed to help the major part of the world economically and militarily, neglected the Iranians, who are asking us for military materials and economic aid. These requests were unheeded. The Shah decided to come to this country last May. He was given the usual "treatment." On his return to Tehran he gave his Prime Minister the green light to go ahead with negotiations with Russia. The suppression of the Voice of America was the first major sign that something had gone wrong.

February 20: The latest reports from Tehran show that under "public pressure" Premier Razmara insists on Iran's freedom to handle its own oil interests, inspired by the Soviet Embassy.

February 25: Arabia and Iran are far richer prizes for the Russians at this time than Western Europe because of their unlimited oil resources.

March 1: The atomic-energy program may be impaired by the difficulty of obtaining a material known as monazite sands, which exist in large quantities in India. Secretary of State Acheson and his aides will be questioned about the State Department's total lack of initiative in making any effort to obtain for the United States stockpiles of this vital strategic material. We now depend on small deposits from Brazil. In April 1946 India placed an embargo (to the United States) on that export of monazite sands.

March 2: Premier Rene Pleven's government in France has fallen.

March 7: The Moslem peoples from the Indian Ocean to the Atlantic are in a state of ferment today.

March 9: Despite official statements in Paris that everything is quiet in Morocco, it appears that conditions in that protectorate are deteriorating. Syrian and other Arab parliaments are protesting loudly against alleged French outrages.

The fact that the American Government overlooked French violations of American

interests in Morocco is not taken into consideration. These violations were so serious that Congress provided in the 1951 ECA appropriations act that aid to France should be conditional on its compliance with American treaties in Morocco.

Secretary of State Acheson directed this provision of the law be ignored.

March 11: We have been warned repeatedly by Americans in Morocco that "the lid would blow off" unless the Arabs are given far greater independence than they now have. But these counsels have been ignored.

March 13: Disturbances are reported to have broken out in Barcelona, Spain. A strike followed by street riots was caused by the prospect of about 650,000 persons, most of them employed in the cotton mills, becoming unemployed in the next few weeks because of the lack of cotton. The Export-Import Bank did not provide any portion of the loan to be used for the purchase of wheat or corn in this country. There is a surplus of wheat in the United States.

March 16: The new Prime Minister of Iran, Hoysen Ala, is strongly pro-American. He accepted the premiership last week reluctantly, because he realizes that he can expect only little effective support from this country.

American observers in Iran warned that the Soviet Government was very active in developing a national feeling for nationalization of Iran's underground resources. Unfortunately, our Government paid little attention to these warnings.

March 18: There has been a spurt of energy (in France) since former President Hoover made his first speech last December and the foreign ambassadors reported that it has been well received by the American people. But when assurances came from Washington that, in spite of Mr. Hoover and his henchmen in the Senate and House, the needed appropriations would be rammed through anyway, the enthusiasms to prepare cooled.

March 3: When diplomats from the middle and near eastern countries and American businessmen who feared trouble in Iran this spring queried responsible State Department officials about the situation, they were told blandly not to worry.

April 3. [It is hoped] that the British Government will show greater imagination and political acumen in dealing with the Egyptian problem than it did in the case of Iran. There is a strong possibility that Egypt also may be lost.

April 5. The Senate is likely to make gross errors when it votes on international matters under pressure from the administration. An amendment offered last Tuesday by Senator WATKINS, of Utah, was approved by an overwhelming majority. It proved that it was the sense of the Senate that the peace treaty with Italy, which prevents that nation from contributing substantially to western defense, should be changed.

April 8. Moscow is planning a spectacular bloodless coup. It will offer the peoples of Germany complete unification of eastern and western zones, a free election in the western zone and creation of a national assembly for the unified Reich with Eastern Germany receiving one-third of the seats in the new Reichstag.

American taxpayers have provided the Armed Forces of the United States with the staggering total of $130,000,000,000 between 1946 and 1952. Yet this country appears totally unprepared. The lamentable state of unpreparedness was pointed out by Senator MCMAHON.

April 27. The slowness of the State Department to include Turkey in any kind of formal defense program has led to Ankara's order to its Ambassador in Washington to return immediately for consultation.

April 29. The danger of our slowness to develop the defenses of Alaska is even greater when we consider that a successful Soviet attack on that Territory would place Soviet aviation within easy range of our industrial centers in the West and Middle West. The fact is that we have less than 25,000 men in the ground and air force in Alaska. There are at least 150,000 Red troops in the portion of Siberia facing Alaska. About 30,000 are paratroops.

April 30. The resignation of Iran's western-minded Prime Minister Hussein Ala is regarded in Washington as the beginning of the end of that country's freedom. Russia has skillfully engineered the doom of that country. The United States and Great Britain have abetted that move.

[From the Washington Star of May 20, 1951]

SIGNS INDICATE KREMLIN MAY STRIKE THIS YEAR—SLOWNESS IN PREPARATION, WEAKNESS, AND LACK OF UNITY AMONG ALLIES MAY ENCOURAGE ACTION

(By Constantine Brown)

There are growing fears in Washington as well as the European capitals that the Kremlin may decide to strike globally at the free world this year. These fears are based on the following factors:

(1) Political uncertainties in the North Atlantic Treaty Organization nations;

(2) The slowness of military preparations in countries outside the iron curtain;

(3) The lack of unity among the Allies as to implementation of the defense of the free world; and

(4) The avowed impotence of the United States to resist a Red onslaught. Top American military leaders have announced formally that we are not prepared for a showdown with the U. S. S. R. and her satellites and must not risk a world conflict.

Up to last November the top military and political strategists of the free nations were still convinced that because of certain shortcomings in the Soviet and satellite armor, they still had at least 2 years before the final show-down.

1953 WAS ESTIMATE

Intelligence from the satellite countries is spotty. That from the U. S. S. R. is mostly guesswork. But by piecing together during the last 3 years what information could be obtained through the iron curtain, responsible officials came to the conclusion that not until 1953 would the Soviets reach the height of their military preparedness, especially in the output of atomic weapons. This evaluation was strengthened by the fact that Russia permitted the Greek guerrilla movement to die on the vine and it eventually gave up the blockade of Berlin after nearly a year.

These provocative actions engineered by the Kremlin were abandoned, it was said, because the United States—and to a lesser degree its associates—showed a determination to meet force with force.

The third attempt of the U. S. S. R. to challenge the free world took place on June 25, 1950, when the North Korean puppets attacked the South Korean Republic's forces. The immediate—though nominal—reaction by the United Nations and the real retaliation by the United States was supposed to have given pause to the men in the Kremlin.

The Korean action was totally different from our actions in Greece and Berlin. We actually threw fighting men—the flower of America's Regular Army—into the combat and after a few weeks, when we had recovered from the surprise attack, we succeeded in practically destroying the whole North Korean army. It looked as if we had met successfully the first Soviet challenge on the battlefield.

THREAT OF DEFEAT

Our victory in Korea would have been a death blow to Soviet plans for world domination. Moscow threw into the battle millions of Chinese Communist regulars. We suffered painful defeats. America's allies in the United Nations who had taken a chance in voting for intervention in Korea became scared.

Instead of meeting this new onslaught with the same determination as last June, they started begging the Chinese Communists to accept a truce which, in effect, would have given them a real political victory. They refused, that is to say the U. S. S. R. instructed its Peiping puppets to refuse.

Here was a chance to bleed American armies white. Moscow suspected—or had reasons to be sure—that the American forces would not be permitted to use every advantage at their disposal to defeat the Chinese Red hordes. It is a strange coincidence that it was principally our allies in the U. N. who vetoed the use of the Air Forces in Korea to bomb the air and concentration centers of the enemy, not only across the Yalu River, but also within Korea itself, because they were situated 35 miles from the Soviet borders.

Orientals know and respect the ruthless use of power. Likewise, they take as evidence of fear and timidity the honest endeavors of the westerners to check the bloodshed which would inevitably occur in a third world war. This timidity of the Allied high command in Washington and at Lake Success determined Moscow to order its Chinese puppets to resume their offensive operations.

Meanwhile, they strengthened their own effectives in eastern Manchuria and on Sakhalin Island. They replied to the western conciliatory policies with a threat of further aggression. They succeeded in intimidating not only the European members of NATO, but also the American Government, which directed the military operations in the Pacific.

CHANGED PUBLIC ATTITUDE

But on the other side of the ledger the Russians discovered something their agents in the United States had failed to tell their superiors in the Kremlin. That was a change of attitude on the part of the American people themselves.

While the country by and large would not hesitate to make the utmost sacrifices for lasting peace, the people became aware of the threat to their own life and freedom if Russia were to win.

The men in the Kremlin had reckoned on much-weakened morale among the American people. For nearly 10 years their agents—Americans and foreigners—had been hard at work to undermine the American mind. They had tried to prove that our mode of life and our Constitution were relics of the past.

They seemed to gain ground until the real test came. Then the results were sadly disappointing for the men in the Kremlin. After these many years of intense propaganda and subversions in all strata of America's society the American people are still patriotic—in the old meaning of the word—and ready for any test.

NATO BUT A BLUEPRINT

This unquestionably is a far more important factor in the reported decision of Russia to strike this year. The Kremlin knows that for the time being NATO is no more than a blueprint. It has failed to do anything constructive for the creation of a real army.

France and Britain are in the throes of a domestic political crisis. Even if we remove from the picture the important factor of Communist domination or infiltration in British and French social life, the people of both these European pillars of the NATO are war-weary and afraid that another war would doom them.

Maybe Russia does not possess the stockpile of atom bombs with which to wage a destructive atomic bombardment of the United States. Maybe she does not have all the

planes she needs for offensive operations. Maybe she does not have all the necessary amounts of high-octane gas and oil for a continued operation. But in relation to the state of unpreparedness of Western European nations, she has more than enough to jump the gun and still get to the channel within a few weeks after her massed forces have started moving.

The few American divisions on the way to Germany may cause a delay of a few days or even 2 weeks. But they alone, with the meager support of the NATO forces, will not be able to stop the Reds, particularly if the operations in Europe take place simultaneously with an extension of present military actions in the Far East.

The real reason for France's and Britain's absolute opposition to inclusion in western defense of all nations with strong military potential—Germany, Spain, Greece, Turkey, etc.—is not so much the fear or dislike of these people, but the fear that such an action might invite Russian attack.

HOPE FOR DELAY

They know that so long as the rearmament program proceeds slowly Russia, which is well-informed of the real situation, might mark time in the hope of picking Western Europe like a ripe plum after the United States defeat in the Far East is complete.

But the new trend among the American people to resist Russian aggression wherever and whenever it develops may have important repercussions on the rest of the free world. Under the impact of public opinion, the allied governments may be forced to translate their present slow defense measures into actual efforts. Moreover, there is an even stronger possibility that before the summer is over the United States Government, under the impact of public opinion, may begin to provide the Spaniards, the Turks, the Greeks, and the Germans with the proper equipment for their armed forces, which far exceed those of the other allies in numbers and training.

At present, however, these factors are only potentials, which Russia can disrupt by a direct action which would disturb whatever strong defense Europe and America may organize in the future. For the time being Western Europe is in a political turmoil, with various political parties jockeying for power. The military forces of the NATO are smaller than they were a year ago, because France had to reduce her nine combat divisions by three, which had to be sent to north Africa and Indochina.

UNITED STATES NOT READY

For the time being also the NATO's veto on the inclusion of real European military powers—Spain, Turkey, and Greece—still stands and will not be immediately overruled by the United States. Moreover, in this country, General Bradley, Chairman of the Joint Chief of Staff, testified before the Senate Armed Services and Foreign Relations Committees last Tuesday that "America is not ready for a show-down with Russia and should not risk a world conflict by adopting General MacArthur's war proposals."

This declaration is factual as far as our immediate preparedness is concerned. It is also well-known to Moscow, where in the past our most intimate military, scientific and diplomatic secrets have been no secret at all. But this situation existed also in 1941, before Pearl Harbor. Yet as soon as the Oriental branch of the Axis committed an aggression the American people resolutely went to war.

Weak as our ground forces are, compared to our global commitments, they are for more numerous and better equipped than they were 10 years ago. The Air Force is much stronger qualitatively and quantitatively than it was then, and the Navy is ready for any emergency.

The only thing that we lack is the courageous and electrifying leadership of Franklin D. Roosevelt. His slogan that all we have to fear is fear itself apparently is not shared by his present successor and his principal advisers.

Mr. McCARTHY. Mr. President, I thank the Senator from Nevada for yielding to me. I am sorry that I have not been able to be present to hear the entire address of the Senator, but I assure him that it is one address in the CONGRESSIONAL RECORD which I intend to read very carefully.

I may also say, Mr. President, that I agree with much the Senator from Nevada says, but whether we agree with the Senator or not, he certainly is contributing a great deal to the American people in covering the picture of the present situation as he sees it, in the intelligent manner in which he has been covering it.

Mr. MALONE. I thank the Senator from Wisconsin.

INVESTIGATION OF METHODS OF HOXSEY CANCER CLINIC, DALLAS, TEX., IN THE TREATMENT OF CANCER

During the delivery of Mr. MALONE'S speech.

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution providing that the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed first, to make a full and complete study and investigation for the purpose of ascertaining whether the methods employed by the Hoxsey Cancer Clinic, of Dallas, Tex., in the treatment of cancer have proved to be a cure for such disease; and second, to report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem advisable.

The VICE PRESIDENT. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 142), submitted by Mr. LANGER, was referred to the Committee on Labor and Public Welfare, as follows:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized and directed (1) to make a full and complete study and investigation for the purpose of ascertaining whether the methods employed by the Hoxsey Cancer Clinic, of Dallas, Tex., in the treatment of cancer have proved to be a cure for such disease, and (2) to report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem advisable.

SEC. 2. For the purposes of this resolution, the Committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable, and is authorized, with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government. The expenses of the Committee under this resolution, which shall not exceed $_____ shall be paid from the contingent fund of the Senate upon vouchers approved by the Chairman of the Committee.

Mr. LANGER. In connection with the resolution, I ask unanimous consent to insert in the RECORD as a part of my remarks an article entitled "United States Witness Concedes Good in Cancer Remedy," published in the Dallas Morning News, December 15, 1950.

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

UNITED STATES WITNESS CONCEDES GOOD IN CANCER REMEDY—OSTEOPATHIC PHYSICIAN TELLS OF STUDIES AT HOXSEY CLINIC

(By Warren Leslie)

A Government witness conceded Thursday that he had seen Harry Hoxsey's treatment for cancer used on hundreds of patients, and that it had produced good results.

The witness was Dr. Lynwood E. Downs, an osteopathic physician of Denver, Colo. Dr. Downs testified as a Government witness in a suit to keep Hoxsey from sending his cancer medicine through the mails.

In Federal Judge William Hawley Atwell's court, Dr. Downs said that during a period of study at Hoxsey's clinic in 1947, he had seen nearly all types of cancer represented in hundreds of patients. Under cross-examination by Defense Attorney Herbert K. Hyde, he said that many of these patients had visibly improved after treatment.

"The results, in many cases, were moderately good to quite good," Downs said.

The doctor was one of nearly a score of witnesses called by the Government during the day to establish that Hoxsey is sending a black-brown and a pink medicine through the mails, and to try to establish that it won't help cancer.

A chemist from the Pure Food and Drugs Administration in Washington, Llewellyn Hopkins Welch, said he had analyzed seven different bottles of Hoxsey's mixture and that the mixture was different each time.

In one case, Welch said, the concentrate was 94.5 percent water, 4.5 percent potassium iodide, 0.9 percent plant extract, and a trace of licoricelike flavoring.

In other bottles, the witness said, the ingredients were alcohol, sugars, pepsin, and other mineral matter, always with a better than 50 percent water base. He conceded that many drugs now known to be effective in the treatment of other diseases have either an alcohol or water base.

With the seven bottles of Hoxsey's solution the Government conducted a large-scale experiment. The bottles were sent to the Jackson Memorial Laboratory, at Bar Harbor, Maine, for use on mice. Five groups of 25 mice apiece, all with malignant tumors, were given Hoxsey's formula four times daily, as prescribed, said Dr. William S. Murray, of the laboratory.

A control group of 25 diseased mice were treated in every way like the other mice except for the Hoxsey treatment, which they didn't get.

Dr. Murray testified that, upon concluding the treatment, he could observe no difference between the mice treated with Hoxsey's mixture and the other mice.

He also said that between the time of first examination of the diseased tissue (biopsy) and autopsy the tumors of the medicated group had without exception grown larger than the others.

On cross-examination Dr. Murray admitted that no supporting medication had been given the mice to aid in their elimination of poisons contained in the drug.

He was asked by the Government what effect he thought the medication had had.

"None," he said. "The mice uniformly had malignant tumors as they had in the first place."

In cross-examination, Hyde won from Murray the admission that hormones, which

are sometimes prescribed for cancer, sometimes seem to cause it.

The slides of the mice's diseased tissues were then sent to Dr. G. B. Mider of Rochester, N. Y. He testified that under a microscope he could find no difference between tissues of mice which had been treated and tissues of mice which had not.

Dr. Mider then testified that he was satisfied in some cases with the results of recognized cancer treatments such as X-ray, radium, hormones and surgery. He said he knew of only one drug which, taken orally, might help a cancer patient.

"If it won't cure cancer, it may at least arrest its growth," the doctor said. But he added that the drug was still entirely in the experimental stage.

Defense attorneys tripped him up at one point. After he had implied that iodine had never been known in the treatment of cancer, Hyde won from him the admission that radioactive iodine has been prescribed in certain cases of cancer of the thyroid.

Two recognized specialists in the field, Dr. David I. Macht and Dr. Max Alexander Goldzier of Baltimore and New York, respectively, testified that potassium can be extremely dangerous to human beings. (Hoxsey's resolution contains, in some cases, potassium iodide.)

Dr. Macht, who has taught at Johns Hopkins for 18 years, said that potassium iodide in a 4.5 percent solution would be roughly equivalent to about 8 to 10 grains a day. A 1-grain quantity in the wrong person could cause many unhappy effects, such as sniffles, irritation of the bronchi, skin eruptions, sometimes serious, and, in great enough doses, actual destruction of body organs.

He said that potassium is a cumulative drug and that sooner or later a steady intake of a grain a day would be almost certain to produce untoward effects.

It was his opinion that the other ingredients in Hoxsey's solution, without the potassium iodide, would produce no pharmacological effect at all.

Dr. Goldzhier said that on the basis of his own experiments made through the years, it was his conclusion that potassium increases the rate of growth of the cancer and would tend to spread the malignancy.

Hyde challenged the testimony of both men on the grounds that medical science is constantly changing its mind about what is a cure for what. He forced both men to admit that they had not tested the Hoxsey mixture per se.

Both men are medical doctors. Government prosecutors O. Morris Harrell and Joseph Maguire said they would have many more witnesses to call Friday, and the case is expected to run at least until Saturday.

Four Pure Food and Drugs Administration inspectors testified that Hoxsey was shipping his medicine through the mails, and the case of Mrs. H. P. Harris, who died last October after treatment for cancer at Hoxsey's clinic, was brought out in testimony by her widower and two medical doctors who treated her.

Mr. LANGER. I also wish to call the attention of the Senate to the fact that an action was brought by the United States Government, which was tried before Federal Judge William Hawley Atwell, a few months ago, against Harry Hoxsey, the cancer specialist. I ask unanimous consent that the article entitled "Judge Atwell Upholds Hoxsey Cancer Remedy," which appeared in the Dallas Morning News, December 22, 1950, be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD.

JUDGE ATWELL UPHOLDS HOXSEY CANCER REMEDY

(By Warren Leslie)

Federal Judge William Hawley Atwell Thursday rejected the Federal Government's case to stop Harry Hoxey, cancer specialist, from sending his medicine through the mails into interstate commerce.

He thus nullified—at least in this lower court—the Government's mammoth effort to prove that Harry Hoxsey cannot cure cancer.

For the judge said he could, in some cases.

And the judge said Hoxsey's cure was "reasonably comparable" to those medically recognized, such as radium, surgery, and X-ray.

Judge Atwell added that Hoxsey's cure did not bring the physical suffering of radium and survery, if not properly administered.

Point by point, the judge backed up the defendant.

The United States attorney's office for this area declared it would recommend appeal. Officers of the Pure Food and Drug Administration, which brought the suit, said they also would recommend appeal.

An appeal would have to be approved by the Attorney General's office, and be filed within 2 months. It would go to the Fifth Circuit Court of Appeals in New Orleans.

Judge Atwell's decision ended 6 days of testimony by more than 150 witnesses. The great majority of those men and women who said they had had cancer spoke up for Hoxsey. Many of these were Government witnesses.

The Government called them to the stand with the full knowledge that most of them would say Hoxsey had helped or cured them. With the help of scores of medical doctors from all over the United States, the Government sought to show that these people were incorrect; that a man does not know whether or not he has cancer; that only competent medical examination can accurately diagnose the disease.

Judge Atwell made findings of fact as well as conclusions of law. Here are several of his findings:

"Point 3. That the respondents' treatment is not injurious. Some it cures and some it does not cure, and some it relieves somewhat. That the respondents do not guarantee to cure.

"Point 4. That the statements contained in said labels so pleaded are neither false nor misleading. That if in doubt as to the effectuality of the treatment, they (the Hoxsey Clinic) take the patient on trial, and, frequently, without charge to the patient.

"Point 5. That the percentage of efficient and beneficial treatments by the respondents is reasonably comparable to the efficiency and success of surgery and radium, and without the physical suffering and dire consequences of radium, if improperly administered, and surgery, if not successful in completely removing the entire malignant portion.

"Point 7. That the respondents do have two basic medicines to which are added, if and when the examination of the patient calls for such additions, a large number of drugs and mitigations in a separate room at the clinic. That it also subtracts and changes the basic elements of the medicines as indicated, * * * by the full physical examination of the patient. * * *"

The judge also found that the Hoxsey Clinic had shipped no medicine or booklets since institution of the suit.

His conclusion read:

"The facts disclosed by the testimony and found as above, as well as the failure of the Government to successfully carry the burden and show by a preponderance of testimony the correctness of its charges, merits and must have a refusal of the injunctive relief sought, and a dismissal of the bill."

Mr. LANGER. Mr. President, also in the same connection, I desire to call the attention of all Senators to the fact that the Surgeon General of the United States has refused to make an investigation for the purpose of determining whether Dr. Hoxsey has or has not found a cure for cancer. I have here a letter written by the Surgeon General to Mr. Hoxsey, under date of November 24, 1950. I ask that the letter be printed in full at this point in my remarks.

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

FEDERAL SECURITY AGENCY,
PUBLIC HEALTH SERVICE,
Washington, D. C., November 24, 1950.

Mr. HARRY M. HOXSEY,
Hoxsey Cancer Clinic, Dallas, Tex.

DEAR MR. HOXSEY: This will acknowledge receipt of your letter of November 8 with reference to the consideration by the National Advisory Cancer Council at its recent meeting of the records submitted in support of your request that the methods of cancer treatment of the Hoxsey Cancer Clinic be investigated by the National Cancer Institute.

The letter of November 1, 1950, addressed to you by Dr. J. R. Heller of the National Cancer Institute, which notified you of the council's report adverse to your request, was sent with my full authority. Under the Public Health Service Act, the function of the National Advisory Cancer Council is to advise the Surgeon General and the reports of the council, are, therefore, properly made to me.

I am informed that suit has been instituted in the District Court of the United States at Dallas, Tex., styled *United States of America* v. *Hoxsey Cancer Clinic* and *Harry M. Hoxsey* in connection with alleged violations of the Federal Food, Drug, and Cosmetic Act. In view particularly of this litigation no further statement in this matter appears in order pending the outcome of the litigation.

Sincerely yours,
LEONARD A. SCHEELE,
Surgeon General.

Mr. LANGER. In the same connection, Mr. President, I ask unanimous consent that a letter dated May 4, 1950, addressed to Harry M. Hoxsey by J. R. Heller, M. D., Director of the National Cancer Institute, which apparently is under the United States Public Health Service. I ask that the letter be printed in full, together with an accompanying statement of policy of the National Cancer Institute regarding investigation of "Cancer Cures."

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

FEDERAL SECURITY AGENCY,
UNITED STATES PUBLIC HEALTH SERVICE,
NATIONAL INSTITUTE OF HEALTH,
Bethesda, Md., May 4, 1950.

Mr. HARRY M. HOXSEY,
Hoxsey Cancer Clinic, Dallas, Tex.

DEAR MR. HOXSEY: Your letter of April 21, 1950, to Surgeon General Scheele, and the attached correspondence, has been referred to this office for reply.

It is noted that you have extended an invitation to the Food and Drug Administration and also to the Surgeon General to invite any one selected to come to Dallas and "make a private or personal investigation of this clinic and our activities."

You may recall a report, or you may have in your file copies of a report, submitted to

you on December 21, 1945, by Dr. R. R. Spencer, then Chief of the National Cancer Institute. In this report 60 histories of cancer cases submitted by you as cured were carefully reviewed. It was revealed that of 40 cases of external cancer there was no histological (biopsy) proof of cancer in 25; and of the 20 alleged cases of internal cancer no histological proof of cancer was submitted in 15.

Obviously this did not meet the criteria laid down in the policy of our National Advisory Cancer Council, a copy of which is again submitted. Whenever these criteria are met, we will be glad to make an investigation.

Sincerely yours,

J. R. HELLER, M. D.,
Director, National Cancer Institute.

POLICY OF THE NATIONAL CANCER INSTITUTE REGARDING INVESTIGATION OF "CANCER CURES"

The National Cancer Institute receives hundreds of requests to test so-called cancer cures. Most of these are pastes, ointments, or salves which fall in the category of escharotics, that is, substances which, when applied to external cancer, destroy it by "eating out" the tissue. Such treatments were used by the medical profession years ago but are used very little today. In cases in which this type of treatment is considered desirable, the medical profession has suitable formulas available.

Some of the treatments advocated have no scientific evidence to support them and others are mere theories. The National Cancer Institute is willing to investigate any treatment claimed as a cure for cancer provided the author can present any reasonable proof of merit. Accordingly it has established the following conditions which must be met before it will give consideration to requests for the examination of new treatments for cancer:

1. The method of treatment must be explained fully. There must be no secrecy whatsoever in regard to the composition or the nature of the treatment.

2. Complete clinical records must be submitted of a suitable number of cancer patients, treated with the remedy or method in question under competent medical supervision, and in each such case the diagnosis of cancer must rest on competent and verifiable microscopic examination.

3. The records must show that the patients survived at least 5 years following treatment.

Approved by the National Advisory Cancer Council, June 6, 1947.

INVESTIGATION OF COST OF LITIGATION INVOLVING REINSTATEMENT OF A GOVERNMENT EMPLOYEE

Mr. LANGER. Mr. President, I desire to call the attention of the Senate to the fact that this morning I made a motion in the Committee on Post Office and Civil Service, which was unanimously agreed to, as follows:

That there be a full investigation by the Committee on Post Office and Civil Service of the article which appeared in the Washington Post yesterday morning, headed "United States defeated in a one-half-million firing action; printer ordered reinstated; judge scores high cost."

In other words, in the case of Orton T. (Tex) Campbell, involving veteran's preference, according to Judge T. Alan Goldsborough and the Washington Post, the United States Government has spent about $500,000 in finding out whether this veteran is entitled to his job, which pays $5,450 a year. I desire to ascertain whether this case is going to be appealed, and whether it is going to cost the Government another $250,000 in addition to the $500,000 already spent to determine whether this veteran may have this $5,400 job. I ask unanimous consent that the motion I made this morning before the committee be printed in full, together with the article, entitled "United States Defeated in a One-half-Million Firing Action," published in the Washington Post, of May 19, 1951, to be printed at this point in my remarks.

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

I move that the Senate Post Office and Civil Service Committee conduct an immediate investigation to ascertain whether or not the United States Government spent the sum of one-half million dollars to investigate this $5,000 position, that the truth or falsity of that statement be determined by the Civil Service Committee or any properly constituted subcommittee thereof, that all the necessary witnesses be subpenaed or asked to attend, and that the investigation be made promptly, immediately, fully, and completely and that a report be made to this committee not later than 2 weeks from today.

UNITED STATES DEFEATED IN ONE-HALF MILLION FIRING ACTION—PRINTER ORDERED REINSTATED; JUDGE SCORES HIGH COST

(By Thomas Winship)

The Government yesterday lost a half-million-dollar court battle to fire a $5,450-a-year Federal printer.

The bill may run even higher when the case is appealed.

District Court Judge T. Alan Goldsborough ordered the printer reinstated in his old job, after condemning costly Government litigation in general.

Winner was Orton T. (Tex) Campbell, a 30-year-old World War II fighter-plane pilot, who was discharged from his Government Printing Office job in June 1949 after starting a court fight in a veterans preference dispute.

PLANS RETURN TO GPO

Campbell, who lives at 214 Massachusetts Avenue NW., now is an assistant foreman in the composing room of the Washington Post.

He said last night that he intends to return to GPO.

The judge ruled on Campbell's suit for reinstatement, then admonished the Government's attorney, E. Leo Backus, of the Justice Department:

"I hope it never happens again that an administrative agency spends half a million dollars to get rid of one employee. If that is the practice of administrative agencies, they ought to be abolished. * * * It is so extraordinary, I can't characterize it," declared the angry jurist.

Backus countered that it was a test case and undoubtedly the Government would appeal it to the Supreme Court, which may cost thousands more.

NOT ANOTHER HALF MILLION

"Don't spend another half-million dollars," interrupted Goldsborough. "Make it a quarter of a million this time."

Philip L. Cole, Deputy Public Printer, made the $500,000 estimate of the cost thus far to carry out the Campbell proceeding, Backus said. The bulk of the figure represents working time of Justice, GPO, and Civil Service Commission officials and employees.

In his ruling, Goldsborough upheld the position of Campbell's attorney, Warren E. Miller, that his client had been denied the right to cross-examine witnesses during his 1949 ouster hearing before the Civil Service Commission.

Campbell's attorney also had argued that the charges were vague, not detailed, as prescribed under the Veterans' Preference Act of 1944, and civil service regulations.

GOVERNMENT CONTENTION

Backus insisted yesterday that Campbell was fired on specific charges, and the CSC hearing was conducted properly. The printer was accused of "circulating false statements and obstructing work at Government Printing Office."

It all began when Campbell returned from military service in January 1946 to learn, he said, that his CAF-7 job had been reclassified to CAF-11. GPO reinstated him with the CAF-7 grade. Campbell contended he was entitled to the higher rating.

He filed suit in district court asking that the Public Printer be forced to give him the CAF-11 grade. Campbell lost this case on jurisdiction and appealed. It is now pending before the court of appeals. GPO fired Campbell June 3, 1949, 3 days before the case was to be heard before the appeals court. Campbell then filed his suit for reinstatement on which Goldsborough ruled yesterday.

Mr. LANGER. I thank the distinguished Senator from Nevada for yielding to me.

Mr. MALONE. Mr. President, I ask unanimous consent that the remarks and insertions by the Senator from North Dakota [Mr. LANGER] appear in the RECORD following the debate on the pending question.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution:

H. R. 3587. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and

S. J. Res. 35. Joint resolution to permit the board of supervisors of the Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

RECESS

Mr. GEORGE. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 2 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, May 23, 1951, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 22 (legislative day of May 17), 1951:

SECURITIES AND EXCHANGE COMMISSION

Robert I. Millonzi, of New York, to be a member of the Securities and Exchange Commission for the remainder of the term expiring June 5, 1952.

FEDERAL COMMUNICATIONS COMMISSION

Wayne Coy, of Indiana, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1951. (Reappointment.)

COURT OF MILITARY APPEALS

Paul W. Brosman, of Louisiana, to be a judge of the Court of Military Appeals for the term expiring May 1, 1956.

George W. Latimer, of Utah, to be a judge of the Court of Military Appeals for the term expiring May 1, 1961.

Robert Emmett Quinn, of Rhode Island, to be judge of the Court of Military Appeals for the term expiring May 1, 1966.

IN THE ARMY

Lt. Gen. James Alward Van Fleet, O3847 (major general, U. S. Army), for appointment as commanding general, Eighth Army, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Lt. Gen. Edward Hale Brooks, O6657 (major general, U. S. Army), for appointment as commanding general, Second Army, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. William Morris Hoge, O4437, United States Army, for appointment as corps commander, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

Maj. Gen. Doyle Overlton Hickey, O10123, United States Army, for appointment as chief of staff, Far East Command, with the rank of lieutenant general and as lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade of rear admiral:

REAR ADMIRAL, LINE

Charles D. Wheelock	John P. Whitney
Richard M. Watt, Jr.	Hugh H. Goodwin
Paul E. Pihl	Edgar A. Cruise
Wilson D. Leggett, Jr.	Thomas B. Brittain
Harold D. Baker	Richard P. Glass
Herbert E. Regan	Clark L. Green
Thomas M. Stokes	Leon J. Huffman
Robert E. Blick, Jr.	Harold A. Houser
Frank T. Watkins	John M. Higgins
Tom B. Hill	John B. Pearson, Jr.
Carl F. Espe	

REAR ADMIRAL, MEDICAL CORPS

Leslie O. Stone
Clifford A. Swanson

REAR ADMIRAL, SUPPLY CORPS

George F. Yoran
Robert F. Batchelder

REAR ADMIRAL, CIVIL ENGINEER CORPS

William O. Hiltabidle, Jr.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 22, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we rejoice that in our moments of prayer and worship Thou art always speaking unto us, seeking to give wisdom to our minds and courage to our hearts.

We pray that the confusion and chaos of our times may not bring doubt and despair and defeat to our souls.

Forgive us for taking counsel with our fears and allowing days of darkness and disaster to shatter our faith and shut out the vision of Thy grace and power.

Grant that as valiant soldiers we may strive to conquer those devastating and destructive desires and ambitions which are raging in the hearts of men and nations and filling the life of humanity with so much sorrow and suffering.

May we daily gird ourselves with confidence and hope and dedicate all the energies of body, mind, and soul to the supreme task of building a world community ruled by the spirit of the Prince of Peace.

Hear us in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3587) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House of Representatives to Senate amendments Nos. 18, 19, 25, 28, and 34 to the above-entitled bill.

SPECIAL ORDERS GRANTED

Mrs. ROGERS of Massachusetts asked and was given permission to address the House today for 5 minutes, following the legislative program and any special orders heretofore entered.

Mr. FORD asked and was given permission to address the House for 1 hour today, following any special orders heretofore entered.

PUBLIC HOUSING

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, I have today introduced a bill to repeal the restrictions placed upon the Federal low-rent housing program by the independent offices appropriations bill passed by the House on May 4 and not yet acted on in the other body. This appropriation bill cut to 5,000 units the number for which annual contributions contracts, the basis for federally assisted low-rent housing, could be made in the fiscal year 1952 and limited to 50,000 the number of units for which such annual contributions could be contracted in any subsequent fiscal year.

It is my intention to restore the provisions which Congress passed in the Housing Act of 1949 with bipartisan support providing for 135,000 federally assisted low-rent housing units per year for each of the fiscal years through 1954 with the right in the President to reduce this amount to 50,000 units or to increase it to 200,000 units after receiving advice from the Council of Economic Advisers as to "the general effect of such increase or decrease upon conditions in the building industry and upon the national economy, if such action is in the public interest."

It is essential that a vehicle be afforded by which public dissent can be expressed from the action which would result in gutting the whole Federal public housing program for this fiscal year and my bill will serve this purpose. I am concerned lest those who have always been opposed to publicly assisted low-rent housing should seize this opportunity to utilize defense mobilization to accomplish what they failed to accomplish when the Housing Act of 1949 was passed. At that time it was public demand which was heard and which was successful and I believe that public demand will again have to be heard.

It has been stated by some that considerable absenteeism on May 4, 1951, the day the vote was taken in the House, had a great deal to do with the result. An analysis of the vote and of the situation indicates that the result would not have been changed even with the absentees present as the issue had in effect been decided the previous day when the House voted 219 to 159 to consider the independent offices appropriation bill though it legislated in respect of the public housing program. This way of deciding the issue overnight, in view of the months of hearings and debate and the years of consideration which went into the Housing Act of 1949, can hardly be considered to have been adequate consideration.

The argument of defense mobilization is being made to block a reasonable Federal public housing program. The President has found that 75,000 units for the fiscal year 1952 are warranted considering defense mobilization needs. The Appropriations Subcommittee which handled the bill and the whole Appropriations Committee found that 50,000 units could be allowed even under defense mobilization.

The need is especially great now because of the greatly increased pressure on low-income families eligible for public housing due to the galloping inflation and the cost of living especially in the price of foods. The hearings before the Appropriations Subcommittee showed a vast demand of about 20 times the number of applications from families eligible for public housing compared to the supply of units available or to become available within a year, and that this type of demand persists in cities from Atlanta, Ga., to Fresno, Calif., and from Boston to Tampa. New York, with a continuing critical housing shortage, is hit especially hard, according to its mayor, with 10,000 to 15,000 units immediately cut off for 1952 and the prospects for an estimated 30,000 units more indefinitely postponed.

At a time when our people are asked to hazard their lives in a great effort for national security, the least we can do is to protect as far as possible the social welfare advances which have been achieved. I should think that this argument would be equally appealing even to those who have fought public hous-

ing; yet, it is this very program which is being made mercilessly to suffer. National unity in this great national defense effort is not to be fortified in this way.

A SALUTE TO A GREAT HERO, CAPT. JAMES W. JABARA

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I rise to call the attention of the Members of the House to the heroic deeds and to pay tribute to a fellow Kansan, Capt. James W. Jabara, of Wichita, Kans.

Press releases from Korea have reported that this 26-year old Kansan became the first ace jet flyer in history last Sunday in a swirling dog fight over northwest Korea. Captain Jabara is credited with having destroyed two of the three Russian-made MIG-15 jets shot down by F-86 Sabre jets near the Manchurian border. These jets were his fifth and sixth in the Korean war—one more than was required for the captain to be designated as an ace flyer. In Sunday's air battle 50 Red jets were caught by our Sabre jets south of the Yalu River. In addition to the three Red planes destroyed, others were listed as probably destroyed and several damaged.

Captain Jabara very briefly described his experience in these words:

> I tacked onto three MIG's at 35,000 feet and picked out the last man. I fired two bursts which ripped up the fuselage and the left wing. The MIG burst into flames and snaprolled twice. At about 10,000 feet the pilot bailed out. Just as he jumped, the MIG disintegrated into a thousand pieces of flaming debris. I climbed back to 20,000 feet and immediately bounced six more MIGs. I fired two bursts into one of them, scoring heavily both times. It fell into an uncontrolled spin and all I could see was a whirl of fire.

Mr. Speaker, this is a terrible experience. It is war at its worst. Here is a man who faced the possibility and probability of a horrible death in order to achieve his goal. He assumed his assignment voluntarily and his action was far beyond the call of duty.

In World War II, Captain Jabara went on 133 missions. He has 6½ air victories to his credit over Europe in World War II. He was awarded the Air Medal with 20 clusters, a Presidential citation, and the European campaign ribbon with six battle stars.

So we salute another heroic American, a man who risked his life far beyond the call of duty and in the hope that the world might be a better and finer place within which to live.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 59]

Albert	Dondero	Murdock
Angell	Dorn	Murray, Wis.
Barden	Fallon	O'Brien, Mich.
Barrett	Frazier	Potter
Beall	Garmatz	Riley
Bonner	Gillette	Rogers, Fla.
Bosone	Hart	Secrest
Boykin	Harvey	Shelley
Bryson	Hébert	Smith, Miss.
Buckley	Hinshaw	Springer
Budge	Hoffman, Ill.	Stigler
Butler	Horan	Sutton
Camp	Howell	Tackett
Cannon	Irving	Taylor
Chenoweth	Kennedy	Van Pelt
Colmer	Kersten, Wis.	Vursell
Cotton	Kirwan	Watts
Davis, Tenn.	Lyle	Widnall
Davis, Wis.	Martin, Mass.	Williams, Miss.
Dawson	Miller, Calif.	Willis
Dingell	Morgan	Winstead
Dolliver	Morris	

The SPEAKER pro tempore (Mr. BATTLE). On this roll call 367 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INDIA EMERGENCY ASSISTANCE ACT OF 195

Mr. COX. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 209 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself in the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3791) to furnish emergency food relief assistance to India, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 6 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN], to be used and yielded as he sees fit, and I now yield 10 minutes to myself.

Because of the widespread interest in providing wheat for India, the Rules Committee concluded to bring the Carnahan bill here, in order that the House might determine for itself if the bill should be considered.

I oppose the adoption of the pending rule because I know that we are being made the victims of a well-planned and well-conduced campaign to blackmail Congress into doing something that it should not do.

Behind the Indian wheat bill there is a combination of influences:

First. There are the church people who believe that the proposal is to give bread to hungry people.

Second. There are those wanting to initiate another give-away program that will call for an additional $7,000,000,000.

Third. There are those wanting to continue the policy of appeasing everything that is Russian.

Fourth. There are the one-worlders.

Fifth. There are those seeking political advantage or wanting to avoid political disadvantage.

Sixth. There are those who believe that the best way to resist communism is to buy friends.

Seventh. There are those who know that in pursuing this course we are playing the Russian game.

Eighth. There are those who, though clean-minded and right-intentioned, believe that Christian charity compels us to feed the hungry wherever they may be found, to feed both friend and foe, and without regard for consequences.

Ninth. And there are the confused, following a course of confusion laid out by confused people. A bill allowing India to spend every cent with Russia and China.

Around the first of March of the present year, and under the prompting of somebody, 11 members of the Foreign Affairs Committee introduced 11 identical bills to give 2,000,000 long tons of wheat to India; and not to be outdone, the gentleman from New York [Mr. CELLER] introduced a bill of his own.

The Foreign Affairs Committee chose to report the bill offered by the gentleman from Pennsylvania, Dr. MORGAN, but when the bill was brought to the Rules Committee on application for a rule, and when examination of the proposal was sought to be made, its sponsors ran away and left their child cold upon the committee table.

Later the Foreign Affairs Committee came back to the Rules Committee with another bill, the Carnahan bill, proposing to make an ECA loan of $190,000,000 to India.

I invite you to take a look at this bill. While saying "That the assistance hereunder shall be for the sole purpose of providing food to meet the emergency need arising from the extraordinary sequence of flood, droughts," and so forth, India is not obligated to buy one grain of wheat from the United States or from anybody else. She can spend the money for any kind of food she may want, and need not spend one dime for food obtained from the United States.

What a cheat and a swindle is this proposal.

A majority of the committee sponsoring the bill say they do not like it, that they do not want it, that they favor making an outright grant, but that they take this bill as a last resort.

Remember, India did not come here begging for a grant. Oh, no. India is too proud to beg. She came here for a loan on easy terms, just the kind of a loan that is here proposed, because India knows, as every informed person knows, that ECA loans are nothing but grants.

Of all the billions loaned by ECA, there has not been paid, up to this date, one thin dime on principal or interest, and nothing of any consequence will ever be paid on these loans. The loans were made with no expectation of their ever being paid, and the billions loaned were received with no sense of obligation to pay.

The Foreign Affairs Committee, in its report, says:

The committee believes that a loan would be an unrealistic approach to the problem. It would be contrary to the firmly established policy of the United States not to make loans where there is no reasonable expectation that they can be repaid. Furthermore, a loan that cannot be repaid engenders ill will instead of creating good will.

And further, this committee had this to say in its report:

The committee considered this matter carefully, for it could not recommend to the House any grant if India's resources would warrant further purchases out of its own funds.

So, a majority of the Foreign Affairs Committee is satisfied that India cannot repay this proposed loan and should not be expected to pay it.

Mr. Acheson, of the State Department, testifying before the Foreign Affairs Committee, said that India could not pay for the wheat without straining her economy. He further said:

Our own studies show that India could not pay for these 2,000,000 tons without drawing heavily upon its sterling balances with the United Kingdom.

Those sterling balances, incidentally, amount to $1,800,000,000.

He said further:

If the balances were used to finance the importation of the 2,000,000 tons of grain we are here discussing, the funds available for developmental and other essential purposes would be correspondingly reduced.

Mr. Acheson further said—and I ask that you pay particular attention to this:

If its—

India's—

credit were pledged for grain, it would be unable to qualify for the hoped-for developmental loans. In addition, credits for the acquisition of consumers goods * * * are economically unsound.

So Mr. Acheson is against making India a loan. But let me again repeat what he said:

If its—

India's—

credit were pledged for grain, it would be unable to qualify for the hoped-for developmental loans.

What the Secretary had in mind was that in the execution of India's Colombo plan, about which the Foreign Affairs Committee had much to say in its report on the bill, India would need to borrow $3,864,000,000, the most of which she expects to borrow from the United States through the Export-Import Bank. And the Foreign Affairs Committee having this in mind, took care to say in its report:

The committee desires to emphasize that this bill does not deal with the development plan, but with a food crisis.

So there you have the viewpoint of the Secretary of State and a majority of the Foreign Affairs Committee.

But there were minority members of the committee who disagreed with this viewpoint, and they made a report which is an official document of the Congress, and from which I quote:

India needs grain immediately; we have the grain. We need strategic materials from India over a period of years; India has these materials; manganese, mica, burlap, monazite sands, and so forth. We should make India a loan which can be repaid in strategic materials. We should not make the Government of India a gift it has not asked for.

The monazite sand and burlap referred to in this report are two commodities of which India is the chief supplier. We have little monazite sand and no burlap. India has embargoed the exportation of jute, burlap, and monazite sand to the United States.

Monazite sand is something from which thorium and the rare earths are produced. Thorium is used in the making of the atom bomb. India, as stated, is the chief source of this sand. But under the promptings of Russia she embargoed its shipment to the United States, and in addition thereto, and again under the promptings of Russia, her representative went to Brazil and influenced that country to embargo the exportation of monazite sand except in government-to-government transactions. The sand that Brazil has was mined by an American chemical company that went to Brazil upon Brazil's urging and developed two mines, and now, because of the embargo, this company cannot get one grain of its production.

This sand which India has is worth nothing to her except as she can convert it into foreign exchange. But she takes the position that it is better for her people to starve than to barter this sand for food to feed them.

These minority members of the Foreign Affairs Committee said further:

Most of the people in the world are hungry. The State Department, in presenting the point 4 program, said "primitive agricultural methods and poor transportation so limit the production and distribution of food that two-thirds of the world's population have barely enough to eat to sustain life."

And again these gentlemen said:

The 2,000,000 tons requested from us by India is only about one-twenty-fifth of what India expects to obtain this year. The failure to obtain this food will not in itself cause famine or starvation in India; on the other hand, delivering it will not prevent hunger and malnutrition in India.

In view of this statement, it is difficult to understand how these gentlemen would favor the Carnahan bill. The minority report signed by these gentlemen further states: "A 6-year loan would not ruin India or its plan"—meaning the Colombo plan.

The gentleman from Ohio [Mr. VORYS] and his associates, in referring to the $71,000,000,000 budget that we are endeavoring to raise, further stated:

We know that the proposed gift to India is not in that budget at all, but is above and outside it. If we start making appropriations outside our $71,000,000,000 budget, we will have little chance to reach a pay-as-we-go basis, and this gift to India will be added to our national debt. * * * either India or the United States is going to go in debt for this grain. We owe it to India and the rest of the world, as well as to ourselves, to remain strong enough here at home to carry our own great share of the burdens of the defense of freedom.

And let me give you one more quote from this minority report:

We are urged to do this as an act of charity. We believe that charity is the greatest thing in the world, but it is a voluntary virtue. There is no such thing as compulsory charity. We hope that every Member of Congress is charitable with his own money. We do not believe that Congress has the right, under our Constitution, to be charitable with money taken from taxpayers without their consent.

It may be said that the quotes that I have given are taken from the minority report of the Foreign Affairs Committee on the Morgan bill, and because they represent the views of the minority they should not be persuasive; but let me remind you the report blasted the life out of the majority report and killed the Morgan bill.

In the debate in the Senate on that body's Indian wheat bill, Senator HUMPHREY said that to him Nehru looks like a good bet for democracy. But is he?

Mr. Harold E. Stassen said:

The men in the Kremlin now look on India as the No. 1 target of world communism.

He further said that Nehru, during his early years, "was strongly attracted to the Soviet Union of Russia and to communism as it was practiced there."

In the Senate debate on the same day, May 15, 1951, Senator FERGUSON placed in the CONGRESSIONAL RECORD, an Associated Press dispatch from New Delhi, India, dated May 12, reading, in part, as follows:

United States officials are chagrined at the pro-Soviet feeling engendered here by the shipment of Russian wheat to this nation, announced on the same day that Prime Minister Jawaharlal Nehru accepted the terms for much larger United States aid.

* * * * *

Only an hour later did he tell Parliament that he saw no political strings attached to the famine-relief bills in the United States Congress to supply India with 2,000,000 tons of wheat.

The result was that the American move to help was obscured by the start of the Russian shipment. Obscured also was the fact that more than 100,000 tons are coming to India each month from the United States through regular trade channels.

* * * * *

The same attitude was reflected in other parts of the Indian press, and in the conversations of Indian officials, leaders, and plain citizens.

* * * * *

An important segment of Indian opinion, wavering between east and west, swung fur-

ther toward the Soviet camp when Mr. Nehru announced that Russia already was starting the 50,000 tons without waiting for the conclusion of negotiations on the terms.

The Indian Government and United States Information Services have failed to get across to the Indian people that the United States has been doing for a long time on a large scale what the Soviet Union proposes to do on a small scale.

Shipping records show that the United States has sold and delivered 411,000 tons of grain to India in the first 4 months of this year. The only delivery from Communist countries in that period was 42,000 tons from Communist China.

But Indian journalists are increasingly caustic about the slow progress of the famine relief bills in Congress.

"The United States took only 24 hours to help Korea, but it already has taken 6 months to help save India's people," said one Indian journalist.

Is India our friend? If so, why is the press of India so violently anti-American? If India is our friend, why are anti-American meetings being held all over India at this very moment? Look at the record made by Nehru in the United Nations, where he has uniformly taken Russia's side whenever controversy between Russia and the United States has arisen.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. Briefly.

Mr. RANKIN. I wonder if the gentleman knows that since this man DeSilvo, known as DiSalle, has reduced the price of cotton $135 a bale in this country, India has quit growing so much wheat and gone to growing more cotton?

Mr. COX. I thank the gentleman.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. COX. Mr. Speaker, I yield myself seven additional minutes.

He refused to join with his associates in the United Nations in declaring China the aggressor in Korea. He refused to join in the laying down of an embargo against Communist China. He protests our resistance to Chinese communism. And India, although a member of the United Nations under whose flag the war in Korea is being fought, has not furnished one soldier to defend the free world.

If you think India is our friend, then look to the speech made in Austin, Tex., February 25, 1951, by Dr. Bharatan Kumarappa, India's delegate to the United Nations Social Commission. This representative of India said:

Communism, which Russia is seeking to realize, from the point of view of nonviolence, we feel has an ideal which is essentially a nonviolent idea. The goal of communism is a goal in which there is no room for exploitation or for suppression of the weak by the strong. * * * That goal, therefore, the Communist goal, I am sure you will admit is a goal which is a nonviolent goal, and must attract people who believe in nonviolence.

Do these words sound like those of a country that is taking the side of the United States in the desperate struggle that she is having with Communist Russia?

This protagonist of the Communist doctrine further said:

Besides nonviolence, and liberty, we have this great desire to improve our standard of living. I think from that point of view Russia would have an appeal to us, because we are people who have old economic and social organizations, and it is necessary for us to build a new way of life. We are sort of hampered and hindered at every step by these old conventional ideas. Such people have to have some kind of a revolution, something that will shake them to their very foundations and put new life into them. That way I think Russia with its revolution would serve a useful purpose to perhaps get rid of our old feudalism, landlordism, and things of that kind, and make wealth available for the masses of our country. That way Russia would appeal to us, as you can see.

Is this the language of a friend of our country?

This missionary for Russian communism explained India's hostility to the United States in these words:

Let me * * * tell you the kind of things that make us feel somewhat more hesitant toward you today. And I emphasize the word "today," because but yesterday our attitude toward the United States was one of great friendliness and expectation, but latterly because of policies that are being pursued in the world, we have begun to adopt a more hesitant attitude toward America. The first of these, I might mention, is this: That we find you arming yourselves, drafting, making elaborate preparations for war, and spending fabulous amounts of money. Not only are you arming, but you are going to other countries with arms and ammunitions, even countries that do not wish to fight you go to—like Germany or Japan today. You go to them and tell them that here are arms and ammunition for you. Go ahead with preparations for defense and fight. So America appears to us to be very, very war-minded today because of its preparations and its policies. It is something that we see in the newspapers, hear over our radio; therefore, it is not something that can escape our notice. As over against that, you must also remember that Russia creates a very different side as to what is happening. It is quite likely that a great deal is happening, and those who are in the know of things can probably give us facts and figures. But the ordinary person in India, who just looks at newspapers and listens to radios, and doesn't bother to go behind what reaches the ears—that kind of person is apt to gain the impression that as between Russia and America, America appears to be the country that is most definitely preparing for war. She is arming herself and arming others. That is an impression, you must remember—that in India we are beginning to think that America is definitely the country which today is very war-minded. She is spending her money and her resources on war, arms, and ammunition.

And again the doctor said:

Today what we find is that the other people of the world are much less inclined to fight than you are. Even Britain and France, Italy, these countries are war-devastated countries—Germany and Japan—all these are war-devastated, and the only country that appears to have enough strength in her to think of a war—I am not talking of Russia—appears to be the United States. * * *

* * * America appears with her troops in various parts of the world—in Korea, in Formosa, for instance. And we in Asia are very sensitive to that fact. You may think: Is not Russia appearing with her troops? I do not think so. Russia is not appearing directly with her troops. She may be aiding and abetting national movements in Asia, but we do not see Russian troops anywhere. But we do see American troops in various parts of the world, and it is creating a very bad impression in the minds of Asia that America is now appearing with her military might in various parts of Asia. That is a thing for you to remember.

Dr. Kumarappa further said:

If Asia is quietly drifting toward Russia, it is partly because of the policies being pursued by the United States.

What are the policies of our country to which this Indian official takes exception? It is because, as a matter of self-preservation, we have been compelled to resist the aggressions of Russia.

This Indian official further says—and mark the words:

We do not care about communism so much. We are bothered a great deal about the foreigner in Asia. If only you understood that, you wouldn't want to go and waste 1 cent on helping the foreigner in Asia.

And here I would like to say to the good church people of the country whose representatives for years have labored in China and India, that they might as well get prepared for these Communist-dominated countries to chase out of these lands their missionaries who have sought to take to the old world the Christian religion.

And this same representative of India had this to say:

And we are not so bothered about communism in Asia. * * * For you, communism is enemy No. 1, and you feel that it is necessary to get rid of communism from off the face of the earth. So far as we go, we regard imperialism as enemy No. 1, not communism. The reason for that is this: that we do not associate any imperialism in communism as you do. Here I see a definite parting of the way, because in America you associate communism with Russian imperialism. We do not see it that way. Our attitude is that communism is a certain philosophy, a certain economic and social organization we can have, which we can evolve out of our own traditions. * * * We are free to develop it according to our own best traditions as we choose. And so far as Communist China goes, it appears that communism there is not a mere matter of Russian dictation, but it is something that is being developed in China by the patriots of China—the Nationalists leaders of China who are so eager, like our own leaders in India, to do something for the people of their land. They have been inspired by this communism philosophy, which as I told you has a beautiful hope, and they are seeking to shape that in accordance with their own traditions. Naturally, they do get help and support from Russia, because when two people have the same kind of philosophy, it is natural for people to seek each other's help, especially when they know that the rest of the world is rather antagonistic. Communist China may have obtained help, perhaps, from America herself because America and China have been friends for years together. But when America bangs the door against Communist China in the United Nations, and has been the only nation amongst the members of the United

Nations who has been most unwilling to allow a seat in the United Nations, then can you blame Communist China if for her support she goes always to Russia? That may not have been the case if America had been more friendly toward Communist China. So far as we go, I say, we do not see Russia's imperialism behind communism.

I should like here to make the observation that India, to all intends and purposes, has already embraced the doctrine of communism. She is, of course, opposed to the violence involved in the Russian system, but defending China for turning to Russia for help because the two countries had embraced the same philosophy, it is reasonable to assume that in any further conflict between Russia and the United States that might be brought about, India, because of having embraced the Communist philosophy, would find it natural to take Russia's side, just as she defends China for seeking and accepting Russian support.

Is there any famine in India? Are the Indian people any hungrier now than they have been in all their long history? Nehru says that there is no famine, but that there is a shortage of grain, which India expects to get from some source in order that no famine might develop.

The church people of the country, because of propaganda, have been led to believe that millions of people in India are starving daily, and they think that the food we give or supply will go to feed the hungry of this unhappy land. But this is not the case. Whatever food we supply will go to the Indian Government, who in turn will sell it to her people, which means that the hungry of India who have means with which to buy will eat, but those having no money may be permitted to die.

And here it might be well to remember that India has 180,000,000 sacred cows, and God in heaven alone knows how many sacred monkeys. She has 10,000,000 sacred or professional beggars. All of these will have the first claim on any food that we may send to India.

Now, I can understand that there are those who will not like my having said this. They will contend that this is something that should not be taken into consideration; that sacred cows, sacred monkeys, and sacred beggars are a part of the Indian religion; and in that they are right. But it might also be said that it is a religion that our already overburdened taxpayers should not be compelled to support.

I said that this was the beginning of a second Marshall plan. I think it should be more specifically called the Javits plan, because the gentleman from New York has been doing the thinking and the planning and the canvassing for the plan.

And why was India selected? To start off with, it was because of the humanitarian equation that was involved and the ability to whip up sentimental support. By passing this bill you will be giving a vote of confidence in Dean Acheson. You will be continuing the policy of appeasing all things Russian. You will be irrevocably committing the country to the policy of the distribution of the wealth of the Nation to all the peoples of the world. And you will be initiating another little give-away program that will call for the expenditure of $7,000,000,000. Following India will come a train of other countries, and to make certain that she be the second to be considered, Israel has already spoken out, and effort is being made to pledge Members of this body in favor of the expected grant to that country.

Mr. Speaker, are we able to do more than fulfill the commitments that we have already given? Are we able to do more than take care of our existing obligations? Mr. Acheson thinks we are. He thinks we can. He thinks we should. He says that for India to pay for the grain she needs, she would strain her economy and impair her ability to qualify for the loan of the money she needs in the execution of her Colombo plan.

Mr. Speaker, what about our own economy? Is it not already strained? Are we the Shylock painted by so many people throughout the world? Has it been forgotten that for the 10 years prior to December 1950 this country had given away and loaned on terms amounting almost to grants, a little in excess of one hundred billion dollars? So, Mr. Speaker, again I ask, what about our own economy?

Our national debt rapidly approaches $300,000,000,000. The per capita debt of our people is above $1,695, whereas the per capita debt of India is only $12. By increasing her per capita debt 45 cents, India could secure the funds which it is here insisted that the United States provide.

It is proposed that this gift to India be added to the national debt. Will that be the manner of taking care of all the necessitous peoples in all other parts of the world? Just how high can this national debt become before it tumbles over and wrecks the economy of the country?

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. COX. I am sorry; I cannot.

Here we are endeavoring to service a $71,000,000,000 budget. The President is calling for more money, for the imposition of heavier taxes. Our Ways and Means Committee has sought everywhere for this needed money, and it cannot find it. We have for weeks been whittling down appropriation bills to enable us to finance our defense program. And in the face of this critical and apparently hopeless situation, we are called upon to further burden the American taxpayer to the tune of giving $200,000,000 to India.

What a snare and a delusion is this proposal. To me it is the height of insanity.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, when I first learned about this grain to India bill I looked upon it with favor because I thought it was to be a loan and not a gift; I thought that the United States had the grain and that India needed it. I thought that India had mica, manganese, monazite sands, jute, and certain strategic materials that we needed in the war effort; I thought it would be well that we should trade the grain to India and that in turn we would receive these strategic materials; first, because we need them; and, second, every bit that we take from India I thought would be taking away from Russia.

I discussed this grain bill with many of our colleagues, and without exception they favored this loan to India; there was no opposition to it. Then finally I read in the papers that the State Department, notwithstanding Nehru and the Indian Government asked for a loan, not a gift, the State Department said "No, Mr. Nehru, although you have merely asked for a loan—no, sir—good old Uncle Sam, from whom the people of the world will take everything they can—we do not want to make a loan; we do not want to make a mutual agreement on this proposition"; the State Department said: "We are going to give it to you."

Mr. Speaker, knowing the State Department as I know it, I am not surprised that it would sell the taxpayers of the United States down the river. I definitely feel that they are more interested in the welfare of foreign countries than they are in the welfare of the United States.

Of course, we all appreciate the plight of the people of India and we want to be charitable to them, but that old maxim still remains firmly imbedded in my mind that charity begins at home. While we talk about the undernourished people of India, is that not true of the people of Israel, of Iran, of Spain, of Arabia, of Pakistan, of Yugoslavia, of all the countries throughout Africa? Is it not true that they are all undernourished? How in the world can 150,000,000 people in our own country provide the necessities of life for approximately a billion people scattered all over the world who are undernourished?

I say that this is a precedent. How can we justify giving grain to India without giving grain to Israel, Spain, Iran, Yugoslavia, and to the other peoples throughout the world?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. Why, in Great Britain the people are reduced to 9 cents' worth of meat a week each. So if we are going to help anybody, it seems to me they would be demanding more consideration.

Mr. ALLEN of Illinois. Mr. Speaker, the easiest way to make an enemy is to help one country and not help other countries that are just as deserving.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Georgia.

Mr. COX. Is it not the gentleman's understanding that following India, in

the event that Congress takes favorable action upon this bill, there will come a train of other countries asking for similar treatment? The demands being made total $7,000,000,000.

Mr. ALLEN of Illinois. That is true without question. My understanding is the proposed amount is $9,000,000,000 for foreign relief.

Mr. Speaker, we hear that this is for the defense of the United States. Is it not true that all of these countries that I just enumerated—Spain, Israel, Arabia, Pakistan, and the rest of them—are important in the defense of this Nation? I say that although this bill involves the gigantic sum of $190,000,000, in the event this bill is passed by the Congress you will have one brought in for Israel involving $150,000,000; you will have one brought in for Pakistan, Iran, and about 30 other countries.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman is addressing himself to the merits of the bill. Do I understand the gentleman is opposed to the adoption of the rule or just addressing himself to the merits of the bill?

Mr. ALLEN of Illinois. I am personally opposed to the adoption of the rule as well as the bill itself.

Mr. McCORMACK. May I ask the gentleman from Georgia a question? Is the gentleman from Georgia opposed to the adoption of the rule?

Mr. COX. Of course, I am opposed to the adoption of the rule and I am opposed to the bill.

Mr. McCORMACK. That raises a very interesting question. Here we have a gentleman from the Rules Committee handling a report of the committee opposed to the rule, and those who would like to speak the other way cannot get any time to speak. That is a most unusual situation. I have never seen it in all the years I have been in Congress.

Mr. ALLEN of Illinois. I may say to the distinguished majority leader that before the end of debate on this rule there will probably be more speaking for the rule than opposed to it.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Indiana.

Mr. HALLECK. Apropos of the majority leader's suggestion about this situation, I well recall in my time here in recent years when rules have been handled by members of the Rules Committee who were opposed to the adoption of the rule.

Mr. COX. That is practiced very frequently. In handling the rule for the majority side I agreed to give time to the gentleman from Illinois [Mr. SABATH] and I have agreed to give time to the Speaker.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. For the enlightenment of the majority leader, the gentleman from Massachusetts, for whom I have great affection, and for his information, I may add that after the leadership of the House decided they did not want the India wheat bill brought out promptly, letters went out to people all over the United States from officials of the Rules Committee saying that the only reason why the bill had not been reported was because the terrible minority of that committee had blocked consideration of a rule when it had never been called up for a vote. So there are many peculiar things that happened to this bill, may I say to the gentleman.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Is it not true that the Democratic Party leadership of this House as well as the Republican Party leadership of this House is not only for the rule, but for this loan-to-India bill? I am authoritatively advised this is the case.

Mr. ALLEN of Illinois. I do not want to attempt to say what other Members are thinking.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Georgia.

Mr. COX. Let me suggest to my friend that he ask the gentleman if he is not opposed to the bill before the House now; that he favors making a gift to India? Is that not right? Does the gentleman not favor making a gift?

Mr. FULTON. May I answer? My position on the present bill is that the provisions should have been put under the ECA program. Savings made under the ECA measure would be almost enough to make up the expenditures proposed in this bill. The duty would be placed upon the ECA Administrator, Mr. Foster, to determine how much India should pay, and what should be a grant as in all ECA appropriations. If India could pay, then they should negotiate that portion as a loan. But, when India cannot pay for all, that part should be a gift for which no payment reasonably could be expected.

Mr. ALLEN of Illinois. Mr. Speaker, I will say in answer to the gentleman from Pennsylvania, that the Republicans did not have any meeting of the policy committee in regard to this India grain proposition.

Mr. COX. Mr. Speaker, will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Mr. COX. I call the attention of the membership to the fact that in the press report sent out from New Delhi on yesterday, as regards the request to send soldiers to India, that India ridiculed the suggestion and her Congress said, "We shall never fight the Chinese who are good and friendly neighbors."

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. Speaker, I am opposed to this gift to India because the United States cannot afford it; that is the main reason. We just cannot afford to send it over there. Like the rest of you, I have seen the members of the Committee on Appropriations when they have gotten on the floor of this House and brought us over for teller votes, like my good friend the gentleman from Iowa [Mr. JENSEN], and perhaps we should have been over here all the time anyway, for some insignificant amount, maybe $400,000 or $1,000,000. So I say, there are many Members of this House who talk about economy, but do they practice it?

They go home and tell their constituents that "I am for economy" but they merely talk economy and then proceed to vote for ridiculous bills such as the one before us amounting to billions of dollars.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Iowa.

Mr. JENSEN. I appreciate the fine statement the gentleman has made. He mentioned the fact that we brought the membership over here to vote on small amounts. Of course, the amendment which I offered is not chicken feed; that will save over $1,000,000,000 in the fiscal year 1951. But, even a few hundred thousand is worth saving when a small straw may break the camel's back. So, we are trying to save wherever we can.

Mr. ALLEN of Illinois. I will say to the gentleman that I am not ridiculing him; I am admiring him a great deal for the hundreds of million he personally saves the taxpayer each year by his careful work on the Appropriation Committee.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. JONAS. I understand from the gentleman's argument that he does not concede that $190,000,000 covers the whole, over-all investment. Nothing has been said yet about how we are going to ship this wheat. I understand we will require 90 Liberty ships, that will have to be rehabilitated and reconverted, and they will have to be restaffed. This will entail an expense of millions and millions of dollars. Does the gentleman take that into consideration, besides the expenditure of $190,000,000? That is just the beginning of this raid on the Treasury.

Mr. ALLEN of Illinois. I thank the gentleman for his contribution.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Georgia.

Mr. COX. Taking the wheat at the world price rather than the domestic price, we lose an additional $60,000,000. In other words, the program will cost $270,000,000.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from New York.

Mr. CELLER. Statements have been made here concerning international politics. Does the gentleman think we can mix human suffering with international politics?

Mr. ALLEN of Illinois. When it comes to the matter of human suffering, perhaps in national defense, and so forth, I will go along just as far as the gentleman will go.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Does the gentleman think it is a fair proposition in the adoption of a rule that only 13 minutes are left to those who favor the rule, out of the hour?

Mr. ALLEN of Illinois. I would say to the gentleman that I am sure he will be satisfied in regard to the handling of the rule.

Mr. McCORMACK. I am not.

Mr. ALLEN of Illinois. You will be, I am sure.

Mr. COX. There have been many occasions when the gentleman was not satisfied.

Mr. McCORMACK. I am talking about the distribution of the time.

Mr. ALLEN of Illinois. Mr. Speaker, today the United States owes approximately $258,000,000,000. We are also committed for approximately another $100,000,000,000. The past year we taxed the people $55,000,000,000, but still that was not enough. The Committee on Ways and Means attempted to tax the people an additional $16,000,000,000, but they were unable to do it. The Committee on Ways and Means were even seriously considering taxing bubble gum and lollipops for the children, along with other taxes on candy. That is how desperate this Nation has become.

When it comes to a time when they are going to tax bubble gum and lollipops in order to scatter billions of dollars throughout the entire world, I would say it is about time for us to stop, look, and listen.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HOFFMAN of Michigan. I am wondering if the gentleman found any who were supporting this bill who were reluctant to give of their own funds but were willing to vote a tax on somebody else to contribute.

Mr. ALLEN of Illinois. I would say no, but I would say the ones who are behind this are the ones that talk economy most to their constituents.

Mr. Speaker, article I, section 8 of the Constitution instructs the Congress to provide for the common defense and the general welfare of the people. I do not believe that provision to provide for the common defense and the general welfare means that this Congress can confiscate the money of the people of the United States through taxation and then send it to the four winds throughout the world. I do not think the Constitution intended that we do that.

When they start talking about the defense of this country, Mr. Speaker, the greatest defense this country can possibly have is a solvent government. When these people say, "Let us give it to India without any reservations whatsoever," the Indian Government does not say, "We are going to give you strategic materials." They do not say, "We are going to vote with you in the United Nations." They do not say, "We will fight communism." They do not say, "We will help you fight aggression." About 90 percent of the forces fighting aggression over 7,000 miles away are American boys. They do not come in and help us. All they say is, "You give this wheat to us unconditionally."

I will say this, that I think Mr. Nehru was amazed when he asked for a loan and the State Department said, "No, Mr. Nehru, we are going to give it to you." I think Mr. Nehru himself was surprised and amazed at these things.

Now, in order that I shall be fair, I will say to my good friend, the majority leader, I wanted to take longer, but I want to give some in favor of this rule time, so I will yield.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. McCORMACK. What time is the gentleman yielding?

The SPEAKER. The gentleman from Illinois has consumed 18 minutes.

Mr. McCORMACK. Does the gentleman from Illinois think that is fair?

Mr. ALLEN of Illinois. I again repeat, that the gentleman from Massachusetts will be satisfied with the allotment of the time.

Mr. COX. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am grateful for the 5 minutes that my colleague has yielded to me. Of course, I am for the adoption of this rule and I am strongly in favor of the passage of this bill. This is not a gift; this is merely a loan, a loan to a people who I know will appreciate it in years to come.

We are, and have been, appropriating millions upon millions to assist a warring nation, Nazi-controlled Germany—this so-called now-believed friendly nation that forced us into a war that cost us several hundred billion dollars—notwithstanding the fact that every reliable report from our own sources clearly shows the same Nazi forces are in control of Germany again and are reorganizing to launch anew their campaign to place "Germany uber alles." It is being done under the pretext that we can now rely on their aid in the event Russia should attack in Europe.

We are also appropriating and giving away to Great Britain, not millions, but billions, to revive her economy and control of world trade so that she can compete with us. Much of the assistance we have given Great Britain has gone into war material which she has and is disposing of to Russia and its satellites. In exchange for this great help, Great Britain is holding us up on tin, wool, rubber and other critical defense materials. She is making us pay through the nose for every short-supply item she controls.

Yes, we have appropriated additional millions, yes billions, and are still aiding another so-called friendly nation, Japan, the perpetrators of the dastardly attack at Pearl Harbor; a nation which is now disposing of much war material to China, now designated as a Communist nation, and to many other countries too numerous to mention.

In addition to all of the grants mentioned, we are paying out millions upon millions for warehousing surplus foodstuffs, grains, and so forth, and we may be obliged to spend millions more to build additional warehouse facilities. This bill will relieve us of some of that tremendous expense.

All of the above aid has been, and is being, given in the belief that we are helping friends; that it is necessary to ward off the grave threat of communism. Yes, gentlemen, this administration is attempting at every turn to estop the spread of communism. This bill, in my opinion, will accomplish this very purpose in one of the most vital corners of the world. The one fear I entertain is that if this bill should fail, communism might well engulf the nearly half billion souls in India. Communism thrives on starvation and poverty. But when a truly friendly nation and its people appeal to us for assistance in the form of grains for its starving millions, a great cry of opposition emanates from the economizers on the grounds that India has not been cooperating with us, when every intelligent and well-informed person knows that India is not a warring nation. Theirs has been a policy of peace; they are opposed to war. Their leaders today are following in the footsteps of that great advocate of peace, Gandhi, one of the truly great leaders in all history. His simple manner of steadfastly adhering to the fundamental principle that great issues between nations can be resolved without resort to war, should serve as a guiding light to world leaders today in the stress and turmoil that now engulfs us. He had the courage and the audacity to hold his ground against the might of the British Empire. He demonstrated to the world that peace can prevail without the slaughter and destruction that accompanies war. India and her leaders today are emulating Gandhi notwithstanding the hardships and suffering that accompany such a stand when nature denies her people the sustenance to maintain life.

We are now called upon to share of our plenty in grains provided by a divine providence so that millions in faraway India may not hunger and die. Throughout history it has been the policy of our great land to aid the suffering, the hungry, those in want or trouble. As I stated before, we have poured out billions to warring and undeserving nations, but we quibble and argue over this vital relief to a friendly people. I am thoroughly convinced that 75 percent of the American people, if not more, strongly favor this legislation providing the relief the Indian people seek.

Mr. Speaker, the gentleman from Georgia [Mr. Cox] laid great stress on an unfriendly remark by an Indian representative. There is no justification or evidence to charge that he spoke for the millions of people of India—no more

than the gentleman from Georgia or I speak for the people of our country.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the chairman of the Committee on Foreign Affairs, which committee unanimously, after weeks of careful deliberation and study, reported this bill, and when there was some objection to the giving of this grain, the committee agreed that it should be changed to make it a loan which will be repaid in time. I yield to the gentleman.

Mr. RICHARDS. I want to thank the gentleman for his courtesy. I tried to get time from the volcanic gentleman from Georgia, who erupts at the most unexpected times and places, to give me at least 5 minutes on the rule. Therefore, I will have to depend upon the indulgence of the gentleman from Illinois.

Mr. COX. I intended yielding 4 minutes to the gentleman.

Mr. RICHARDS. The gentleman told me he would not give me time.

Mr. COX. I told you to ask the gentleman from Illinois for the time—that I intended giving the gentleman from Illinois 10 minutes, but I intend to yield the gentleman from South Carolina 4 minutes.

Mr. RICHARDS. I did not feel that I should ask the gentleman from Illinois for his time. Nevertheless, I am sorry if I misunderstood my friend the gentleman from Georgia.

Mr. COX. The gentleman from Mississippi will have plenty of opportunity to answer the volcanic charges of the gentleman from Illinois.

Mr. RICHARDS. That is what I wanted to see. I want to see the House have plenty of opportunity to discuss the merits of this bill. It has been alleged here by the gentleman from Georgia that the people of India are not starving. As a matter of fact, what we want to do is to present the case to the House and let the House decide whether or not the people of India are hungry and starving. The gentleman from Georgia has said something about Nehru. We want the House to have an opportunity to decide, through the evidence presented to the House, as to whether those things being said about Mr. Nehru have a sound foundation. I am not pleading Mr. Nehru's case here, for that gentleman is an inscrutable mystery, as is all India.

The gentleman from Georgia [Mr. Cox] has said that the people of India are unfriendly to the people of the United States. If you read some of the newspapers in the United States you will come to the conclusion that the people of the United States are not friendly to the people of India. That is not the case. Now I want to ask the gentleman this: Does not the gentleman from Georgia think that the fair thing to do, in view of the controversy, in view of the differences of opinion, is to bring this bill to the floor of the House and let the House debate it and come to a decision on the basis of the evidence. The rule proposes 6 hours debate. It should be approved and then let the House come to its own conclusion after that debate.

Mr. SABATH. I thank the gentleman for the statement he has made.

Mr. Speaker, this legislation was tied up in my committee for many weeks. During this time I was being assailed and was held responsible for the delay in the granting of a rule for its consideration. As chairman of the Committee on Rules I have received thousands of letters from all over the United States—from church organizations of every denomination, civic groups, labor organizations and individuals—pleading for and urging that a rule be granted without delay. Finally I was able to secure favorable action, and the responsibility now rests with this House to provide this urgent relief to a starving and stricken people. Humanity demands that we do so.

Mr. Speaker, I now ask unanimous consent to include just a few of the thousands of letters, resolutions, and telegrams I have received in my remarks.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. The following is a telegram from the executive secretary and the director of the relief program, foreign mission board of the Southern Baptist Convention:

RICHMOND, VA., *March 22, 1951.*

Congressman ADOLPH J. SABATH,
House Office Building:

The situation in India is desperate and ours is one of the few countries that can help meet the needs of her starving millions. We therefore urge you to use your good offices to secure passage of House Resolution 3017.

M. T. RANKIN,
Executive Secretary,
GEORGE W. SADLER,
Director, Relief Program, Foreign Mission Board of the Southern Baptist Convention.

A letter from the New York Annual Conference, the Methodist Church:

NEW YORK ANNUAL CONFERENCE,
THE METHODIST CHURCH,
May 12, 1951.

CHAIRMAN,
House Rules Committee,
House of Representatives,
Washington, D. C.

DEAR SIR: The New York Annual Conference, in its session on Friday morning, May 11, adopted unanimously the following resolution:

"*Re it resolved,* That this New York Annual Conference of the Methodist Church go on record as strongly favoring the immediate action of our United States Congress in supplying 2,000,000 tons of wheat to India; be it further

Resolved, That a copy of this resolution be sent to the President of the United States; to the Secretary of State; to the Rules Committee of the House of Representatives; to Senators IRVING IVES and HERMAN LEHMAN, of New York State; to the Indian Ambassadress, and to the World Council of Churches."

The annual session of the New York Conference is a representative body of 140 ministers and 100 lay delegates, representing 75,000 people of the Methodist Church in and around New York City.

Sincerely yours,
ROSS W. M. ROLLAND,
Secretary.

A resolution adopted by the American Baptist Foreign Mission Society:

RESOLUTION PASSED BY THE BOARDS OF THE AMERICAN BAPTIST FOREIGN MISSION SOCIETY AND THE WOMEN'S AMERICAN BAPTIST FOREIGN MISSION SOCIETY

WHEAT FOR INDIA

Recognizing the tremendous need of India's people for food, intensified in recent months by a series of national disasters; and

Aware of large stores of food grain held by the Government of the United States of America: Be it

Resolved, That the boards of managers of the American Baptist Foreign Mission Society and the Women's American Baptist Foreign Mission Society declare themselves in favor of the Government of the United States of America making available to the Government of India 2,000,000 tons of wheat upon mutually agreeable terms.

NEW YORK, N. Y., *January 23, 1951.*

A telegram from Atlanta, Ga., Young Women's Christian Association, signed by Mrs. Joseph C. Read, president:

ATLANTA, GA., *April 9, 1951.*

Hon. ADOLPH SABATH,
Chairman, Rules Committee,
House of Representatives,
Washington, D. C.

The Atlanta Young Women's Christian Association representing over 6,000 members in Fulton and DeKalb Counties in session this morning to O. K. official action to urge the Rules Committee to immediately release the bill providing surplus grain to India for full debate on the House floor.

Mrs. JOSEPH C. READ, *President.*

A telegram from the Synagogue Council of America, signed by Dr. Bernard J. Bamberger, president:

NEW YORK, N. Y., *April 10, 1951.*

Congressman ADOLPH J. SABATH,
Chairman, House Rules Committee,
House of Representatives,
Washington, D. C.:

The Synagogue Council of America representing all branches of American Judaism, at its plenary session held last Wednesday, April 4, unanimously voted to urge speedy passage of the aid-to-India bill for humanitarian reasons and to strengthen the forces of democracy throughout the world. We urge speedy action in view of the growing crisis involving the lives of millions of innocent, helpless people.

Dr. BERNARD J. BAMBERGER,
President.

A resolution adopted by the National Maritime Union of America:

FOOD FOR INDIA

The people of India have one of the lowest living standards of any people anywhere. This meager subsistence of the Indian people is threatened by a 6,000,000-ton grain shortage. Since grain comprises about 75 percent of the diet of the Indian people, this extreme shortage means that thousands of Indians face actual starvation. The people of the United States are opposed to starvation—anywhere—anytime. We must translate our opposition to starvation into a practical assault on want, by giving the people of India our surplus grain.

H. R. 3791 and S. 872 would provide the people of India with up to 2,000,000 tons of excess grain.

The brotherhood of man, the general welfare of the United States and the cause of world peace dictate the early adoption by the Congress of these bills as emergency food relief, in order to alleviate hunger and prevent mass starvation of the people of India.

(Resolution adopted at national council meeting, National Maritime Union, April 4, 1951.)

A resolution adopted by the City Club of Chicago and forwarded to me by Mr. John A. Lapp, president:

WHEAT FOR INDIA

"Famine in India" is an ancient cry which the world has heard so often that it has become indifferent to it. Nevertheless, this is a genuine crisis for India, in which, for no fault of their own, millions of people are hungry and millions will die unless others share their food with them. The present government has plans for the improvement of agriculture, and can claim that it has not yet had time, since independence was achieved several years ago, to put the nation on a self-supporting basis.

In the current welter of international politics America should cherish this chance to do a simple act of generosity, one effect of which might be to restore to mankind a faith in itself as necessary as food.

It is said by some that wheat should be withheld from India until she agrees to sell us certain materials which she has in abundance and which we need. Unfortunately this commerce has political implications, requiring negotiations between governments, and to insist that no wheat shall be sent until these negotiations are concluded in our favor is to use food as a weapon. We would be withholding bread from people who do not even know that we have a quarrel with them.

It is proposed in Congress that we send 2,000,000 tons of wheat out of our present surplus of over 17,000,000 tons. Such a gift in no way jeopardizes the food supply of the American people.

If this wheat is sent, the people of India will know about it, and their gratitude will endure for a generation. The true Voice of America will be heard in the most effective of all possible broadcasts: Therefore, be it

Resolved, That the City Club of Chicago favors the granting of immediate aid to India in this time of famine in the amount proposed in the bill now being considered in Congress, in the name of our common humanity.

A letter from the American Board of Commissioners for Foreign Missions:

AMERICAN BOARD OF
COMMISSIONERS FOR FOREIGN MISSIONS,
Boston, Mass., April 9, 1951.

The Honorable ADOLPH J. SABATH,
Chairman, Rules Committee,
House of Representatives,
Washington, D. C.

DEAR REPRESENTATIVE SABATH: It is my understanding that House of Representatives bill No. 3017 providing for shipment of food grains to India is now held in the Rules Committee of the House.

As one who lived in India from 1919 to 1943 and is still in constant communication with India, I am deeply impressed by the need of India for this food. I believe that the best interests of the United States of America as well as the people of India will be served by the shipment of this grain just as soon as possible. I do not believe that the world can continue half rich and half poor and still have peace. Everything that we can do to help the people of India to a better standard of living will contribute to the peace which we all so much desire.

Therefore, may I urge upon you with all the force I possess the necessity of securing immediate action on this bill which is pending in the Rules Committee. I trust that you and your associates will have this bill brought before the House for action at once.

Very sincerely yours,

RAYMOND A. DUDLEY.

A letter from the Missouri Province Educational Institute, St. Louis, Mo., signed by Father Daniel C. O'Connell, S. J.:

MISSOURI PROVINCE EDUCATIONAL
INSTITUTE,
St. Louis, Mo., April 12, 1951.

The Honorable ADOLPH J. SABATH,
The House of Representatives,
Washington, D. C.

DEAR SIR: As chairman of the House Rules Committee, you hold an important position with regard to the India Emergency Food Act of 1951, which is now being delayed by that committee in the process of legislation.

It is my conviction that the crisis brought on at present by the lack of grain in northern India demands that whatever technical difficulties stand in the way of legislation for relief measures as provided for in the India Emergency Food Act of 1951 be settled immediately.

If the moral obligation of assisting fellow human beings in an hour of desperate need were the only element to be considered, I think their need would be sufficient to warrant material aid from the United States. But the fact that offers of grain have come from other quarters—Red China and Russia—in lieu of offers from the United States, makes the legislation seem quite imperative. I consider the propaganda advantages for Communist Russia and the disadvantages for our Nation arising from such propaganda very weighty considerations in the decision at hand. Needless to say, the impending starvation of perhaps millions of Indians should outweigh political interests which may conflict with legislation for its relief.

Very truly yours,

DANIEL C. O'CONNELL, S. J.

A resolution adopted by the Council for Social Action of the Congregational Christian Churches:

RESOLUTION ON FOOD FOR INDIA ADOPTED BY THE COUNCIL FOR SOCIAL ACTION OF THE CONGREGATIONAL CHRISTIAN CHURCHES, GRAND RAPIDS, MICH., JANUARY 30, 1951

The food situation in India has reached the proportions of a major calamity. A series of natural calamities, including earthquakes, floods, visitation of locusts, and drought have reduced the supply of food grains more than 6,000,000 tons below the amount required. In many areas there is near famine and it is anticipated that acute famine conditions will prevail unless immediate relief comes from other countries.

The Government of India has made arrangements for the purchase of approximately 4,000,000 tons of food grains from Canada, Australia, Argentina, and the United States. The United States is the only country from which the additional 2,000,000 tons can be obtained, but India's dollar holdings do not permit her to buy them.

The food is available in the United States. We understand that the cost would be about $150,000,000. We urge that the Congress take action to make this amount available.

Since we have the food and India desperately needs it, nothing should stand in the way of speedy action.

A statement prepared by the board of foreign missions of the Presbyterian Church in the United States:

GRAIN FOR INDIA

The board of foreign missions of the Presbyterian Church in the United States of America, meeting in regular session on March 13, 1951, in New York City, expressed its concern that action has so long been delayed on the proposal before Congress that grain be sent to relieve the desperate need in India. The board urges the committees of the House and Senate to expedite consideration of the bills before them and to secure favorable action as soon as possible. The board believes that the traditional position of Christian America refuses to permit technicalities to stand in the way of feeding starving human beings when it is within our capacity to save their lives.

A letter from the National Council of the Churches of Christ in the United States:

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST
IN THE UNITED STATES OF AMERICA,
DIVISION OF FOREIGN MISSIONS,
April 24, 1951.

To the Members of the House of Representatives of the United States of America:

DEAR SIRS: We of the National Council of the Churches of Christ in the United States of America feel constrained to write one further word in regard to the present legislation on "food for India." There has seldom been an issue facing Congress and the people of America on which the churches of this country have given more enthusiastic support or shown a greater concern. This concern has been solely humanitarian. Political and economic questions have been raised. For the past 3 months these have been allowed to obscure the real issue that faces us.

Very simply stated, the issue is this: The people of India, numbering 250,000,000, are in desperate need of food. India has been laid low by a series of unprecedented natural calamities over which the people had no control. Their normal food yield has been so severely reduced that they face the year ahead with a shortage of 6,000,0000 tons of food grains. In this hour of distress the people of India have turned to their friends in the west. In particular, they have requested that America render special aid. It is a case of our being asked to give of our abundance to a people who have nothing.

Daily the picture grows darker with reports from India telling of widespread starvation, of hungry people having to be restrained by the police, of thousands migrating from their homes in the attempt to find food. Calcutta, Delhi, and Madras are more than names on a map—they are areas where countless thousands of people stand facing the west with hands outstretched. We are haunted by the words of the New Testament: "Lord, when saw we Thee hungry and fed Thee?" * * * "Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto Me."

Surely the time has come to act. America and India need each other. Mutual need presupposes mutual help. Let us help India now with swift and generous action. Let us provide without delay the 2,000,000 tons of food grains which India has requested and which she so desperately needs.

The churches of America will be counting on your help.

Sincerely yours,

RUSSELL STEVENSON,
Secretary.

And lastly, Mr. Speaker, a telegram just handed to me by our distinguished majority leader, Mr. MCCORMACK, who fears he will be denied time to present it himself. It was addressed to him by the Honorable William Green, president of the American Federation of Labor:

WASHINGTON, D. C., *May 7, 1951.*

Hon. JOHN W. MCCORMACK,
Majority Leader of the House,
House Office Building,
Washington, D. C.:

The situation in India holds the threat of general starvation for millions of human beings in that country and calls for prompt and generous action on the part of the United States. We should supply them wheat

to tide them over this emergency and assure them of the opportunity to purchase additional supplies until normal sources of grain are again available to them. Such a policy is a matter of basic humanity for which there are many precedents in our history. In addition the security of our way of life requires that we use our resources to make friends for our Government in the global struggle in which we are involved. India by position and by its numbers of people is a key country in this struggle. In the name of these two purposes, humanity and loyalty to human freedom, I urge speedy action on the legislation to provide wheat for India.

WILLIAM GREEN,
President, American Federation of Labor.

Mr. Speaker, in conclusion, I know if you gentlemen had seen one-quarter or one-tenth of the thousands of telegrams and letters that have come to me as chairman of the Committee on Rules complaining about the delay on this legislation, you would support this rule and then vote for the bill because I am firm in my belief that it is in the best interest of our country. This rule should be adopted and the bill passed without further delay.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Speaker, I believe it would be folly for the House to reject this rule. I agree with the gentleman who just preceded me, that with 6 hours of debate on the bill the House will have ample time to make its decision in calmness and deliberation, and to work its will. The rule should be adopted.

With reference to the bill itself, I can think of no really sound and logical businesslike reason for making this loan or for passing this bill. In the first place the Treasury of the United States is in bad shape. The debt of our country is astronomical. The tax burden is terrific. In the second place, I have lately received from the Department of Agriculture a report, dated May 2, to the effect that there is no surplus of grain in the United States. I could recite many other reasons why it is illogical and unreasonable to pass this bill, but I must call attention to the fact that neither is war sensible or logical or reasonable. Perhaps the most profitless and illogical and unreasonable undertaking by civilized man is war. We are now engaged in war. We have just recently gone through two major wars. This House has appropriated billions upon billions of dollars for war and disaster. So I take the view on this matter of a loan to the Government of India for the purchase of two million tons of grain, that we have been forced into a situation that we cannot now avoid. There is only one reasonable thing to do: that is to do just as we do when we are plunged into a war—take it for what it is, make the necessary appropriation, do the job that has to be done, make the loan and send the grain to India and be done with it. Leave out logic, leave out reason, and leave out the facts. They will not support our action on this matter.

The only fact involved here is that there are some people in India who need food. Mass starvation in India is a grim threat. The Government of India has asked us to help them. Those are the only compelling factors. We have recently helped other nations in identically the same way with loans when there was no starvation to be considered. But in this instance the government of a country which has not heretofore come to us for a loan states that they need this money for grain for starving people. Mr. Speaker, we cannot now, in the face of starvation, suddenly reverse a benevolent policy which we have followed for several years. We must make this loan and send this grain in the hope, first of all, that it will prevent starvation; and, secondly, that the people of India will understand that we really think as well of them as we do of the other peoples of the world.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. FULTON. Does not the gentleman think it is noteworthy that former President Herbert Hoover who has always been a sound economist has come out strongly for this aid to India?

Mr. ELLSWORTH. I know that former President Hoover is one of the greatest humanitarians and one of the greatest statesmen in this world today; and I know that Mr. Hoover's feeling about starvation is that we should do anything we can to prevent it at any time anywhere in the world. I certainly honor him for that view, but I do not think the Members need to place much emphasis on the opinions of people outside this body today. It is our problem; we have to face it; we will listen to 6 hours of debate and make our decision. I merely mention these things to point out why this rule should be adopted.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3½ minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, in the very brief time that is allotted here it is obviously impossible to discuss all the factual statements that have already been made in regard to this bill and that I am sure inadvertently have misrepresented the situation with respect to some very important considerations.

The matter that is before us now is a very simple one; it is a question of whether or not we will adopt a rule so as to allow those who spent many, many hours and many days in studying this matter to present their case, to present their arguments with respect to the desirability of the loan that is provided for in the bill.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I shall be pleased to yield to my colleague from Ohio.

Mr. VORYS. Is it not true that this bill has the unanimous support of the Republican members of the Committee on Foreign Affairs? And is it not true that the Committee on Rules gave more time, 6 hours, more time than we asked for, because the Committee on Rules as a body felt that, this being one of the first foreign policy bills of the year there should be full debate, and then under the 5-minute rule the House could work its will on this legislation?

Mr. HERTER. The gentleman is absolutely correct.

Mr. VORYS. It would be utter folly, disastrous internationally, if we refused to consider this vital matter, this perplexing matter on the floor.

Mr. HERTER. I fully agree with the gentleman. It seems to me that from the point of view of the conduct of our foreign relations if, without giving due consideration to this matter and consideration of all the argument that will be brought before us, we should reject the first plea that has been made to us by a great independent state, it would have a very serious effect on our international relations. We may disagree with many of the things that Mr. Nehru said or that other Indians have said. That is not the issue; the issue is that a great people are in serious difficulty. Because of the fact that they in serious difficulty, have asked this country for a loan, if we should not be willing to argue the case and find out the facts, if we should reject this rule, as I say, it would have a very serious effect on our international relations.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. McCORMACK. I believe the gentleman will agree with me when I say the representatives of many religions—Catholic, Protestant, and Jewish—have placed themselves on record in support of legislation that will meet this situation.

Mr. HERTER. There is no question about that. Not only has everyone who has been in India pleaded in favor of this bill, but every witness who knows the situation on the ground has pleaded for it. To reject it on the basis of not adopting this rule would be, in my opinion, very serious.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Iowa.

Mr. JENSEN. Can the gentleman explain why the word "wheat" does not appear any place in this bill?

Mr. HERTER. Yes.

Mr. JENSEN. We talk about wheat all the time.

Mr. HERTER. Wheat is not the issue.

Mr. VORYS. Would it not be better to go into the merits of the bill on that point in the 6 hours of general debate?

Mr. HERTER. Yes. The point raised by the gentleman from Iowa has been gone over very carefully and it illustrates the very point I am trying to make. In the 6 hours of general debate perhaps we may have a chance to indicate that this bill has been better thought through than some people think it has.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Montana.

Mr. MANSFIELD. The gentleman brought to the attention of the House that the Republic of India is a new nation. Am I correct in saying that this is the first request that new country has made of us?

Mr. HERTER. The gentleman is correct.

Mr. MANSFIELD. I hope the rule is adopted so that the House can consider this measure in detail.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Speaker, this admittedly complicated and controversial subject has suffered over a period of months from as much misunderstanding and sometimes misrepresentations as any I have ever seen. The confusion has come as much from the friends and supporters of the bill, it has seemed to me, as from its opponents. But behind all the secondary issues are certain clear and indisputable facts.

The central issue is not the State Department. The central issue is not Mr. Nehru. We can discuss both of them and many other matters in the 6 hours of general debate. The key fact is this: that without the food provided in this bill there is going to be mass starvation in India. With mass starvation in India the Government of that new republic will almost certainly fall within a matter of months and be replaced by a government completely and totally subservient to and the agent of the Kremlin. Such an event would be of the gravest peril to our country from the standpoint of our security and our hope and desire to have order and peace in the world so that we can cut down the expenditures we are now having to make for armaments which are running our budget up to over $70,000,000,000 a year, which we simply cannot continue indefinitely.

Since, without this bill there will be mass starvation in India, which would likely lead to the fall of the independent Government of India and replacement of that Government by a Communist government, which would be a disaster to our own proper interests, then we must take the action necessary to prevent such mass starvation. The central issue basically is just as simple as that.

I admire the Indian Government for coming and asking for this assistance on the basis of special and easy terms rather than as a grant, even though India is probably less able to afford repayment of a loan than many other countries to whom we have given gifts. Because of natural disasters India has to import 6,000,000 tons of grain this year. It is scratching the bottom of the barrel to get the funds to pay for 4,000,000 tons of grain. It cannot get enough foreign exchange for the extra 2,000,000 tons of grain it needs to prevent starvation. This bill does not give that amount to them. It makes it available as a loan whose terms will have to be negotiated. It is possible the full amount will not be required. It is a self-respecting transaction with benefits to both parties.

I hope we will pass this rule and not deny the House the opportunity to discuss and debate all, not just a part, of the facts on this issue of such great importance to the people of India and to our own country.

Mr. COX. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, since the matter of a gift or loan to India has been before us and discussed, to me it has been one of the most amazing things that it has been my privilege to witness in the many years I have been in this Congress. When this question first arose, I found few, if any, people against even a gift or a grant. As things went on, the ball began to roll and certain influences began to work. In the moment that I have I would like to adopt the very sound and sane remarks made by the gentleman from Massachusetts [Mr. HERTER] and the gentleman from Minnesota [Mr. JUDD]. Here is a great contest, considered by a great committee of this House, and individually it is one of the outstanding and one of the ablest committees of this House. They bring a bill in here, providing not for a gift, but a proposed loan, with practically a unanimous report, and then Members in this House ask this House to vote against even considering the work of this great committee. There have been a few times since I have been here, either under a Democratic or a Republican administration, when it might have been justified for Members of this House to have denied a committee its day in this House, but it seems to me this question is so far-reaching, especially in the kind of world in which we live, and God knows it is the most dangerous one in which anyone living in a democracy today ever breathed air in. If it had not been for Marshall aid in connection with the rehabilitation of Italy and France, those countries would today have been in the bosom of communism. Hungry women and children, clinging to the breadwinner of a family with no bread to win, would have voted for a change because they could make it no worse. Consequently, should we not argue this great question in this House, and after this committee has a right to present its case and the opposition the opportunity to present its case, then determine the issue, but not on whether or not the House should be granted the poor privilege of considering this question? We need friends in the east, and sometimes I wonder if some gentlemen have forgotten that we need friends the world around in the east as well as the west. You talk about expense. I do not want to offend this great Nation with 300,000,000 people in it today by refusing to even consider this bread to the starving people of India. I doubt if within the next generation we will have any friends in India or probably not in any other part of the great east, with its teeming millions of people. We need friends in this world today as we never needed them before. I am for this rule and I am for this bill because I think it will help us from a selfish standpoint; if for no other reason I would be for the consideration and the passage of this bill.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman from Michigan [Mr. HOFFMAN] for a unanimous-consent request.

Mr. HOFFMAN of Michigan. Mr. Speaker, in view of the eloquent plea made by the Speaker for a free press and free speech, I ask unanimous consent to extend my remarks after the vote on the resolution and include certain letters and newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, one salient fact relating to this bill has not come out in the debate on the rule. This whole proposition did not come up from the State Department. It was presented to the President by a bi-partisan group from both houses of Congress and on their initiative. In the Senate this group consisted of seven Democrats and six Republicans, among them some of the most distinguished Members of the Senate, and from this House five Republicans and five Democrats. This bipartisan group called upon the President and asked him to send up a message which would activate the legislation through the Congress. It was this group that introduced the legislation in the House and Senate, not the respective committee chairmen. The Members who introduced the bill here were Representatives FRANCES P. BOLTON, THURMOND CHATHAM, CHRISTIAN A. HERTER, JACOB K. JAVITS, WALTER H. JUDD, EDNA F. KELLY, THOMAS E. MORGAN, ABRAHAM A. RIBICOFF and ROY W. WIER, and in the other body, Senators ANDREWS, BENTON, CLEMENTS, DOUGLAS, DUFF, FLANDERS, HENDRICKSON, HENNINGS, HILL, HUMPHREY, IVES, KEFAUVER, KILGORE, KNOWLAND, LEHMAN, MCMAHON, MORSE, MAGNUSON, MURRAY, NEELY, NIXON, O'MAHONEY, PASTORE, SALTONSTALL, SMITH of Maine, SMITH of New Jersey, TAFT, THYE, TOBEY, and YOUNG.

Secondly, Mr. Speaker, let us not forget that we have lost at least up to this point, 400,000,000, of Asia's 1,000,000,000 when mainland China left the list of the free peoples and right now, this minute, there are in jeopardy in this House 350,000,000 more—the people of India. Is it not unthinkable that we should turn our backs on the fulcrum of Asia, which is now India, after we have lost China, by denying them a hearing on the first thing this young and proud Nation has asked for? That would be the height of irresponsibility in the handling of our foreign affairs. Yet that is exactly what we are being asked to do now when we are asked to turn down this rule.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I believe I have probably dispelled the fear of my good friend the majority leader. There have been two Members that have spoken against this rule and eight that have spoken in favor of it, including the distinguished Speaker.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The question of dispelling a fear is not involved, because I may express my views, but underneath that I have profound respect for my friend from Illinois and a deep affection for my friend from Georgia.

Mr. COX. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts, the majority leader.

Mr. McCORMACK. Mr. Speaker, this is a wholly unexpected pleasure, because I was sitting there calmly, at least calm inwardly, with the expectation that my friend from Georgia had agreed with others to give them all the time he had under his control.

To say that some of the statements made by my friend from Georgia [Mr. Cox] are not worthy of consideration would be to close our eyes to the facts. That is all the more reason why we should have the opportunity to explore them during general debate. We know from experience that in the limited time available on a rule, particularly where a far-reaching question of this kind is involved, Members cannot go into any kind of an extended debate in relation to the merits of the bill.

The statements by Mr. Nehru we have, of course, read. To say that we are immune to them would be an incorrect statement and an insult. There are differentiations between Mr. Nehru and other public officials of India. To say that some of the press of India have not made statements unfriendly to America would be to close our eyes to a fact. But on the other hand, to say that all of the press of India is that way would be an incorrect statement. Going into the consideration of the bill and having debate on the question will give us an opportunity to discuss the problems of a new nation. A great part of the world is going through what may be termed revolutionary nationalism. There are many factors and many questions which can and should be discussed during general debate which cannot be discussed in the limited time during the consideration of the rule.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. VORYS. There are more people in India than in all of Western Europe which comes within the Marshall plan. We have repeatedly debated on the floor of the House and studied the Western European situation and the Chinese situation. But this great nation of India, next to the biggest on earth, as far as population is concerned, has not had, during the dozen years I have been here, any over-all consideration on the floor of the House. But now to attempt to understand the ramifications and issues of India's situation in 1 hour's time and to dispose of them is unthinkable. We are going to need a day or so even to get a bird's-eye view of merely the problem, let alone the solution.

Mr. McCORMACK. Exactly.

As an illustration I have some notes in my hand which I made the other night in studying and thinking about this problem. We all do that in our hotels or our apartments in the evening, studying and making notes. As I say I have these notes which I made the other evening on this question, but I cannot go into them now. During general debate, however, I would have the opportunity to explain more fully my thoughts on the question, and those who oppose the bill can do the same thing.

Out of that sort of discussion engaged in by the House on the high level of debate that the House of Representatives has always maintained and which I am proud of, with 6 hours of general debate and then further the debate under the 5-minute rule, the opportunity will exist for Members to develop the facts one way or the other. That opportunity, Mr. Speaker, is denied to the membership in the event that we refuse to adopt the rule. I hope the rule will be adopted.

Mr. COX. Mr. Speaker, I yield to myself the balance of my time.

Mr. Speaker, I am glad the gentleman from Illinois saw fit to yield to the gentleman from New York [Mr. JAVITS] for it so happens that Mr. JAVITS is the Member of Congress who has been doing the thinking and the planning for the Committee on Foreign Affairs on the proposal to give wheat to India.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. COX. The gentleman from New York is now canvassing the Members of the House to secure pledges in support of that proposal.

Mr. JUDD. The gentleman from Georgia ought to yield for a correction. As a matter of fact, I myself had as much to do with this bill as the gentleman from New York [Mr. JAVITS].

The SPEAKER. The gentleman from Georgia declines to yield.

Mr. COX. Gentlemen, speaking in favor of the adoption of the rule, having made the point that this is a loan—yes, an easy loan—a loan made with no expectation of repayment—a loan received with no sense of obligation of ever paying. Of all the billions of dollars loaned by the ECA, not one thin dime has been paid on either interest or principal.

Now, Mr. Speaker, the distinguished gentleman who presides over this body made a very soothing and persuasive statement. The gentleman from New York [Mr. JAVITS] likewise made a very fine statement. The gentleman from Massachusetts made a fine statement—all favoring the adoption of this bill which means a gift. But I call their attention to the fact that on another occasion:

> In a boat to sea,
> Sailed wise men three,
> On a brilliant night in June.
> They carried a net—
> And their hearts were set—
> On fishing up the moon.

There was just as much sense in the efforts of these three wise men to fish up the moon, as there is in supposing that the extension of this loan to India will buy Indian friendship.

The SPEAKER. The time of the gentleman from Georgia has expired. All time has expired.

The question is on the resolution.

The question was taken; and on a division (demanded by Mr. FULTON), there were—ayes 211, noes 13.

So the resolution was agreed to.

Mr. HOFFMAN of Michigan. Mr. Speaker, just prior to the vote on the rule, we listened to an eloquent, touching, and sensible plea from the Speaker, the gentleman from Texas [Mr. RAYBURN], in behalf of the adoption of the rule.

From the remarks of the Speaker it was evident that he favored, and favored strongly, the granting of an opportunity to the House Committee on Foreign Affairs to be heard in behalf of the bill for aid to India.

In effect, that very logical talk was a plea for the present recognition and application of the constitutional guaranties of the right of free speech—the right of all to be heard.

I have no way of knowing the gentleman's attitude on the activities of the so-called House Committee on Lobbying. In my judgment, the activities of that committee's staff were a deliberate and fairly successful attempt to deny to three organizations—the Committee for Constitutional Government, the Constitutional Educational League, and the National Economic Council, Inc.—representing several million people, the constitutional right to be heard—a right for which the Speaker today so consistently and successfully pleaded.

Would that the present administration and the Democratic Party which the Speaker serves so well and so faithfully, would adhere on all occasions to the principles for which the gentleman sought and received support.

In my humble judgment it is unfortunate that a committee of this House, even though it be but a select and special committee, should have been used to suppress free speech and a free press.

Permit me now to show how the majority party has, through a House committee's staff, denied the very right for which the Speaker today contended. And also to show how equal justice under law does not now prevail under the policies established and adhered to by the gentleman's party.

THE DENIAL OF FREE SPEECH, A FREE PRESS, OF EQUAL JUSTICE UNDER LAW

Though President Harry S. Truman has repeatedly stated that he did not object to criticism, that Government departments and agencies should be free from corruption, and the law upheld, his actions which have more force than his words, indicate that whatever may be his convictions, he seeks—and apparently for political advantage—to deny free speech, a free press, equal justice under law, to his critics.

A few days ago, referring to statements of some columnists and evidently having in mind the recent comments of

Fulton Lewis, Jr., a White House secretary announced that those comments, true or false, would not be answered by the President.

That attitude on the part of the President is not in accord with his actions. Some remember how he vigorously resented the criticism of his daughter's musical talent, the actions of the Marines, his profane and vulgar reference to a certain columnist, his rather frequent temperamental impatience with those with whom he disagrees.

More recently, he sent General Marshall and General Bradley—who will undoubtedly be followed by Dean Acheson and others—to refute the statements of General MacArthur who was recalled when he protested what he believed the needless sacrifice of American lives.

But, in this undertaking, the President—instead of laying the cards on the table—hides behind the cloak of confidential communications and, to date, has refused to permit General Bradley to give the public the real facts behind the removal of General MacArthur.

This denial of information to Congress is in line, as I will attempt to show, with the President's policy of refusing to give Congress any information which might enable it to legislate wisely when it is apparent that such information might reflect discredit upon the President or his administration.

But, first, a few general statements:

Sometimes a knowledge of recent and current events enables us to see and appraise a little more clearly the destination toward which we are bound.

FREE SPEECH AND A FREE PRESS

The first amendment to the Constitution states that—

> Congress shall make no law * * * abridging the freedom of speech or of the press.

At the moment the press of this country is viewing with alarm and indignation the suppression of a free press in our sister republic of Argentina. The press admits that there is little which we can do to remedy that situation. The President of Argentina, were he so disposed, might, with propriety, suggest to our indignant editors, publishers, columnists, and radio commentators that, instead of lecturing him on the suppression of the press, the denial of the right of free speech in Argentina, they first do a little home work in connection with similar, if less spectacular, suppression here in the United States of America. He might ask why they are so concerned about his suppression, of a newspaper, while apparently they, with comparative complacency, submit, without vigorous protest to the attempt to suppress the opponents of the present administration who have, acting within the law, criticized this administration because in governing the people it has departed from constitutional principles, not only tolerated but encouraged those who would by force, or other illegal means, overthrow our Government.

Permit me, very briefly and inadequately, to show that this administration has been and is making a sustained effort to deny the right of free speech, to suppress a free press.

One man, Joseph Kamp, was sentenced to 4 months in jail, denied the right of free speech, a free press, ostensibly on the charge that he was guilty of contempt of Congress—in reality because he had criticized the Communists and the New Deal.

Another, Ed Rumely, was recently prosecuted and convicted on a charge of contempt of Congress—the real reason being that he exercised his right to free speech, a free press in behalf of an organization which advocated constitutional processes and, in so doing, criticized the New Deal.

In each of these cases the administration attempted to suppress free speech and a free press.

JOSEPH KAMP

In 1945 a committee of the House, led by then Congressman—late Secretary of Agriculture—CLINTON P. ANDERSON, called before it one Joseph Kamp, who was the directing official of the Constitutional Educational League. That organization was not a political organization. It was engaged in the publication and circulation of leaflets and pamphlets which advocate constitutional government, bitterly criticized Communists and their activities and, incidentally, the philosophy of the New Dealers and the advocates of one world organizations.

There was no charge that the publications of the league were seditious, libelous, or that its publications or activities in any way violated any postal regulation or law of the land, either State or Federal.

The publications of the league were more or less factual; the arguments comparatively logical and the conclusions set forth relatively sound; but those publications, because they pointed out the danger from communism and from the adoption of New Deal philosophy, named certain individuals who were Communists, who were in positions of authority in the administration, were extremely harmful to the New Deal and the Communist cause.

The House committee inquiring into election activities and of which Congressman ANDERSON of New Mexico was chairman, even though the Constitutional Educational League was not engaged in political activities, but admittedly was writing, publishing and circulating material opposed to the political philosophy of the Communists and the New Deal subpenaed Kamp and demanded that he name those who were making contributions to the league.

The activities of the committee were directed by a staff, under the leadership of John Abt who had held responsible positions in the Roosevelt and Truman administrations. Abt was later shown, by the testimony of Lee Pressman, who also held responsible Government positions under the New Deal and who was general counsel of the CIO, to be a member of the same Communist cell as did Pressman and Nathan Witt, at one time general counsel for the National Labor Relations Board. Pressman admitted all three—he, Abt and Witt—while on the administration payroll belonged to the same Communist cell here in Washington.

Kamp, realizing that Abt's purpose was, by smear and vilification—by pressure and intimidation—to induce those who contributed to the league to withhold their contributions, refused to name the contributors to the league. Kamp preferred to thwart the efforts of the Communists, to protect those who had contributed to the effort to maintain constitutional government in this country by standing upon his constitutional right and going to jail.

On the theory that the league was engaged in political activities—and it requires a violent stretching of the imagination to reach that conclusion—Congress, overwhelmingly New Deal, voted to cite him for contempt. Kamp was convicted, served his time, and will again be tried for a subsequent refusal to bend the knee and bow the head to the Truman administration when called before the House Lobbying Committee in an obvious attempt to destroy the league.

DR. EDWARD A. RUMELY, EXECUTIVE SECRETARY OF THE COMMITTEE FOR CONSTITUTIONAL GOVERNMENT

The Committee for Constitutional Government, incorporated under the laws of the District of Columbia, is a nonprofit organization[1] the purpose of which is, as its name implies, the preservation of constitutional Government in the United States.

The Committee for Constitutional Government attempted to point out what it considered unconstitutional tendencies, advocating a return to constitutional government by sending out letters, news releases, publishing and circulating pamphlets and promoting the sale of various publications and books.

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[1] Committee for Constitutional Government, incorporated under the laws of the District of Columbia. Officers, Dr. Willford I. King, Chairman; Sumner Gerard, Treasurer. Address all mail: 205 East Forty-second Street, New York 17, N. Y., Telephone Murray Hill 4-1102. Washington Headquarters: National Press Building, Washington, D. C. Partial List of Advisory Board: William Macferran, Jr., Topeka, Kans.; Frank E. Gannett, Rochester, N. Y.; Colonel O. R. McGuire, Washington, D. C.; Edward R. Eastman, Ithaca, N. Y.; W. C. Dennis, Richmond, Ind.; Thomas James Norton, Kansas City, Mo.; O. A. Taylor, New York, N. Y.; Rev. S. K. Wilson, S. J., Detroit, Mich.; Hon. Edward R. Burke, Washington, D. C.; Dr. George W. Crane, Chicago, Ill.; Gleason L. Archer, Boston, Mass.; E. Randolph Williams, Richmond, Va.; Robert G. Allen, Pittsburgh, Pa.; Mrs. John R. McCarl, Washington, D. C.; Mrs. H. Doorly, Omaha, Neb.; Canton O'Donnell, Denver, Colo.; Robert B. Dresser, Providence, R. I.; Louis J. Taber, Columbus, Ohio.; Malcolm McDermott, Durham, N. C.; Fred H. Sexauer, Auburn, N. Y.; Lamar Fleming, Jr., Houston, Tex.; Hon. Harry Woodring, Topeka, Kans.; J. R. Breed, Kansas City, Mo.; J. S. Kimmel, Davenport, Iowa; J. H. Gipson, Caldwell, Idaho; Harvey C. Freuhauf, Detroit, Mich.; E. B. Gallaher, Norwalk, Conn.; Arthur Graham Glasgow, Palm Beach, Fla.; A. G. Heinsohn, Jr., Knoxville, Tenn.; Albert Penn, Goshen, Ind.; H. J. Rand, Cleveland, Ohio; Dr. Edward A. Rumely, New York, N. Y.; Homer Tomlinson, Fort Worth, Tex.; Dr. William C. Black, San Diego, Calif.

Dr. Edward A. Rumely is the executive secretary of the committee. Not so long ago he was called before a House committee charged with investigating lobbying activities. The activities of this committee were at one time directed by Louis Little, a Pittsburgh attorney with an unsavory record, to which reference was made by me in the House on June 21, 1950.[2]

Later it was learned that the bonds referred to were not signed by Louis Little, personally, but were signed by his secretary, Marie Griffin, and Pittsburgh records, I am advised, will show that in some 5,000 cases the bonds were paid for by a check which, in the upper right-hand corner bore the statement, "Louis Little, attorney at law, 7 Court Place," drawn on the Potter Title & Trust Co., Pittsburgh, Pa., and signed "Louis Little by Marie E. Griffin, attorney in fact."

The foregoing shows that while, technically, the question as to whether Louis Little, attorney for the committee, who had a large practice in petty—and not so petty—criminal cases in Pittsburgh, followed the practice of signing bonds personally might be answered in the negative, what he did was to authorize

[2] WHERE IS THE COMMITTEE STAFF HEADING?

While no investigation has been made, from information which has been volunteered, some doubt is created as to the direction in which two members of the staff are traveling.

SPINGARN OF THE STAFF AND PART OF HIS PREVIOUS RECORD

The CONGRESSIONAL RECORD, volume 96, part 1, page 669, shows that Jerome H. Spingarn was employed as research assistant to the chairman of the committee.

During the activities of the House Select Committee Investigating the Federal Communications Commission—in 1943–44—Spingarn was Assistant Chief of the FCC's War Problems Division, which Division and others of the FCC, operated in conjunction with the Office of War Information too, and in the opinion of some, caused many American citizens to be taken off the air and out of their jobs at numerous foreign language broadcast stations in the United States.

Americans taken off the air were frequently replaced with alien refugees, some enemy alien refugees; and some of those replacements in their jobs censored our religious programs—such as Easter and Christmas programs, and the like.

The FCC never called Spingarn as a witness when it made its defense of charges against it; but, as shown by the hearings of said committee, Spingarn's name was mentioned and referred to by other witnesses as having taken a prominent part in preventing due renewal of the foreign language broadcast station licenses and in taking Americans off the radio.

An examination of the testimony taken in the hearings just referred to shows that many times other witnesses referred to Mr. Spingarn in such a way that it might be construed as indicating that he was not one who would give unbiased consideration to an inquiry into the activities of organizations engaged in a campaign designed to jealously guard and promote constitutional government.

COMMITTEE STAFF ATTORNEY LOUIS LITTLE—BUCHANAN'S STATEMENT

From the well of the House on the 15th, it was stated that I had been advised in substance, that another member of the committee staff, Louis Little, an attorney, had acted as bondsman for certain individuals charged with criminal offenses, some of whom were or became his clients.

After that statement was made, the chairman of the committee, the gentleman from Pennsylvania [Mr. BUCHANAN] advised me that I was in error—that there might be another Louis Little in Pittsburgh. The following then occurred:

"Mr. HOFFMAN of Michigan. * * * Can you give me the street address and something that I may determine whether or not I have unjustly referred to Louis Little? I find in the telephone directory but one Louis Little, and he is listed as an attorney.

"Mr. BUCHANAN. He has a law office at No. 7 Court Place, Pittsburgh.

"Mr. HOFFMAN of Michigan. That is the one that is in the directory. * * *

"Mr. HOFFMAN of Michigan. Did the gentleman say that I was in error when I said that he had signed bonds?

"Mr. BUCHANAN. That is correct. He is not a professional bondsman.

"Mr. HOFFMAN of Michigan. That is your statement?

"Mr. BUCHANAN. That is my statement, and I believe verification of this fact has been handed to me by a member of the staff who has talked to Mr. Little. I believe that he is in the House Gallery listening to this colloquy.

"Mr. HOFFMAN of Michigan. I will be glad to correct any misstatement I may have made, if I find court records do not refer to the Louis Little who is on the committee staff.

"Mr. BUCHANAN. I thank the gentleman for his contribution."

In view of the foregoing, which I assume means that the Louis Little who is on the staff of the committee has not signed, nor is responsible for the signing of any bond in criminal cases, in some of which cases he later appeared as the attorney, and in view of the fact that Mr. Little, whom the gentleman from Pennsylvania [Mr. BUCHANAN] stated he believed was in the House Gallery listening to the colloquy, the gentleman's statement, which I assume means that Mr. Little had nothing to do with bailing out those charged with criminal offenses, it may be assumed that the Members of the House will accept the statement of the gentleman from Pennsylvania [Mr. BUCHANAN].

QUERY AS TO WHETHER, IN SPITE OF BUCHANAN'S STATEMENT ON FLOOR, LOUIS LITTLE IS NOT INTERESTED IN SIGNING OF BONDS FOR THOSE CHARGED WITH OFFENSES

However, permit me to inquire of the attorney for the committee, Mr. Little, through the courtesy of the gentleman from Pennsylvania [Mr. BUCHANAN], the chairman of the Lobbying Committee, whether he, Mr. Little, was not interested in procuring bondsmen for the individuals named hereafter and who were charged with certain offenses in the courts of Pittsburgh:

"Adam Hilliard, 121, Feb. 1949, solicitation to sodomy.

"Giles Royston, 189, Feb. 1949, felonious assault and battery.

"Harvey Condon, 262, Feb. 1949, violation Public Apartment Act.

"Theodore Ferris, 294, Feb. 1949, felonious assault and battery.

"Ellsworth Ferris, 221, Mar. 1949, assault.

"Richard Ziller, 118, Mar. 1949, arson.

"Henry Taylor, 296, Mar. 1949, solicitation to sodomy.

"Jackie Green, 284–295, May 1949, keeping assignation house, prostitution, assignation.

"Bernard Nichols, 310, Sept. 1949, felonious assault and battery.

"William Jennings, 156, 1949, felonious assault and battery.

"Virginia Clark, 44, Oct. 1949, prostitution and assignation.

"Huston Henderson, 462, Sept. 1949, larceny, receiving stolen goods.

"Louise Radgett, 461, Sept. 1949, violation public arrest.

"Engus Dixon, 363, Apr. 1950, prostitution and assignation.

"Boswell Ellis, 651, June 1949, felonious assault; 77, June 1949, prostitution, assignation, K. B. H.—K. D. H., failure to support legal children.

"Helen Wilhams, 255–256, June 1949, 704, Sept., prostitution and assignation, K. B. H.—K. D. H.

"Julius Gordon, 390, Sept. 1949, larceny, R. T.

"Leon McLean, 901, Sept. 1949, aggravated assault and battery.

"Calvin Homsky, 781, Sept. 1949, larceny, receiving stolen goods.

"Albert Meyors, 525, Sept. 1949, fraudulent conversion.

"George Jones, 202, June 1949, felonious assault and battery.

"George Hill, 143, Apr. 1950, felonious assault and battery.

"Herman Beasley, 140, Nov. 1949, felonious assault and battery.

"Mary Stewart, 289, Oct. 1949, prostitution and assignation.

"Jessie Brown, 143, Nov. 1949, keeping house assignation.

"Ollie Davis, 64, Nov. 1949, prostitution.

"Anna Ford, 446 and 447, Nov. 1949, prostitution keeping house and assignation.

"Unici Ernest, 36 and 47, Dec. 1949, keeping bawdy house, violation beverage act.

"Pauline Brown, 264, Jan. 1950; 51, Jan. 1950, O. and T.

"Elmer Maish, prostitution and assignation, robbery of person.

"Robert Grady, 55, Mar. 1950, O and T., burglary, receiving stolen goods (repeater).

"William H. Coleman, 22, May 1950, O. and T. solicitation.

"Robert Lott, 78, May 1950, malicious mischief.

"John Green, alias O, 297, Apr. 1950, felonious assault and battery, Harry Hanks, 153, May 1950, assault and battery to rape; George Hanks, O. and T., 52, May, receiving stolen goods.

"Thomas Miller, 377, May 1950, pointing firearms and assault (long record).

"William Edwards, 722, Sept. 1949, Lowt., 500, Feb. 1950, larceny and receiving stolen goods.

"James Austen, 510, Jan. 1949, larceny and receiving stolen goods.

"Roy Jack, 525, Oct. 1948, pointing firearms.

"Frank Talck, assault with intent to ravish.

"Louise Baxton, O, 90, Feb. 1949, assault and battery, 597, Feb. 1949, surety.

"Carlton Barrett, Jr., 256–261, Feb. 1949, public indecency.

"Henry Gathers, 349, Feb. 1949, violation of liquor laws.

"Theodore Fair, 100, Mar. 1949, felonious assault.

"Richard Gauffrey, 293, Mar. 1949, pointing firearms, assault.

"James Guerry, two charges, involuntary manslaughter.

"Leo Chapman, 433, Sept. 1949, violation firearms act (record of moral offenses).

"Robert Hoezenrother, 436, Sept. 1949, larceny, receiving stolen goods.

"Robert E. Bechtold, 221–222, Nov. 1949, worthless checks, conspiracy.

"John Sobrush, 184, Mar. 1950, adultery and bastardy.

"Kenneth Richtold, 373–374–515–840, Sept. 1949, worthless check, conspiracy.

"Meto Ehrum (Gypsy), public asst. violation.

"Sam Flurellen, 7–8, Jan., receiving stolen goods.

his secretary, Marie Griffin, to sign such bonds and to issue checks to pay for them—a devious maneuver.

Among the books which were either published or sold by the Committee for Constitutional Government was one written by Thomas James Norton entitled "The Constitution of the United States"; another was The Road Ahead, by John T. Flynn. The publication and circulation of both of these books has been bitterly condemned by certain labor organizations. Some of these organizations have themselves circulated Mr. Patman's bitter misleading attacks on the committee and Rumely. The committee placed more than 600,000 copies of the Flynn book in 6 months. Other books were Why the Taft-Hartley Law? by Irving G. McCann, and Compulsory Medical Care and the Welfare State, by Melchior Palyi.

That the Committee for Constitutional Government was engaged not in lobbying but in an educational program to combat socialism and restore constitutional government is evidenced by its record. It sent out hundreds of thousands of publications which undoubtedly aided in the defeat of President Roosevelt's "court packing" bill. Shortly thereafter the Committee for Constitutional Government asked:

> Why are the American people who, under the Constitution, have had for more than 150 years the highest scale of living, better housing, more food, greater freedom in their civil, religious, and personal lives than any people in history ever enjoyed, so ready to accept dangerous panaceas undermining constitutional free enterprise?

The committee's investigation revealed that certain Rugg textbooks which, in its opinion at least, misrepresented our Constitution as a device of rich men to protect their property, were being used in the instruction of some 3,000,000 high-school students. To combat that trend, the committee advocated the reading of certain other books.

The Honorable James M. Beck, a former Solicitor General of the United States, acting for the American Bar Association, reported that the best available book for the teaching of both youth and adults in the fundamentals in our form of government was a book hereinbefore referred to, Thomas James Norton's The Constitution of the United States; Its Sources and Application.

In the years 1938 and 1939 the committee caused to be distributed to the high-school students in public and parochial schools of Rochester many of these books. They then caused the book to be circulated in Texas beginning with Dallas and Houston where tens of thousands of students, both colored and white, received copies of the books and competed not only for war-bond prizes but for a university scholarship of $1,000.

It may be that this Texas move accounts for the bitter repeated statements made by our colleague from Texas, Mr. WRIGHT PATMAN, and which statements were later circulated by certain labor organizations.

Still later, hundreds of schools and universities distributed hundreds of thousands of these books. Permit me to name but a few of those schools: Duquesne, 3,000; Great Neck High School, N. Y., 1,750; Bemidji State Teachers College, Minn., 1,800; Fordham University, 10,000; University of Nevada, 1,000; Mississippi State College for Women, 1,625; Yale, 2,200; University of Notre Dame, 3,500; and Harding College, Ark., 4,500.

As a matter of fact, the FBI purchased copies of a book on the Constitution for its local offices so that its agents might the better understand constitutional provisions. A publisher in Spokane, Wash., had, for a number of years, purchased copies of the Norton book for those who graduated in the high school in his community. The FBI, the publisher, and many others would, if the definition of the Lobbying Committee had been followed, have been guilty of lobbying activities.

Another book circulated by the committee was former Congressman Samuel B. Pettengill's Jefferson, the Forgotten Man. In 1938 the committee sent out 68,000 of these books. In 5 months the committee sent out 450,000 copies of Pettengill's Smoke Screen. More than 400,000 copies of Pettengill's third book, For Americans Only, which was produced with the aid of Professor Bartholomew, of Notre Dame, were sent out.

The committee has published or distributed more than 2,500,000 educational books. A notable contribution to the restoration of constitutional government in this country. Never, so far as I have been able to learn, has the publication and distribution of any one of these books or pamphlets been challenged as a violation of any law or ethical practice.

If the Committee for Constitutional Government has the right, as it has, to publish any of these books; and if the purchasers have the right, as they have, to buy those books, why should the committee be required to disclose the names of those who purchase?

Unlike Kamp, Dr. Rumely did not refuse to give the committee the names of those who made contributions of sums in excess of $500 but he did refuse to give the committee the names of those who purchased books from, or through, the Committee for Constitutional Government.

By the Congress Rumely was cited for contempt, was later convicted and his appeal is now pending.

Several editorials have commented on that conviction, have called attention to the fact that by the conviction, freedom of speech and a free press have been denied.[3] The same criticism applies to the Kamp conviction.

"Emmett Jones, 373, Nov. 1948, assault and battery.

"Sam Dickson, 978, Oct. 1948, assault and battery.

"Gus Jordan, 2, Oct. 1948, felonious assault and battery.

"Pearl Davis, sodomy (long record liquor).

"James Hunter, 196, Sept. 1948, O. and T., burglary, receiving stolen goods.

"Thomas Avery, 990, Sept. 1948, adultery.

"Robert Almond, 989, Sept. 1948, adultery.

"William Campbell, 994, Sept. 1948, keeping bawdy house.

"Robert Grant, 425, June 1948, assault and battery.

"Joseph Hyfnagel, 485, June 1948, self-administering drugs.

"David S. Daughterty, 640, Oct. 1948, O. and E., robbery from person.

"Henry Huriston, 197, Mar. 1948, violation of Public Asst. Act.

"Ralph Boyce, 97, May 1948, assault and battery.

"James Hamilton, 66-67, May 1948, aggravated assault and battery.

"Eugene Barber, 146, Nov. 1947, violation Public Asst. Act; 453, Apr. 1948, larceny.

"Francis King, 37, Apr. 1948, indecent assault (repeater).

"Amanda Clark, 301, Mar. 1948, assault and battery, 409, March, surety.

"La Verne Allen, 66, Feb. 1948, prostitution and assignation.

"Delbert Kidd, 48, Feb. 1948, aggravated assault and battery.

"Wilbert Brower, 164, Jan. 1948, larceny, automobile.

"Kenneth Lowe, 143, Dec. 1947, violation liquor laws.

"Carrie Bradley, 45, Nov. 1947, robbery from person (has long record as prostitute).

"Wylie Coyle, 19, Nov. 1947, receiving stolen goods.

"Margaret Fagan, 68, Oct. 1947, adultery.

"Lewzie Gross, 278, Oct. 1947, drunk and disorderly.

"Margaret Anderson, 134, Sept. 1947, sodomy.

"Clarence Budd, 662, Sept. 1947, February, assault and battery.

"Richard Ellis, 375, Sept. 1947, larceny.

"Dunbar King, 232, Sept. 1947, drunk and disorderly.

"Stanley Dushac, 379, June 1948, neglect of minor children.

"Dolores Adams, 29, Sept. 1949, prostitution and assignation.

"Zayuna Allen, 66, Feb. 1948, prostitution and assignation."

DO CONGRESSMEN LACK COURAGE OR INCLINATION TO FIGHT BACK?

There is an old saying that murder will out. It is my humble opinion that, if those who believe in constitutional government, who believe that right and justice will prevail, have the courage of their convictions, will stand up and fight, this smear effort will but strengthen the convictions, increase the courage and determination of those who wish to preserve the liberty of the citizen, the security of our Nation.

[3] [From the Columbus (Ohio) Sunday Dispatch of April 22, 1951]

A GLARING PARADOX

News dispatches from Washington on the same day the past week carried reports of the outcome of two trials in which individuals were charged with contempt of Congress.

One defendant, Dr. Edward A. Rumely, executive secretary of the Committee for Constitutional Government, was found guilty and faces a maximum penalty of 3 years in jail and $3,000 fine.

His offense was in refusing to tell Congress who contributed money to finance distribution of books and literature by his organization, which is opposed to the policies of the Truman administration. His defense was based on the freedom of speech guaranties in the Bill of Rights. A Federal jury found this contention invalid, although in two previous trials on similar counts, Rumely had been acquitted.

The second defendant, Frank Hashmall, former head of the Communist Party here in Franklin County, and a notorious and defiant subversive in Columbus and later in Cincinnati, was held guiltless by a Federal judge on the contempt charge for refusing to answer questions about Communist activities in Ohio. His attorneys successfully contended that he need not give testimony that tended to incriminate him.

It is not here contended that the strictly legal merits of each case were not correctly

Following his conviction, Dr. Rumely was asked by a probation officer whether

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interpreted. It is contended that there is a glaring paradox apparent in the justice rendered the two men.

The one who is guilty, if he is guilty in more than a technical sense, was no more than overzealous and perhaps indiscreet. The one acquitted is an open and avowed Communist. No further definition of his character or his sympathies or his aims is needed.

The loyal American for whom Congressmen appeared as character witnesses was hounded by the Government in three successive legal actions until, on the third try, he was convicted. The Communist was turned loose by a Federal judge without being required to face a jury.

[From the Richmond (Va.) News-Leader of April 23, 1951]

THE GUILT OF DR. RUMELY

The conviction of Dr. Edward A. Rumely for contempt of Congress comes as one more disturbing symptom of the creeping consumption which afflicts a nation that once breathed the air of freedom. This newspaper had not commented earlier upon the charges brought against Dr. Rumely, executive secretary of the Committee for Constitutional Government. The accusation seemed too preposterous to dignify; we could not imagine that a jury would convict.

Yet now a jury has convicted. Dr. Rumely has been found guilty of contempt in refusing to give the Buchanan committee of the House the names of those American citizens who purchased books from the committee which he heads. The conviction will be appealed, of course, and one may express a steadfast hope that the trial court's decision will be reversed. If the conviction is sustained through appellate proceedings, the doctrine of freedom of the press in this Nation will have suffered a damaging blow.

What was the sin of Dr. Rumely?

The case dates back to the formation of the Buchanan committee on August 12, 1949. In March 1950, the committee began its investigation of lobbying activities. On May 31, the committee dispatched its incredible directive that 166 of the Nation's leading corporations provide within 2 weeks a detailed statement of expenditures for (a) the travel of personnel to Washington, (b) the maintenance of any Washington office, and (c) for printed or duplicated matter dealing with public issues which might be the subject of Federal legislative action. All this information—and much other information covering nearly 3½ years—was to be supplied in itemized detail down to the process used (mimeographed, multigraphed, printed, etc.) for duplicated matter, the expenses of long-distance telephone calls, and the name of every corporation employee who traveled at company expense to Washington.

But most particularly, the Buchanan committee demanded from these corporations a statement of all expenditures in connection with the Committee for Constitutional Government, the Foundation for Economic Education, the Public Affairs Institute, and other organizations devoted to fighting the socialistic trend of the Federal Government. It is noteworthy that the Buchanan committee did not call upon such friends of the administration as Henry Kaiser, Consolidated Vultee, the CIO, PAC, or any left-wing or liberal propaganda organizations.

When this contemptible fishing expedition failed to produce results the Buchanan committee shifted to an assault upon the Committee for Constitutional Government directly. No other organization has been so steadfast in opposing the concept of big government as the CCG. The Buchanan group demanded 26 items of information. Pursuant to a subpena, Dr. Rumely and his associates handed over hundreds of papers and records. Voluntarily they met 25 of the committee's 26 demands. But they refused to meet the twenty-sixth; they refused to disclose the names of individuals or associations that have purchased the CCG's books.

What are these invidious books the Buchanan committee would track to earth? The Constitution of the United States, by Thomas James Norton; the Road Ahead, by John T. Flynn; Why the Taft-Hartley Law? by Irving G. McCann; Compulsory Medical Care and the Welfare State, by Melchior Palyi. Thousands of copies of these books were purchased through the CCG by individuals, companies, school authorities, and others. Those who have purchased the books represent, in general, the most intelligent and active opposition to the spread of socialism in the United States—and the Buchanan committee knew it. Once their names were made public the familiar smear campaign of Fair Deal hatchetmen could go to work on them.

If the line of attack laid down by the Buchanan committee is upheld, every newspaper criticizing the prevailing administration would run the risk that administration flunkeys could demand the names of its subscribers and advertisers. If individuals and businessmen are to be harassed when they distribute any duplicated matter dealing with public issues which might be the subject of Federal legislative action, then virtually nothing will be left free of Government inquisition.

It is proper, in our view, for Congress to inquire into the sources of direct lobbying—direct attempts to influence the vote of individual Members on particular legislation. But neither the Buchanan committee nor any other agency of Congress has any business inquiring into the general political beliefs of the citizens or the philosophy which inclines any man to support or oppose the Fair Deal. The Buchanan committee is as vicious and as evil an instrument as Washington has spawned. If that's contempt—and it certainly is intended to be—let the committee send another subpena down here.

[From the Northern Virginia Daily]

THE CASE OF DR. RUMELY

Dr. Edward A. Rumely, executive secretary of the Committee for Constitutional Government, has been convicted of contempt in a District of Columbia court for refusing to furnish the House Lobby Committee the names of bulk purchasers of the book, The Road Ahead, a publication designed to inform the American people of what is being done to their Constitution by the present regime in Washington. The Committee for Constitutional Government is an organization set up by a group of loyal Americans, financed by private gifts and subscriptions and by the sale of its publications, and dedicated to the high purposes of saving America from its steady drift toward the maelstrom of national socialism. Its books and other publications have helped to awaken the American people to the dangers ahead.

The House Lobby Committee was appointed to investigate and report to the House on lobbying practices on Capitol Hill. The committee is headed by Representative BUCHANAN, of Pennsylvania, one of the rankest New Dealers in Congress. A majority of its members are Democrats, of course. Lobbying has become an unqualified nuisance in Congress—not the efforts of local constituents to discuss public issues with their Representatives as provided in the Constitution, but the activities of vast organized interests, who spend millions of dollars in efforts to influence the passage of legislation favorable to their particular interest and its aims and purposes. The committee was appointed to investigate this situation and recommend such corrective legislation as their findings might seem to warrant.

The left-wing elements immediately seized control of the committee with the chairman's full cooperation, and used it to shield lobbyists of their own ilk and punish those whom they happened to dislike. The real purpose of the committee was completely prostituted to serve partisan ends. Representatives of the major labor organizations, for example, were let off very lightly, though it is a well-known fact that they maintain one of the largest and most vicious lobbies in Congress. They were not required to tell how much money they were spending, where it came from, or what it was being spent for. But when Dr. Rumely, representing an organization which was seeking to restore constitutional government in this country, appeared before them for questioning, they gave him the works.

Dr. Rumely was cited for contempt because he refused to tell the committee who made bulk purchases of the book, The Road Ahead, purchases in quantity for Nationwide distribution. Just what that had to do with lobbying in Washington has not yet been explained. The publication and distribution of books and pamphlets and other writings, however partisan, has been considered the right of freemen since the days of Magna Carta. Influencing public sentiment through such publications has never before been considered a matter of such questionable character as to warrant congressional investigation of a person's private business. Yet for refusal to answer the committee's question, Dr. Rumely was cited for contempt, tried, and convicted. The committee did not bring charges against a confessed Negro Communist who did the same thing. That is what is happening to the Constitution in Washington.

PRESS FREEDOM INVOLVED IN RUMELY CASE

(Dr. Edward A. Rumely is scheduled to be sentenced on Friday for his refusal to furnish the Buchanan Lobbying Committee the names of bulk purchasers of The Road Ahead and other books. He is the executive secretary of the Committee for Constitutional Government. The books in question advocate a return to constitutional government in this country.—EDITOR.)

(By Edward A. Rumely)

What happened to Edward A. Rumely may be of limited importance to anyone who reads these words, but what happens to the right of anyone to read such words or any words is of momentous importance.

The proceedings of the Buchanan Lobby Committee have raised the far-reaching issue of whether American citizens still have the right to print, to distribute to others, and themselves to read all sides of a question. The stand we have taken affects the freedom of all who write and speak and print.

The Committee for Constitutional Government distributed 750,000 copies of the book, The Road Ahead, and 500,000 copies of its condensation, showing how a drift toward socialism leads to poverty and serfdom to the state. Fair Deal members of the Buchanan committee didn't like that book and said so. They attacked our committee on radio, in press statements, and on the floor of Congress. They demanded the names of book purchasers. I refused to comply with their demands on the advice of counsel, and under the instructions of the trustees of the Committee for Constitutional Government on the ground that this demand violates the first and fourth amendments, part of the Bill of Rights.

Now the Buchanan committee is dead. The names of the purchasers of our literature have not been and will not be revealed. Two questions remain. First, is a citizen to be punished in retaliation for a stand to uphold

he would be willing to appear before the congressional committee and purge himself of the contempt charge. He replied

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constitutional rights of everyone? As the executive secretary of an organization formed to uphold constitutional government, I am morally obligated to take the course which I did.

To the Buchanan committee I said, "I cannot yield where a constitutional issue is involved. If we set the precedent of yielding against our conviction and against the advice of our lawyers that the first and fourth amendments cover our book operations, why then, we, instead of upholding constitutional government are setting a precedent to break it down, and we are not going to do it. It is a hot spot; I do not want to be in the spot."

The second question is: How far will a future congressional committee or Government inquisitors be able to encroach upon basic rights of citizens which heretofore have been regarded as inviolable?

The Buchanan committee destroyed $125,000 of our income from book sales and necessitated additional expenditures of scores of thousands for sales effort to overcome the resistance, and direct mail educational work on the constitutional issues involved which with the legal and court costs altogether total approximately $100,000. What publisher of some other book popular yet frowned upon by a temporary Government majority will suffer similar penalties in the future?

Some progress has been made during the past 9 months. The discussion of the actions of the Buchanan committee have already emphasized to the public the threat to our liberties that unquestionably exists. Only this month did we see one of the foremost newspapers of the Western Hemisphere (La Prensa) destroyed by a similar citation for contempt by the Legislature of the Argentine—an action which resulted in the loss of freedom to the entire press of the Argentine.

We, of course, will appeal. We shall intensify at the bar of public opinion our educational effort on this constitutional question. We are grateful to the tens of thousands who have rallied and given moral and financial support in the committee's struggle to safeguard citizens' rights against the power of encroaching big Government.

[From the Editor and Publisher of April 21, 1951]

RUMELY CONVICTION

Edward A. Rumely, executive secretary of the Committee for Constitutional Government, was convicted by a jury in Washington for contempt of Congress for refusing to give the names of those who purchased quantities of books published by the committee.

Too many side issues have been injected into this case.

Suspicion has been cast on Dr. Rumely's motives and integrity by recalling his conviction after World War I, along with two attorneys, on a charge of conspiring to make an improper report to the Alien Property Custodian concerning the financing of his purchase of the New York Daily Mail. Prosecuted under the Trading With the Enemy Act, Dr. Rumely at times has been accused erroneously of being convicted as a German agent. Actually, he and the two attorneys were given a full pardon by President Coolidge on the recommendation of Attorney General Harlan Stone, the prosecuting attorney and the trial judge acting in concert with 11 of the jurors on the basis of new evidence which had been withheld at the trial.

Suspicion has been cast on the motives and integrity of the Committee for Constitutional Government by labor leaders, Fair Dealers, and New Dealers.

These issues—the merit of the work of the committee and the career of the personality involved, Dr. Rumely—have no bearing on the problem.

Judge Richmond B. Keech instructed the jurors they only had to find Dr. Rumely had committed "willful default" to return a guilty verdict. There need not have been an evil or bad purpose for the refusal, the jury was told, for a witness decides at his own peril whether he has "a legal right" to refuse to produce information desired by probers.

The defendant took the position he was "morally obligated" to take the course he did; that he was under instructions from the committee's trustees to stand upon a strict interpretation of the Constitution's Bill of Rights.

The Buchanan committee which brought the contempt citation defined in lobbying as "any attempt by individuals or groups to influence Government decision." If the court declares publication of a book is lobbying, then how long before magazine and newspaper articles are included?

Congressmen and Senators receive dozens of books and clippings every day revealing various phases of public and private opinion on controversial legislation. There is no compulsion for them to read them. There is no compulsion for them to believe what they read.

Here is an organization that happened to be registered as a lobbyist. Is the court going to declare, because of that, it cannot publish opinions on legislation without revealing who else might subscribe to those views by buying the book? Are then other publishers of similar views in books, magazines, and newspapers going to be required to register as lobbyists?

We wonder if the Washington jury weighed the greater issues at stake and we hope the courts ultimately will get to the heart of the matter and defend the right to publish and buy political literature without political intimidation.

[From the Fort Wayne (Ind.) News-Sentinel of April 2, 1951]

THOUGHT CONTROL

On April 12, Dr. Edward A. Rumely, executive secretary of the Committee for Constitutional Government, is slated to go on trial for contempt of Congress.

Dr. Rumely's crime is that he refused to give a House Committee on Lobbying the names of persons who bought certain CCG literature. CCG records were extracted from the files and names given the committee in confidence got into the hands of proadministration columnists and radio commentators.

Why was the lobbying committee so interested in the Committee for Constitutional Government? Frank Chodorov, speaking for the CCG, contends it is because the CCG has opposed socialized medicine, deficit-financing, rent control and other Roosevelt and Truman administrations policies.

The House Committee on Lobbying has since died but the contempt citations made by it, often against the wish of minority members, are being tried. Dr. Rumely, furthermore, is cast in an unfavorable light by being listed with individuals refusing to reveal their presumed connections with the Communist Party.

Obviously, if the administration learned the identity of persons on the CCG's mailing list, it could discourage the anticollectivistic organizations by harassment and intimidation.

Dr. Rumely's case is a symptom of how far the insidious disease of thought control has pervaded Government circles.

[From the Charlotte (N. C.) Observer of April 20, 1951]

EQUALITY AT LAW

Dr. Edward A. Rumely is charged with contempt of Congress because he published and sold books for the Committee for Constitutional Government that were opposed to the Fair Deal policies and would not give the Buchanan committee the names of people who bought the books.

Chairman Buchanan contended that these books were sold for the purpose of influencing legislation, and, therefore, the sales violate the Antilobbying Act.

Now, if it is a crime to sell a book that is opposed to administration policies, we shall have no liberties left—not a one. If a book publisher can be called before a congressional committee and ordered to give the names of people who buy his books, so that they can be used perhaps for reprisals, a newspaper publisher who opposes policies of the administration can also be called on to give the same information.

What intrigues us is that Dr. Rumely's trial begins about the same time that Walter Reuther let it be known that he has a million dollars in his political-education fund, all collected from members of the United Automobile Workers by the simple device of increasing the dues of the members.

If that political-education fund is not for lobbying purposes or for influencing elections, we should like to hear Mr. Reuther's explanation of its purpose.

Dr. Rumely is charged with violating the law because he sold books and refused to give the names of the buyers. Reuther collects a million dollars from union members without their consent to influence both legislation and elections, but the Buchanan committee pays no attention to him.

Do law violations depend on the person committing the act?

[From the Chicago Daily Tribune of April 21, 1951]

A CONSTITUTIONAL ISSUE

The jury in Washington which found Dr. Edward A. Rumely guilty of contempt of Congress either does not understand the Constitution or cares nothing for it. The trial was before Federal District Judge Richmond B. Keech, chiefly known as the jurist who refused to find John L. Lewis guilty of contempt in pursuing last winter's coal strike in defiance of an injunction. If Judge Keech recognized a constitutional issue, his instructions to the jury do not disclose it.

Dr. Rumely felt that if he honored the wishes of Chairman Frank Buchanan and his colleagues of the New Deal majority, the dominant political clique thereafter would have a precedent for invading the immunities granted the press under the first amendment and of everyone under the fourth amendment, restraining agents of the state from illegal search and seizure of persons, papers, or property.

The books distributed through Dr. Rumely's committee happened to be in praise of constitutional government, an economic system of free incentive, and limited powers of state intervention into the lives and affairs of people. They also happened to point out that the Roosevelt and Truman administrations were embarked upon a course parallel to that taken by British socialism in its aggrandizement of state authority.

That such opinions might be offensive to New Dealers is apparent, but the character of the product of any press does not affect—short of liability under the laws of libel—its right under the Constitution to be free of Government interference. This was the issue which Representative Buchanan chose to ignore, and which the jury, in finding Dr. Rumely guilty, apparently could not comprehend.

that, in his opinion, and that of his lawyers, he had not been guilty of con-

Nor did Judge Keech, the New Deal fellow traveler, enlighten the jury, for his instructions were that it had only to decide that Dr. Rumely was in "willful default" in refusing to answer Buchanan's improper question in order to hold Rumely guilty.

Since the constitutional right of free existence pertains to the published work, the rights of those who print, handle, and read the work are collateral and of similar constitutional standing. Representative Buchanan, for political purposes, was willing to set them at naught, and in this he, and not Dr. Rumely, stood in contempt. His contempt was of the Constitution itself.

If the arbitrary Buchanan rule were allowed to stand, Government would be empowered, by the warrant of committee authority asserted by the chairman, to harass any person or institution printing or possessing published matter offensive to a political majority. For Mr. Buchanan said that lobbying constituted "any attempt by individuals or groups to influence governmental decision," and there is no one who writes, prints, or publishes who cannot be brought within these elastic bounds.

We are confident that the jury's endorsement of this pernicious doctrine will be upset upon review, for, if it were to survive, the courts would have handed a license to the state to exercise unlimited tyranny over the expression of all ideas.

[From the Washington (D. C.) Times-Herald of June 12, 1950]

ANOTHER BLACK COMMITTEE

The conduct of an investigation into lobbying by a committee under Representative Frank Buchanan, of Pennsylvania, has drawn deserved condemnation from other Members of the House. Mr. Buchanan has proceeded with little respect for normal congressional procedures of subpenaing witnesses and examining them or for the Constitutional protection of free speech and a free press.

If anything approaching such high-handed methods were employed by a congressional commiteee dealing with suspected Communists or other subversives, there would be an immediate outcry from the liberal wing of the eastern press. Representative Buchanan's activities, however, have been greeted with dead silence by these professed champions of due process and the inviolability of the individual.

It has been established by the officers of certain private organizations dedicated to the safeguarding of the American constitutional system that Mr. Buchanan has had the volunteer assistance in his smearing campaign of a poison pen outfit misnamed Friends of Democracy.

This is a propaganda racket conducted by Rex Stout, a goat-bearded mystery writer, once on the editorial board of the Communist magazine, New Masses, in association with Leon Birkhead, an ex-preacher, and one Avedis Derounian, a Levantine of many aliases, sometimes known as John Roy Carlson.

REWARDED BY TAX EXEMPTIONS

The principal interest of this crowd seems to be to advance the creeping New Deal revolution by assassinating the character of anyone manful enough to withstand its mud guns and to defend a Constitutional Republic. The New Deal recognizes that it has valuable auxiliaries in Stout, Birkhead, and Derounian, and has conferred upon them tax exemption for what contributions they can get by shaking the bushes, justifying this extraordinary boon on the ground that the outfit is engaging in an "educational" work.

It has become apparent that Mr. Buchanan's interest in "lobbying" is confined to the activities of organizations which openly oppose the New Deal and call for a return to constitutionalism. One such group, in furtherance of the goal of acquainting the people with the New Deal's progress into socialism, appears to have published some books and to have assisted in the publication and distribution of at least one other—John T. Flynn's The Road Ahead.

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Representative Buchanan has endeavored to represent these activities, which certainly are valid, as some sort of nefarious plot, and has levied upon the publishing agency a demand that it spread before him the names of those contributing to publication and those who purchased the books. This approach is in open contravention of the first amendment guaranteeing that the State may not abridge the right to a free press, and it would also appear to violate the fourth amendment governing security of person and property against unreasonable searches and seizures.

The further Buchanan proceeds, the more it is apparent that he has patterned his star chamber proceedings upon the model of the infamous inquisition into lobbying conducted by Senator Hugo Black in the early period of the New Deal. In that fishing expedition, Black subpenaed the complete telegraphic correspondence of more than 1,000 specified persons and groups, piling up more than 5,000,000 copies of messages, which were then used to smear the opponents of the Roosevelt administration.

THE PRINTING PRESS

The first amendment to the United States Constitution guaranteed a free press.

In the language of the late eighteenth century, "press" referred to the mechanical device—then the hand press—which placed the ink impressions on paper. The first amendment was a guaranty to the people to be able to own and use a press without governmental interference.

Since then, through common usage, freedom of the press to most people has been transferred to our newspapers, books, and magazines—the product instead of the machine. Actually, the guaranty still applies to the physical equipment—the printing press—and neither the Congress nor the courts have ever said otherwise.

[From Editor and Publisher of June 10, 1950]

Now, a congressional committee investigating "lobbying" is seeking to force users of the printing press to divulge information on the amount of money spent and received, what press was used, who bought the books, etc. Such data is not only being asked of the Committee for Constitutional Government but from 166 business corporations. The latter inquiry is directed at those who have run copy "dealing with public issues which might be the subject of Federal legislative action."

Every issue of every newspaper and practically every magazine carries editorials "dealing with public issues which might be the subject of Federal legislative action." The committee might well ask those publications who their subscribers and their advertisers are. The issue is the same.

The Committee for Constitutional Government has availed itself of the right to use a printing press to print books on issues confronting the people just as other groups have done in the century and a half of our existence as a Nation. The 166 corporations and many individuals have availed themselves of the right to hire the use of a press and the services of someone else to print and distribute their views.

The current investigation of the House committee is an invasion of the guaranteed right of the American people to own, hire, or use a printing press without interference.

tempt,[4] had merely asserted his right to free speech and free press.

[4] OFFICE OF THE PROBATION OFFICER,
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA,
Washington, D. C., May 4, 1951.

Mr. EDWARD A. RUMELY,
Executive Secretary, Committee for Constitutional Government, Inc., New York City, N. Y.

DEAR MR. RUMELY: With further reference to your case now pending in this court, I have received from Mr. E. Fred Sweet, chief probation officer of the Federal court in New York City, a report on the matter which we had requested him to prepare for us. Although Mr. Sweet has made a very complete and comprehensive statement, in reviewing it I find that he did not apparently inquire of your attitude relative to the matter on which you were convicted, contempt of Congress. In the past it has been the policy of my office to ask this question of people so convicted and so that we can report to our court your feelings at this time, will you please let me know whether or not, if given the opportunity, you would be willing to reappear before the congressional committee that subpenaed you and purge yourself. Of course, if you feel that you do not desire to answer this question, you may so state.

As we desire to have this matter before the court for a very early disposition, will you please reply by return mail or at the latest so that it will be received no later than next Wednesday, May 9.

Very truly yours,
EDWARD W. GARRETT,
Chief United States Probation Officer.

MAY 7, 1951.

Mr. EDWARD W. GARRETT,
Chief, United States Probation Officer, United States District Court for the District of Columbia, Washington, D. C.

MY DEAR MR. GARRETT: I have before me your letter of May 4 and I am glad to reply forthrightly and immediately.

Your Mr. E. Fred Sweet remarked that since I had tangled repeatedly with congressional committees, did I have a pugnacious disposition and did I, when young, tend to get into brawls. I told him quite the contrary. I also told him that I had never taken the initiative with a congressional committee, but only had been obliged to resist what the trustees of our committee though were unconstitutional demands.

Please note the attached booklet, Needed Now, published when the Reverend Norman Vincent Peale was chairman of the committee. You will find his statement of the committee's purposes in the prologue and epilogue of the booklet. On page 12 you will find an account of our difficulties with the Black-Minton committee. In that case, on my first day's testimony, a group of constitutionally-minded Senators sent secretaries to observe. During the recess I received word that a majority of the Senate were strongly of the opinion that the fourth amendment was being violated in the demands upon me and that if I stood my ground the Black-Minton committee would be abolished. Exactly that occurred by cutting off further funds. My subpena fees and travel expenses to Washington remain unpaid.

In that case I acted on the instructions of the chairman of the Committee For Constitutional Government who had conferred widely with legal authorities.

Again in 1944 when the Anderson committee, investigating campaign expenditures, asked for the names of all who had given $100 or more, the committee pointed out that it had never favored or opposed any party or candidate and was merely exercising its constitutional right of petition and therefore

In the Rumely case, as in the Kamp case, no claim is made that the publications of the committee are either libelous or in violation of any State or Federal law; nor has there been any claim that either Kamp or Rumely did anything or said anything which was libelous or in violation of State or Federal law.

In the Rumely case, as in the Kamp case, the evidence is clear that the purpose of the persecution and the prosecution was to suppress free speech, deny a free press to those who hold views in conflict with the New Deal or the Communist political philosophy.

In the Rumely case, in addition to those individuals and organizations desiring to destroy the Committee for Constitutional Government because of its sustained attack and effectiveness against socialism and communism, certain labor organizations, one the CIO, in certain affiliates of which the Communists had gained control, became actively interested. This interest continued even after the CIO had expelled a num-

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was not subject to the requirement of reporting. In that case on my second trial the jury acquitted. We, of course, had acted on the advise of the most eminent counsel.

In the present case when Louis Little, the investigator of the Buchanan committee, called first and read to my secretary the 26 requirements, I immediately said, "We will comply with 25 of the 26 questions, but I am in doubt as to the twenty-sixth which calls for the names of purchasers of our books in quantity." I immediately called up the editor of Editor and Publisher, and asked him what he thought, stating that I was in doubt whether such inquiry could be made of a publisher, legally. He said, "You are 100 percent right." His editorial appears on page 4 of the enclosed statement, Assault on Free Speech and a Free Press.

Mr. Frank Gannett, one of our trustees wrote the board of trustees as follows:

"I agree that the Buchanan committee has gone far out of bounds in considering the committee's sale of books as coming under the Lobbying Act. I don't think they have any right to demand the names of purchasers of books and I hope our committee stands firm in refusing to give out such information. I believe the Constitution protects the right to privacy in such matters."

Mr. Gannett is the publisher of 22 newspapers and at times has been spokesman for the entire newspaper world on constitutional issues.

We did not say immediately that we would not comply but, as the record of the Buchanan committee hearings itself shows, this question was kept open until the trustees could take counsel with eminent lawyers including Thomas J. Norton, the author of The Constitution of the United States; Its Sources and Its Application, selected by the Honorable James Beck of the American Bar Association, as the most authoritative book on the Constitution available. Only 80,000 copies had been distributed by two large publishers during the previous 20 years. By using the methods applied in the distribution of the Bible—where one person reading it, places it into the hands of another, particularly among youth—we were able to get out far larger quantities. We have put out 600,000 copies, many under the donor plan, to half the colleges and universities in the United States who ask for copies to distribute to their students. When we began distributing this book in 1940, I set for myself a goal of 1,000,000 copies. One of the purchasers of this book was a publisher in Spokane who presents a copy to all high-school graduates each year. His purchases exceed the minimum set by the Buchanan committee. Of course, there is no relationship whatever between the distribution of this book and lobbying.

Likewise, the FBI purchased hundreds of copies for use in local branches so that their agents might be informed on constitutional questions.

We are a major publishing enterprise. Of approximately 4,000,000 copies out, half were distributed in the 8 years between 1938 and 1946, years before the Lobbying Act was passed. The charge by Chairman BUCHANAN, even before my appearance, that our book sales were a phony sales dodge to conceal large contributions was totally unfounded but that misconception was so widely lodged that even during the trial the court remarked that if asked about our book sales as a source of income for the committee's activities, we were obliged to give the information.

I was criticized by the trustees because an analysis by our chairman showed that on the first 600,000 copies of The Road Ahead sold, we had a loss of 6 cents per copy because of the low 50 cent price, or $36,000. But, we were able to distribute, in round figures, 750,000 copies.

Since our committee is dedicated to safeguarding constitutional principles, I felt that I had a moral obligation to uphold what I regarded as a basic constitutional principle, particularly since the most eminent counsel the committee could consult and the attorney who acted for me personally, Mr. Neil Burkinshaw, advised me that the demand of the Buchanan committee violated the first and fourth amendments.

Last Saturday a leading attorney in Chicago told me, "Unless you can win in the court of appeals or the Supreme Court, a reaffirmation of the validity of the first and fourth amendments, I feel that our whole Constitution is endangered because the Constitution can only be upheld with the free and unhindered expression of a viewpoint on all sides of a question which these two articles of the Bill of Rights make possible."

Ninety percent of all newspapers that have spoken on the issue, strongly uphold the position the trustees of our committee instructed me to take. Please see the attached letter by Mr. John T. Flynn and the editorials, typical of 90 percent of the editorial comment that has been made. Note also the marked passages in my statement made after the conviction. I added, "I am in a hot spot and I do not like to be in it."

Under these circumstances you will see why I felt myself compelled to take the stand I did on 1 of the 26 demands of the Buchanan committee. On the other 25 where no such constitutional question was involved, we cooperated as helpfully as we possibly could. Three to four investigators were given unhindered access for 3 weeks to our files and books. Almost 1,000 pieces of literature and letters they requested were photostated and turned over to them. The hundreds of pages of fine print in the Buchanan committee hearings, more than obtained from any other source, show this far-reaching cooperation, as do the 175 pages of forthright testimony on my part, withholding only the names of the purchasers of our books.

As a matter of fact, few organizations have upheld and glorified Congress as extensively as our committee. We dug out and told and retold to millions the story of George Washington who directed Major L'Enfant not to place the Capitol in the valley where the Washington Monument stands, but on the hill so that it might dominate the scene, for the legislative branch in a Republic must be supreme and control policy.

The booklet "Needed Now—Capacity for Leadership," has on page 32 a eulogy on Congress by former Congressman S. B. Pettengill. We have printed three-fourths million and distributed 700,000 of this booklet and hundreds of thousands of the Pettengill article in a separate leaflet.

I took the stand I did, not willfully in the sense of evil intent or desire to do wrong, but in response to the instructions of our trustees in accordance with the advice of eminent lawyers whom they consulted and the advice of my personal attorney, upon which I relied, namely, that constitutional principle was at stake and I was morally obligated to uphold it.

And of course I knew, as came out in the Buchanan committee hearings, that three of the members of that committee believed that the Bill of Rights prevented the committee from invading our rights as publishers. Please note what CLARENCE BROWN, himself a publisher, said on the floor in arguing against citation.

To sum up, my attitude is that of the utmost cooperation with Congress in every possible way. Probably no organization has gone so far in educating the country as we did on the basic provisions of our constitutional republic by distributing one-quarter million copies of the embossed Bill of Rights, 150,000 to schoolrooms with an average of 30 pupils each and more than two and one-half million copies of What American Democracy Means to Me, written by my daughter Niles Rumely Newton when she was 16 years old, in which she embodied the same tradition with reference to our form of government.

I am sorry that this letter had to be so long, but I feel it necessary to outline why I felt compelled to take the stand I did. The Buchanan committee is out of existence and I hope and trust that I may be able to comply as I did with 25 of the 26 Buchanan committee demands, without ever again having an issue of constitutional rights of all citizens involved.

A great philosopher said: "The tragic decisions of life must be made not between right and wrong, but between two rights—in this case the rights of a congressional committee to investigate on the one hand and on the other the inalienable constitutional rights of citizens under the first and fourth amendments.

Sincerely yours,

EDWARD A. RUMELY,
Executive Secretary.

P. S.—After dictating the foregoing, I again studied your letter of May 4. You state that it has been the policy to ask persons convicted of contempt of Congress "Whether or not given the opportunity, you would be willing to reappear before a congressional committee that subpenaed you and purge yourself."

If wrong-doing on my part were involved, it would be wholly proper to expect that I purge myself, but in two previous cases committees of Congress were proved to have made unwarranted and improper demands; once by the Senate itself; next, by the court. I am firmly convinced that the Buchanan committee violated citizens' rights by inquiring as to the names of bulk purchasers of books and that, ultimately, the stand taken by me will be vindicated in the higher courts.

To act otherwise than I did would require that I act contrary to convictions that have been built up by 14 years of service to the Committee To Uphold Constitutional Government—which name was changed, in 1941, by incorporation in the District of Columbia, to the Committee for Constitutional Government, Inc.

ber of its affiliates because they were controlled by the Communists.

The Committee for Constitutional Government had something to do with either the publication or the circulation of McCann's book, Why the Taft-Hartley Law?

Louis Little, when chief counsel of the House Lobbying Committee, insisted that the Committee for Constitutional Government give him the names of all of those who had purchased 100 or more copies of McCann's book. Not only that book in which, presumably, labor unions were interested but Flynn's book, The Road Ahead, and Norton's book on the Constitution were attacked and condemned by labor unions and their publications.

Nor did Dr. Rumely escape personal attack. Dr. Rumely and two attorneys had, at one time, been convicted of a violation of the Trading With the Enemy Act in World War I. The substance of the charge was that the defendants had used money furnished by the Imperial German Government to buy or to finance the Evening Mail and that they failed on December 4, 1917, to report that fact. Later, the two attorneys were exonerated, their disbarment canceled, and their good standing in the bar association reestablished. Later, after a full investigation which established the fact that Rumely was innocent a pardon was granted him. Yet, the gentleman from Texas [Mr. PATMAN], notwithstanding that the true situation has been called to his attention, has repeatedly referred to this conviction as though it was a just one and was still in force. I again repeat, his remarks as printed in the CONGRESSIONAL RECORD have been circulated, how many hundreds of thousands of copies it has been impossible to learn, by certain labor organizations. Will the Lobbying Committee call the gentleman from Texas [Mr. PATMAN] and force him to tell who purchased and paid for copies of his speeches criticizing the CCG and Dr. Rumely?

The gentleman from Texas and others who seek to silence the Committee for Constitutional Government well know the meaning of a pardon. Let me quote from Thirty-ninth American Jurisprudence, page 550, and there are many other authorities, including some from the United States Supreme Court, to the same effect:

In the case of a full pardon, it relieves the punishment and blots out of existence the guilt of the offender to such an extent that in the eye of the law he is innocent as if he had never committed the offense. So completely is an offense considered to be obliterated by a pardon that it has been held that pardon of treason or felony, even after conviction, will enable a man to have an action of slander for calling him a traitor or felon.

Nevertheless, time and again, from the well of the House Dr. Rumely was bitterly attacked by the gentleman from Texas, WRIGHT PATMAN. Attacks were also made upon the organization by the gentleman from Wisconsin [Mr. BIEMILLER]. That there was method in these attacks and apparently a deliberate attempt to circulate them is evidenced by the fact that reprints of the remarks of these two gentlemen were later ordered from the Government Printer.

All efforts to learn how many of these reprints of the remarks of Congressmen PATMAN and BIEMILLER, attacking Dr. Rumely and the Committee for Constitutional Government, were obtained from the Government Printer, by whom they were paid for, and whether they were sent out under Government frank proved to be futile.

The charges made against the committee and Dr. Rumely were most injurious and were answered by the Committee for Constitutional Government and by Dr. Rumely.[5]

[Telegram]

MAY 8, 1951.

Mr. EDWARD W. GARRETT,
Chief United States Probation Officer, United States District Court for the District of Columbia, Washington, D. C.:

Please add to my letter of May 7, replying to your letter of May 4, the following final paragraph:

"If, contrary to my expectations, the higher courts do not uphold my stand on the first and fourth amendments as against a congressional committee, it will be the law of the land that a congressional committee has an absolute right of inquiry, regardless of constitutional limitations. Under those circumstances, I am confident the trustees of the Committee for Constitutional Government would feel as I should that the law of the land required our compliance with the demands of a congressional committee."

EDWARD A. RUMELY,
Executive Secretary, Committee for Constitutional Government, Inc., New York, N. Y.

NEW YORK, N. Y., *May 8, 1951.*

To Mrs. F. S. Rumely, E. Scott Rumely, Miss Isabel Rumely, Mrs. John M. Munn, Mrs. Michael Newton.

From E. A. Rumely.

One of the most moving meetings I ever had with Theodore Roosevelt was the second day after word had come that Quentin Roosevelt, the child closest and dearest to him, who had volunteered in World War I as a flyer, had been killed over the lines in France. I have never seen the colonel so deeply moved. As he talked of Quentin he said, "The great things in life often can be accomplished only by sacrifice. We must be willing to pay with our bodies for our souls desires."

In the crowd, few people are willing to take a resolute stand. When one does, fearlessly, it challenges attention and gives an opportunity for leadership. I have many times in my life felt that I had to take a stand that was unpopular and that might bring crowd reaction against me. For myself I have never had regrets. Often I was troubled because I had to carry mother along into storm and stress.

You children were small and my contact with you and the family gave me measureless strength for whatever befell outside. While the Mail case was breaking, little Scotty toddled into the bedroom every morning to look down at the trains below. Contact with him and you children and mother wiped out the stress of an infuriated crowd.

I deeply regretted in my recent encounters that you had to pay in publicity part of the cost of my fight but never was there from anyone a critical word. That has meant much to me.

The probation officer in New York after a 2½ hour interview, during which he appeared much interested in the committee and my stand, said, "One thing I cannot understand. No one else gets tangled with Congress time and again as you do. Were you pugnacious and inclined to get into brawls when you were a young man?" I explained that I had never gone down to Congress to pick on anyone, that on the contrary, they had always come to my office to pick on us and that my job was to ward off their attacks.

Yesterday I had a letter from the Chief Probation Officer of the United States, asking whether I would purge myself by giving to the Buchanan Committee, if I had an opportunity now, what I had declined to give them before. Of course I would not but I had to say it in a way that would not smack of defiance. Copy of his letter and my communications to him are enclosed herewith.

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[5] THE ASSAULT ON FREE SPEECH AND A FREE PRESS

(Statement by Edward A. Rumely, executive secretary, Committee for Constitutional Government)

There is on the Federal statute books no legal definition of lobbying. For lack of it, a committee of Congress has the power to intimidate and silence the expression of opposition opinion on public measures.

Congress has thus far neglected to define lobbying, and the chairman of the House Select Committee on Lobbying Activities, Representative Frank Buchanan, of Pennsylvania, has declared publicly that his committee "has come to no conclusion" as to any definition of the term.

Any such definition, he said, "comes within the realm of the proper legislative committee of the House." And yet, at another time, Mr. Buchanan told members of his committee that he had a "definition" that should guide them. He read it to them, quoting from the Yale Law Journal of January 1947: "any attempt by individuals or groups to influence governmental decision." This definition, he said, "is, in my opinion, the one we should follow in our investigation."

ORDINARY CITIZENS IN JEOPARDY

For lack of a legal definition of lobbying, the American citizen lives today in a no-man's land. He does not know whether what he does with respect to public measures, however lawful, is something for which he may be subpenaed to Washington, his private papers rifled, and himself friends and supporters be exposed or smeared as having done something shady and disreputable. However honorable and lawful his conduct may be, a conscienceless committee of Congress can always put an innuendo upon it.

This is a species of political blackmail that should not be tolerated in a free republic. It exists for lack of a definition of lobbying. Free speech and a free press can be suppressed as well by such subtle means, as by brown shirts nailing shut the doors of a newspaper office, denying the publisher paper to print (as in the Argentine), or putting authors of political tracts in Siberian salt mines.

This political blackmail is legal only because there is nothing to make it illegal. There is no definition of what is not lobbying, which Congress is bound to respect. It has unfettered power. But unfettered power has no place in a republic.

ILLEGAL LOBBYING EASILY EXPOSED

There is lobbying that is illegal, such as bribing a Member of Congress. There is lobbying that is clearly lawful and yet within the legitimate power of Congress to investigate and legislate upon, such as who stirred up a flood of telegrams to support or defeat a pending bill. A Congressman is entitled to know the source of the telegrams, so that he can intelligently estimate their worth;

EQUAL JUSTICE UNDER LAW

Permit me now to cite the conduct of our President, Harry S. Truman, which established beyond argument the fact that this administration does not follow the legend carved in marble over the door of the United States Supreme Court here in Washington, which is: "Equal Justice Under Law."

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whether they were paid for by the apparent sender as his own honest "petition for the redress of grievances," or whether the sender is a cat's-paw for a secret principal, such as Joe Stalin or a tycoon of organized industrial, financial, or labor power.

The right of Congress to investigate such forms of lobbying must be clearly admitted. But we now go to the fundamentals of free government, which is government by public opinion. An examination of illustrative cases involving free speech and a free press will mark out the boundaries of action beyond which Congress should have no power to investigate, intimidate, or introduce thought control in the United States.

Great books have made history. Uncle Tom's Cabin helped to mold public opinion, which led to the adoption of the Civil War amendments to the Federal Constitution. Certain of the novels of Charles Dickens led to the reform of debtors' prison laws. Tom Paine's Appeal To Reason fired the soldiers of the Revolution to continue their struggle.

Question: Were Julia Ward Howe or Dickens or Paine, or their publishers, or those who bought and circulated their books lobbyists? Did any of them do anything that a hostile Congress should be permitted to investigate? Much as we may hate the views expressed by Karl Marx in Das Kapital, the distribution of that book should be equally free from political intimidation. For, as Justice Holmes said, freedom of speech does not apply only to the views the majority likes. It includes freedom for the thought we hate. Otherwise, society is denied the benefit of criticism of old ideals and the growth of new ideas.

NEWSPAPER PUBLISHERS CONCERNED

Next, let us look at the position of newspapers and magazines in a land in which lobbying is not defined. Here are two newspapers—one New Deal, the other Republican or Dixiecrat; one proadministration, the other, consistently antiadministration. The proadministration paper need not worry—so long as the administration is in power. It is a fixed law of war and politics not to attack your allies. As the courts have said, "The majority protects itself," while it is a majority.

But here is the antiadministration or minority newspaper, called by the majority a "sheet" or "rag." Are its editorials attacking the administration, or bills pending in Congress, a form of lobbying? Should Congress have any power at all to suppress its editorials by any means whatever? Should it have any power to demand the names and addresses of the subscribers to the paper? Should it have any power by any means to hold this newspaper up to public obloquy; to bring pressure on its advertisers to withdraw advertising revenue? Or to cause its subscribers to boycott it?

How about a letter to the Voice of the People column? Or groups such as the Committee of Correspondence of the American Revolution? Or articles published today like the Federalist Papers written for, and the speeches and tracts of Patrick Henry and others against the adoption of the Constitution in 1787? How about any tract, speech, letter, or company or institutional advertisement today on public measures like low taxes and economy in government, or protecting the thrifty against the robbery of inflation? Are they next in line?

Kamp and Rumely were convicted because they refused to give committees of Congress the names of those who contributed to the efforts of the two organizations, or who paid for books furnished by the Constitutional Educational League and the Committee for Constitutional Government.

But, President Truman follows a similar procedure.

Many have not the facilities for presenting their ideas and viewpoints. Have they not the right to buy and distribute books and literature produced by others, and if they do so, are they not under the same protection of the Bill of Rights as authors and editorial writers whose material they distribute?

INFRINGING ON CITIZENS' RIGHTS

Bear in mind that the American citizen has rights whose free exercise is beyond the power of Government, direct or indirect. As Justice Jackson of the Supreme Court has said:

"The very purpose of the Bill of Rights was to withdraw certain subjects from the vicissitudes of political controversy, to place them beyond the reach of majorities and officials, and to establish them as legal principles to be applied by the Court. One's right to life, liberty, and property, free speech, a free press, freedom of ownership and assembly, and other fundamental rights may not be submitted to vote; they depend on the outcome of no elections."

Hitler consolidated his control over the German people, in part by his own propaganda, but equally by the suppression, by either direct or undercover means, of free speech and a free press in opposition to his program. His dark shadow lingers over the world. He taught others how to proceed.

We have the great rights of free speech; a free press; to petition for the redress of grievances; and to be secure in our persons, houses, papers and effects against unreasonable search and seizure. To preserve those rights against insidious impairment, we need a legal definition of lobbying; we need a "foul line" established so that Congress may pursue its legitimate activities, and the citizen be free from its illegitimate activities.

That definition is implicit in what has been written above. It is the distinction between what is direct and indirect, a distinction made by the courts thousands of times. Otherwise, as Chief Justice Hughes once said, "There would be virtually no limit to Federal power."

THE REAL DISTINCTION

If the purpose and effect of the lobbying is upon the Congress or a Congressman or Senator directly, that is on one side of the line. It may be wholly legal and honorable, yet it is something the Congress has the right to investigate. It may be buttonholing the individual Congressman; it may be Coxey's Army marching on Washington to demand the issuance of greenbacks. Whatever it is, if its impact is directly on Congress or one of its Members, it is subject to investigation.

If, however, Mr. A writes a book, or an editorial, or a tract, or makes a speech on a public measure, leaving to the reader or hearer to decide what political action he should take, if any, that is on the other side of the line. That is free speech and a free press. It should be wholly beyond the power of Congress to investigate, suppress or intimidate. If Mr. B, fired by the book or editorial, takes the matter up with his Congressman on his own initiative, Mr. B may be lobbying, but Mr. A is not.

If Mr. A, however, tells Mr. B, "write your Congressman to support or defeat this bill," and Mr. B does so, then both are lobbying. Mr. A has put the thing in motion. It is like

There is no claim—there never has been any claim—that either organization was engaged in any unlawful activity. Nor was there ever any claim that either Kamp or Rumely was engaged in an unlawful activity. It is ap-

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the legal doctrine of proximate cause" in negligence cases.

In the one case, it is public opinion that is being molded; in the other case, it is congressional action that is being pressured. It ought not be hard for honest men to distinguish between Congress and the public.

MUST FREEDOM WITHER?

Unless a line is drawn along this boundary that separates the direct from the indirect, free speech and a free press must wither when politicians of the majority "turn the heat on." It is not ancient history that records what Hitler, Mussolini, Stalin, and Peron have done to human liberty.

The right of the loyal American to freely have his say before the public on any question must be preserved from any form of intimidation by any agency of Government. Otherwise, the servant of the people becomes their master.

In the great case of *Grosjean* v. *American Press Co.* (297 U. S. 238), the Supreme Court held that Huey Long had no power to silence opposition newspapers by a punitive tax on revenues. It said that the Bill of Rights forbids any action of the Goverment designed to prevent free and general discussion of public matters.

It has been my unwelcome duty as executive secretary of the Committee for Constitutional Government, under the direction of its trustees, to refuse compliance with demands by committees of Congress, which, we believed violated constitutional rights of ourselves and of all Americans.

INTRUSION THRICE REPULSED

In 1938, agents of the Minton Senate committee demanded permission to dragnet the files of the National Committee To Uphold Constitutional Government, asking for all records, papers, memoranda, books, and documents in your possession. We refused. We were not cited for contempt nor even reprimanded by the full Senate. The Senate, largely because of these unwarranted demands upon our committee, refused to grant Senator Minton's request for additional funds and thus ended the Black-Minton Committee, which had harassed business for years.

In 1944, the Anderson Committee To Investigate Campaign Expenditures demanded under subpena the names of all who had contributed $100 or more to the work of the Committee for Constitutional Government. These names were refused. My citation for contempt was voted by the Anderson Committee. The House not being in session, the citation was referred by the Speaker of the House to the Attorney General. My indictment for contempt of Congress followed. My defense was that our committee, supported by Democrats and Republicans alike, neither favoring nor opposing any party or candidate, was urging a philosophy of government, and that this was beyond the constitutional power of a congressional committee to investigate. The jury decided we were within our rights in refusing to comply with the subpena, and brought in an acquittal verdict in 20 minutes.

The Buchanan committee has been supplied practically all of the information it asked on 24 out of 26 points. We flatly refused to answer on the others, which demanded the names of purchasers of our books and literature. This, we contend, is a violation of the first and fourth amendments.

Chairman Buchanan has stated to the press that he will move on the basis of this refusal to cite me for contempt of Congress.

parent that these men were convicted because—and solely because—they and the two organizations by which they were employed, were effectively combatting the political theories of the New Deal and the Communists.

Kamp was called before a congressional committee investigating elections; Rumely was called before a congressional committee investigating lobbying.

Neither Kamp nor the Constitutional Educational League had anything to do with elections nor did either make any attempt to influence the result of elections except as the publications produced and circulated, convinced voters that the welfare of the country would be promoted by repudiating the political theories of the New Dealers, the efforts of the Communists to overthrow this Government by force or illegal means.

Neither Dr. Rumely nor the Committee for Constitutional Government was engaged in improper or illegal lobbying, unless it be that opposition to an administration or the advocacy of constitutional government is such. Under one definition of lobbying falls every political argument, but it does not follow that such form of lobbying is illegal or improper. We all engage in that form of lobbying every time we make a talk or write a letter carrying political implications.

Under the subterfuge that to enable it to legislate, Congress, through its committees had the right to know and needed names of those who paid for the publication or circulation of certain publications sent out or sold by these two organizations, and that the refusal of Kamp and Rumely to give that information was a contempt of Congress; they were convicted.

HARRY S. TRUMAN, PRESIDENT

Let me now cite you to the facts which show that our President, Harry S. Truman, protecting the Communists, not only refused to give a congressional committee information which would have assisted it in writing legislation, followed a similar course but that he in addition deliberately violated a Federal statute.

In January, February, and March of 1948 a duly authorized subcommittee of the House Committee on Education and Labor was making an investigation of a strike against Government Services, Inc., a private nonprofit corporation operating 42 cafetrias in Federal buildings under the direction of Federal officials. The strike was called by United Cafeteria and Restaurant Workers, Local 471. Officers of the UPW, which was the parent organization, and of local 471, had refused to file the non-Communist affidavit required under the Taft-Hartley Act and two of these officers, Alfred Bernstein and Abraham Flaxer, refused to answer the question as to whether they were, or had been, members of the Communist Party.

PRESIDENT TRUMAN AIDS A COMMUNIST-DOMINATED UNION

President Truman exerted pressure in an effort to force the GSI to deal with this Communist-controlled union. He called certain individuals to a conference at the White House on February 10 1948. At this conference there was present the President, Gen. Philip B. Fleming, head of the Federal Works Agency which had charge of the buildings in which the cafeterias were operated; Mr. Schwellenback, Secretary of Labor; Mr. John R. Steelman, and Mr. Clark M. Clifford. It was charged that, at this conference, the President attempted to coerce the GSI into negotiating and agreeing with the Communist-controlled union.

To ascertain whether that charge was true, whether the President, who had taken oath to support the laws of the land, who had publicly announced that he would enforce the Taft-Hartley Act, was attempting to force an evasion of that law, which was only enacted over his veto, the subcommittee twice issued a subpena calling for the appearance of John R. Steelman, a Presidential adviser, who was present at the conference.

Accepting service of the subpena, conceding its validity, Mr. Steelman, on March 9, 1948, wrote the following letter:

THE WHITE HOUSE,
Washington, March 9, 1948.

MY DEAR MR. CONGRESSMAN: I am returning to you herewith two subpenas recently issued to me on behalf of your subcommittee. On Saturday, March 6, I received a subpena calling for my attendance at a hearing to be held that afternoon. On Monday, March 8, I received another subpena calling for my attendance at a hearing to be held the same day.

As you know, my official duties are to advise and assist the President of the United States. After the receipt of each of these subpenas, I promptly informed the President, and in each instance the President directed me in view of my duties as his assistant, not to appear before your subcommittee.

Sincerely yours,

JOHN R. STEELMAN,
The Assistant to the President.

Mr. Steelman also called me over the phone, acknowledged receipt of the subpenas, acknowledged their validity, stated that he personally was willing to appear, but that the President had advised him not to appear before the subcommittee.

PRESIDENT TRUMAN ADVISES IGNORING FEDERAL STATUTE

There is a Federal statute on the books. It is the law of the land which the President took oath to uphold. The pertinent words are:

Every person who, having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before * * * any committee of either House of Congress lawfully makes default * * * shall be deemed guilty of misdemeanor punishable by a fine of not more than $1,000 nor less than $100 and imprisonment in a common jail for not less than 1 month, nor more than 12 months. (U. S. Code, title 192, of title 2.)

That statute President Truman advised Mr. Steelman to ignore—thus placing himself as one above the law.

PRESIDENT AGAIN DEFIES CONGRESS

Just a few days ago General Bradley, appearing before a joint committee of the Senate inquiring into the dismissal of General MacArthur, refused to give that committee certain information on the ground that he was the "confidential adviser of the President."

Whatever may be, from a legal standpoint, the soundness of that position, there is no question whatever but that the President, in the GSI-Steelman matter, advised the violation of a Federal statute.

If the testimony which Mr. Steelman might have given the committee was privileged, that is no reason why he should not have accepted the subpena and claimed the privilege.

The incident shows that the President considers himself above and beyond the law. That the law that would require you or me to obey a subpena does not apply to him. That position, of course, is unsound. The proper legal course for the President to have followed in the Steelman matter was to have told Mr. Steelman to appear, as have General Marshall and General Bradley, and then if privilege existed because testimony would have disclosed a confidential communication, to have claimed that privilege. Dr. Steelman's refusal to appear and testify furthered the interest of the Communist-controlled union. His refusal was at the direction of the President who, in this instance, aided the Communist-dominated union.

Still another instance which shows that the President considers himself above the law is so-called Dollar Steamship litigation.

Several years ago the Government became interested in this steamship line and acquired certain of the stock of the corporation. The question of whether the stock was purchased outright by the Government or was transferred to it as security for a loan has been under consideration by the courts.

The United States Circuit Court of Appeals, from which to date there has been no successful appeal to the United States Supreme Court, recently decided the stock belonged to the corporation and ordered Secretary of Commerce Sawyer to transfer it to the corporation. President Harry S. Truman advised Mr. Sawyer to ignore the order to transfer the stock, apparently backed in that opinion by the Attorney General and the Department of Justice. On Friday, May 18, 1951, the United States Court of Appeals found Mr. Sawyer; Assistant Attorney General Peyton Ford; Solicitor General Philip B. Perlman; Assistant Commerce Secretary Philip Fleming; George L. Killion, head of the American President Lines, Ltd.; Government attorneys Newell A. Clapp, Edward H. Hickey, Donald B. MacGuineas, and Philip Angele, and finally, Paul D. Page, Jr., who recently resigned from the Commerce Department, guilty of civil contempt, because they had refused—following Truman's advice—to comply with the court order. The question now before His Excellency, President Harry S. Truman, is whether he will permit his subordinates to comply with this court order, or whether they will go to jail; or whether, by some form of decree the President will attempt to aid them to avoid the force of the order.

President Harry S. Truman—your President and mine—it is evident by the

manner in which he has covered up for Hiss and Acheson, the "5 percenters" and the "deep freezers," those who are guilty of other offenses, his subordinates' persecution of Kamp and Rumley, the vilification by his political allies of these two men, his refusal to permit Bradley and others to testify before the Senate committee, his defiance of the court's order to transfer the Dollar stock—does not believe in free speech or a free press nor in equal justice under law when the exercise of those rights guaranteed by the Constitution come in conflict with his own political or administrative policies.

INDIA EMERGENCY ASSISTANCE ACT OF 1951

Mr. CARNAHAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3791) to furnish emergency food relief assistance to India.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3791, with Mr. THOMAS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 3 hours, and the gentleman from Ohio [Mr. VORYS] for 3 hours.

The gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, we are now beginning discussion of H. R. 3791, a bill to furnish emergency food relief assistance to India. And while the aid to be furnished through this legislation is truly emergency in character, let us be sure that we place this measure in its proper historical setting.

India has just recently attained a place among the free democratic countries of the world. In less than 4 years, India has emerged from a colonial status into the long-sought-for position as an independent nation. And it has been less than a year and a half since the people of India adopted their own constitution and set in motion a representative government as the Republic of India. This government is sovereign and democratic.

These two world-shaping events: India's shedding of colonial status, and India's assuming independence, taken together, are outstanding events of our time. They can well be for the free world the greatest achievements of the century.

We stand at the threshold of perhaps the free world's greatest opportunity. India, that great land mass in South Asia, the home of approximately 350,000,000 fellow human beings, which for so long has been a prized colonial possession, has at last attained independence. This is such an immense change in the over-all world scene that we have not as yet fully realized its over-all long-range meaning.

The free world has ample reason to be proud of the accomplishments of this very young Republic. A new nation has attained independence and has set in motion a sovereign democratic government. A government of, by, and for a great mass of humanity made up of individuals who collectively face toward the free world.

No one with justice, balance, or reason could expect the Republic of India, not yet 2 years old, to have definitely established her position in the world or to have clearly defined her role on the present complicated international stage. Nor has there been time yet for our Government to work out with India the details of a basic pattern for the long-term relationships which should exist between two great sister republics. I am sure all Americans want to start laying a solid foundation on which we can build lasting friendship and mutual confidence with the people of this newly-born Republic.

This bill to provide emergency-food relief to India is our first major opportunity as legislators to make a contribution to setting the international pattern between the two countries. This is the first piece of major legislation dealing with the Republic of India to come before Congress. That fact alone makes the consideration of this bill an historic occasion. The question for each of us to carefully weigh is shall we use this international opportunity as a chance to build confidence, understanding, and friendship, or shall we choose a course which will lead to misunderstanding, distrust, and conflict. This golden opportunity will not come again. We must soon decide one way or the other. Let none of us fail to understand or forget that far-reaching effects and permanent results will follow our decisions in connection with this bill. We now have the chance to do one of two things. We can build strength for a free world, or we can give aid and comfort to our would-be conquerors.

This legislation demands thinking that is clear and cool. It demands tolerance, which is sensible and just. It demands friendship which is mutual and sincere. It demands action which is definite and courageous. This first and thus basic agreement between two great governments must be considered on its own merits and the long-term implications. The basic issue involved is relief food for starving fellow human beings. It is neither the time nor place, for making demands or pressing bargains. Such actions would certainly not be in harmony with our long-established tradition of sharing what we have with the victims of adversity or distress.

The final action which Congress takes on this legislation may well be considered as the laying of a cornerstone. Yes; the cornerstone of future relations between India and the free world. And remember, India has the potential and I believe is destined to become one of the world's great powers. She is at present besieged by many serious problems. Problems which require courage and detemination. She must pull together achievements since gaining independence; she must solve the numerous problems which carry over from colonial rule; there are the added problems created by the Pakistan and India Partition; and she must, in the midst of these problems, get at the job of developing her own vast resources. Accomplishments to date have not only given new hope to the masses of her own people but are positive indications that India is to become an ever-increasing power in the world. Are we going to lend help and encouragement to a great people as they strive toward the very same attainments which we have for years been so determined to achieve, or will we selfishly make the road to freedom, security, and abundance more difficult than necessary for this newly born Republic.

Not only will our final action on this bill have world-shaping results but our words will help set the pattern of the future relationship between the two nations. Everything we say and do in connection with this bill will help to make those first and lasting imprints on the people of India. Anything we say which has propaganda value for our enemies will be continuously repeated to the people of India and to all other oppressed people throughout the world. Then let us not be diverted by issues which are not a part of the problem involved. Our only purpose here is to further help bring relief to human beings faced with hunger, starvation, and death. This is no time to find fault or to criticize. Rather, let us speak only the words which are uppermost in the minds and hearts of a great majority of our own people. These are words of sympathy, of encouragement, of friendship, and of help.

H. R. 3791 has been very carefully studied by your Foreign Affairs Committee, and the draft of this bill represents the best combined judgment of the committee. We have been guided in our thinking by suggestions from many Members of the House. We have no intention or desire to restrict adequate discussion. Any member of our committee will be glad to help with any question or problem which may arise. If we do not have the answer, we will help try to find the answer. However, we sincerely hope the bill will be discussed and finally passed in an atmosphere prompted only by friendship and genuine concern for a great people who are earnestly working their way toward the security and the responsibilities of independence and national maturity.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New York.

Mr. CELLER. In reading the Bible the other night I ran across these remarks that are taken from the Proverbs. I think the gentleman will agree with me they are very pertinent:

> Withhold not good from them to whom it is due, when it is in the power of thine hand to do it.
>
> Say not unto thy neighbour, Go, and come again, and tomorrow I will give; when thou hast it by thee.

Does not the gentleman think those words are most pertinent on this occasion?

Mr. CARNAHAN. They certainly are and they express what is in the hearts of the American people.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Georgia.

Mr. COX. The bill that the gentleman's committee reported proposes to lend to India $190,000,000 under ECA, is that correct?

Mr. CARNAHAN. That is correct.

Mr. COX. Is it the gentleman's understanding that ECA loans are treated as grants?

Mr. CARNAHAN. No, it is not my understanding they are treated as grants.

Mr. COX. Is it the gentleman's understanding that of the billions of ECA loans that have been made, not one dime has been paid on either interest or principal?

Mr. CARNAHAN. I might ask the gentleman is there any interest due at the present time?

Mr. COX. What does the gentleman have to say about that? The loans were made a long time ago, does that not indicate to the gentleman's mind that the loans were made with no expectation of repayment and that these countries are proceeding with no sense of obligation to repay them?

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Minnesota.

Mr. JUDD. The answer to the gentleman's questions appears on page 5 of the committee report. None of the interest on any of these loans is due until June 30 of next year and none of the principal until 1956. So none of them can be in arrears.

Mr. COX. The gentleman says that the bill proposes to lend India $190,000,000. In other words, the United States does not propose to furnish one grain of wheat to the so-called hungry people of India, is that not so?

Mr. CARNAHAN. The money is lent to India for the purchase of grain in this country.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CARNAHAN. Mr. Chairman, I yield myself five additional minutes.

Mr. COX. Under the bill lending India $190,000,000, there is no obligation on the part of India to spend one dime of it in the United States; she may spend the entire $190,000,000 in the satisfying of her full needs by trade with Russia and Communist China, is that not true?

Mr. CARNAHAN. That is not the intention of the bill.

Mr. COX. I know that, but is that not possible under the terms of the bill?

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. COX. Let anyone who thinks to the contrary speak up, because I assert that is a fact.

Mr. MANSFIELD. Is it not true that the Indians have purchased a great amount of wheat in this country up to this time?

Mr. COX. Yes; and on which we have lost several million dollars.

Mr. MANSFIELD. Where are the places in the world where they can buy wheat today?

Mr. CARNAHAN. There is only one.

Mr. MANSFIELD. This country and possibly Canada.

Mr. COX. Did she not buy it from Russia, and does not Nehru say: "In the event you do not let us have the wheat we will go to Russia and Communist China to get our grain needs"?

Mr. CARNAHAN. India must get grain to feed her people.

Mr. COX. Does not Nehru say that there are no starving people in India now?

Mr. CARNAHAN. I do not know that he said that.

Mr. COX. He says further he will not let them starve because he will supply his grain needs by trading with China and with Russia.

Mr. CARNAHAN. He certainly will make every effort possible to feed his people.

Mr. YATES. Will the gentleman from Georgia tell us if he were in Nehru's position he would do otherwise?

Mr. COX. If I were in Nehru's position I would feed my people even if it necessitated the postponement of my industrial program—the Colombo plan. I would draw on my sterling reserves in England. I would use my minerals.

Mr. MANSFIELD. I do not think the Colombo plan is in being; it is still in the talking stage.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Minnesota.

Mr. JUDD. Does the gentleman from Georgia expect the United States to accept sterling reserves in payment for wheat?

Mr. COX. I take it that the United States would be very glad to let India have the wheat if India would obligate herself to the payment of purchases made here.

Mr. JUDD. India is already buying from us more than 100,000 tons of wheat a month, and she does not have enough foreign exchange to buy more from us. It is not a question of how much her sterling reserves somewhere might be. Our country is not willing to sell grain to her or to anyone else except for hard currency.

Mr. COX. But India has minerals of which we are in short supply. She has laid down an embargo against the exportation of those minerals. In addition to that, under Russian influence she went to Brazil and influenced Brazil to lay down a like embargo on the exportation of monazite sand. The sand in Brazil had been mined by an American company, who had developed two mines in Brazil and under the insistence of Brazil.

Mr. JUDD. The fact remains, in her atomic energy act she has a provision exactly like ours, that atomic energy materials cannot be exported. We have it in our law. What is wrong about her having it in hers?

Mr. COX. Has the gentleman any information that it would be economically possible to process this plant in India?

Mr. JUDD. I doubt that it can be. On the other hand, I do not see how you can expect people who have been brought up for hundreds of years under pacifist teachings, and whose greatest leader in centuries was Mr. Ghandi who taught them and led them in the way of nonviolence, to change overnight any more than the people of Georgia can be expected to change overnight views they have held for several hundred years.

Mr. COX. Nehru will not let us have the monazite because it is a product that goes into the making of the atomic bomb.

Mr. JUDD. Yes; that is exactly the reason for it. India is barring the export of any materials that can be used in the making of atomic weapons.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Montana.

Mr. MANSFIELD. I think it ought to be brought out, in response to what the gentleman from Georgia has said, that as far as manganese, a very scarce material in this country, is concerned, we are getting by far the great majority of that which India produces. I recall reading in the RECORD during the debate in the Senate on the India aid bill that Senator HOEY, of North Carolina said they had more monazite in North Carolina than they could possible use in this country.

Mr. COX. Mr. Chairman, if the gentleman will yield, it is known or ought to be known that the only monazite that is being obtained in the United States at the present time is a very small quantity that is obtained in Florida and one other little mine where the production is inconsequential; it does not amount to anything. Monazite is in short supply.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New York.

Mr. CELLER. I will say to the gentleman that the chairman of the Joint Committee on Atomic Energy, Senator MCMAHON, of Connecticut, said that the United States is not in a short supply of monazite.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield further?

Mr. CARNAHAN. I yield.

Mr. MANSFIELD. In response to the answer made by the gentleman from Georgia, I would like to quote from the Staff Memorandum of Information on India Emergency Assistance Act, page 31:

> The Bureau of Mines has informed the committee that monazite and other rare earth mining operations in the United States now under way and planned indicate an excess of supply over demand adequate to meet our strategic objectives even without allowance for future imports and early United States self-sufficiency in these materials. The only real concerns are for supplies to meet the needs for a short period in the very near future and to meet AEC demand if research determines that thorium is an important atomic raw material.

Mr. RIBICOFF. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Connecticut.

Mr. RIBICOFF. The gentleman from Georgia has raised the question whether this wheat can be purchased with American funds from Russia or China. Now, is it not the intention of the Committee that this wheat shall only be purchased in the United States with American funds, and that the gentleman will offer a committee amendment with the following proviso:

Provided, That funds made available for purposes of this act shall be used for the purchase of food grain, or the equivalent in the United States when such commodities are available.

So there will be no question about the committee's intention, is it not the gentleman's intention to offer such an amendment?

Mr. CARNAHAN. That is right.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Georgia.

Mr. COX. Then the gentleman agrees that such an amendment is necessary to keep India from spending this money, if she should so desire, with Russia or with Communist China, which is in the bill the gentleman is asking this House to pass?

Mr. RIBICOFF. I suppose the members of the Committee on Foreign Affairs have enough humility to realize that there may be some imperfections in this bill. Certainly we could welcome on the part of the House such amendments as would clarify and make this bill stronger. Therefore, during debate under the 5-minute rule, there will be opportunity to discuss amendments and make this bill stronger, if it is necessary. We believe this amendment will make it stronger.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. ALLEN of Illinois. Does the gentleman believe that the people of India are the only people throughout the world that are undernourished?

Mr. CARNAHAN. No, that certainly is not true.

Mr. ALLEN of Illinois. Does the gentleman believe the United States should help all the undernourished people throughout the world?

Mr. CARNAHAN. We certainly should help any undernourished people throughout the world if it is within our power to do so.

Mr. ALLEN of Illinois. Does the gentleman think it is advisable to pick out one nation of undernourished people and provide the necessities of life for one nation, and let probably 30 other nations go without giving them anything should they ask for help?

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Minnesota.

Mr. JUDD. The answer is that we are dealing here with an emergency situation, not trying to overcome all undernutrition.

Mr. ALLEN of Illinois. I asked the question of the gentleman from Missouri. I should like to have the gentleman's reply to that question, if he will give it.

Mr. CARNAHAN. We will deal with each separate problem as they arise. I have yielded to the gentleman from Minnesota.

Mr. JUDD. On page 2 of the bill, beginning in line 16, it is stated:

Provided further, That the assistance hereunder shall be for the sole purpose of providing food to meet the emergency need arising from the extraordinary sequence of floods, droughts, and other natural disasters suffered by India in 1950.

This is not a bill to take care of all the undernourished and unfortunate people of the world, this is a bill to help the people of India in an emergency resulting from acts of God.

Mr. ALLEN of Illinois. If the gentleman will yield, may I ask the gentleman from Minnesota if he thinks the United States is in financial condition to take care of all the undernourished people throughout the world, probably from three-quarters of a billion to a billion? Does the gentleman favor that?

Mr. JUDD. No, I do not favor that. I do not think we are in a position to do it. I do not think it would be a kindness to them, if we were. It is not the way to try to solve the long-term problem. The gentleman knows that I have always followed the policy, including 10 years I spent as a missionary in China investing not other people's lives or money but my own, of trying to help people help themselves. However, in an emergency like this there is not time to carry out the long-term programs of better fertilization, better irrigation, better seed selection, better prevention of plant pestilences, better health, and all those things. You have to have an emergency program to take care of an immediate emergency.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New York.

Mr. CELLER. There have been reports that the Government of India has denied shipments of mica and manganese to this country. I have here a special press release issued by the Government of India Information Services which states.

The Government of India wishes to state emphatically that there is no foundation for these press reports. The export quota of high-grade manganese ore fixed for 1951 is 800,000 tons and there is no restriction on the export of low-grade manganese ore. During January-December 1950, out of a total export of 728,280 tons for all destinations, 530,885 tons were shipped to the United States alone.

Mr. VORYS. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I would like to review just what this bill is that we have before us. It is a proposal to authorize a loan not to exceed $190,000,000 for the limited purposes mentioned of meeting emergency food needs. It is not a wheat loan and it is not a grain loan. It is a food loan. It is a so-called ECA loan. I had considerable to do with writing section 111 (c) 2 in the original ECA Act. Here is the way the loan will be negotiated. The Administrator of ECA is the negotiator, under this ECA law. He negotiates, but the negotiations have to be approved by the National Advisory Council on International Monetary and Financial Problems, which consists of the following: The Secretary of State, Mr. Acheson; the Secretary of the Treasury, Mr. Snyder; the Secretary of Commerce, Mr. Sawyer; the head of the Federal Reserve bank, Mr. Martin; the head of the Export-Import Bank, Mr. Gaston; and the ECA Administrator, Mr. Foster. Those six advise one of their number, Bill Foster, head of the ECA, what the terms of the loan shall be. The legislation before you does not attempt to spell out what the terms should be. There has been a great deal of discussion that it is going to be a 35-year loan. There is nothing in the law about that. The legislation does, however, require on the first page beginning at line 9: "Including payment by transfer to the United States (under such terms and in such quantities as may be agreed to between the Administrator and the Government of India) of materials required by the United States as a result of deficiencies, actual or potential, in its own resources." That language is from the ECA law. That is the statutory way we prescribe that the payment of the loan must include repayment in strategic materials. It is perfectly amazing the amount of strategic materials that India has. Some people say that India is a rich country, full of poor people. If you will look at page 26 of this document, entitled "Staff Memorandum of Information," which is available at the committee table, you will find that strategic and critical materials exported or available for export by India for the calendar year 1950 amounted to $379,000,000, and that the United States received of that $188,000,000. So that India is able to repay a loan in just the sort of things that we want. Therefore, the proposition before us is rather a simple one. India needs food in a hurry and we need strategic materials that India has, not in a hurry, but over the years.

So we authorize our officials, and that is a pretty high-class battery of officials, three Cabinet officers and the head of the Federal Reserve, the head of the Export-Import Bank, and the head of ECA to negotiate a loan. I believe that we should not attempt to write in any further conditions. That is a matter the House will want to decide. It seems to me when you authorize a loan there are two ways to handle it. One would be like the British loan, for which I did not vote, where the loan is negotiated and all of the terms then brought to the Congress for approval. The other way would be to authorize officials to negotiate a loan in the future. For a future loan, you may be tying the hands of your own negotiators by writing conditions in advance. But in a loan bill you require repayment, the obligation of repayment that is the fundamental requirement.

I have been unable to secure from the executive departments the terms they intend to propose. I have been told, as my friend the gentleman from Georgia has pointed out, that the Secretary of States does not yet approve doing this as a loan.

Mr. COX. Mr. Chairman, will the gentleman be kind enough to yield to me?

Mr. VORYS. I yield to the gentleman from Georgia.

Mr. COX. I want to pay the gentleman a compliment by testifying to the fact that in my judgment he is the best authority in the Congress on foreign affairs. I believe that to be the opinion of his colleagues on his side.

May I ask the gentleman this question: Does not the amendment, which the author of the bill the gentleman from Missouri [Mr. CARNAHAN] stated he intended to offer, run counter to the philosophy of the gentleman from Ohio? In other words, has not the gentleman taken the position, did he not take that position in committee when the bill was formulated, and since that time, that since it is a loan it was not within the proper prerogatives of the committee to tell India how and where to buy the grain.

Mr. VORYS. The gentleman is right. I have not by any means decided what my position will be on the amendment which the gentleman from Missouri [Mr. CARNAHAN] will offer.

Mr. COX. And under the terms of the bill, except for the transfer of strategic materials, India could buy her food needs in Russia or in Communist China? That is true, is it not?

Mr. VORYS. Under the bill as drafted, if the negotiators did not put in any provisions on that subject, that would be true. But let us look at that for a minute. We have a foreign affairs subcommittee studying this whole matter of east-west trade—trade through the iron curtain. I surmise that our subcommittee will be proposing legislation which will make certain that we do not furnish aid to those who arm our enemies. However, we find vast quantities of grain, lumber, and coal coming out from behind the iron curtain to Western Europe, and to our friends in Asia. Now, there has to be trade, they have to get something for what they export, or they will not export. Is it the smart thing for us to cut off all trade going in, and therefore all trade going out, which will mean that a great many people in Europe, and perhaps in Asia, will either starve or will come and ask increased foreign aid from us? I think not. I think that the way we would control that trade is by what is exported from the free world. I think it is perfectly conceivable that India might take dollars and buy some grain from Russia and it may be—I do not know, because I am not an agricultural expert—but it may be that Russia is better off for grain this year than we are. The estimators tell us that we have the worst prospects in a number of years in our grain crops for the coming year. We do not have surpluses running over. It might be the smart thing for India to buy grain from Russia. They get the dollars, but when they try to spend the dollars they find they cannot get anyone to export what they want, if effective export controls are working. I simply raise that question because we are not going to be able to settle all of the problems of our foreign affairs in this bill. This whole problem of east-west trade, through the iron curtain, the control of it to the advantage of the free peoples, is going to be laid in the lap of Congress this year.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JOHNSON. I would like to have the gentleman put in the RECORD here whether or not India gets any preference or any priority over any other ECA country that we deal with, or are they given the same general terms as all of the others got before?

Mr. VORYS. This bill before you provides exactly the same loan machinery that was provided for the ECA countries and for Spain. Thirteen loans have been made under this system of negotiation by the Administrator, approved by this national advisory council, in the amount of $1,184,000,000.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VORYS. Mr. Chairman, I yield myself five additional minutes.

Let me follow this up. I happen to be the one who insisted that we write into the ECA law a requirement that $1,000,000,000 would be available only as loans. The first year the administration was opposed to that, but it was in the law and those loans have been made. Now, it is true that they have, because of the prospective dollar shortage in balance of payments postponed payments of interest or principal, so that no payments are yet due. It is true that those 35-year loans were for a longer period than I thought they should be. The Spanish loan was for 20 years. However, it seems to me that when you have a country like India with adequate resources, that is willing to make a loan, we can well leave it to those negotiators. I have only been able to secure this much assurance from anyone in the Executive Department, and it is informal, unofficial assurance: They say, if Congress decides this it to be a loan, we are not going to make any fuzzy loans.

Mr. COX. Now, Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. COX. Does the gentleman not think that it was traveling upon thin ice when he took the position that in the use of this $190,000,000 loan to India it might be smart for India to spend a part of it in making purchases from Russia?

Mr. VORYS. What do you mean by "thin ice"? Do you think that it is a bad thing for us to get all we can of the grain and lumber and stuff like that out from behind the iron curtain for the free peoples of the world? Is that a bad thing?

Mr. COX. Let me answer the gentleman by asking him a question. Does he favor setting up an arrangement so as to make it possible for the Russian economy to be supported by trade carried on with money furnished by America as between India and Russia?

Mr. VORYS. No; I do not favor that.

Mr. COX. Is not that the position the gentleman took here?

Mr. VORYS. No.

Mr. COX. What is the smart thing to do? The gentleman, as I understood, said he thought it was a smart thing for India to take some of this money and use it to buy things that Russia has to sell.

Mr. VORYS. I said that if we had proper controls on what could be bought with the dollars, and I am not sure we have such controls now——

Mr. COX. Let me ask the gentleman——

Mr. VORYS. Now, wait a minute. Here is what I either said or meant to say: I said that if we had proper controls on what could be bought with dollars either in this country or over the world, then it might not be such a dumb thing to let Russia get some dollars for wheat if we are shy of wheat and they have got plenty, and then let Russia find out they could not buy anything that they wanted with the dollars. That is what I mean.

Mr. COX. But has not the gentleman said that the United States loses complete control over these dollars when she lets India have them?

Mr. VORYS. No; I did not. What I have said is this: I attempted to go through it at some length—that the terms and conditions of the loan which would be authorized will be passed on by this national advisory council, and I cannot conceive that Secretary Snyder, that Charlie Sawyer, Bill Martin——

Mr. COX. Mr. Acheson.

Mr. VORYS. Secretary Acheson, too. He would probably deal more generously with India than the Secretary of Commerce or the Treasury or the head of the Federal Reserve bank. Between the six of them I have considerable confidence, not complete, but at least considerable confidence, that they would write in terms that would be beneficial to the United States, and that they would not permit terms that would be injurious to the United States.

Mr. COX. Now, I should like to pay the gentleman a compliment. I think I know something of the gentleman's views on this whole subject. I have examined with great care the minority report he filed on the original bill and I want to say to him that his report, perfect as it was, defeated the bill that his committee had offered.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. VORYS. Mr. Chairman, I yield myself five additional minutes.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. CELLER. There is no doubt that Premier Nehru has made statements with which the gentleman and I and many others disagree, but does the gentleman think his lack of graciousness and probably want of good will should cause us to deny aid to famine-stricken India?

Mr. VORYS. No. Prime Minister Nehru has made aid to India just about as difficult as possible throughout this spring. I hope I do not get into a position here where I have got to defend all of the statements and actions of the chief of State of India or of the United States during this past spring, because that would be embarrassing to me.

Mr. Nehru has attempted to work both sides of the street intellectually. He says, "Now, we are a very young nation; therefore, you have got to treat us very kindly, remembering that we are young and green, and you must make allowances for our youth." Then out of the other side of his mouth he says to America—I could name some Americans he said it to this spring—"Oh, you Americans are so adolescent. We Indians are an ancient people with a culture thousands of years old; we had a rich civilization when your ancestors were running around in bearskins or bare skin. You really ought to revere and venerate the ancient wisdom that comes from us."

Now, it is a little difficult to go along with both of those arguments at once.

Then again we hear shocking and rather insulting things that he and some of his people have said about us, and about Russia, too.

It is rather interesting that instead of attempting even to be a friendly neutral and work both sides of the street in his friendship, he has in many instances taken the position of being a hostile neutral, both with us and with the Communists. In the very same speeches which my friend from Georgia quoted, Dr. Kumarrapa said nasty things about the United States, and then said some nasty things about the Russian Communists. They apparently feel that is the way they can preserve their independence.

I am one of those who feel that the position of India on the matter of declaring Red China an aggressor was morally indefensible and practically disastrous. I happen to feel that way, and I am still answering your question, but we come back to the fact that there are millions of people over there who are hungry and on the road to starvation, regardless of what we think of Nehru. I talked with Bishop Werner who has just returned from India. Some of the shocking things he saw were people eating the bark from trees and getting 8 ounces of grain a day. Those are things that wring your heart. It is true that the people of India have been hungry for a long time, but it is also true that there is just ahead a great need and a probable famine, and that this grain will be extremely helpful, if we can furnish it on mutually satisfactory terms, regardless of our opinions on Nehru.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Ohio.

Mr. JENKINS. We all recognize that the gentleman is probably one of the most outstanding men in the House on foreign affairs because he has had every opportunity before he came to Congress, and afterwards, to observe it. But here is what troubles me. The gentleman has described Nehru very accurately, according to the newspaper reports, and he has probably a much finer way to praise him than I do, but the gentleman knows that the great trouble has been not with purchasing supplies in this country but with the delivery of them.

Mr. VORYS. That is right.

Mr. JENKINS. Does the gentleman think that with this man's attitude any American is going to be able to dictate or provide how the food is going to be distributed? Does the gentleman not think that Nehru will be so strong, and he will take all this food and do just as he pleases with it, and send it up to Russia, if he wants to, or trade it off or sell it out? What assurances have we that the people of India are even going to get this wheat?

Mr. VORYS. We have no assurances, and we had no assurance under the original grant bill, where the grain was a gift not to the people of India but to the Government of India, which was to sell it to the people. This was one of the reasons I took a dim view of the original bill.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. The gentleman talked about the suffering people in India. I believe that we all want to help suffering people, but it happens that there are about a billion undernourished people throughout the world.

Mr. VORYS. About a billion and a half.

Mr. ALLEN of Illinois. That includes, I believe, about 40 or 50 or 60, maybe 70 countries. Does the gentleman feel that the United States is in a good enough financial condition to take care of the billion and a half undernourished people throughout the world, and if he believes we should take care of all of them, what countries does he believe we should take care of first?

Mr. VORYS. I do not think we have either the money or, if we had the money and the desire, there just is not food enough to take care of all those people. Therefore, what we have to do is to use our resources wisely, and that is what I suggest we do. I know one thing, whereas if you authorize a gift of a couple of million tons of grain to a country, they may be tempted to ask for all they can get as a gift, but if you make them a loan so that they will have to pay you back, it is quite likely that they will not buy any more grain than they absolutely need. Therefore, I felt in this instance, and I think in some other instances that may come up later this year, that we should be thinking in terms of loans rather than always in terms of grants.

Mr. ALLEN of Illinois. The gentleman has not answered my question.

Mr. VORYS. I have answered the gentleman's question. He said, "Do you think we have the money or the food to feed all the hungry people?" My answer is "No."

Mr. ALLEN of Illinois. Then what nations, in your opinion, should be taken care of by the United States? Who should decide which nations should be provided for?

Mr. VORYS. This Congress is going to decide that. This bill came up ahead of time because of an emergency, but this Congress is going to have a bill from our committee which will involve, among other things, regardless of how it is paid for, the movement of a great deal of food across the ocean to countries which are in short supply, and this Congress is going to decide, I think, in these instances.

Mr. ALLEN of Illinois. Does the gentleman mind telling me which countries he thinks should be provided for of the 70 undernourished countries? Which ones do you think should be provided for?

Mr. VORYS. I cannot make a list of them at this time.

Mr. ALLEN of Illinois. Will the gentleman tell me the number of them; how many, in the gentleman's own mind, should be provided with the necessities of life?

Mr. VORYS. There are a great many countries that may be short of food. There are some that are able to produce surpluses now. I cannot go into that question now. You will hear from me later this year.

Mr. COX. Mr. Chairman, may I ask the gentleman an easy question?

Mr. VORYS. I yield.

Mr. COX. I wish to quote VORYS in committee against VORYS on the floor. In the minority report that the gentleman filed on the original bill that his committee turned out he made this statement:

> The 2,000,000 tons requested from us by India is only about one twenty-fifth of what India expects to obtain this year.

This is what I want to emphasize, and this is the language of the gentleman from Ohio:

> The failure to obtain this food will not in itself cause famine or starvation in India; on the other hand, delivering it will not prevent hunger and malnutrition in India.

Mr. VORYS. I think that is true. I made that statement and I think that is something we have to bear in mind. It is the same point my friend from Illinois was bringing up: We cannot take care of all the hungry of the world. I think, however, that we can help very vitally in tiding India over, and we can prevent a number of instances of starvation.

We attempted in our committee to get an estimate of how many would die if we did not do this. We found it would not work out mathematically, because, as the gentleman has said, what is proposed is one twenty-fifth of the whole supply of grain for India for a year, and of course there is no one who would starve to death if he got twenty-four twenty-fifths of what he had gotten the year before. The supply question for a nation, however, is not as simple as that.

Mr. COX. Does the gentleman remember also stating in this splendid document to which I refer and of which I believe the gentleman is the author:

> A 6-year loan would not ruin India or its plan.

Mr. VORYS. I certainly remember writing that. The 6-year loan would be more in line than a 35-year loan.

Mr. COX. Do I understand that the gentleman would oppose the adoption of

the amendment which the author of the bill said he would offer when we got to considering the bill under the 5-minute rule?

Mr. VORYS. The gentleman misunderstood me. I said I was taking that one under advisement. I have felt that the Committee on Foreign Affairs is not the fount of all wisdom in connection with these matters. Not only have I felt that way myself but I have urged my committee colleagues, during this period of general debate, to give consideration to all suggestions for amendments and changes, but not to attempt at this stage of the game, on the first day of debate, to say yes or no on proposed amendments. Certainly my own position is clear. I do not know of any amendment anybody could suggest today about which I would say, "I am for that," or "I am against it."

Mr. COX. If the people of the country knew the work the gentleman has done on the Committee on Foreign Affairs, they would have great cause to thank God that the gentleman belongs to that group.

Mr. VORYS. I think I ought to yield the floor right at that point.

Mr. CARNAHAN. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. CHATHAM].

Mr. CHATHAM. Mr. Chairman, I have been amazed during this debate today and through all of the weeks that we waded through this rule. I sat through a great deal of testimony by people who were qualified to testify during the hearings before the Committee on Foreign Affairs on this India grain bill. We brought agricultural experts back from New Delhi. We had missionaries—Catholic missionaries and Methodist missionaries who had first-hand information. I cannot for the life of me see why we should be standing here and spending our time debating and arguing on the terms and how the interest is going to run when people are not only starving in India but are going to starve in far greater numbers unless they get this grain. I am convinced of that as much as I have ever been convinced of any one fact in all my life.

Several million people in India are going to starve unless they get additional grain. That is a fact and it is indisputable to any one who heard the testimony.

As I say, the testimony was by qualified witnesses.

Now if we as a Christian nation, and I think we are a Christian people, are going to try to help to alleviate this enormous calamity and this situation, I remind you, has come about by a series of calamities, then why should we not provide that the grain shall be available and let qualified people decide about the terms and bicker and argue whether we are going to get this or that back. I want to see people saved from starving. Let us say we are neighbors. If you were my neighbor and I said, "I wish you would let me have some wheat or corn on especially easy terms", I know I would get it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. Yes, sir.

Mr. COX. The gentleman is a rich man.

Mr. CHATHAM. Rich in my friends, sir.

Mr. COX. He likewise happens to be one of the trustees of all of the people of the country. If a man should come to the gentleman for a loan, even if it be to relieve hunger, would the gentleman consider making the loan without any security whatever for 35 years at 2 and one-half percent? If the gentleman were acting as trustee of all of the people of the country, would the gentleman as a responsible and understanding citizen, regard that as a wise thing to do?

Mr. CHATHAM. Considering myself as trustee for all of the people of the country, I was in favor and still am in favor of making this a grant. Does that answer the gentleman's question?

Mr. COX. In other words, the gentleman does not like the pending bill because it provides for a loan.

Mr. CHATHAM. I like the pending bill because I think it will get grain to India. I said I was in favor of making it a grant. First of all I am in favor of getting grain to starving people.

Mr. COX. Is not the pending bill as near an outright grant as it was possible for the committee to make and at the same time call it a loan.

Mr. CHATHAM. No; in my opinion, sir, I think the Indian people will pay their debts.

Mr. COX. After 35 years?

Mr. CHATHAM. Even after 50 years or 75 years.

Mr. COX. What is the gentleman's idea? Does the gentleman think that because of the necessitous condition of India we should make it a 100-year loan?

Mr. CHATHAM. I have not mentioned a 100-year loan, sir.

Mr. COX. The gentleman did mention a gift, however.

Mr. CHATHAM. I was for the gift.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. JOHNSON. Is not that the whole purpose of this debate? It depends on how you approach the problem. If you look at it like a cold-blooded banker, of course it should not be done. But if you look at it as a proposition that will gain friends in a part of the world where we are very weak, and also help to save millions of people, is it not a very well worth-while project?

Mr. CHATHAM. I think the gentleman has well expressed the proposition.

Mr. Chairman, I was talking about neighbors. I am a citizen of North Carolina. If the people of Georgia should have an unprecedented series of floods and droughts and freezes, and if they lost their crops and we got word from the people of Georgia that they were going to starve unless they got some grain from North Carolina and that they would like to have it on especially easy terms, do you think that we would not send the grain to Georgia?

Mr. COX. Suppose the gentleman was president of his bank?

Mr. CHATHAM. Well, sir, this is asking for grain for starving people.

Mr. COX. I know—I know—and Georgia is asking you, as president of a great bank, to help her in her bad situation.

Mr. CHATHAM. I have never been a banker, sir. But if the people of Georgia appeal to the people of North Carolina, or vice versa, I am sure they would get the grain and starving people would get food and the terms could be worked out. I imagine it would be a gift if we had the grain or if your people in Georgia had the grain if the situation was reversed.

Mr. Chairman, we are in one world. We are closer to India today through our modern means of transportation than my State was to Georgia during Civil War times. They are our people as much as any other people in the world. I am not going to talk about what we are going to get back from doing this deed, because if we put enough strings onto this, I do not think we should get very much back because I think that in that event, perhaps, the name of Uncle Shylock could be applied to us again. I think the people of this country want to help the starving people everywhere. The gentleman from Illinois says that of course people are starving everywhere. I thoroughly agree. But our own agricultural experts, these religious missionaries, and so forth, have testified that in this generation nothing has ever hit India like this. We have grain available and strangely enough some opponents of this measure today said that they must buy this grain only from America. They say there should be an amendment that the money should be spent only for grain in America.

Only yesterday some opponent said we are not going to have grain—we are going to have a short wheat crop.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield to the gentleman from Georgia.

Mr. COX. The gentleman says it has been discovered by the author of the bill and by the committee sponsoring it that an amendment is necessary to protect the interests of the United States. The gentleman's colleagues have said that his committee spent weeks on this bill; that they carefully worked out what they thought represented a fair proposal, and still they come in here with a bill that is faulty, as the gentleman now says it is, and in order to protect the interests of the United States it must be amended.

Mr. CHATHAM. I would like to correct the gentleman. My colleagues in the House have said that an amendment should be made to protect the United States and sell this grain, but other people who have been against it have said we are faced with a short wheat crop; that we should not let them have the grain. Then, where will they get the grain if they do not buy it somewhere else, as in the Argentine or Australia or Canada?

Mr. COX. Will the gentleman yield further?

Mr. CHATHAM. I yield.

Mr. COX. Does the gentleman favor extending this $190,000,000 loan under conditions that will make it possible for

India to go to Pakistan or to go to Russia or to go to Communist China or go to Burma or anywhere else to obtain her food requirements?

Mr. CHATHAM. I want no mistake in my answer. I would be in favor of her buying that grain wherever she could get it in the world, if it would save people from starving to death.

Mr. COX. Even from Russia?

Mr. CHATHAM. Friend or foe.

Mr. COX. The gentleman makes a remarkable statement.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. MANSFIELD. Is it not a fact that other free countries have bought grain from Russia?

Mr. COX. But not paid for with American dollars.

Mr. CHATHAM. If we had starvation here, would you be in favor of buying grain from Russia today?

Mr. COX. I beg the gentleman's pardon?

Mr. CHATHAM. If we had starvation here today would you be in favor of buying grain from Russia if it was the only place we could get it?

Mr. COX. I would under all circumstances insist upon doing business with people whom I knew to be our friends.

Mr. CHATHAM. That is not an answer to my question, sir.

Mr. COX. What does the gentleman say?

Mr. CHATHAM. I say I would buy it wherever I could get it.

Mr. COX. If I were the head of the American Government and famine was upon the people, I would use the resources of the Government to the extent of my power to satisfy the needs of hunger.

Mr. CHATHAM. The gentleman has not answered my question yet. Would you buy it from Russia if it were the only place you could get it?

Mr. COX. Am I on trial or is the gentleman's bill on trial?

Mr. CHATHAM. You asked me a direct question.

Mr. COX. If the gentleman will repeat the question I will undertake to answer it.

Mr. CHATHAM. Would you be in favor of buying grain from Russia if the American people were starving and Russia was the only source of supply?

Mr. COX. To prevent starvation of my people I would take relief from wherever it might be obtained.

Mr. CHATHAM. I thank the gentleman.

Mr. COX. Now will the gentleman yield further?

Mr. CHATHAM. Yes, I yield.

Mr. COX. Is it the gentleman's understanding that Pakistan had 500,000 tons of wheat that she offered to India, and that because of India's trade warfare against Pakistan, India, refused to take it?

Mr. CHATHAM. No.

Mr. COX. Is that the gentleman's understanding?

Mr. CHATHAM. No, that is not may understanding.

Mr. COX. Is it the gentleman's understanding that India obtained a certain quantity of rice from Burma when she could have acquired a great deal more?

Mr. CHATHAM. It is not.

Mr. COX. Is it likewise the gentleman's understanding that a few weeks ago Canada offered India wheat and that she refused to accept it, claiming that it was not prime wheat and that the people of India preferred to wait and fulfill their grain needs by taking wheat from Canada from her 1951 prime wheat crop? Is that the gentleman's understanding?

Mr. CHATHAM. Not completely, sir.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mr. YATES. Apart from the humanitarian aspects of this bill which, in my opinion, in themselves justify a grant to India rather than the loan which is involved in this bill, does not the gentleman believe that in this troubled world in which we live today the sheer propaganda value—and we are spending millions of dollars on the Voice of America to convince the people of the world that we are right—that the sheer propaganda value of this bill is sufficient to necessitate its passage?

Mr. CHATHAM. I believe that we should try to relieve distress where we find it.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I have already yielded 10 minutes of my time, but I yield for a question, a brief one.

Mr. BURLESON. I was just going to suggest to the gentleman from Georgia that being in the position of the head of a government trying to save my people from starving I would take great delight in having some other country furnish money for that purpose.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. CHATHAM. I yield.

Mrs. BOLTON. I wanted to comment for a moment, if I might, on the few words that the gentleman from Georgia, our honored colleague, said of their effort to buy Canadian wheat, but that they are not buying it. I want to remind the gentleman from Georgia that that was grade 6 wheat which is unfit for human consumption. Why should they buy it?

Mr. CHATHAM. I thank the gentlewoman from Ohio.

Mr. Chairman, a great deal has been said about the sterling balances in India. India's sterling balances have gone down in 4 years from $4,900,000,000 to $1,750,000,000. That is the only real backing she has got for her currency. She is a new democracy. In 3 years her sterling balances have gone down very materially, and it is probably unsound financing for her to pay out any more money.

I feel that the Christian people in the United States are behind this deal; I feel that in our hearts any one of us would help a starving person anywhere if we could. I feel that the people of the United States would share what they have. So I cannot get over the fact that the gentleman this morning said as the ninth group there are the people of the Christian Church who feed the hungry, friend or foe. I am sure that he and I are on exactly the same basis there. We believe in the Christian Church; we have bread here; we can save people from starving who have, as I say, had an unprecedented series of disasters. They want to be our friends. India has historically been friendly with the United States; they will continue to be our friends if we act as friends. I hope and pray, my colleagues, that you will pass this legislation.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, in the 10 minutes at my disposal I should like to take up certain phases of the bill itself and try as far as I may to give the factual background which prompted those particular passages in the bill. I wish to begin with the very last section of the bill because it was obvious from the colloquy that took place between the gentleman from Georgia and I believe the gentleman from Missouri when the rule was under consideration that there was a complete misapprehension as to what it provided.

The last provision of the bill takes care of the shipment of grain to India. At the present time shipping is in extraordinarily short supply the world over. It was obvious when this bill was being considered at the outset that regardless of our own internal transportation difficulties about which I would like to say a word in a moment, it would be impossible to find the shipping in the world marts to get this grain to India unless a further number of ships were broken out from the reserve fleet that is now tied up in the various rivers and harbors of this country.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield.

Mr. GROSS. From where do the bottoms come in which they have been carrying all this stuff to Hong Kong, both the British and Americans?

Mr. HERTER. That in terms of relative tonnage is very small compared to what is involved here. The shipments that are involved in this case are bulk shipments. The ships that would carry grain are of the Liberty type or of the general trader type, that have gone all over the world carrying coal, carrying ores and carrying grain. The number of those ships available today, largely because of the unexpected coal shortage in Europe, not entirely because of the far-eastern situation or the tonnage that carries things into Hong Kong, has developed a very serious situation, so that even recently in the last supplementary appropriation bill we had to appropriate $20,000,000 to break out new ships to take care of our commitments in Europe. The tonnage that has gone into Hong Kong and I despise anything going into China or Hong Kong—I say that to the gentleman now—has come, the important part of it, from Malaya,

has come from other parts of the British Empire, has come in part through tramp ships that would not be adequate for this particular trade.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Illinois.

Mr. JONAS. Will the gentleman explain whether the cost of equipping these ships, taking them out of moth balls, rehabilitating them, putting on crews, getting them in shipshape so that they can carry 2,000,000 tons of wheat, will be added to the $190,000,000 loan, and will India ultimately be responsible for that additional cost, or do we make that contribution as sort of a side issue in addition to the $190,000,000 loan we are making to India?

Mr. HERTER. I am coming to that. The facts are a little distorted and I want to make them clear. I can give the gentleman the arithmetic very simply.

When we first began to consider aid to India, we had assurances that only a million tons could be gotten out of this country and to India in time to be effective in this famine situation. Our way of thinking was in terms of a million tons, with the possibility of a second million tons but not necessarily a probability of it. In order to ship a million tons of grain from this country—the average cargo is roughly 8,000 tons—it would take 120 ships. The round trip runs from 4 to 4½ months to India and picking up a return cargo, either in India or in Africa. So that the time period that was involved if the grain was to get there required our figuring in terms of one round trip per ship. The cost of breaking out a ship from the mothball fleet is roughly $140,000. Today the cost of carrying grain the distance required, from the Gulf ports or from Western ports to India, is roughly $25 a ton. For an 8,000-ton cargo that means 25 times 8, roughly, $200,000. We were told that with the going rates today the entire cost of breaking out the ships, plus fuel, plus insurance, plus running them, could be paid out of one single round trip.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. COX. Is the gentleman satisfied with the figure he has just given?

Mr. HERTER. Yes.

Mr. COX. Do not the studies made, and which his committee has used as the basis for their recommendation, disclose that of the $20,000,000 appropriated $14,000,000 will have to be used in the activation of these ships and that the full amount recouped as a result of shipments to India will be $2,000,000 and that the Government will take a loss of $12,000,000?

Mr. HERTER. The gentleman is quite correct except for one thing. I noticed that same statement was made in the other body when this matter was debated over there. Someone had received a set of figures in which a zero had been omitted. The actual return is $20,000,000.

Mr. COX. I thought the gentleman just a few minutes ago said that the cost of the shipment of 8,000 tons was $200,000.

Mr. HERTER. I am talking about a single trip.

Mr. COX. That is what we get. In other words, you ship to India 8,000 tons and the freight on the shipment is $200,000.

Mr. HERTER. If the gentleman will take a million tons at a rate of $25 a ton that would be $25,000,000 merely for the shipment of the wheat from here to India. That does not include the return cargo. They expect a considerable return cargo, both in ores from India and in ores from Africa. In other words, the round trip will much more than pay the entire cost of the voyage plus the cost of breaking the ship out in the first instance.

That is because of the high freight rates that exist the world over today, due to the shortage of shipping.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Iowa.

Mr. GROSS. Do we have any more assurance that we will have a return cargo than we had when we sent ships over to Singapore to get rubber and they came back with their holds empty?

Mr. HERTER. Only the assurance given by the Shipping Board. The mere cost of taking the grain from here to India would pay all costs, other than insurance, including breaking out, and they figure the return cargo from India will more than pay for the insurance item and more than pay for all of the cost of the round trip.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Illinois.

Mr. YATES. Is it not true that we are required to take more and more ships out of mothballs for the purpose of picking up the ores and strategic materials from Asia and Europe at the present time?

Mr. HERTER. That is right. The shipping situation is getting progressively more acute. As a matter of fact, we are breaking out more ships by reason of our Korean operations, but that appears under a different heading. The one essential point that I have not mentioned here is that the Indian Government is paying for every cent of the cost of shipping that grain. They have agreed to pay every cent of it in dollars.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. COX. The United States takes a loss on the grain, though, does it not?

Mr. HERTER. That depends entirely from what pool the grain is taken. May I explain that? The United States takes a loss on the grain only if the grain is sold from the grain that is pooled under the International Wheat Agreement.

Mr. COX. That is right.

Mr. HERTER. If it is taken from that, but I think the gentleman will find that India has already bought and paid for everything to which she was entitled under the International Wheat Agreement. This grain is over and above the allocation under the International Wheat Agreement, and therefore the cost of this grain will be the market price.

Mr. COX. Is it the understanding of the gentleman, and can he speak authoritatively to the point of giving the House assurance that if India uses any of this $190,000,000 to buy wheat from the United States, that she will take it at the domestic price?

Mr. HERTER. I would give the gentleman that assurance very definitely from every figure we have received, but I think I ought to clarify this point. This does not provide that all shipments shall be made in wheat, so in fact, when the first million tons were being computed it was figured—and this is a rough calculation—that of it 660,000 tons would be wheat, 250,000 tons milo, 70,000 tons corn, and 20,000 tons rice. At the present time, if I might continue, the Commodity Credit Corporation still has in its possession a considerable quantity of sorghum. That would be included under this head of milo. The price of that is relatively small compared to wheat.

The question of its availability for shipment is a very important point. As I indicated earlier, there is a real problem involved in getting this wheat to India; it is a real problem domestically, and it is a real problem in connection with shipping. As the Members of the House know, we are tremendously short of boxcars in this country. The actual movement of wheat from interior points to Gulf ports or other ports from which it might be picked up and carried is a very serious problem. That is why many of us have had questions as to whether physically over more than 1,000,000 tons could be carried out of the country.

In addition this bill provides that there can go out of this country only so much in the form of grain as certified by the Secretary of Agriculture as being surplus to our vital needs. In other words, we are protecting it to that extent, so that in the event of a worsening of our winter wheat situation, or failure in the future of our spring wheat situation there will be an ample carry-over in this country to protect the country.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Ohio.

Mr. JENKINS. What impact will the spending of this $190,000,000 have on our finances? One hundred and ninety million dollars is a lot of money, especially to the members of the Committee on Ways and Means, who are trying every day to raise money. What will be the impact of this on our financial economy?

Mr. HERTER. Considering the totals we are spending at this moment, I do not think it would have a very heavy impact. The fears some of us had initially were that if we suddenly passed a bill making provision for the export of an

additional 2,000,000 tons of grain it would affect the grain markets, and that grain prices would go up in this country. I am told that in the grain market the shipment of this grain has already been completely discounted, and it has not affected our grain market because we have a very considerable carry-over from last year.

Mr. JENKINS. Would this be a fair guess, that it would take at least 6 months to move this wheat?

Mr. HERTER. The whole 2,000,000 tons? At least 6 months. I am somewhat skeptical as to whether the whole amount will ever be moved, or that that amount of money will ever be borrowed.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Georgia.

Mr. COX. The gentleman I know to be one of the clearest-minded Members of this body. May I inquire if he regards as necessary in order to protect the interests of the United States the amendment the gentleman from Missouri [Mr. CARNAHAN], the author of the bill, says he intends to offer?

Mr. HERTER. I am ashamed to say I was off the floor of the House when his statement was made. For that reason, I am not familiar with the amendment.

Mr. COX. The announcement that he would offer that amendment was in response to calling his attention to the fact that under the provisions of the bill we now have before us it would be within the right of India to take the full amount of the loan and spend the full amount of it in acquiring its food needs from Russia and from Communist China.

Mr. HERTER. If that is the point of it, may I answer the gentleman's question this way: No. 1, I think it is a fairly academic matter. The committee at the very outset canvassed the whole question as to where grain could be purchased elsewhere in the world and was convinced that there was no reserve carry-over in any country of the world except here in the United States.

Offers of two kinds have been made to the Indians. In my opinion, they were essentially propaganda offers. One of them was an offer of a comparatively small amount of rice from China. The second was the offer of 50,000 tons, which is a small amount in the picture, from Soviet Russia. It was that amount that the gentleman quite rightly questioned when it was announced with considerable hurrahs in India.

Mr. COX. That is right.

Mr. HERTER. After the Russians had made the offer of 50,000 tons to India they found that they were unable to get from India what they wanted in exchange for it. It was a barter deal. When the Russians found that they were unable to get what they wanted from India, they raised their offer from 50,000 tons to 500,000 tons for purely propaganda purposes, knowing that it could not possibly be accepted.

Actually, from a physical point of view, I have serious doubts whether Russia is going to ship even 50,000 tons, because from all reports Russia has been squeezing its satellites in Europe of their own grain in order to take care of her own internal and army needs.

Mr. COX. May I ask the gentleman if he agrees with the philosophy of the gentleman from Ohio [Mr. VORYS] that in making this loan it is not within the rights of the Congress to prescribe how the money shall be spent and, therefore, it should be left to India to spend American dollars with Russia if she so sees fit or with China if she elects?

Mr. HERTER. I think it is entirely up to the negotiators with respect to the loan. The loan can carry with it any conditions the Congress or the ECA sets. The gentleman knows that when loans are made they are subject to negotiation. The question as to what conditions may be imposed on a loan is a matter of judgment. Personally, I would be satisfied from the point of view of this loan, and I know the gentleman from Georgia would not be, that the terms and conditions of the loan be made by the ECA. I think enough has been said with regard to the method of repayment, and it is spelled out here in the bill, that under the ECA terms the methods of repayment should include payments in materials in which we are in short supply and which we wish.

I think there is a very real danger in spelling out here something that completely ties the hands of the negotiator, which might not be at all advisable.

Mr. CRAWFORD. When the State Department officials appeared before the committee, did they recommend that some beans be shipped under this proposal?

Mr. HERTER. They very definitely mentioned pulses. They said it might be much easier to ship some peas from the Northwest, and some of the beans from the Middle West and they would naturally take that into consideration in the purchase of the particular foodstuffs.

Mr. CRAWFORD. If I understood the gentleman a while ago in specifying what was to be shipped, beans were not mentioned?

Mr. HERTER. Beans were not mentioned. In the original list pulses were mentioned. On the printed list just read I did not include pulses, but they were very definitely mentioned in the testimony.

Mr. CRAWFORD. We have this situation before us right now. Gentlemen have been mentioning the absence of a wheat reserve, yet in this country in my home State we have hundreds of thousands of bags of high quality beans which the markets in this country absolutely refuse to absorb. I eat those beans from day to day and week to week. We use them in our homes. Why, in the name of common sense, is it not possible under a program of this kind with the wheat shortage such as exists in the world today, can we not ship products of that kind to India?

Mr. HERTER. As the gentleman will notice, that question was asked again at the time the rule was being debated. We keep talking about wheat all of the time. Wheat is not mentioned in the bill anywhere. What is mentioned is food grains, or food.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield.

Mr. VORYS. Is it not quite likely that in the negotiations under this loan provision India will tend to seek those things that are cheapest, whereas if it has been a matter of a gift, there might be a different attitude

Mr. HERTER. There is no question about that. As a matter of fact, from the point of view of India, if rice were obtainable, I think they would much rather have rice from the standpoint of the eating habits of the majority of her people in the areas of greater starvation. But wheat is the next best thing that can be furnished. As a matter of fact, there again the certification of the Secretary of Agriculture is of the utmost importance.

Mr. GROSS. Do I understand it, that if this bill is passed by the House, then they have to go through negotiations to determine what grains are going to be shipped and in what amounts? Then you say it is going to take 6 months to ship the entire amount of 2,000,000 tons?

Mr. HERTER. It will take 6 months to get the entire amount there.

Mr. GROSS. How long are these negotiations going to take? Are we going to get any food over there if the people are starving, and are we going to be able to do anything to aid them if the bill is passed?

Mr. HERTER. That is our hope. May I say to the gentleman that the principal aid of this bill, if it is passed, will not be in getting food quickly to India but will be in allowing the Indians to release their reserve stocks, including seed, which they have had to keep in their control, not knowing whether we were going to furnish the grains or not. If they know the grain is coming within the next 6 months from this country, then they can release even the seed grain which they have had to hold back in order to assure crops in another year.

Mr. GROSS. How much do they have in reserve, and what do they have?

Mr. HERTER. The reserve situation has been a very, very difficult one.

Mr. GROSS. How much do they have? How many million tons, or how many million bushels?

Mr. HERTER. Roughly I do not know how much they have used from the time we got the original figure, but they had 3,500,000 tons.

Mr. GROSS. Of what?

Mr. HERTER. Of wheat and rice. That was what they were able to buy from their farmers to put into their rationing system.

Mr. GROSS. That is all they got?

Mr. HERTER. That is all they got into their rationing system from their farmers.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield.

Mr. COX. I take it the gentleman is familiar with the debate in the other body on their India wheat bill?

Mr. HERTER. I am.

Mr. COX. Was the gentleman impressed with the concern manifested by the understanding and tough-minded Senator WHERRY as regards whether or not these transactions would be an honest-to-God bona fide loan?

Mr. HERTER. I think that certainly would be a matter of proper concern.

Mr. COX. Does the gentleman recall that in the debate Senator WHERRY developed the fact that in the loan made to Iceland that it is quite within the right of the borrower to insist upon a modification of the loan for the extension of time in the use of the loan and in the handling of the transaction in such manner as to make the promise to pay of no value whatever?

Mr. HERTER. I will answer the gentleman in this way: I am not too worried about the soundness of this loan. I have had serious question as to the wisdom of the loan, as the gentleman knows. The soundness of the loan depends entirely on the extent to which the Indians themselves are going to curtail their own requirements from abroad in order to service the loan in the future.

Mr. COX. May I ask the gentleman if he is acquainted with the fact that they have 180 million sacred cows in India, and God knows how many sacred monkeys?

Mr. HERTER. I have heard the gentleman talk about both the sacred cows and sacred monkeys before.

Mr. COX. And 10,000,000 sacred beggars; and does not the gentleman understand that these sacred things have first claim upon any food that we send to India?

Mr. HERTER. That is true in certain areas, without question, but I do not think anything we can write in this legislation can completely change all of the social customs of that country.

Mr. COX. But they are customs that the Congress ought not compel the American taxpayer to support.

Mr. HERTER. We should do that to the very minimum.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. CARNAHAN. Mr. Chairman, I yield 20 minutes to the gentleman from Connecticut [Mr. RIBICOFF].

Mr. RIBICOFF. Mr. Chairman, foreign policy today is not only a question of politics, but economics, finance, and propaganda. By the delay of this Congress we have greatly undercut the effectiveness of this legislation even when passed.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. I have just looked up the Iceland loan, and I find these words:

> If at any time or from time to time the parties thereto—

Both parties, not one—

> determine that it would be in their common interest, because of adverse economic conditions or for any other reason, to postpone—

And so forth. I simply call the attention of the House to the fact that both parties would have to agree. It was not left to one party.

Mr. RIBICOFF. Mr. Chairman, we must finally have action on India wheat. This is no world for dawdlers. Many long and hungry days have gone by since the Foreign Affairs Committee on March 5, 1951, voted out a grain-to-India bill. Not only is the grain needed to save human lives, but it would implement in a practical way our foreign policy to strengthen freedom, understanding, and friendship in the key nation of India.

We must all realize that foreign policy today is not only a question of politics but also a question of economics, finance, and propaganda. By the unwarranted delay of this Congress, we have greatly undercut the effectiveness of this legislation. The Soviets have again stolen a cheap victory by making shipments of wheat for pay, while legislative red tape has ensnarled our good intentions.

Frankly, Nehru has played fast and loose at this game. His public praise of this small Russian shipment, while ignoring our large shipments to date, is unworthy of him. There is little question but that some Indian leaders dislike, distrust, and fear the United States. They still are blind to the new arch-colonialism of the U. S. S. R.

An experienced and shrewd observer, now in the Far East, has just written me from India to the following effect: Nehru's influence is waning and his party will have its troubles in the coming election. While he is regarded everywhere as a great individual and a truly noble man, he has been slow to tackle the great problems facing his nation. His policies are beginning to be questioned in India and throughout the Far East, and he will have to start delivering deeds instead of speeches.

The newly established nation of India is hypersensitive and has an almost morbid dread of being pressured. They see affronts when none are intended. This national touchiness is something we should understand if we would be world effective. Nehru, like many political candidates the world over prior to election, uses methods that play to local pride. It is ironical that those who holler the loudest about foreign influence in our policies become shocked when a Nehru or a Bevan raise the same cry in their own nations.

We must be mature enough as a leader not to allow ourselves to be touchy and irritable when some other nation shows a deviation from our stand and our policies. We cannot lose our heads with hot retaliation and retort. In the present complicated world situation, no individual or nation is infallible.

Today we should be thinking of the starving millions of India instead of Nehru. The 2,000,000 bushels of wheat are for the India masses. Let us not deny life to these millions and then, self-righteously, blame their stavation on Nehru's statements. Let us not lose the good will and love of the Indian people. By defeating this bill we would lose a great opportunity. Not to send the wheat after all our palaver and motions would be a great blow to United States world standing.

I am against imposing conditions in this bill, not only because of India's self-respect, but our own self-respect. Are the policies and principles of the great United States going to be achieved by wringing concessions out of a starving people? Instead of gratitude, we would incur hatred.

India adopted its policy of an embargo on exports of raw materials of atomic energy in 1946—long before it faced its present food crisis. This country, too, has a similar embargo on such raw materials. Our Nation would resent having a change in our atomic energy policies forced upon us. Are we justified, then, in resenting India's wanting to keep her atomic energy policies intact. As for manganese, we have received more than the lion's share of India's production of this strategic material.

The eyes of the entire world are always focused on what we do in this Chamber. Some of us are annoyed with that fact—bothered that our actions have repercussions in all corners of the earth and that there are calculated risks in what we do. But I would remind this House that, in the words of George Eliot, "no great deed is done by falterers who ask for certainty." In contrast to those who waver, there are people who are thankful that we are looked to for leadership, for guidance, and for help. Are we not telling the world that our Americanism has more than promises to offer, while communism promises everything, gives nothing, and destroys all freedom? Will it be in the general welfare of the United States if the troubled world should turn to communism, or is it in our welfare that they should look to our great American principles in action? Those are the questions that go to the very essence of our foreign policy. If we do not lead, no other free nation can take our place. That is certain. If we do not lead, communism, ever poised, will rush into the vacuum created by our abdication.

We no longer live in the carefree times when we can ignore the rest of the planet, or when the rest of the world can ignore us. The objective of the Soviet Government has been to discredit the United States, to undermine American prestige everywhere, and to present a viciously false picture of America, Americans, and American principles. Let us not by our conduct deliberately play into the hands of the Kremlin. Yes, we may be annoyed that we have reached a position of leadership. But how critical for the world it would be should communism take the lead.

Our world, as far as experience and range of activities are concerned, has expanded astronomically. Human relationships have been modified on a global scale. Contacts between peoples in the remotest areas have become possible. Their culture, politics, philosophy, and strategy have repercussions on all other peoples—and so do their actions.

There are three factors which sustain the world leadership of our Nation in its relations with other countries. The first is our power—our great natural resources, our great wealth, our military

might, our productive capacity, our genius in creating the material things which make life more comfortable. The second is our spiritual voice—the understanding by the rest of the world what the United States is all about. The third is our heart. It is the American heart whereby we demonstrate that what we say we believe in and that what we do is to be exercised for the common good of all mankind. The true yardstick of our greatness lies in our faith by deeds. We should be proud of our generosity. I do not mean that our generosity is always appreciated. We do not always get a quid pro quo for our generosity. A truly generous person does not expect appreciation. But the point I want to make is that America is respected for her actions of generosity—her faith by deeds.

To me, the India relief bill represents another opportunity to express ourselves within an expanding framework of rich traditions, traditions which all freedom-loving peoples everywhere in the world can only respect.

What has made America great? It has been our dedication to the great principles adopted by our founding fathers and nurtured by great Americans ever since. It is America's spiritual power. This was beautifully expressed by William Tyler Page in his The American's Creed:

> I believe in the United States of America as a Government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a Republic; a sovereign Nation of many sovereign States; a perfect Union, one and inseparable; established upon those principles of freedom, equality, justice and humanity for which American patriots sacrificed their lives and fortunes.

This creed was accepted by this House on behalf of the people of America on April 3, 1918. Is this House going to live up to that creed by responding to a humanitarian appeal? Or is the creed going to be cast aside? Are we going to demonstrate our faith in American principles by deeds? This is the fundamental challenge of the bill for relief to India. In the words of Vergil in his Aeneid, "And do we still hesitate to extend our renown by deeds?"

With the widening of our responsibilities, our belief in ourselves must become stronger and more vigorous. Now is the time to renew our faith in our own institutions as a world force and to regain the sense of national spiritual purpose which gives vitality and confidence to life, whether of individuals or the whole Nation. Spiritual power is the key to America's greatness. Spiritual power is the ultimate key to the world's ills. We have that power. We have only to exercise it. As a Nation, we must set peace and freedom for all as our goals, believe in them and find a way to achieve these objectives. The true wealth of the United States is this spiritual power—if we will only use it.

The far eastern policy of our Government has been the object of a great barrage of criticism. Our policy in that area is negative, it has no substance, no direction, it is said. But many who hurl this criticism are the very ones who raise their hands in horror whenever a positive step forward is proposed. The India relief bill is such a step. It will be proof positive that when America talks about freedom and security and brotherhood for the Far East, we mean what we say.

To go through with this program is an answer to Kremlin-inspired propaganda in the Far East. If we should fail to heed the call of suffering India, we will be accused by the teeming millions of Asia of failing to live up to the principles of our western civilization. They will consider our western civilization as a sham and a mockery and they will be compelled to look elsewhere. We will have failed them by our lack of example—by our lack of faith by deeds.

But there has always been starvation in India, and there always will be, say the faint-hearted objectors. I would say to them that although this bill is designed to meet the immediate food crisis in India, the original bill attempted to strike at the causes which in the past have produced famines there. I refer to the counterpart-fund mechanism. This represents the highest form of charity. Under the terms of that bill, India would have put up her own currency equivalent to the revenue she gets from the sale of the food grains supplied by the United States. These local currency funds would be used for know-how and show-how projects—irrigation, increasing production, all the techniques of modern agricultural methods. Not only could these counterpart funds have been used to increase food production, but also strategic materials for the mutual benefit of the United States and India. That bill was a right start in the right direction. The original bill represented the highest form of charity. I am thinking of the immortal words of Moses Ben Maimon, better known as Maimonides, who back in the twelfth century outlined the eight categories of charity.

The eighth—

He said—

> and the most meritorious of all, is to anticipate charity, by preventing poverty; namely, to assist the reduced fellow-man, either by a considerable gift, or a sum of money, or by teaching him a trade, or by putting him in the way of business, so that he may earn an honest livelihood, and not be forced to the dreadful alternative of holding out his hand for charity. * * * This is the highest step and the summit of charity's golden ladder.

To salvage part of this program, I shall support the Mundt amendment. It is a step forward in the exercise of the far-sighted leadership which the world has come to expect of the United States. It is a realistic approach and at the same time it is an unselfish approach. It is true that under the bill now under consideration interest payments on this loan will have to be made by India, but under the amendment these payments will be used for the benefit of India. The payments will, in effect, constitute a sort of counterpart fund, and will accomplish many of the features of the counterpart-fund mechanism, now a well-established feature of our legislative policy.

The impulse behind this amendment is the desire to share with India, for India's benefit, our technical know-how, particularly in the field of agriculture which is so important to her because of her food needs. Some work along these lines is now being done, although on a very limited scale, through missionary institutions and other voluntary relief agencies in various parts of India, such as the Catholic and Protestant missionaries, the Salvation Army, American Friends Service Committee, CARE, and a number of others. Subsection (a) of this amendment will enable these organizations to continue and broaden their magnificent educational and philanthropic work on behalf of the people of India. In subsection (b) of the amendment, there is proposed a program with which the Congress is familiar. It is a program based on the fundamental necessity for technical training and education of foreign students here in the United States so that they will have not only the benefit of our instruction and training and educational facilities to use back home, but also an understanding of American institutions. Subsection (b) will enable qualified students from India to come to the United States and engage in the type of studies which when applied back in India can help immeasurably in cutting down on future famines and national disasters. It will fit neatly into the pattern of congressional assistance for Chinese students, Iranian students, and Finnish students. Subsection (c) will enable the United States to send to India scientific, technical, and literary books, as well as laboratory and technical equipment and the interchange of such material between the two countries. This is the type of program the Congress has consistently supported and it should be extended here.

But supposing we should fail to give any food to India now. Supposing, as a result of the internal upheavals following in the wake of the widespread famine, communism should take over in India. The irony of such a situation would be that the objectors, who are anti-Communists, would, by their short-sighted failure to act in a time of crisis, have helped topple India into the power of the Kremlin.

In these days of global storm and stress, I would say that the one thing we need most of all, as a matter of pure enlightened self-interest, is friendship—good will. Can anyone in this House maintain that the good will of the people of India is not in the general welfare of the United States? To say so shows no comprehension of the struggle we face. I would say that he has no comprehension of the reasons behind our failure in the Far East. I would say that such a person does not understand that we must buttress our fast talk with fast deeds. We must reinforce man's faith in human brotherhood, in western civilization, and in the spiritual values which have made America great.

So, in considering this bill, let us turn for guidance to our noble American traditions, to the faith by deeds which has made our country strong, and let us be

constantly aware of the great struggle in which we are now engaged to preserve these traditions against the most perfidious threat free people have ever known. Let us give succor to those who look to our spiritual values.

Cast thy bread upon the waters: for thou shalt find it after many days.

Under unanimous consent, I extend my remarks at this point in the RECORD by including an editorial from the Manchester (Conn.) Evening Herald of May 18, 1951:

WHY DO THIS TO OURSELVES?

We suppose most of the Members of Congress, and too many of the people of this country, think we are determining the Communist or non-Communist future of Asia by our fighting in Korea and the strategy employed in it.

It is entirely possible that there is much more decision about the future of Asia—or at least about the future of our own prestige and leadership in Asia—involved in the relatively minor matter of wheat for India.

This issue is a battlefield, too. It is the battlefield on which we, by our own action, are going to determine how the people of Asia feel about us, whether they think of us in the role of the big, helpful brother, or think of us in the role of rough, would-be master. It is the mind of Asia which is one of the great stakes in the world today. And the danger we run, in our hodge-podge of policies, in the imperialistic recommendations of some noted Americans, is that we shall become the pet aversion of that Asiatic mind, instead of its favorite friend.

Issues which become tests of our attitude attain, then, an importance beyond their own realistic significance. Wheat for India has become one of those issues, a test of our attitude and thinking toward an Asiatic people. Perhaps the basic test involved is not so much what we do, as how we do it.

On this issue we are giving ourselves one disheartening defeat after another. We seem perversely determined to place ourselves in the worst possible light. We are fiddling and fadding our way along from one narrow, ungenerous point of view to another still worse. Action in the Senate Wednesday brought the bill for wheat to India into the worst form yet—all loans and no gift, and a demand for atomic materials from India written in.

It would have been better for us, and cleaner for our reputation, if we had said "no" many weeks ago. Such a clean refusal on our part would have been better for us than our current effort to say a yes which includes, however, so much obvious bias against India and so much congressional distaste for the proposition itself. We have taken something which began as a charitable, humanitarian proposal and we are steadily translating it into something progressively shabbier. One would think, as the hates and prejudices and narrowness of Congressmen exhibit themselves in this issue become so symbolic, that we were deliberately trying to set ourselves back in the world to affect our own abrupt withdrawal from the war for men's minds.

There is of course no such deliberate attempt. What is happening, unfortunately, is that we are letting our own poisons come to a most unlucky dominance of our handling of an issue which has become symbolic. We are batting India around, in our legislative by-play, as if it were a senseless rubber ball. The world watches, and Asia is forming a mental image of American. How could we do this to ourselves?

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Minnesota.

Mr. JUDD. I agree with the splendid statement made by the able gentleman from Connecticut, a hard-working member of our committee. I personally believe there will be great gratitude, good will, and appreciation in India toward the United States, but even if there should not be, the main purpose of the bill is not to win good will; the main purpose is to help this new republic remain independent.

Mr. RIBICOFF. Yes.

Mr. JUDD. And that in itself will be a tremendous benefit or reimbursement to the United States of America.

Mr. RIBICOFF. Yes.

I may say to the gentleman that all you have to do is to look at the map and see that India is a great subcontinent of 350,000,000 people. Many people talk about the large cost of this bill to the United States of $190,000,000. I wonder what it would be worth to the United States of America, as a practical proposition, if we could but stop for 1 year India from going Communist; 1 year, let us say, or even a week or a month that these 350,000,000 people should not now be added to the 800,000,000 people under Communist domination.

Mr. JUDD. To put it the other way, how much more than the cost of this bill would it cost the taxpayers of the United States if the Government of India should be weakened and go down and the Communists take over, and then all southeast Asia with its tin and rubber and oil and spices and other commodities which are essential to our economy and also essential to prosperous world trade and commerce.

Mr. RIBICOFF. If India went Communist, the whole great Eurasian island would at that stage be in complete control of Soviet imperialism. With China and India added to the Communist orbit it would be absolutely impossible for any other nation or any other peoples in that vast area to hold out against communism. I believe that those who have any understanding of geopolitics will realize that anyone getting control of that great Eurasian island—and with that would go Africa, which is part of it—will mean the control of the world. Certainly as a policy for the general welfare of the United States we must do everything possible to save that great Eurasian island from complete Communist domination.

Mr. JUDD. So that our choice in this bill is not between the cost of this bill and something less; our choice is between the cost of this bill and something much more.

Mr. RIBICOFF. Absolutely.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Georgia.

Mr. COX. The gentleman is an understanding Member of this body. Does he not believe it to be the height of folly to think that we can buy India off of communism by either giving her or lending her $190,000,000?

Mr. RIBICOFF. I do not think we can buy any country and I do not propose this loan as a question of buying that country.

Mr. COX. One more question. Does the gentleman, from the information that he has, not agree that to all intents and purposes India had already embraced communism, less the element of violence involved in the Russian system?

Mr. RIBICOFF. I do not, sir. I would say to the gentleman from Georgia that a close study of the Indian situation and the events surrounding that country indicate that India has stronger laws to suppress communism than the United States of America. The Government of India under its laws can throw a Communist in jail without habeas corpus or without trial.

Mr. COX. Let me ask the gentleman this further question. Is it not the information of the gentleman that the wise men of India, who represent India in an official capacity, are now accusing the United States and abusing the United States for resisting Communist China, and have they not said and have they not defended China's turning to Russia upon the ground that they have the same philosophy, and therefore it is necessary that in time of stress China should have turned to Russia?

Mr. RIBICOFF. The gentleman has made a frank statement and I shall give the gentleman a frank reply. I think that Nehru himself, and some of the men in his government, are just as misguided about world conditions as many men in the United States, including this House. As many people in this House do not realize that we have a single world so Nehru does not realize that this is a single world. Nehru is under the belief that he can maintain a third force, an area of neutralism. Nehru sets himself up in the role of a new guiding force to gather the people around him and around India, to hold them up against the United States and Russia. That is a role that Nehru seeks for himself. I do not think that Nehru will prevail in those ideas. I think it will become understood by Nehru, too, that once China is completely in the orbit of Soviet Russia, their turn will come next and, as I said, this experienced observer who has just written me from India says there is great dissatisfaction in India among thinking people because of his policies which they realize can only lead to ultimate disaster. So I would say to the gentleman that certainly because Nehru may be misguided, because Nehru may be wrong, we should not condemn 350,000,000 people to starvation. I am sure the gentleman from Georgia would not want to be associated with many of the ideas propounded by people in positions of authority in this country. Why under the same circumstances should you place on the 350,000,000 Indians the apparent dislike of the philosophy and the ideas of Nehru, who happens to be in power in India today?

Mr. COX. If anybody in India has the right to speak for India it is Nehru; is that not so?

Mr. RIBICOFF. Nehru is the official, executive head of the Government. The answer is yes.

Mr. COX. Does not the gentleman understand that Nehru takes the position that India's enemy No. 1 is the imperialistic west and not Communist Russia?

Mr. RIBICOFF. I would say that Nehru is trying to play both ends against the middle. I think Nehru is going to be disillusioned.

Mr. COX. Is the gentleman prepared to defend the accusation that Nehru is pro-Communist?

Mr. RIBICOFF. No, I do not think Nehru is pro-Communist. I think I have just a little understanding of the Asiatic mind. I should like to propound this idea to the gentleman. Nehru at the present time has a country, which he is governing, that is very close to the borders of Communist geographical and actual power. I suppose that if there were an invasion, Nehru could not do very much about it. I suppose that as the head of India he is trying not to incur the displeasure of Russia. I think in the long run what will happen to Nehru will happen to every nation that thinks it can play "footsie" with Russian imperialism. That is why I make the point that we have to understand his geographical position. We have to understand that basically, from a religious standpoint and from a moral standpoint, the people of India are anti-Communist. We certainly should do nothing to drive India into the hands of the Communists.

Mr. COX. If the gentleman is not in position to concede the pro-communism of Nehru, then is he prepared to admit that Nehru's son-in-law is a violent Communist?

Mr. RIBICOFF. I would say that I do not know whether Nehru's son-in-law is a violent Communist or not, but again I would say, I would dislike to have the responsibility as an individual and also to help with the responsibility as a nation to condemn 350,000,000 people on the fact of whether Nehru's son-in-law is or is not a Communist.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Minnesota.

Mr. JUDD. The gentleman from Georgia has said that some of the leaders of thought of India and perhaps Mr. Nehru himself have said that their No. 1 enemy is western imperialism. I think it is understandable that they should still consider that their No. 1 enemy, because it is that with which they have had first-hand experience for several centuries. They have been softer toward communism because of its attractive promises and because they have not had first-hand experience with it. But it has been the universal experience of all people that when they come up against the realities of communism they have found it to be not less of an enemy but a greater enemy.

After all, it took our Government 23 years to learn what the Government of China discovered in March of 1927 about the nature, objectives, and methods of communism in Asia. If it took us until June 25 of last year to wake up to the true nature of communism in Asia, we have to give Nehru a few more weeks or months in which to wake up, too. When he is faced with the realities of communism at home as he has been recently within his own country, he has thrown them into jail ruthlessly. He is reported to have had 17,000 Communists in concentration camps, which is more than there ever were in jail in China. So I do not believe the present softness of Nehru toward communism in other countries about which the gentleman from Georgia is worrying, will long be a real cause for fear. Nehru will learn too, I hope in time. We are only trying, if we can, to keep India independent until they learn from their own experience where their best friends and their greatest enemies are.

Mr. RIBICOFF. The gentleman is exactly right. I would say that few people in the House of Representatives understand the oriental mind as well as the gentleman who just spoke. I think it behooves all of us in the House to have a little humbleness and humility about the great complicated problems facing the world. None of us has all the answers.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. YATES. With reference to Nehru's son-in-law, does not the gentleman know of a partner in the House of Morgan whose son is an acknowledged Communist in our own country?

Mr. RIBICOFF. So I have heard.

Mr. YATES. I certainly think that member of the house of Morgan is not influenced by the thinking of his son.

I would like to ask the gentleman this question, however, Is not India in a turmoil today in the sense that perhaps General MacArthur spoke about when he addressed the joint meeting of the Congress when he pointed out the tremendous movement of the people which is taking place in Asia? And is not Nehru himself sitting on top of this perhaps revolutionary crest so that at any moment he may tumble and some new government may come into power which more carefully expresses the wishes of the Indian people? And further, is it not true that in the event we do not pass this bill, we may well drive the masses of those people away from this country?

Mr. RIBICOFF. I thank the gentleman. I yield to a member of the committee, the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. I would like to say to the gentleman presently addressing the committee that I have great respect for his opinions, although I may not always agree with him. Reference has been made, or the gentleman himself made reference to the fact that unless we come to the aid of the Indian people at this time there is this threat of communism. Of course we have heard that argument on many, many occasions here on the floor of the House. I am wondering whether there is anything in the record before us to indicate that if this grain does not go to India, that India will go communistic. How do you feel about the matter?

Mr. RIBICOFF. I would reply to the gentleman in this way. No, there is not anything in the record, but I think all of us who are studying the question of world movements and who are studying the question of communism and studying the question of peoples, have the realization that some of the things that breed communism are hunger, disease, hopelessness, and sickness. I think the Speaker of the House, in the short time of 3 minutes that he had to speak, very ably explained that. Certainly I do not think that although you may expect one person to go hungry you can expect a nation to commit national suicide or suffer national starvation.

If a hungry man who has nothing and who knows nothing about ideas or ideals feels he will get relief by embracing communism, he will embrace communism. Now, certainly that, too, may be an empty gesture, but if position A means nothing to him what is he to lose by embracing idea B? Absolutely nothing. Certainly if we in America are willing to condemn the rest of the world to starvation and hunger, we ourselves not only are forfeiting our position of great world leaders, but I would say it would mean we are voluntarily turning over the rest of the world to communism in a very, very easy way.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. McCORMACK. I want to make just a brief observation in response to the very pointed and proper question raised by the gentleman from Wisconsin. I was chairman of a special committee to investigate communism and nazism 15 years ago. That does not mean to say that I am any specialist on those problems, but like all of us we have studied, and every one of us in the House of Representatives has definite views as a result of his studies in the performance of his duties. But it seems to me that from a world-wide angle, looking at communism as an ideology, it has no appeal in the moral field. It has only an appeal to the warped mind. It has no appeal as a school of political science. Certainly by the natural law we all want the same freedom and some of the fruits of our efforts. We inherit certain things that man does not give us which come from God himself through the natural law. Those things can be suppressed, but never destroyed. It is in the economic field as the gentleman from Connecticut has so ably and brilliantly referred to that communism is widespread and that it is as a result of economic difficulties and sickness, as the gentleman pointed out, that communism plants its seeds.

Mr. RIBICOFF. I would like to add a footnote to what the distinguished majority leader has said. I am unwilling to say that only a materialistic approach and an economic approach is what will defeat communism. I do not think you are ever, as a nation, going to be able to guide world opinion unless we advance an ideal around which the world can rally. As I look at this bill

it is not a question of economics, but a question of whether America has the spiritual force and the spirit itself to pass this. Only thus can we show the world that we understand the spiritual factors of life and not only the material facts of life.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, I oppose the so-called India Assistance Act, H. R. 3791.

I believe that an American citizen is entitled to use as he pleases the fruits of his labors beyond the tax levies required for essential governmental services and the defense of his country.

Also, I believe that every American, Christian or non-Christian, who believes in human brotherhood has an individual responsibility to help alleviate suffering as his necessities permit.

Those who practice this belief can make their gifts through the appropriate agencies to relieve starvation in India. They should do that in accordance with the direction of their own conscience.

As a Member of Congress, I cannot persuade myself that I have the right, let alone the competence, to make compulsory levies on other people for charitable purposes.

Most Christians I know would rebel if their pastor would arbitrarily assess them as he saw fit for specific foreign-mission charities.

For political officeholders to arrogate such power to themselves completely removes such action from the realm of Christian charity.

The whole business then becomes a sleazy mixture of power politics behind the mask of Christian brotherhood.

Mr. Chairman, contributions for charity and humanitarian purposes must be voluntary or they cease to be charity. It is just that simple.

We should not usurp the responsibility of the churches, even though we are urged by many religious leaders to do so.

Mr. Chairman, if you get friends by buying them with loans or gifts, Russia and China should be among our best friends today.

Conscript charity, and that is exactly what this bill attempts, can achieve no good in the long run. It never has done so. It never will do so.

This House should not kid itself, should not confuse this issue by pretending that it is practicing Christian charity.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. Yes, I yield to the gentleman from Minnesota.

Mr. JUDD. I do not know anywhere in the bill or the committee report where it is suggested that this is Christian charity or any other kind of charity.

Mr. BUFFETT. Would the gentleman contend that the debate on this bill has not been flavored all the way through with the claim that this is a charitable responsibility of ours?

Mr. JUDD. I do not think that has been the major point at all. I agree with the gentleman that while he is justified in using his money for his charity, and I am justified in using my money for mine, I am not justified in using his money, collected by taxes, for my charity. If that were what this program is, I could not vote for it. Again and again and again it has been said that this is a case where what our hearts prompt us to do coincides with what is in the interest of our country, world order, and peace for us to do. Those are the controlling objectives of this program. This is not solely or primarily a charitable operation.

Mr. BUFFETT. Then it becomes a question of whether or not we can make a loan and thereby secure friends?

Mr. JUDD. No. I have to disagree that it is an operation whose primary purpose is to secure friends. I do not think you can buy friends. The purpose is to help a young, struggling government whose independence is important to our security to maintain that independence.

Mr. BUFFETT. I would suggest to the gentleman that the record of the last 10 years does not give much encouragement to the belief that you can either bribe people to be your friends or buy people to be your friends.

I recall a little verse I saw in a cigar store when I was a paper boy at the age of 12, a verse that it took me a while to understand, will give the answer to this proposal from that standpoint.

It ran like this: "I loaned money to three friends; I lost the three friends, also the money. I have decided to lose no more friends."

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. FULTON. The gentleman recalls the American Revolution when that great patriot of France and America, Lafayette, not only helped out but came here and helped, that in gratitude to the great Lafayette at a time when our republic was being founded and we were in difficulty, we have his picture right over here on the walls of the American Congress. So we certainly did not lose a friend, and we gained a republic.

Mr. BUFFETT. And Lafayette came voluntarily under his own decision as an individual.

Mr. FULTON. Of course, but it was the French fleet standing off Yorktown that permitted us to beat the British.

Mr. BUFFETT. I will tell you this, that I am not going to try to deceive my people by making them think that I am generous and Christian by voting away their savings.

To me there is nothing generous or Christian in voting other people's money away for handouts and levying taxes on people who are having difficulty enough under present circumstances to pay their own bills.

I just cannot vote more taxes on them for what is proposed as Christian charity. For 10 years I have seen our money being lent out with results that have generally been unsatisfactory and in some cases disastrous.

Mr. FULTON. Although I disagree with the gentleman I compliment him on the integrity of his opinion.

Mr. BUFFETT. I thank the gentleman and yield back the balance of my time.

Mr. CHATHAM. Mr. Chairman, I yield 15 minutes to the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman——

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. RICHARDS. I should like to say to the House that much talk of strategic materials has been brought into this discussion with particular reference to manganese, monazite, and uranium. I would remind the Members that the gentleman who is about to address the committee—the membership knows this already but I want to impress it upon them—is vice chairman of the Joint Committee on Atomic Energy created under the Atomic Energy Act of 1946, and he is the chairman of the subcommittee of the Armed Services Committee of strategic materials. I know of no Member of this House who has really done more for national defense in his quiet, modest, and determined way than the gentleman from North Carolina.

Mr. DURHAM. I thank the gentleman from South Carolina.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. COLE of New York. I simply want to corroborate everything the gentleman from South Carolina has said with respect to the capacity of the gentleman from North Carolina in connection with this problem of critical materials and its relationship to the atomic-energy program.

Mr. DURHAM. I thank the gentleman from New York very much.

Mr. Chairman, in discussing this measure today I think probably, as has been mentioned here on the floor of the House by other members of the committee, that the important matter is, of course, trying to build friendship and security for our country. It is obtained not when all risk has been excluded but when risk has been brought into rational balance with the ends which we hope to gain. A free country, of course, always has to make certain changes for the sake of maintaining freedom that a communistic country does not have to take. So in discussing this issue here before us today, may I say that to us as Americans our aim is friendship. We often become disappointed when friendship is not returned to us immediately.

Mr. Chairman, this measure goes far beyond just the Indians. I do not believe this country will ever adopt a policy of moral isolationism. So it reaches far beyond the shores of India and approaches the hearts of other people in other lands. The action we take here, in my opinion, is going to be very far reaching.

I do not care to discuss the characters involved in this issue because I do not feel I know enough about their own personal life to say what type of individuals today are ruling India. So the matter I primarily want to discuss here is the matter of materials.

We today are using thorium in our operations in connection with atomic

energy. I thought it would be of some benefit to the House and the members of the committee to know the use and the domestic sources and foreign sources of this material, and also some of the restrictions that we have thrown about fissionable material by the Atomic Energy Act of 1946.

We adopted in that act a policy, and made it the law of the land, that no fissionable material shall be exported; also we placed a heavy fine upon individuals who violated that act—5 years imprisonment and a $10,000 fine. So we did practically the same thing that we are accusing India of doing, placing an embargo on fissionable material. We did that in 1946. So I do not think we should blame India for trying to protect her own material.

The Commission today under the act is authorized to purchase or otherwise acquire any fissionable material or any interest therein outside the United States or any interest in facilities for the production of this material or any real property on which such facilities are located, without regard to the provisions of section 3709 of the revised statutes, title 41, section 5, upon certification by the Commission that such action is necessary in the interest of the common defense and security or upon a showing that an advertising is not reasonably practicable and partial and advance payments may be made under contracts for such purposes.

Today negotiations are going on and have been for some time past in an effort to acquire this material which the Atomic Energy Commission today has the authority to acquire. Negotiations are at present going on. I cannot go into the details of all these negotiations that have been had, but I can say to the House and to the committee that progress, in my opinion, is being made. So that I am not concerned so much about that as I am about the three other materials which they are today shipping to this country—magnesium, monazite, mica, and some others in a small amount.

The following data is pertinent to the current debate on uses and availability of monazite sands:

First. Domestic sources: The principal domestic source currently in operation is at McCall, Idaho, operated by the Warren Dredging Co. for the Rare Earths Development Co. Production is now at about 50 tons per month and is expected to rise rapidly to a rate of 3,500 tons per year by the end of 1951 and to reach 5,000 tons per year in 1952. Other domestic sources in Florida, the Carolinas, and other areas are smaller and not economically operable in the present circumstances.

Second. Foreign sources: India and Brazil are the two principal producers of high-grade monazite sands. Both have embargoes on shipments, but the nature of the embargoes differs. India flatly forbids shipments of the ore, but would permit shipment of the refined products other than thorium if a plant were constructed in India to produce such products. Brazil forbids shipments in response to individual private contracts. It specifically permits shipments on the basis of Government and Government negotiations, but does not yet have the administrative machinery in operation to process requests for such negotiations. A request for negotiation has been made by the United States Government, but is not technically pending because of the absence of the necessary machinery. The Brazilian Government has been notified, however, of the United States interest in conducting negotiations at the earliest opportunity. A processing plant with an actual output of 150 tons per month of undifferentiated rare earth products is in operation in Brazil and sells its products on the open free world markets. Part of the output of this plant is currently imported by private United States commercial enterprises, including the Cerium Metals Corp., a manufacturer of lighter flints and special products.

Third. Thorium uses: Thorium has limited historical commercial uses, such as gas-lamp mantles. It is now a controlled element in the United States under the Atomic Energy Act of 1946 because thorium is convertible, through the addition of nuclear particles, to uranium—isotope 233—which is fissionable and is usable both in atomic weapons and in production of power, as well as for byproducts. Major facilities to effect this conversion of thorium are not now in existence although experimental programs directed toward such conversion are in progress. Existing industrial and Government inventories are adequate for those firm requirements now in hand. Prospects for domestic production support estimates of thorium requirements at later dates.

Fourth. Rare earth uses: The Munitions Board has listed the following among the uses of rare earths: Searchlight-arc carbons; gasoline-lamp mantles; radio tubes; radio condensers; aerial photographic lenses; optical glass itself, as well as a polishing medium for glass; colored eyeglasses; lighter flints; military pyrotechnics; as a scavenger in the production of explosives; as a purifier in certain alloy steels; and in the new cerium-magnesium alloy for jet engines. The latter reference is to experimental alloys now undergoing tests but not in any engines in normal military jet service.

Fifth. Annual consumption: The Munitions Board has stated that "normal United States annual requirements amount to approximately 3,000 tons of monazite." Other estimates of requirements up to 3,500 tons per year have been received.

Sixth. Market prices: Because of the small volume of world trade in monazite sands, an accurate market price is essentially nonexistent. The Bureau of Mines has reported a figure of $245 per metric ton, 65 percent rare earth oxides in 1949. Reports of Brazilian sales up to the end of 1950, when the embargo stopped shipments there, have gone as high as $365 per metric ton.

SUMMARY

Domestic monazite sands production is scheduled to exceed domestic consumption of contained products by the end of 1951. Foreign sources are limited by embargo on the ore in India and a requirement that only government-to-government shipments are permissible from Brazil. Refined products are available from Brazil on the open market. Statements before the India Congress indicate that all products except thorium oxide will be available out of Indian production in the event that a production plant is constructed.

Domestic consumption of the products of monazite sands are between 3,000 and 3,500 tons of ore equivalent per year.

What I am primarily concerned about today is manganese, beryl, and kyanite, which is the principal one. Manganese, today, in my opinion, is far more important to us than any thorium in India or anywhere else in the world, because it is used in the production of steel. We have to have it. We are producing around 110,000,000 tons of steel today and expect to up that.

The amount of manganese we are importing from India and the price which we are paying for it remain entirely satisfactory, according to Mr. Walsh, Director of the Emergency Procurement Service, General Services Administration. In my opinion, he is one of the best men in the Federal Government today. While it is true that a large part of the manganese being imported from India is going to private industry, this does not mean we are not getting it for the stockpile, because it is as necessary to go into industry as into the stockpile, and probably more so at this time.

Beryl is one of the metals we use considerably in developing atomic energy. While it is true that we would like to import more beryl from India and everywhere else, we continue to get as much now as we have in the past, and it cannot be said that the changes in the international situation have in any way prejudiced the amount of beryl which we continue to import from India. It also should be pointed out that there are other sources from which we can and do import beryl. These are reasonably good supply sources and should meet our demands for this strategic material for the next year.

Kyanite is very essential. It is the metal that is used to line the high B. t. u. electric magnetic steel furnaces today. You simply have to have it.

India is a source of large deposits of kyanite. We started more than a year ago trying to assist those mines in every way we could to aid production. However, the fact that we are able to import so little of it from India is no reflection upon the attitude of the Indian Government toward this Government. The facts are that the meager supply is attributed to extremely bad management and the operation of the mines. We have know that for almost 2 years.

In addition to the three items above enumerated, some mention should be made of monazite sands. Unfortunately, attention has been concentrated on monazite sands, where in my opinion it should not be concentrated. Suppose that India slaps an embargo on manganese, beryl, and kyanite. In my opin-

ion, it would be far worse than an embargo on monazite sand.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Georgia.

Mr. COX. I have asked the gentleman to yield in order that I may answer his argument on the feasibility of setting up a plant in India to process monazite sand. May I say to the gentleman that the governments that have investigated this question have found that the processing of monazite sand in India is an economic impossibility.

One grain of sand contains 16 elements.

Mr. DURHAM. Twenty.

Mr. COX. All right; I will accept the amendment.

The chemistry is to break up the one grain and extract each element separately. Any chemist will tell you that that is extremely complicated chemistry, particularly when doing it on a mass-production basis.

As to the availability of raw materials, to do this chemistry all the chemical acids and all the alkalis are required. India does not produce all the mineral acids and does not produce any of the alkalis, which means that certain materials would have to be shipped from the United States for the operation of a plant in India. The cost would be increased to a prohibitive point.

At the Lindsay Light & Chemical Co. plant, where monazite sand is processed, there rolls a tank car of caustic soda each morning. Every second morning there comes in a tank car of muriatic acid.

There comes into the plant daily acids to the total amount of 400,000 pounds.

Mr. DURHAM. I think the gentleman's argument is nil because he knows and I know that there is enough technical skill in this country to operate any kind of plant.

Mr. COX. I am glad the gentleman has made that observation, because to locate a plant in India we would have to ship to that country the entire territory of West Chicago.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. MANSFIELD. I was very much interested in the emphasis the gentleman placed on manganese. I come from a part of the country where most of the manganese produced in this country is mined. We produce in this country just about 10 percent of our manganese needs. We have to depend for the other 90 percent on our imports. Is it not true that we get most of our manganese from India? And is it not further true that we get in excess of three-quarters of India's production at a reasonable price, besides?

Mr. DURHAM. Yes, at about 40 percent at the present time. And as the gentleman well knows, the world's supplies primarily have come from Russia for the last 100 years.

Mr. MANSFIELD. That is right.

Mr. DURHAM. At the present time, of course, that is all out.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. HOLIFIELD. As a member of the Atomic Energy Committee as well as the Committee on Foreign Affairs, I want to align myself with the statement the gentleman made in regard to the rare earths and monazite elements which he has spoken of. As a matter of fact, all of this big hullabaloo on the subject of the monazite sands is being raised by one company, one commercial company in the United States, which has a monopoly on the importation of monazite sands from India, or at least they did have a monopoly up until some time ago. The Indian Government asked that a plant be set up in their own country to process these sands. They have a perfect right under their government to ask that their industry be established in their country. Because this company in the United States is at loggerheads with the Indian Government, they have caused this great hullabaloo, and as the gentleman has repeatedly said, the subject of monazite sands is not anywhere near as important. It is used in research in the atomic program, it is true; but there are other sources of it. The real problem of importance, as far as minerals are concerned, is the problem of obtaining manganese and mica and kyanite, which we are getting from India.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Idaho [Mr. WOOD].

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mr. COX. The gentleman who has just spoken needs some information in the interest of accuracy.

Mr. WOOD of Idaho. Mr. Chairman, for 29 years I have been very particularly interested in India. I happen to have followed their philosophy a good deal, and I think I may know perhaps a little more about that part of their life, at least, than some of the other Members of the House of Representatives. I have also followed the life of Mr. Nehru very closely for the last 29 years. He is a young man of considerable promise. He got rather a bad start in life by being jailed by the British Government of India which was then in power. I believe he spent at least 3 or 4 years in jail altogether because of his communistic leanings, even at that time, and his violent anti-British policies which he advocated. He was brought up as a boy and educated in Moscow. He is a Communist. Make no mistake about that. So far as his people are concerned, you cannot help but feel sorry for them. They have been downtrodden, living on a high plateau there for four or five thousand years. Part of that plateau is arid. Large rivers run in deep canyons, so that it is not very easy to irrigate this land. As a matter of fact, in all probability no one will ever be able to do anything which will help support the masses who live in that sun-baked central plateau of India. Its soil has not been enriched, and by reason of their religion, holding all animal life sacred so that they do not kill their cattle, they do not kill anything, not even the serpents which bite them, the flies or mosquitoes which sting them—all life is sacred. Even in this country, which is a great deal more fertile, we would have great difficulty in getting along if we held our animal life that sacred. We would find ourselves on short rations very soon, which no doubt will happen on account of the roll-back price on beef. However, that does not apply to pork and mutton here yet.

You should feel particularly sorry for these folk in India, too, from the standpoint of not knowing where to turn. They were more or less oppressed by their British overlords, although I have heard it frequently said—I am British-born, you know—I have heard it frequently said by British friends of mine that Britain poured more money into India than she ever took out, and that some of the Hindus that I have known in my life also felt that in an over-all way the occupation of India by Britain was a blessing. The fact remains that they have had famines. They always will have famines, so long as the majority of the people who live in that sun-baked plateau in the central part of India persist in living there. It just does not have the wherewithal to support human life. In some way they will either have to get out from there, as they have been doing for many thousands of years, to kingdom come, or begin again great migrations from the plains of India, which caused the birth of such nations as yours and mine, as they came out from those northern plains of India and surrounding countries and came down into Russia, into the Teutonic areas, and even down into Greece and Persia. They will have to do it again, or simply migrate to kingdom come, generation by generation.

You cannot blame India on account of the fact that wherever you look about them in Asia, they see the result of the great American double-cross. I am very much afraid you would have to give many hundred billions of tons of wheat as an object lesson to them, for them to forget what this country did to China, our friend. We have never had any particular friendship for India, nor have we had any enmity. We have been rather neutral toward them. They were under British domination and influence. But we did have friendship with China, and when the time came for helping the Nationalist Government in China, we gave them the double-cross. In many ways I do not blame Nehru for feeling about American capitalism, as he calls it, or American imperialism, as he apparently does feel. You cannot blame the man, but whether or not this gift or a loan of wheat is going to change that, I am unable to say. I doubt it.

I have been very much interested too in this thought, that a gift or loan of this wheat to India would—oh, it does not make much difference what you call it; you can call it buying friendship or buying them away from communism or persuading them; it does not make much

difference. The end result is the same. The question arises, Can you do it? Can you get anywhere?

One of the former speakers a few moments ago said that communism was bred in poverty. It is not too long ago since our J. Edgar Hoover testified that there were at least 50,000 Communists in the United States. If that be the case we should keep our wheat at home, should we not? Because we have at this time a greater percentage of Communists in the United States. The 50,000 does not by any means represent all there are; that may be all that Mr. Hoover could get his tabs on, but it does not by any means represent all the Communists and fellow travelers there are in these United States.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mr. RANKIN. The Communists in this country were not made Communists by poverty.

Mr. WOOD of Idaho. I am just going to bring that out.

Mr. RANKIN. I have never seen a Communist in this country who was not well-fed, well-financed, well-housed, and well-dressed.

Mr. WOOD of Idaho. Correct, sir. We can take Czechoslovakia. Czechoslovakia was the European America; they were the Yankees of Europe. My wife and I happened to attend a sort of world's fair put on in Radio City, New York, three winters ago. That was just shortly before Czechoslovakia was taken over by the Communists. They had the very finest in the way of instruments and tools of all kinds and sorts, cured hams, clothing, woolen goods, glassware, microscopes, medical and surgical equipment the equal of ours. They were a rich country. Poverty surely never made Czechoslovakia Communist.

The thing that makes Communists is this international stuff, this one world business that gets out and teaches people here in the United States to forget their heritage, to forget the manner of people from which they came; that teaches them that citizenship in this country is not good enough, that we can produce the feed to supply everybody, to tell everybody how they shall govern their country; that we shall start out and build a little United States in every country, that this is the only type of government upon the face of the earth which is worth while starting anywhere. How nonsensical. Those of you who followed the procedings of the Kefauver Committee know that it is not too ideal. We have not made too much of a success of it and I would much rather see our Nation and other people permitted to do those things they desire, to set up their own government according to their own ideals. If we can help them, yes.

Now, let us come to this charity bill. This Nation in a narrow sense was not Christian; the name "Christ" does not occur in the Declaration of Independence or in the Constitution; now was it used in the Constitutional Convention; nor in fact does it yet appear in any of our State documents.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. VORYS. I yield the gentleman two additional minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Idaho. I yield.

Mr. McCORMACK. Does the gentleman say that the Declaration of Independence does not recognize the omnipotence of God?

Mr. WOOD of Idaho. No; I said the name of Christ.

Mr. McCORMACK. Now, wait a minute.

Mr. WOOD of Idaho. That is what I said. I refuse to yield.

Mr. McCORMACK. God the Father, God the Son, and God the Holy Ghost, my friend.

Mr. WOOD of Idaho. Mr. Chairman, I refuse to yield further. I stated a fact, but do not attempt to take me beyond where I went. I will admit that most of the urgency now being put forth for this giving of wheat to India has come from the Christian churches of this country. No one is preventing them from using charity. I would be wholly in favor of that, and I think it is the duty of the Christian churches to dig down in their pockets and provide the money to buy the wheat to send to India. It is a fine idea and I am for it. I am not able to find anywhere in the Constitution of the United States where it says one word, or even gives a hint, that this Nation and this Congress have any right to give taxpayers' money to anyone for any purpose whatever except in payment of legitimate bills against the United States. It makes no provision for charity, even to our own people, much less to nationals of other countries.

Mr. CARNAHAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, there is a time-honored tale that comes out of the Far East about a wise man who speaks to his disciple and remarks, "I hold before you a pane of glass. What do you see?"

The disciple looks through the pane of glass, and he says: "I see a kine in the pasture, the gently flowing river in the distance, the mountain far away, birds, and flowers, and trees."

Then the wise man takes away the pane of glass and holds before a young man a mirror, and he asks, "Now what do you see?"

The younger man says, "I can only see myself."

The wise man says, "See what a difference a little silver makes? You can only see yourself."

Now, do not let our wealth and our store of worldly goods cause us only to see ourselves. That is too often the effect with us. Let us see the grave danger that exists in India as the result of drought and floods and swarms of locusts and earthquakes that devastate the crops of India and may cause a ruthless famine in that country. Remember that only a few years ago over a million souls perished during a famine in Bengal. Do not see yourselves only, see what may happen to India because of these devastations.

The American people have always responded to the cry of suffering. The American people have always aided the hungry and granted relief from famine. It is part of our oldest tradition, and we cannot part from that tradition now. Grant—loan—half loan—at least act now before it is too late.

Famine conditions will soon become acute in India. The dead will need no food. Time is running out. Soon arms outstretched for help will grow limp, wilt away, and drop beside bellies swollen with hunger of people about to die. Let not Premier Nehru's seeming failure to recognize the niceties of the situation becloud the issue. Forgive his bad timing and his lack of diplomacy when he deprecates conditions that we might attach to any aid. Frankly, we attach no conditions—no burdensome conditions at least. Forgive even his exaggerating the Soviet offers of grain, because the greater issue is food for the starving, for the poor, and the lonely Hindustani.

And I say this to the gentleman who just preceded me: India is not in love with Russia, but, also, she is not entirely sold on the west, and I take emphatic exception to the statement made that Mr. Nehru is a Communist. He is an anti-Communist. I, too, have read the works of Nehru, and I have delved into the philosophy of Gandhi. I am a member of the India League, whose president, J. J. Singh, appeared before the Committee on Foreign Affairs and made an eloquent plea for the passage of this bill. He will tell you, because to my mind he is a great expert on India in this country, that Nehru is not a Communist. He is recognized as the great exponent of peace and democracy. However, remember that Nehru lives across the street from Communist China. He feels the effect of the Communists in China and all the other Communists in countries around and about him. Some of us here this afternoon would want him continually to throw stones at his neighbors, to fight with them. But they forget what they would do with the Communists of China so near to them. But this bill is not a question of communism. The real issue here is starvation, and our duty to prevent starvation. Differences over foreign policy should not confound the issue. We should not withhold grains, nor should we exact any political concessions.

Oil will not mix with water, as you know; nor will human suffering mix with international politics. Let us not fall prey to the Soviet propaganda that American generosity undermines the independence of every country that accepts it. Also, the passage of this bill will not change the political views of the Indians. It will help us make friends.

Finally, one more story, if I may give it to you, to illustrate that we may be too late. The story is told about a beggar who accosts two men. One willingly gives, and the other haughtily disdains, and then suddenly the latter feels a tap on his shoulder. He turns around and sees it is the angel of death, and he rushes forward to make amends, to give

the beggar something. The angel of death says, "No; it is too late. One never repairs the holes of a ship after the ship has set out to sea." Let us not wait. It may be too late already. I do not want the finger of guilt to be pointed at us because we failed to respond.

Mahatma Gandhi, whose mantle has fallen upon Nehru, wisely said: "My patriotism is not an exclusive thing. It is all-embracing, and I should reject that patriotism which sought to mount upon the distress or the exploitation of other nationalities. The conception of my patriotism is nothing if it is not always, in every case, without exception, consistent with the broadest good of humanity at large."

In the name of that "patriotism"—"an all-embracing" patriotism—in the name of "broadest good of humanity," I ask for the passage of this bill.

I ask that, too, in the name of the delightful and charming and scholarly sister of Pandit Nehru, Madame Pandit, the Indian Ambassadoress to the United States. She has done so much to develop closeness between our nations, the democracy of India and the democracy of the United States. I rejoice in her friendship, and hope soon that the joyous tidings will reach her that this bill has passed.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I expect to support this piece of legislation. I regard it as humanitarian legislation which on the whole is calculated to strengthen the will of the people of India to resist Communist aggression and the subtler assaults of Communist infiltration. Of course I do not know how successfully it will fulfill these functions. There is plenty in the political leadership of Indian to give me pause and to cause me misgivings. Unfortunately there is plenty in the political leadership of the United States to give me pause and to cause me misgivings.

I hold in my hand two press releases, each dated May 17, 1951, both captioned Department of State. One press release is numbered 406 and the other is numbered 407. I do not know, but I infer that the numbers are serial numbers used in connection with State Department releases. No. 406 is an address by the Honorable Dean Rusk, Assistant Secretary of State for Far Eastern Affairs, at the China Institute Dinner, Waldorf Astoria Hotel, New York City, last Friday, May 18. No. 407 is an address by the Honorable John Foster Dulles at the same dinner. Both addresses are captioned "Chinese-American friendship." The releases have been supplied me by the State Department of which Mr. Rusk and Mr. Dulles are both responsible representatives. I have not the time to read you all of both addresses which were obviously calculated to attest Chinese-American friendship and I take it that there is no Member of this House that would not want to see warm and friendly relations established between this country and China. The difficulty is that the Chinese government in Peiping has fallen under the domination of Moscow.

Let me quote you a few passages from Mr. Rusk's admirable speech:

> American influence among the Chinese people is intolerable to those in power in Peiping and Moscow because they know, and quite rightly, that the idea of national and individual freedom which is at the heart of American political thought is the greatest threat to their own evil purposes.
>
> * * * * *
>
> The independence of China is gravely threatened. In the Communist world there is room for only one master—a jealous and implacable master, whose price of friendship is complete submission. * * * How many Chinese will remember in time the fates of Rajk, Kostov, Petkov, Clementis, and all those in other satellites who discovered that being Communist is not enough for the conspirators of the Kremlin?
>
> The freedoms of the Chinese people are disappearing. Trial by mob, mass slaughter, banishment as forced labor to Manchuria, Siberia, or Sinkiang, the arbitrary seizure of property, the destruction of loyalties within the family, the suppression of free speech—these are the facts behind the parades and celebrations and the empty promises.

Then he says in closing:

> But we can tell our friends in China that the United States will not acquiesce in the degradation which is being forced upon them. We do not recognize the authorities in Peiping for what they pretend to be. The Peiping regime may be a colonial Russian government—a Slavic Manchukuo on a larger scale. It is not the government of China. It does not pass the first test. It is not Chinese.
>
> * * * * * *
>
> We recognize the National Government of the Republic of China, even though the territory under its control is severely restricted. We believe it more authentically represents the views of the great body of the people of China, particularly their historic demand for independence from foreign control. That government will continue to receive important aid and assistance from the United States.

I submit, Mr. Chairman, that was a good speech. It was my idea of a good speech. Saturday morning I sat down and wrote a letter to Mr. Rusk with a thrill, complimenting him on the speech. I suspect, and the newspapers intimate, that hundreds, if not thousands, of Americans did the same thing.

The newspapers last Saturday morning came out with a statement that our policy toward the Nationalist Government had changed, that our whole Chinese policy had changed. David Lawrence had a piece yesterday in the Evening Star, which I think the gentleman from Minnesota [Mr. JUDD] put in the RECORD, calling attention to the fact that the new Chinese policy was highly moral, signaling a return to the tradition of John Hay, Wilson, and Hughes. It seems to me that the inferences our newspapers and the press generally drew from this speech were perfectly legitimate inferences.

But in this morning's paper Mr. Michael J. McDermott, the State Department press official, denies that there has been any change of policy or change in attitude toward China. He says this speech is simply a restatement of the deep and long-standing friendship between the Chinese and the American people. Mr. McDermott says that "to try to build these statements into far-reaching conclusions of involvement in the Chinese civil war is absolutely not justified."

Of course I do not know what Mr. McDermott's idea of "involvement" might be. But certainly there could be no franker statement of the fact than that in the Chinese Civil War we think the Nationalists are right and the Communists are wrong. That, of course, does not mean we are going to embark in a war on the Chinese mainland, which, despite some things which have been said irresponsibly here and there, nobody anywhere is in favor of doing. But the formal denial by Mr. McDermott in the official press release is nothing to the newspaper reports which say that, and I am reading a comment in this morning's Washington Post by Ferdinand Kuhn:

> The resulting atmosphere in some important Pentagon offices was as sulfurous as it used to be in the State Department when Air Force officers spoke likewise on their own.

The State Department declined to tell reporters whether Secretary Acheson had been consulted. Secretary Acheson was described as "hopping mad"—"leading foreign embassies are utterly bewildered. Their representatives will ask for explanations." And so on.

It seems to me that what the country is entitled to and certainly what the Congress is entitled to is to have these speeches of Mr. Rusk and Mr. Dulles plainly avowed as enunciating current American policy or authoritatively disavowed by the Secretary of State and the respective speakers disciplined for making unauthorized statements on a solemn occasion.

But I suspect the Secretary of State dislikes all these speeches, not because they are unauthorized, but because they have been extraordinarily popular. Mr. Rusk and Mr. Dulles have committed the ultimate sin. They said something that is absolutely true, just as General MacArthur said things that were absolutely true and incurred a penalty.

Last summer when the fighting broke out in Korea the President used language indicating that Formosa was to be protected. General MacArthur, in a letter to the Veterans of Foreign Wars, commended the President's words, and no sooner had General MacArthur commended the President's words, than the words were disavowed. Early in 1950 Secretary Acheson said that Formosa was outside the defense perimeter of the United States. Now that General MacArthur has come back, Secretary Marshall has stated a precisely contrary view. This Rusk episode is more of the same thing. What are we going to believe in this country? Above all, what is the Nationalist Government of China to believe? Over a series of years we blow hot and we blow cold. It seems to me high time that the State Department stop trifling with a serious situation. The State Department is stultifying itself, mystifying our people, and antagonizing our allies. Even grain will

not breed confidence abroad. What we need is integrity.

Mr. CARNAHAN. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. FORRESTER].

Mr. FORRESTER. Mr. Chairman, there appears to be two opposite lines of thought on the question of furnishing grain to India. One line is that of a grant, or under terms which could amount to a grant; another line apparently is to furnish no grain to India.

Between these two lines of thought might be found the correct answer.

So far as I am concerned, and I believe so far as this House is concerned, we stand ready to solve any problem in the Christian way. I am a Christian and am thoroughly in accord with the Christian precepts. I do not think that every wild-eyed theory, coming from sources that do not even admit that Christianity is a correct principle of life, squares with the teachings of the lowly Nazarene. The truth is, Christianity is a practical thing.

Charity is fine when individually practiced. That is to say, when we go into our own pockets and dispense charity. But, running our hands into our people's pockets and taking their money in the name of charity is another thing. I conceive it to be the duty of this Congress to understand that they are the trustees of the taxpayers of this country, and that the taxpayers are the ones to dispense their own charities, suffice it to say, I do not think that we are running a charitable institution here, dispensing the wealth of the people of our country, who are now groaning over the terrific taxes they are now paying, and those additional taxes they know they will have to pay, and who are now going through a period of expected controls, and who must gird themselves for the battle to preserve their country and their way of life, including Christianity, for Christianity is being assailed as never before.

Neither do I agree that we should say "No" to India on her request for grain.

It rather appears to me, and I think to our people who are usually sensible and practicable, if we will give them a chance to express themselves, that this matter can be worked out in a manner that will square with all Christian concepts, and that we can make a reasonably friendly business deal with India.

So far as giving is concerned, it is plain that India has never asked for a gift, and we would be unfair to India unless we approach this matter in that light. It was our State Department who suggested this gift, and the blame for that part of this argument lies on its shoulders, plus some agitators who apparently make a practice to rush to fine organizations for endorsements of their extravagant practices and ardent desires to continue wrecking the economy of this country. I might add, that the temper and patience of our people have been sorely tried with these agitators, and they have reached the end of their cable tow, whether they realize it or not.

It has been scattered abroad, and I have letters to that effect, that we have more grain than we know what to do with. That does not happen to be the case at all, and I am rather inclined to state that those responsible for putting out this information knew that was not the case. It thoroughly appears from testimony in these hearings that we have less wheat and grain in storage than we have had in many years; that to furnish this grain to India will strain us, unless we can recoup by harvesting a large grain crop this year and all information, including the Government information, is that prospects for this year are poor indeed. So—we do not have a surplus—we are even doing a risky thing to send 2,000,000 tons of grain from this country now, since we have furnished India already 411,000 tons of grain this year. Yet, we are ready to assume that risk, and to tighten our belts some in order to give India an opportunity to have grain to supply its needs.

It is also said that India will undoubtedly starve unless grain is sent immediately. In fact, early this year it was testified that India would starve if grain was not furnished immediately. But, India has not starved and Nehru does not paint the picture that black. Nehru indicates that starving will be at a minimum if they get no grain, but would like to have grain to prevent a short supply, and I can understand Mr. Nehru on that.

Now, India makes a case for needing grain. We also have a case to make. We have some grain, but our people are in a terrible emergency. We need monasite for our existence. We need manganese. We need strategic materials that are utterly necessary in the event of all-out war. These materials are more necessary to our preservation than grain is to India perhaps. You can die from starvation and you can also die from atomic bombs. I am old fashioned enough to believe in protecting the United States. India put an embargo on monasite in 1946. Our State Department has done nothing apparently to get that embargo removed. We were able to get monasite to some extent in Brazil, but I understand that Brazil has placed an embargo on it, and it has been said that India helped to influence Brazil to do this. So far as I know, and have been able to find out, India has no need for her monasite, but it is very precious to us. Sending wheat to India is humane, but I say, India sending monasite to the United States is intensely humane also, so much so that I do not want to be held responsible for not making every effort I can to get it for us.

Manganese is essential to steel making. I wonder if anyone doubts that the making of steel is essential to our life?

We need burlap. My people are crying for help in this regard. India has a large stockpile of burlap. We have none. Every farmer is paying $6 for 10 sacks to hold a ton of fertilizer; so are our peanut farmers and shellers; Florida could not get 25 percent of its requirements for vegetables and citrus this year; Idaho, Maine and every section of this country has suffered the same. Burlap is almost unobtainable. Our military needs burlap in the worst sort of way.

Now, here is the Christian thing: Let us work out a business deal with India. Christianity is a reciprocal and mutual thing. Let us work out a deal that will not be for this one instance, but one that will be mutually satisfactory to two friendly nations. Let us trade this wheat or grain, which India needs, to India for goods we need. It will help both of us. We know India has never had enough grain and this condition is nothing new. But, God gave India the remedy, when in His wisdom and graciousness he gave India these materials we need. God gave the nations an opportunity to carry on friendly relations with each other. We can arrange to grow enough grain to feed us and India; India can furnish us these things we need annually.

Now, here is my solution: India wants from us now about one-fourth of the amount she found necessary in 1951 to supplement her needs for 1951, having bought about three-fourths of the amount necessary from us and others. This being only one-fourth of the supplemental needs for a single year, then, if India cannot pay for this in strategic materials without straining her economy, then India is in desperate straits indeed. But, let us give her easy terms. Let us give her 6 to 10 years to pay this back in strategic materials, and let us tell her to anticipate her grain needs for other years and that we will make a realistic attempt to furnish it on a barter basis. Our farmers will rally behind us and will produce the grain; you need never doubt that. We owe a debt to our farmers that sometimes we forget. They will produce the grain to get the manganese to make our steel, and the monazite to make our atomic bombs, and the burlap to wrap our crops, thereby protecting their sons and daughters and their country against the awful spectre threatening to engulf the world.

Yes, Christianity is a practicable thing. Let us put our State Department to work for the United States. Let us realize now that we must be men and women dedicated to our God and our country, that we must necessarily impose on our own people burdensome taxes, regulations, and duties, and that we are going to do it, not because we want to, but because the time has come when it must be done. You will be surprised how ripe the people are for some realistic and practicable approaches to our problems.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. FORRESTER. I yield.

Mr. COX. As the neighbor and friend of the gentleman who has just addressed the committee, I wish to take this opportunity to congratulate him upon the excellence of his statement, because he reflects a fine balance of mind and temper, and an understanding of the subject he discusses.

Mr. FORRESTER. I thank the gentleman.

Mr. VORYS. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, I rise this afternoon to give some factual re-

plies to several of the charges that have been leveled against the Government of India. I will quote specifically so that the Members may hear the statements of responsible and friendly people who have loosely been called Communists at times in this debate.

I quote from a pamphlet entitled "Communist Violence in India." This booklet was issued by the Ministry of Home Affairs of the Government of India in September of 1949. I can read you the government policy statements as to the methods used by the Communist Party and what the policy of the Government of India is in respect to that party. It is stated on page 7 of this pamphlet:

> In furtherance of this policy, the government have arrested a number of members of the Communist Party of India and have taken such other precautionary measures as they deem necessary. They have advised provincial governments to do likewise so as to ensure that vital installations are protected against sabotage. They have no doubt that in doing so they have the full support of the country and of this House which is wedded to democratic procedure and is entirely opposed to methods of violence.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Georgia.

Mr. COX. Will the gentleman inform the committee if these Indians were arrested because they were Communists or because they sought to perpetrate sabotage against the Government? That is the important part of it.

Mr. FULTON. I would like to be very careful as I answer the gentleman. When you are asking whether it is as a member of a party or a subversive foreign group that the persons have been arrested or whether they are merely people who have sabotaged, you must look at the context in which the Indian Government makes its policy. That is a general statement necessarily, and regardless of how the particular individual was arrested for violation of the law, the Government itself must lay down the policy as to what is the proper method of handling the Communist Party members and the Communist Party when they engage in subversive or sabotage activities in India. No one questions that the Government of India has acted firmly in this policy area.

Let me speak shortly about the general railway strike of India, and as to how the Government viewed it. As you know, we in the United States of America had Communists that infiltrated into the unions, business, and institutions of this country, and a Government policy had to be adopted in respect to this situation. Some of us, as members, felt it was a mistake simply to require Communist affidavits from one group, singling out the union members. We felt the requirement should have been broader, to include persons in key positions, such as Government departments, and businessmen, educators, and so forth. The Taft-Hartley law picked out just one group and did it wrongly—and I have consistently felt that this was an injustice.

The Government of India says this about its policy in handling the general strike issue:

> The Communist Party of India has recently concentrated on the issue of a general strike on the railways as well as in other essential services of paramount importance to the community. It has looked upon these strikes not from the trade union or economic point of view, meant to better the lot of the workers, but as a weapon designed to create a chaotic state in the country which, it is thought, would help the party to gain its other objectives, whatever they might be.

Thus the Indian Government has definitely stated the Communist Party through joint action and engaging in general strikes, has tried to further their objectives, to which action the Government of India is unalterably opposed.

Mr. COX. The gentleman has not found it agreeable to give a responsive answer to the question I asked as to whether the Indians were put in jail because they were Communists or because they were guilty of sabotage. Let me modify the question. Were the Indians arrested because they were Communists or because of an alleged commission of a crime?

Mr. FULTON. They were arrested because of an alleged commission of a crime, and I thank heaven in this country we have not gotten to the thought-control methods where a person is put in jail because he might believe something, even though wrong. It is only because an individual engages in party activities as a representative or agent of a foreign power that he is put into the confines of a jail in this country. In India, as in the United States, the citizen is permitted and has the right to believe what he will, think as he will, and without subversive action or sabotage activities, can proclaim his ideas from the roof tops. It should be noted our Government has not suppressed the Daily Worker here. Why should we then attempt to require more of India in a loan transaction, which this bill now is, than the United States Government requires at home? You can believe in no law at all, and you will not be put in jail here.

Mr. COX. What is the point in the gentleman's statement that India had jailed many thousands of Communists?

Mr. FULTON. Well, I will give you Nehru's statement then, to explain.

Mr. COX. No. The gentleman was combating the idea that Nehru is not pro-Communist.

Mr. FULTON. Oh, yes; and I will give you his statement directly on that.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. If the Communists are causing that much internal dissention in India proper, why does Nehru support the Communist position in the United Nations?

Mr. FULTON. Nehru does not support the Communist position in the United Nations. The Indian Government on certain questions has agreed with Britain, on others with the United States of America, on others with a far eastern and middle eastern bloc, and on other questions has maintained a neutral or nonparticipating position. Many Republicans do not agree with all the Truman positions on Korea, China and Formosa and I am sure I don't agree entirely with Truman or Nehru, for that matter.

Mr. COX. What does he support?

Mr. FULTON. May I answer that directly? If we can leave a little less heat out of this debate we will get a little more light. I will try to answer the questions as they come up and try to answer them fairly and carefully. On February 28, 1949, Prime Minister Nehru stated his position about the Communist Party as follows to the Parliament of India:

> The Communist Party of India has, during the past year, adopted an attitude not only of open hostility to the Government but one which can be described as bordering on open revolt. This policy has been given effect too intensively in certain limited areas of India and has resulted in violence, indulging in murders, arson, and looting as well as acts of sabotage. The house is well aware of the Communist revolts that have taken place in countries bordering on India. It was presumably in furtherance of the same policy that attempts were made in India to incite people to active revolt. Fortunately, these attempts failed because of the strength of popular opinion against them and the action taken by the Government. Nevertheless, a great deal of misery and damage was caused by them in certain parts of India.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from New York.

Mr. JAVITS. Is not the very part of the business that the gentleman is referring to the fact that the Government of India is not coddling Communists, whereas in Czechoslovakia, when the workers took over the factories, they were given free rein, and in India they were jailed, so that if Nehru can jail them the Communists are not going to take over the country by subversion; they will go to jail first. Is that not the point of the business?

Mr. FULTON. That is correct. On page 21 the pamphlet does not refer to them merely as prisoners, but it speaks of these people as Communist prisoners, and then it goes on to explain how they were treated in jail.

I think this discussion helps reach a result, and while I disagree with the gentleman, nevertheless I respect his opinion. The gentleman, I believe, criticizes Mr. Nehru for having said certain things that would make Nehru look as if he were slightly friendly, let us say, to either a Communist dictatorship, or the Communist dictator, Mr. Stalin. Mr. Truman in 1948 referred to the Communist dictator, Mr. Stalin, as "good old Joe; he is not such a bad fellow." In the light of that statement from the head of our Government, it would come with ill grace for any of us to criticize Nehru for less friendliness to Stalin and

actually for too much cold neutrality in respect to many of Mr. Truman's policies.

Mr. COX. The gentleman finds it pleasing to defend Mr. Nehru.

Mr. FULTON. Not to defend him, but to stand up and explain his views. He needs no defense.

Mr. COX. The gentleman does not concede that he is a pro-Communist.

Mr. FULTON. Not in the least; no. A man who has stood so long for freedom is not for any totalitarian concept. Nehru has represented determinedly his effort for a free India, with his compatriots, Mahatma Gandhi, and his good sister, Madame Pandit, even at the expense of his own and their personal liberty. A man jailed for advocating a free India knows well the penalties exacted by arbitrary authority from the individual citizen.

How can we criticize Nehru for inaction when President Truman said the issue of communism in the United States was merely a red herring drawn by the Republican Party across the American scene for political purposes?

Mr. COX. Of course I did not agree with him.

Mr. FULTON. Then we also must conclude that everybody does not agree with all Mr. Nehru's statements, either, at home or abroad.

Mr. COX. I took exception to the statement made then and I take exception now. I have opposed this policy of appeasing everything Russian, as has been done by our country for a long time. Therefore, I oppose this additional step in that same direction.

Let me ask the gentleman this question: Does the gentleman favor the adoption of this bill on humanitarian grounds alone, or is he interested in reclaiming India from communism?

Mr. FULTON. I am very interested in being what might be called by the gentleman's President, his former President, President Roosevelt, a good neighbor, first. Secondly, I am trying by this effort to obtain the conditions in a free world so that peoples of a free world can live and can progress among themselves without pushing down any group or any class or forcing any person into a totalitarian state of any kind. Included in this policy is the purpose, to build up and to make strong this country. And I may say as a Republican on this side of the House that in respect to this India assistance legislation it stands me in good stead to be standing on this question with our former Republican President, Herbert Hoover, who was known as a humanitarian. We are preventing starvation by this bill, and promoting also a strong free world of the kind we would all like to see come soon.

Mr. VORYS. Mr. Chairman, I yield the gentleman another minute.

Mr. FULTON. Let us go a little bit further into the attitude of the Government of India, and examine the Home Minister's statement in the Parliament on this question.

Home Minister C. Rajagopalachari laid on the table in Parliament March 10, 1951, a statement explaining the government's policy and attitude toward the Communist Party of India and the Hindu Mahasabha.

The Home Minister was asked whether the attention of the government had been drawn to certain statements in the press by the Communist Party and the Hindu Mahasabha challenging certain statements made by the honorable minister in the course of a debate in Parliament.

The following is the text of the Home Minister's statement:

The attention of the government was drawn to a press item dated February 17, 1951, to the effect that the Communist Party challenged the Home Minister to withdraw the Preventive Detention Act and do certain other things and then, it was stated that they would act as a regular political party in the open; presumably, dropping their present violent and secret activities.

If the men who grouped themselves and practice terrorism and sabotage in the name of communism will not merely issue a challenge and make conditional offers of adopting a peaceful and open political life, but will back their profession with practice, we could take the risk involved in trusting them. Past conduct cannot just be wiped out by a single press statement. Such declarations should be backed by practical behavior. The honorable members have read Ignazio Silone's narrative of the meeting of the Communist Party at which, when British Communists were asked on their return home to make a public declaration in a certain sense, but actually to do the contrary, and one of the British Communists exclaimed "But that would be a lie," loud laughter greeted this simplicity and filled the hall. The Communists could not understand the Englishman's stupid objection to making a misleading or false declaration. The fact of the matter is that the Communist Party's discipline involves a psychological mechanism whereby each single member becomes progressively identified with the collective organization until his sense of scruple or moral hesitation is totally wiped out. Ethical objections become just ancient wrongs worthy of scorn and derision.

Three leading Indian Communists have issued a statement to their comrade on September 23, 1950, explaining the Communist Party's policy: It is categorically stated herein that the policy should put the peasant movement progressively on the rails of armed struggle and that in agrarian relations they should by mass mobilization and direct action, as in Telengana, create armed forces in rural areas and strong bases for their operations. It is further categorically stated therein that there is no question of liquidating Telengana but that on the contrary, it is the question of raising the movement in the rest of the country to the level of Telengana.

The Politburo of the Communist Party in India issued the policy statement on November 15, 1950, in the following terms: "Finally it is necessary to clearly grasp the truth that armed struggle has become the principal form of struggle in the present agrarian revolutionary stage that our national liberation movement has grown to."

It was added that simultaneously they should adopt and coordinate all other conceivable forms of struggle such as economic and political strikes, demonstrations, agricultural labor and tenant struggle, signature collections for peace-pledge election contests, and so on. The following is from the special circular of the central committee of the party:

"Central committee notes that certain statements are being made demanding the withdrawal of the heroic struggle of the Telengana people led by the Communist Party against their age-long oppressors with arms in hand for land and liberty. The central committee wishes the ranks of the party to note that such acts will be disruptive of the Telengana struggle, the harbinger of the people's democratic revolution in India which the enemy is trying to drown in blood. The central committee lays stress upon all party members and people to defend Telengana by all the means at their disposal."

An important foreign Communist who was invited to advise the Indian Communist Party gave the following opinion in December 1950: "It is the task of the Communist Party to skillfully utilize the stand of the Nehru Government on questions like Korea, the atom bomb, and so forth. Regarding armed struggle as we have stated in our letter, we do not deny that ultimately a revolution in India will and must take the form of armed struggle. It is hardly to be debated."

It is thus clear that we cannot accept declarations and challenges but we must await the facts and whether the crime reported from Telengana, Madras, Assam, and elsewhere shows a substantial decrease.

The attention of the government was also drawn to the statement on behalf of the Hindu Mahasabha dated February 18, 1951. It is gratifying to read in it that its policy of communalism does not include violence. But there is the basic fact that their policies have an inherent tendency to rouse strong passion between communities and to generate violence. Their line of thought and propaganda, therefore, of action, is inconsistent with the basic principle of our Constitution. What is commualism to us is nationalism to them. All the same we can tolerate anything if deception and violence be truely shed. The Hindu Mahasabha claims that it is a battle of culture. There would be no difficulty if the Hindu code of conduct were truly respected and followed. In the pattern of behaviour known as Hindu culture there is no room for violence or hatred. If Hindu Mahasabhaites preached and practiced Hinduism as our sages understood and taught it, they would indeed be ideal citizens and the most honored places in the state, including parliament, would undoubtedly be filled by them.

Mr. CARNAHAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THOMAS, 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. 3791) to furnish emergency food relief assistance to India, had come to no resolution thereon.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. FORD] is recognized for 60 minutes.

UNECONOMICAL AND INEFFICIENT PROCUREMENT METHODS AND PROCEDURES

Mr. FORD. Mr. Speaker, postwar history shows that during World War II the Federal Government literally lost billions of dollars as the result of uneconomical and inefficient procurement methods and procedures. In some instances conditions were so bad criminal prosecutions and convictions resulted. At the present time, during the current

mobilization effort, is the executive branch of the Federal Government making the same sad errors?

Several months ago a specific case was called to my attention which on the record indicates beyond any doubt that the Army procurement program is again "snafued" beyond comprehension. Evidence in my possession which I will include in my remarks shows a callous disregard by the Chicago quartermaster depot of sound business practices and the most economical and efficient use of the Nation's production facilities. Furthermore, QM officials in the instant case have utterly disregarded their own warnings to businessmen who bid on Government contracts. The conduct of the officials of the Chicago QM depot in this case is unbelievably bad. A careful and comprehensive review of the whole case with its many ramifications indicates how fouled up and costly in dollars and time a simple business transaction can get when a number of Government agencies are involved.

Before giving the details of this sordid mess I predict the following unfortunate results from the numerous blunders in the handling of this relatively simple business transaction.

First. The Army will not have delivery on the contract pursuant to the terms of the agreement. This is already a fact so I am no prophet in this regard. It should be stated, however, that this was predicted months ago by many persons familiar with the situation.

Second. If the folding chairs are ever delivered, they will be of inferior quality and not up to specifications.

Third. If Consolidated Industries does ever produce and deliver the folding chairs, an attempt will be made subsequently by the company to obtain a better price for the chairs from the Government. The basis for such a spurious claim will be hardship. The only hardship in this case, past, present, or future, is to the American taxpayer and the mobilization effort.

The net result generally of this entire transaction will be an additional load on the already overburdened American taxpayer plus the lack of delivery of an item which the QM depot described as important to our national security.

Here are the documented facts. You can draw your own conclusions. About the 1st of February of 1951 responsible representatives of the American Seating Co., of Grand Rapids, Mich., informed me that some weeks beforehand the quartermaster depot in Chicago had requested two bids on 120,000 folding chairs for delivery within 90 days after the bids had been accepted by the Government. For identification purposes this or these invitations to bid were numbered as follows: QM-11-009-51-1383 and QM-11-009-51-1384. Attached to the invitations to bid was the following:

CAUTION—IMPORTANT NOTICE TO BIDDERS

This is an Armed Forces procurement. It is important to our national security.

Be sure that you can manufacture, produce, and deliver item or items bid upon on time. Delivery schedules have been carefully computed and coordinated. Promptness is vital. Do not bid unless you can meet the delivery schedule. Note paragraph 11, Default. The Government has the right to terminate contract and charge excess costs against contractor in case of failure to make delivery within the time specified.

Before bidding be certain your material suppliers can deliver promptly if you are awarded a contract. Shortages of materials and labor failure of subcontractors to meet your production schedule may force you into default. The Government does not agree to furnish you with materials unless specified in the invitation.

You must meet specification requirements. Before bidding be sure you can produce an article that will be acceptable under specification requirements.

Do not violate covenant against contingent fees article in the enclosed invitation and bid forms. If you do—

(1) Your contract may be canceled as therein provided, or

(2) The amount of the contingent fee may be deducted from the contract price paid you.

Quantity bid on: You may bid on the full quantity or any part thereof. If bidding on less than full quantity, be sure to indicate exact quantity bid on. (See pars. 1 and 14 of terms and conditions of invitation re increase or decrease option of Government.)

To not make changes in provisions of invitation and bid forms: If a change is made by bidder, and as a result the bid is not responsive, it cannot be considered for award.

Be certain that you understand all of the terms and conditions of this invitation. If in doubt, communicate with this office for clarification prior to submitting bid.

Bids cannot be modified or withdrawn after time of opening.

I call your particular attention to the warning that—

This is an Armed Forces procurement. It is important to our national security. Be sure that you can manufacture, produce and deliver item or items bid upon on time. Delivery schedules have been carefully computed and coordinated. Promptness is vital. Do not bid unless you can meet the delivery schedule. Note paragraph 11, "default." The Government has the right to terminate contract and change excess costs against contractor in case of failure to make delivery within time specified.

According to information presented to me by various sources there were 14 concerns which submitted bids on one or both of the aforementioned invitations to bid. On the two contracts Consolidated Industries of Memphis, Tenn., was low on 118,004 folding chairs with bids of $380,337.76. The next lowest bidder was a concern by the name of Acme Seating Co. with a bid of $435,000. It is my understanding the American Seating Co. was the next lowest bidder.

On the surface it would seem that the Chicago Quartermaster Depot should have awarded the contract to Consolidated Industries inasmuch as it was the low bidder. A careful, objective and honest appraisal of all the facts, however, should have convinced the Army procurement officials that the signing of the contract with Consolidated Industries would lead to the present deplorable situation. The Quartermaster officials have contended and undoubtedly will continue to contend that such a thorough investigation was made. The record speaks for itself. If an investigation was made it was either insufficient to protect the Government's interest or those making the investigation were incompetent to do the job.

All of the bidders on these two bids except Consolidated Industries were established chair manufacturers. Consolidated Industries had never made a folding chair. The company had no established plant for the production of the required folding chairs. It was not tooled up for the job.

At the time the award was made the Munitions Board had already issued Manual No. 90-1, Production Planning for Emergency Procurement. I quote from page 3, paragraph 1.3.5:

Plans for thorough utilization of existing manufacutring facilities will be developed, thereby minimizing the need for new construction.

Page 25, paragraph 2.3.54:

Additional machine tools and industrial equipment required: An important function of the production allocation program is to minimize the need for additional machine tools and industrial equipment in time of war. This objective can be accomplished in part by planning thorough utilization of existing tools and equipment. Management and Procurement Planning Officers are urged to bear this in mind in developing production plans.

There existed at the time this award was made, and still exists, more than sufficient manufacturing capacity to manufacture more than the number of chairs required for both military and civilian use as evidenced by the number of responsible bidders who attempted to secure this contract. Why then did the Chicago Quartermaster Depot disregard entirely—

First. That Consolidated did not have an established plant?

Second. That Consolidated had never made a chair?

Third. That Consolidated would have to tool up as previously stated?

The invitations to bid specifically required that the awards be made to a financially responsible party. The record again speaks for itself. Consolidated Industries, in order to finance the production of the chairs, made application to the Reconstruction Finance Corporation for a loan of $75,000.

At this point I ask this question: Should a Government loaning agency, the RFC for example, loan the taxpayers' money so that a new company can be set up to compete with the already existing manufacturers who have sufficient plant and production facilities to handle the entire military and civilion needs in the folding-chair industry? Of course, the answer is "No." In this instance established chair manufacturers and their thousands of employees have paid their taxes to Uncle Sam, and now these established manufacturers and their skilled and trained employees find their tax dollars being used to set up competing and totally unneeded facilities to handle military and civilian needs. In my judgment, it is not morally right to the established companies or their employees for the Federal Government to use their hard-earned tax moneys for such a purpose.

At the time I first learned of this scheme to set up a new company with Uncle Sam's tax money so Consolidated could enter an already adequate business

field, it seemed to me, in light of the fact that Consolidated could not possibly produce on its contract, that the Government was putting itself in a very unenviable position. Again these fears, predictions, and warnings have unfortunately come true.

Let us look at the situation. The quartermaster officials awarded the contract to the lowest bidder, Consolidated, even though the Army was repeatedly warned ahead of time that the company could not possibly perform. To finance the company, RFC authorized a $75,000 loan of your tax dollars. Now what happens if Consolidated cannot perform on its contract, and it obviously cannot. If the quartermaster officials cancel Consolidated's contract, RFC is left holding the bag. RFC, if the funds have been disbursed in order to prevent a loss to the Government, quite likely will pressure the quartermaster to go easy on Consolidated. This means Consolidated will not be held to its contract as to delivery date, quality specifications on the chairs, and possibly some relief as to price. Already Consolidated has failed to produce the folding chairs within the 90-day period required by the contract. In fact, not one single chair of acceptable quality has been delivered. The samples supplied to the quartermaster officials are not up to standard and likely will never be. It will be interesting to see what is done by the Army if and when Consolidated says it needs a better price to do the job.

At the time this entire matter came to my attention I conferred with a number of Federal agencies who might have some information concerning Consolidated Industries and those individuals connected with the company. Inasmuch as this company or those behind it had done business with the Veterans' Administration, I wrote the Veterans' Administration on February 5 for certain information. My letter of that date reads as follows:

Gen. CARL R. GRAY, Jr.,
Administrations of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.
(Attention Mr. A. K. Maiers.)

DEAR GENERAL GRAY: I write at this time for a full and complete report on any and all contracts and business dealings the Veterans' Administration has had with Consolidated Industries, Inc., of Memphis, Tenn. It is my understanding that the Veterans' Administration has canceled one or more contracts with this company and is now seeking to recover certain funds on behalf of the Federal Government.

I thank you in advance for a prompt reply and a full disclosure of all available evidence.

Sincerely,

GERALD R. FORD, Jr.,
Member of Congress.

The Veterans' Administration on February 8 answered with the following very illuminating letter:

Hon. GERALD R. FORD, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. FORD: This will confirm the conversation with a representative of this service in response to your letter of February 5, 1951, to the Administrator of Veterans' Affairs, in which you requested a full and complete report regarding the Consolidated Industries, Inc., Memphis, Tenn.

As stated, this Administration has had no contractual or business dealings with the Consolidated Industries, Inc., and therefore no contracts have been either executed or canceled.

For your confidential information, an investigation of the National Vocational and Technical College, Memphis and Chattanooga, Tenn., revealed that it was owned by Mr. J. W. P. Fleming, who is also the owner of the Consolidated Industries, as well as several other business ventures in the State of Tennessee and the State of Mississippi. A contract was executed between this Administration and the National Vocational and Technical College for the purpose of providing educational training for veterans under the provisions of Public Laws 16 and 346; however, in October 1950 the officials of the school advised the veterans and the Veterans' Administration that the school was being closed and as of this date is still closed.

It was also established that tools, supplies, and equipment were being purchased at a discount through the Consolidated Industries, Inc., for the use of the veterans in training at the National Vocational and Technical College and in turn such items were increased as high as 25 percent in price at the time the school billed the Veterans' Administration for services rendered. In view of this, together with information to the effect that the school was not rendering all services to the veterans for which they had billed the Veterans' Administration, a full and complete audit was requested in an effort to establish the extent of overpayment. Officials of the National Vocational and Technical College refused the Veterans' Administration permission to audit the books of the school and in October 1950 a subpena was served upon the school in an effort to secure the books and records. Again the school refused and employed legal counsel in defending their position. The office of the United States attorney, Memphis, Tenn., has been requested to enforce the provisions of the subpena and it is understood that the matter is to be placed before the court in the near future.

I believe the above information, together with that given to you by the representative of this service, will assist you in your inquiry, and in the event this office can be of further service to you, do not hesitate to advise.

Very truly yours,

JOHN R. GALBRAITH,
Director, Inspection-Investigation Service.

The quartermaster officials in Chicago were warned in advance that Veterans' Administration was not pleased with its dealings with this organization and the individuals involved in its organization. A thorough investigation by the Army with the help of Veterans' Administration might well have prevented the predicament now facing the quartermaster officials.

The RFC was also contacted by me on February 5 as shown by the following letter:

Mr. W. ALMA HARBER,
Chairman, Reconstruction Finance Corporation,
Washington, D. C.

DEAR MR. HARBER: I have been informed that the RFC has on January 22, 1951, consummated a $100,000 loan to Consolidated Industries, Inc., of Memphis, Tenn. Will you kindly give me a report on the basis or justification for this loan?

In addition to the above, will you kindly reply to the following specific questions?

1. Did the RFC officials handling this loan know of the cancellation of a Consolidated Industries, Inc., contract by the Veterans' Administration?
2. If there was no knowledge of this contract cancellation, was an adequate examination made of the background, past history, and financial resources and reliability of Consolidated Industries, Inc.?
3. Does RFC seek financial reports on prospective borrowers from Dun and Bradstreet?
4. Was such a report sought by RFC in this case?

I thank you in advance for a full and prompt reply to the above.

Sincerely,

GERALD R. FORD, Jr.,
Member of Congress.

RFC replied on February 13 by the following letter:

Hon. GERALD R. FORD, Jr.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN FORD: This will acknowledge receipt of your letter of February 5, 1951, requesting certain information in connection with Consolidated Industries, Inc., Memphis, Tenn.

As our Mr. Dodds advised you by telephone a few days ago, our Nashville Loan Agency authorized a loan to this company in the amount of $75,000 on January 22, 1951, but the loan has not been consummated since no disbursement has been made.

We have requested Mr. Lee Davis, acting manager of the Nashville Loan Agency, to make a complete investigation and submit a report on this case, meanwhile withholding disbursement until further advice from this office. As soon as we have Mr. Davis' report we will be able to answer the questions contained in your letter.

Sincerely yours,

W. E. HARBER,
Chairman.

This letter indicates that RFC, as of that date at least, was using some caution in the matter. You will note, however, that my questions were not answered in full.

Because of the information given me by the Veterans' Administration, I wrote the following letter on February 5 to the Department of Justice:

Hon. J. HOWARD MCGRATH,
Attorney General of the United States,
Department of Justice,
Washington, D. C.

DEAR SIR: During the past few days I have been investigating the transactions of a company known as the Consolidated Industries, Inc., located in Memphis, Tenn.

I have been informed that the Veterans' Administration and the Federal Bureau of Investigation have made an investigation of this company. The Veterans' Administration informs me that the Justice Department is now considering taking action against the above corporation. I write at this time requesting any information you have available on what the Department of Justice intends to do against this corporation. A full and detailed report on this case will be appreciated.

I will appreciate a speedy reply. Thanking you in advance for your cooperation, I am

Sincerely,

GERALD R. FORD, Jr.,
Member of Congress.

On February 6 the Attorney General acknowledged my previous letter and indicated a full report would follow. On February 27 I received the following communication from Peyton Ford,

Deputy Attorney General of the Department of Justice:

Hon. GERALD R. FORD, Jr.,
House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: This will refer to your letter of February 5, 1951, addressed to the Attorney General in which you request to be advised as to what action this Department intends to take against the Consolidated Industries, Inc., of Memphis, Tenn. Your inquiry is predicated upon information received by you that this company has been investigated by the Veterans' Administration and the Federal Bureau of Investigation.

The records of this Department show that the investigation being conducted by the Federal Bureau of Investigation is based upon several complaints received by the Bureau in which the complainants alleged that the Consolidated Industries, Inc., has defrauded the Government in connection with several contracts for training veterans pursuant to the provisions of the Servicemen's Readjustment Allowance Act of 1944. These contracts are between the Veterans' Administration and the National Vocational and Technical College, Colored Division, of Chattanooga, Tenn. (formerly Chattanooga Vocational School). According to the complainants, the Consolidated Industries, Inc., and the National Vocational and Technical College are owned and operated by the same individual.

Since the investigation of this matter is still in a pending status, we are unable, at the present time, to determine what, if any, action should be taken against the Consolidated Industries, Inc.

Yours sincerely,

PEYTON FORD,
Deputy Attorney General.

One can draw his own conclusions as to whether or not the Justice Department is proceeding adequately in light of the information given by the Veterans' Administration.

The American Seating Co. and its several thousand employees have a natural interest in seeing that the Federal Government is operated properly and economically. The responsible officials of this company have made every effort to see that Army officials had the full facts in this case before the contracts were awarded. I am told the QM officials in Chicago and Washington were repeatedly warned and cautioned by representatives of America Seating Co., all to no avail. The record shows these representatives knew from long experience something about folding chairs. The following letter dated February 6 from the QM depot is most illuminating in light of recent developments:

AMERICAN SEATING CO.,
New York, N. Y.
(Attention: Mr. Martin E. Kornbluth.)

Re Invitations Nos. QM-11-009-51-1383, QM-11-009-51-1384.

GENTLEMEN: Reference is made to your telegram of February 1, 1951, wherein you protest a proposed award of chairs, folding, metal, covered by the captioned invitations for bids to Consolidated Industries, Inc., of Memphis, Tenn., and allege as your reasons therefor that the said proposed award would be improper inasmuch as Consolidated Industries, Inc., lacks tools, dies, jigs, fixtures, or other requirements necessary to the manufacture of the supplies involved by the required delivery date and in order to acquire the same would have to duplicate already existing facilities.

This office has carefully considered the allegations set forth in your wire of protest and has determined that such allegations are without merit in view of the fact that the procurement contemplated under the said invitations for bids was undertaken pursuant to formal advertising. Under the provisions of the Armed Services Procurement Act of 1947 and of the regulations promulgated pursuant thereto, this depot has no alternative other than to make an award to the lowest responsive and responsible bidder submitting quotations in accordance with the advertised requirements set forth in the said invitations for bids. In the instant case, this depot has carefully investigated financial responsibility, plant facilities, and background of experience enjoyed by Consolidated Industries, Inc., and is convinced that such bidder is well financed, has adequate plant facilities, and on the basis of previous experience is well qualified to manufacture and deliver the supplies covered by the captioned invitations in strict accordance with the specifications and delivery schedule cited therein.

It is believed that a possible misunderstanding exists with respect to the obligations of the interested contracting officer in connection with making awards pursuant to formal advertising as opposed to negotiations. In the former case, this depot is without authority to inquire into the matter of duplication of existing facilities; in the latter case, this depot is restricted to policy established by the Department of the Army, which policy by reason of the national emergency is currently opposed to the duplication of existing facilities where existing facilities appear to be adequate to effect necessary procurement. Consequently, different criteria may be applicable to the same commodity dependent upon whether procurement is effected by formal advertising or by means of negotiation and, as a result thereof, this depot is currently procuring under both sets of rules. While any misunderstanding which may have resulted from the coexistence of both methods of procurement is regrettable, it is not believed that the best interests of the Government would be served by the cancellation of formally advertised procurements previously in effect for the sole purpose of effectuating a policy which was adopted subsequent thereto and intended to apply to procurement by negotiation only.

Consideration having been given to the foregoing, it is believed that your company will now agree that Consolidated Industries, Inc. were in fact the lowest responsive and responsible bidder under the captioned invitations and as such are entitled to an award consistent with its bid. Accordingly, your protest is denied and your are advised that award is being made this date to the Consolidated Industries, Inc. in accordance with its bids.

Very truly yours,

W. B. BRADLEY, Jr.,
Captain, Quartermaster Corps.
Contracting Officer.

Please note how far wrong the Quartermaster officials were. The record speaks for itself. There is either incompetency or a lack of good business practice and judgment in this branch of the Department of Defense. Particular notice should be paid to the second paragraph of Captain Bradley's letter.

On February 5, I wrote the following letter to General Everett Busch at Fifth Army Headquarters. His reply of February 12 is also included in the record.

Gen. EVERETT BUSCH,
Fifth Army Headquarters,
Chicago, Ill.

DEAR GENERAL BUSCH: I am writing in reference to the following:

Invitations to Bid Nos. QM 11-009-51-1383, QM 11-009-51-1384.

Would you kindly furnish me with the following data:

1. Have the awards on the above Invitations to Bid been made and if so on what dates?

2. If the awards have been made when must performance on the contract be completed? I would like the exact date.

3. What is the contract price for Consolidated Industries, Inc.?

4. If the award is made to Consolidated Industries, Inc. on the basis of their bid or bids, is this contract subject to subsequent renegotiation to a higher figure under any War Powers legislation?

I thank you in advance for your cooperation in this matter.

Sincerely,

GERALD R. FORD, Jr.,
Member of Congress.

Hon. GERALD R. FORD, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. FORD: Reference is made to your letter dated 5 February 1951 concerning Invitations for Bid Numbers QM 11-009-51-1383 and QM 11-009-51-1384. Your inquiries are answered as follows:

1. Contract No. DA 11-009 qm-6508 (OI No. 8127-GS-51) and Contract Nos. DA 11-009 qm-6512 (OI No. 8131-GS-51) were awarded under Invitations for Bids Numbers QM 11-009-51-1383 and QM 11-009-51-1384, respectively, to Consolidated Industries, Inc., under date of 6 February 1951.

2. The completion date for 27,970 units covered by the first cited Contract is 7 April 1951. 43,030 units covered thereunder are for delivery from 8 April 1951 through 8 May 1951. 47,004 units covered by the second mentioned Contract are for delivery by 7 April 1951.

3. The unit prices set forth in contract No. DA 11-009 qm 6508 are $3.19 each for domestic pack items and $3.44 each for the export pack item. The total contract price is $230,395. The unit prices set forth in contract No. DA 11-009 qm-6512 are $3.19 each for items 1a through 1f, all of which are domestic pack. The total contract price is $149,942.76.

4. The contracts hereinabove referred to contain no provision under which any upward renegotiation in price may be made.

Sincerely,

E. BUSCH,
Brigadier General, United States Army, Commanding.

On April 25 I again contacted General Busch as shown by the following:

Gen. EVERETT BUSCH,
Fifth Army Headquarters,
Chicago, Ill.

DEAR GENERAL BUSCH: This is in further reply to your letter of February 12 in reference to Consolidated Industries, Inc., of Memphis, Tenn. I will appreciate your giving me a status report on the progress of the contracts with this corporation. If possible, a speedy reply will be greatly appreciated.

Thanking you in advance for your cooperation, I am,

Sincerely,

GERALD R. FORD, Jr.

The reply from General Busch is most illuminating and it is quoted in its entirety:

Hon. GERALD R. FORD, Jr.,
House of Representatives,
Washington, D. C.

Re: Consolidated Industries, Inc., Memphis, Tenn.

DEAR MR. FORD: This will reply to your inquiry under date of April 25 concerning the status and progress of our contracts with Consolidated Industries, Inc., of Memphis, Tenn.

We have two contracts with this small-business firm, both awarded on February 6, 1951.

1. Contract DA 11-009-QM-6512 (OI 8131-GS-51):

Item: 47,004 chairs, folding, metal.

Delivery schedule: March 1-31, 1951.

Deliveries to date: None.

2. Contract DA 11-009-QM-6508 (OI 8127-GS-51):

Item: 71,000 chairs, folding, metal.

Delivery schedule: 27,970 by April 7, 1951; 43,030 April 8 to May 8, 1951.

Deliveries to date: None.

The president of Consolidated Industries called at this depot on April 27 and brought with him sample chairs from his first production. It is our earnest hope that shipments will be forthcoming in the near future.

The administration of these two contracts has required a considerable expenditure of time and effort on the part of my hard-pressed purchasing people; however, in view of the policy of the Congress in regard to small business, we have been reluctant to take any action which might be interpreted as either discriminatory or punitive.

For your information, this data has been furnished the Honorable ESTES KEFAUVER, United States Senate, who also is interested in these contracts.

Sincerely yours,

E. BUSCH,
Brigadier General, United States Army, Commanding.

General Busch's letter admits everything that was predicted months ago by responsible parties has now taken place. The contracts have not been performed as required and, unquestionably, never will be. The excuses given by the Army are weak and inadequate. General Busch's staff would not have been hard pressed in handling this procurement if the original warnings had been heeded. Congress is interested in small business during the mobilization effort, but the comment by General Busch in this case is simply an ineffectual alibi. The quartermaster officials should have shown better judgment. Certainly some of the other 13 bidders on these two contracts fall in the category of small business and they, being established folding-chair manufacturers, could have produced on time and in line with contract specifications.

The last paragraph of General Busch's letter seems unusual. I have no way of knowing what was intended by this reference to the distinguished Senator from Tennessee.

Some months ago when this case was first called to my attention I was informed by the Army officials that Consolidated had a DO priority for the necessary steel for this contract and that as a result the material was on hand. This scarce material was obtained on the basis of these contracts for the defense effort. It has languished in storage for too long a time without being put to proper use. In the meantime, other manufacturers of defense and civilian products are without their share of steel. Will it ever be used on the contract? Probably not. Certainly not if the quartermaster officials take the long-overdue action to cancel Consolidated's contract. If canceled, what happens to the steel obtained by Consolidated?

On April 25 I wrote the NPA in reference to this problem generally as shown by the following letter:

Mr. JOHN PECKHAM,
Director of Compliance,
National Production Authority,
Commerce Department,
Washington, D. C.

DEAR MR. PECKHAM: John Milanowski on my staff discussed with you the policy of the use of DO ratings for steel and other allocated materials.

I will appreciate an official opinion from you regarding the fact that under existing regulations there is no way to check or stop the indiscriminate use of a DO rating with more than one seller. As a matter of fact, I will appreciate a complete analysis of the DO ratings system with your own comments and suggestions on how best we can tighten up the loopholes.

As time is of the essence in this request, a speedy reply will be greatly appreciated.

Thanking you in advance for your cooperation, I am

Sincerely,

GERALD R. FORD, Jr.

The reply from NPA indicates there is little hope of recapturing the steel from consolidated if the Army officials cancel the contracts. In my judgment this is a deplorable situation in that it means there is further pressure on the quartermaster depot to continue its contracts with a company that cannot perform on its legal obligations. Furthermore, Consolidated by hoarding this steel for the past 3 or 4 months has crippled other concerns that are badly in need of this critical material.

Within the last several weeks the American Seating Co. in writing has informed the quartermaster depot officials it could and would supply the required folding chairs at the rate of 5,000 per day and at the price set forth in its original bid or bids. Other original bidders undoubtedly would do likewise.

Consolidated Industries obviously is in default at considerable expense and inconvenience to the Federal Government. General Busch's letter of April 28 is definite proof of this statement. A few days ago a presumably responsible Army official in the Quartermaster Depot in Chicago when asked what the Army procurement officials would do about this delinquent contract, allegedly said:

We have 900 delinquent contractors now, and 1 more would only make it 901.

With such an attitude prevalent, how can the Government's interest be properly protected. Such an indefensible attitude means the mobilization effort will inevitably cost more tax dollars. In addition, the necessary supplies and materials for the war effort will never be acquired. I only hope there is not the same callous disregard for efficiency when it comes to the procurement of tanks, guns, and planes.

In closing, this should be said. The Quartermaster officials themselves and no one else are responsible for the mess. Here is a summary of the case. A financial report received by the commanding general of the Chicago Quartermaster Depot most certainly showed that this contractor did not have the resources to handle a contract of this type. A properly conducted survey of the facilities of Consolidated Industries should have shown that this company had never made a folding chair. They were not manufacturers but had attempted to run a Veterans' Vocational and Technical College. They had no machinery, tools, dies, and jigs. They had not even made a sample chair, prepared a detailed drawing, or even submitted a catalog illustration or photograph of any kind of what they intended to furnish. They certainly did not have any testing or research department as required by the specifications.

There existed at the time this award was made, and still exists, more than sufficient manufacturing capacity to manufacture more than the number of chairs required for both military and civilian use as evidenced by the number of responsible bidders who attempted to secure this contract. I repeat, why then did the Chicago Quartermaster Depot disregard entirely—

First. That the manufacturer did not have financial responsibility.

Second. That he did not have the necessary plant facility for such an operation.

Third. That he had never made a chair.

Fourth. That he would have to tool up as previously stated.

Why was this company given special privileges? Why now are they still being given special privileges when they have defaulted on their contract? If the Armed Forces need the chairs, the Defense Department should exercise their rights of buying against this manufacturer's contract. There are established manufacturers ready and willing to manufacture these chairs within a few days time who can give the Armed Forces what they need.

Right now the Chicago Quartermaster Depot is still listening to alibis and all kinds of excuses as to why this contractor cannot deliver. The sample chair submitted, supposedly from their first production, does not comply with the specifications and up to the time of the preparation of these remarks the Chicago Quartermaster Depot has not accepted a chair as complying with the specifications and, therefore, no chairs have been produced on this contract. An earnest hope that shipments will be forthcoming, as stated in the commanding general's letter, is wishful thinking. This manufacturer at his best, even if he could make a chair to comply with the specifications, with his present facility could not produce over 600 acceptable chairs per day or would require about 200 additional days to complete the contracts. As previously stated, there are reputable manufacturers willing at this time to produce as many as 5,000 chairs per day in just one facility. It would take about 25 days of such production to complete the contracts by the use of established manufacturers.

In closing, let me say it is regrettable that it is necessary for the legislative branch of the Government to investigate the work of the executive branch of the Federal Government, however, when such a case comes to the attention of a Member of the Congress it is his duty

to lay the facts before the public in hopes that in the future such conditions will not recur. Our GI's on the far flung battlefronts expect everyone to do his full share at home. I urgently plead that this be our criterion in all phases of the defense effort in the critical days ahead.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 718. An act to authorize the lease and purchase by the United States of the Young Men's Christian Association Building and premises in Phoenix, Ariz.; to the Committee on Expenditures in the Executive Departments.

S. 831. An act to amend the Veterans' Preference Act of 1944, as amended, so as to provide for designated representatives thereunder of certain veterans' organizations; to the Committee on Post Office and Civil Service.

S. 1039. An act to amend the provision of the Officer Personnel Act of 1947 relating to the composition of boards for the recommendation of rear admirals of the Navy for continuation on the active list, and for other purposes; to the Committee on Armed Services.

S. 1230. An act to authorize the acceptance of conditional gifts to further the defense effort; to the Committee on Armed Services.

S. 1244. An act to amend the Federal Civil Defense Act of 1950 to except the Territory of Alaska from certain restrictions upon the making of Federal contributions, and to amend the provisions thereof relating to the taking of oaths by certain civil-defense personnel; to the Committee on Armed Services.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. STANLEY, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 3587. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The SPEAKER announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 35. Joint resolution to permit the board of supervisors of the Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mrs. BOSONE (at the request of Mr. ASPINALL) for Tuesday, May 22, on account of illness.

To Mr. ALBERT for May 22, 23, 24, 25, on account of official business.

To Mr. GOLDEN, through May 29, on account of necessary visit to home district, including making arrangements for homecoming of Lieutenant Dodd, winner of Congressional Medal of Honor.

EXTENSION OF REMARKS

Mr. O'TOOLE asked and was given permission to extend his remarks and include an address by Hon. James Mead.

Mr. YORTY asked and was given permission to extend his remarks and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. MORANO asked and was given permission to extend his remarks and include an editorial appearing in Life magazine.

Mr. JONAS asked and was given permission to extend his remarks and include an article by the Norwegian Ambassador.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. DONDERO (at the request of Mr. CRUMPACKER) was given permission to extend his remarks.

Mr. NICHOLSON asked and was given permission to extend his remarks and include a letter from Lewis Millett, a captain in Korea.

Mr. WOOD of Idaho asked and was given permission to extend his remarks and include an address by Mr. Frost, a banker of Texas, notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $184.50.

Mr. SMITH of Kansas asked and was given permission to extend his remarks and include three letters.

Mr. JUDD asked and was given permission to extend his remarks in three instances and include extraneous matter in each.

Mr. FULTON asked and was given permission to extend his remarks and include an article from the Atlantic Monthly.

Mr. MAHON asked and was given permission to extend his remarks and include some remarks of his own and some by Judge Jones, of the Court of Claims, and other extraneous material.

Mr. JENISON asked and was given permission to extend his remarks and include a letter.

Mr. CARNAHAN asked and was given permission to extend his remarks and include telegrams, letters, and other extraneous matter.

Mr. REES of Kansas (at the request of Mr. HALLECK) was given permission to extend his remarks and include an article.

Mr. BROWNSON (at the request of Mr. HALLECK) was given permission to extend his remarks in two instances and include articles.

Mr. WOODRUFF (at the request of Mr. JUDD) was given permission to extend his remarks.

Mrs. HARDEN asked and was given permission to extend her remarks and include an address by Hon. FRANCES P. BOLTON, at Tulsa, Okla., on May 12.

Mr. DAVIS of Wisconsin (at the request of Mr. AUGUST H. ANDRESEN) was given permission to extend his remarks in two instances and include extraneous matter.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks and include a speech by Mr. Glen Davis.

Mr. FINE asked and was given permission to extend his remarks in two instances and in each include an editorial.

Mr. ROONEY asked and was given permission to extend his remarks in three instances and in each include one or more editorials.

Mr. McCORMACK (at the request of Mr. RIBICOFF) was given permission to extend his remarks.

Mr. RABAUT asked and was given permission to extend his remarks and include extraneous matter.

Mr. WERDEL asked and was given permission to extend his remarks and include extraneous matter.

ADJOURNMENT

Mr. RIBICOFF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 18 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 23, 1951, at 12 o'clock noon.

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. RODINO: Committee on the Judiciary. H. R. 1842. A bill for the relief of Mrs. Ann Morrison; without amendment (Rept. No. 486). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2538. A bill for the relief of Joe Bargas; without amendment (Rept. No. 487). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 2771. A bill for the relief of Lon Weaver; without amendment (Rept. No. 488). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 3708. A bill for the relief of Mrs. Goldie Weiner; without amendment (Rept. No. 489). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 4165. A bill for the relief of A. D. Woods; without amendment (Rept. No. 490). 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. ANFUSO:

H. R. 4189. A bill providing for the right of hearing and appeal by classified civil-service employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ELLSWORTH:

H. R. 4190. A bill to authorize the presentation of claims of the Coos (or Kowes) Bay, Lower Umpqua (or Kalawatset) and Siuslaw Tribes of Indians to the Indian Claims Commission; to the Committee on Interior and Insular Affairs.

By Mr. EVINS (by request):

H. R. 4191. A bill to provide that certain World War I and World War II veterans who were awarded the Military Order of the Purple Heart shall be exempt from involuntary active duty with the Armed Forces; to the Committee on Armed Services.

By Mr. HERTER:

H. R. 4192. A bill to authorize the attendance of the United States Marine Band at the national encampment of the Auxiliary to Sons of Union Veterans of the Civil War to be held in Columbus, Ohio, August 19 to August 23, 1951; to the Committee on Armed Services.

By Mr. AYRES:

H. R. 4193. A bill to authorize payment of the servicemen's indemnity to survivors of members of the National Guard who die while engaged in any training duty under competent orders; to the Committee on Veterans' Affairs.

By Mr. BENNETT of Florida:

H. R. 4194. A bill to amend the Internal Revenue Code, so as to provide that embezzled funds shall be included in gross income; to the Committee on Ways and Means.

H. R. 4195. A bill to amend the Internal Revenue Code, so as to impose a tax of 100 percent on illegally obtained income; to the Committee on Ways and Means.

By Mr. BURLESON:

H. R. 4196. A bill to confirm and establish the titles of the States to lands and resources in and beneath navigable waters within State boundaries and to provide for the use and control of said lands and resources; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 4197. A bill to withdraw and restore to its previous status under the control of the Territory of Hawaii that certain Hawaiian home lands required for the use of the board of water supply of the city and county of Honolulu for the location of a water shaft, pump station, and tunnel, and to amend section 203 of the Hawaiian Homes Commission Act, 1920, so as to confer upon certain lands of Auwaiolimu, Kewalo-Uka, and Kalawahine, on the Island of Oahu, Territory of Hawaii, the status of Hawaiian home lands; to the Committee on Interior and Insular Affairs.

H. R. 4198. A bill to ratify and confirm Act 291 of the Sessions Laws of Hawaii, 1949, which included Maui County Waterworks Board under the definition of "municipality" in the issuance of revenue bonds pursuant to the Revenue Bond Act of 1935; to the Committee on Interior and Insular Affairs.

By Mr. REDDEN:

H. R. 4199. A bill to authorize the transfer of lands from the jurisdiction of the Secretary of the Interior to the jurisdiction of the Secretary of Agriculture; to the Committee on Interior and Insular Affairs.

By Mr. RIVERS:

H. R. 4200. A bill to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes; to the Committee on Armed Services.

H. R. 4201. A bill to make certain revisions in the Officer Personnel Act of 1947, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. ANFUSO:

H. R. 4202. A bill to amend the Veterans' Preference Act of 1944, as amended, so as to provide for designated representatives thereunder of certain veterans' organizations; to the Committee on Post Office and Civil Service.

By Mr. FARRINGTON:

H. R. 4203. A bill to ratify and confirm Act 7 of the Session Laws of Hawaii, 1951, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; to the Committee on Interior and Insular Affairs.

By Mr. FOGARTY:

H. R. 4204. A bill to amend the Armed Services Procurement Act of 1947, with respect to the procurement of supplies from small business concerns; to the Committee on Armed Services.

By Mr. RIVERS:

H. R. 4205. A bill to provide retirement benefits for the Chief of the Dental Division of the Bureau of Medicine and Surgery, and for other purposes; to the Committee on Armed Services.

By Mr. ADDONIZIO:

H. R. 4206. A bill providing equal pay for equal work for women, and for other purposes; to the Committee on Education and Labor.

By Mr. JAVITS:

H. R. 4207. A bill to repeal limitations contained in other laws on federally assisted low-rent housing projects authorized by the Housing Act of 1949, as amended; to the Committee on Banking and Currency.

By Mr. McMILLAN (by request):

H. R. 4208. A bill to amend an act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and acts amendatory thereof and supplementary thereto; to the Committee on the District of Columbia.

H. R. 4209. A bill to amend the law of the District of Columbia relating to forcible entry and detainer; to the Committee on the District of Columbia.

H. R. 4210. A bill to amend acts relating to fees payable to the clerk of the United States District Court for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 4211. A bill to amend acts relating to garagekeepers' and liverymen's liens and the enforcement thereof in the District of Columbia and for other purposes; to the Committee on the District of Columbia.

By Mr. PRIEST:

H. R. 4212. A bill for the establishment of a temporary National Advisory Committee for the Blind; to the Committee on Education and Labor.

By Mr. FERNANDEZ:

H. R. 4213. A bill to extend for 1 year the 5-year period of limitation on the presentation of Indian claims to the Indian Claims Commission; to the Committee on Interior and Insular Affairs.

By Mr. REED of New York:

H. R. 4214. A bill to permit unincorporated businesses to be taxed as corporations; to the Committee on Ways and Means.

By Mr. ARMSTRONG:

H. Con. Res. 110. Concurrent resolution expressing the sense of the Congress that the United Nations take such steps against Communist China necessary to restore and maintain international peace and security; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Senate Joint Resolution No. 29, relating to the American Indian; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to Senate Joint Resolutions Nos. 22 and 24, relating to the consideration of the use of certain highways in the region of Lake Tahoe and California State Highway Sign Route 88 for civil and military defense in the case of emergency; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. ADDONIZIO:

H. R. 4215. A bill for the relief of Dr. Benjamin Blumenfeld Fielding; to the Committee on the Judiciary.

By Mr. BURLESON:

H. R. 4216. A bill for the relief of Elbert B. Peters; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. R. 4217. A bill for the relief of Janis Lamberts and Pauline Leontine Lamberts, his wife, and Harold Lamberts and Arnis Lamberts, their minor children; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 4218. A bill authorizing the Secretary of the Interior to issue a patent in fee to Agnes Stevens Fisher; to the Committee on Interior and Insular Affairs.

H. R. 4219. A bill authorizing the Secretary of the Interior to issue a patent in fee to Louis W. Milliken; to the Committee on Interior and Insular Affairs.

By Mr. FARRINGTON:

H. R. 4220. A bill for the relief of Hazel Sau Fong Hee; to the Committee on the Judiciary.

H. R. 4221. A bill for the relief of Hidetaro Yamaguchi; to the Committee on the Judiciary.

H. R. 4222. A bill for the relief of Kurie Sassayama Tasato and Charlyne Kazue Tasato; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 4223. A bill for the relief of Richard F. Harvey; to the Committee on the Judiciary.

By Mr. HERLONG:

H. R. 4224. A bill for the relief of Mrs. Elfriede Hartley; to the Committee on the Judiciary.

By Mr. KENNEDY:

H. R. 4225. A bill for the relief of Elias Miltiades Iordanopoulos; to the Committee on the Judiciary.

By Mr. McGREGOR:

H. R. 4226. A bill for the relief of Walter M. Smith; to the Committee on the Judiciary.

By Mr. McMILLAN:

H. R. 4227. A bill for the relief of Fred Uziel and Mrs. Loretta Uziel; to the Committee on the Judiciary.

By Mr. NELSON:

H. R. 4228. A bill for the relief of Mrs. Lorene M. Williams; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

294. By Mr. MARTIN of Iowa: Petition signed by 74 railroad employees urging enactment of legislation amending the Railroad Retirement Act so as to provide retirement after 30 years of service at half pay, pay to be based on the five highest years of earnings, not to exceed $4,000, also requesting enactment of legislation which will assure the widow of a railroad employee drawing a pension equal to one-half of her husband's earned annuity, after she reaches the age of 50, and requesting further a minimum pension of $100 per month and optional retirement at 60; to the Committee on Interstate and Foreign Commerce.

295. By Mr. SHEEHAN: Petition of the Chicago Veterans Civic Association, Inc., of Cook County, Ill., resolving that the CVCA denounces universal military training in its

present form since it has no place in the scheme of American living and is contrary to the cause of world peace. Our peace-loving people realize our freedoms are threatened and that a state of emergency does exist; and thus recognize the existing compulsory military draft of limited tenure; that is, for the length of any one particular emergency. The principles of our way of life cannot long endure if we allow future foreign wars, taxes, restrictions, and controls to make us the pawns of a bureaucratic, socialistic, militaristic state. Universal military training if enacted will prove a crime against our American way of life and against our soldiers of all American wars who had fought and died that this Nation might live; to the Committee on Armed Services.

296. By the SPEAKER: Petition of Mr. Kenneth R. Kurtz, president, United States National Student Association, Pennsylvania regional headquarters, Swarthmore College, Swarthmore, Pa., petitioning consideration of their resolution with reference to requesting that Congress pass legislation that will send wheat to India to relieve the famine condition there; to the Committee on Foreign Affairs.

SENATE

WEDNESDAY, MAY 23, 1951

(Legislative day of Thursday, May 17, 1951)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

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

Lord God Omnipotent, who art above all nations, and yet who dost dwell with those of an humble and a contrite heart: By Thine indwelling presence, we beseech Thee, cleanse us now from the soil and defilement of these feverish, hectic days in which our strength is spent. Flow through us like clean waters and carry from our hearts the tensions, the resentments, the irritations, and the fears which spoil the music of our lives and lessen the effectiveness of our service. Open our eyes to the faults and evils which mar our own democracy, and which we so readily condemn in other parts of the world. Remind us that beyond the appraisal of man there falls upon our lives the searching light of Thy judgment. Widen our sympathies, expand our understanding, override our prejudice, until the whole earth be our fatherland and stricken, starving humanity, under all skies, our care. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MCFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 22, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The VICE PRESIDENT announced that on today, May 23, 1951, he signed the following enrolled bill and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

H. R. 3587. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and

S. J. Res. 35. Joint resolution to permit the board of supervisors of the Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. GEORGE, and by unanimous consent, the Armed Services Committee and the Committee on Foreign Relations, sitting jointly, were authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. MCFARLAND. Mr. President, I ask unanimous consent that Senators may be permitted to make insertions in the RECORD and transact routine business, without debate.

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

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. Res. 136. Resolution authorizing an investigation of crime and related problems in the District of Columbia, without amendment (Rept. No. 334); and, under the rule, referred to the Committee on Rules and Administration.

By Mr. MCCARRAN, from the Committee on the Judiciary, without amendment:

S. 61. A bill for the relief of Sister Carmen Teva Ramos (Rept. No. 335);

S. 295. A bill for the relief of Michail Ioannou Bourbakis (Rept. No. 336);

S. 827. A bill for the relief of Fred P. Hines (Rept. No. 337);

S. 1105. A bill for the relief of K. C. Be, Swannio Be, Wie Go Be, Wie Hwa Be, Wie Bhing Be, and Swie Tien Be (Rept. No. 338);

H. R. 715. A bill for the relief of Aenny Blank (Rept. No. 339);

H. R. 888. A bill for the relief of Mrs. Johanna Hampton (Rept. No. 340);

H. R. 1120. A bill for the relief of William Yinson Lee (Rept. No. 341);

H. R. 1431. A bill for the relief of Tetsuko Hidaka (Rept. No. 342); and

H. R. 2785. A bill for the relief of Kimi Hatano (Rept. No. 343).

By Mr. MCCARRAN, from the Committee on the Judiciary, with an amendment:

S. 211. A bill for the relief of Maria Enriquez (Rept. No. 344);

S. 289. A bill for the relief of Arno Edvin Kolm (Rept. No. 345);

S. 501. A bill for the relief of Willem Houwink (Rept. No. 346);

S. 520. A bill for the relief of Wilma M. Stiehl (Rept. No. 347);

S. 526. A bill for the relief of Dr. Lorna Wan-Hsi Feng (Rept. No. 348);

S. 543. A bill for the relief of Elizabeth Jean Clarke (Rept. No. 349);

S. 930. A bill for the relief of Ivan Herben, his wife, son, and daughter-in-law (Rept. No. 350);

H. R. 400. A bill to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy (Rept. No. 351); and

H. R. 795. A bill for the relief of Carlos Sanchez Perez (Rept. No. 352).

By Mr. MCCARRAN, from the Committee on the Judiciary, with amendments:

S. 581. A bill for the relief of Toshiki Ishigo and his children, Kiyoko and Chiyiko Ishigo (Rept. No. 353).

By Mr. MCCARRAN, from the Committee on the Judiciary:

H. Con. Res. 90. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; with an amendment (Rept. No. 354).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 1590. A bill for the reimbursement of the S. A. Healy Co.; with an amendment (Rept. No. 355).

By Mr. O'CONOR, from the Committee on the Judiciary:

S. J. Res. 3. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; with an amendment (Rept. No. 356).

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 23, 1951, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 35) to permit the board of supervisors of Louisiana State University and Agricultural and Mechanical College to transfer certain lands to the Police Jury of the Parish of Rapides for use for holding livestock and agricultural expositions.

BILLS INTRODUCED

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

By Mr. MURRAY:

S. 1521. A bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 1522. A bill for the relief of Washib Ullah;

S. 1523. A bill for the relief of Kara W. Ellari;

S. 1524. A bill for the relief of Pasquale Colandrea; and

S. 1525. A bill for the relief of Mohamed Shafi; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1526. A bill to provide that the antitrust laws shall not apply to organized professional sports enterprises; to the Committee on the Judiciary.

By Mr. HAYDEN (for himself and Mr. MCFARLAND):

S. 1527. A bill for the relief of Sisters Dolores Illa Martori, Maria Josefa Dalmau Vallve, and Ramona Cabarrocas Canals; to the Committee on the Judiciary.

By Mr. HILL (for himself and Mr. SPARKMAN):

S. 1528. A bill for the relief of Evelyn Wan Hsien Wu, Dorothea Wan Lien Wu, Ray Kiu Wu, Christine Wan Ming Wu, and Ying Victor Wu; to the Committee on the Judiciary.